

**NLWJC - KAGAN**

**EMAILS RECEIVED**

**ARMS - BOX 028 - FOLDER -004**

**[04/29/1998 - 04/30/1998]**

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kate P. Donovan ( CN=Kate P. Donovan/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME:29-APR-1998 21:57:02.00

SUBJECT: OMB Legislative Report -- April 29, 1998

TO: Chandler G. Spaulding ( CN=Chandler G. Spaulding/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Gina C. Mooers ( CN=Gina C. Mooers/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Victoria Wassmer ( CN=Victoria Wassmer/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Michael L. Goad ( CN=Michael L. Goad/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Martha Foley ( CN=Martha Foley/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Linda Ricci ( CN=Linda Ricci/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Ronald L. Silberman ( CN=Ronald L. Silberman/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Sally Katzen ( CN=Sally Katzen/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Lisa B. Fairhall ( CN=Lisa B. Fairhall/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Anna M. Briatico ( CN=Anna M. Briatico/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Donald R. Arbuckle ( CN=Donald R. Arbuckle/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Wendy A. Taylor ( CN=Wendy A. Taylor/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Peter A. Weissman ( CN=Peter A. Weissman/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: BENDICK\_G@A1@CD@LNGTWY ( BENDICK\_G@A1@CD@LNGTWY [ UNKNOWN ] ) (NSC)  
READ:UNKNOWN

TO: Jessica L. Gibson ( CN=Jessica L. Gibson/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Stephen G. Elmore ( CN=Stephen G. Elmore/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Sandra Yamin ( CN=Sandra Yamin/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Ruby Shamir ( CN=Ruby Shamir/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

TO: Sean E. O'Connor ( CN=Sean E. O'Connor/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Eric R. Anderson ( CN=Eric R. Anderson/O=OVP@OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: Wesley P. Warren ( CN=Wesley P. Warren/OU=CEQ/O=EOP@EOP [ CEQ ] )  
READ:UNKNOWN

TO: Nancy E. Schwartz ( CN=Nancy E. Schwartz/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Michael W. Williams ( CN=Michael W. Williams/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Maryanne B. Green ( CN=Maryanne B. Green/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Barry White ( CN=Barry White/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Ronald E. Jones ( CN=Ronald E. Jones/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Rosemary Evans ( CN=Rosemary Evans/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Ronald K. Peterson ( CN=Ronald K. Peterson/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Carol Thompson-Cole ( CN=Carol Thompson-Cole/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Janie L. Jeffers ( CN=Janie L. Jeffers/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Steven L. Schooner ( CN=Steven L. Schooner/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Laura S. Marcus ( CN=Laura S. Marcus/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Kathryn B. Stack ( CN=Kathryn B. Stack/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Jake Siewert ( CN=Jake Siewert/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Jill M. Pizzuto ( CN=Jill M. Pizzuto/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Edward M. Rea ( CN=Edward M. Rea/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Harry G. Meyers ( CN=Harry G. Meyers/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: David J. Haun ( CN=David J. Haun/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Louisa Koch ( CN=Louisa Koch/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Robert M. Shireman ( CN=Robert M. Shireman/OU=OPD/O=EOP@EOP [ OPD ] )

READ:UNKNOWN

TO: Keith J. Fontenot ( CN=Keith J. Fontenot/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Bruce K. Sasser ( CN=Bruce K. Sasser/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: David H. Morrison ( CN=David H. Morrison/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Eugene M. Ebner ( CN=Eugene M. Ebner/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Russell W. Horwitz ( CN=Russell W. Horwitz/OU=OPD/O=EOP@EOP [ OPD ] )

READ:UNKNOWN

TO: HOGAN\_L@A1 ( HOGAN\_L@A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OPD)

READ:UNKNOWN

TO: Mary Jo Siclari ( CN=Mary Jo Siclari/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Julie E. Mason ( CN=Julie E. Mason/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

TO: ABRAMSON\_K@A1 ( ABRAMSON\_K@A1 @ CD @ LNGTWY [ UNKNOWN ] )

READ:UNKNOWN

TO: Kate P. Donovan ( CN=Kate P. Donovan/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Peter G. Jacoby ( CN=Peter G. Jacoby/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

TO: Mark A. Weatherly ( CN=Mark A. Weatherly/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: John A. Gribben ( CN=John A. Gribben/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Janet E. Irwin ( CN=Janet E. Irwin/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Melinda D. Haskins ( CN=Melinda D. Haskins/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Alphonse J. Maldon ( CN=Alphonse J. Maldon/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

TO: Phillip Caplan ( CN=Phillip Caplan/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

TO: Shelley N. Fidler ( CN=Shelley N. Fidler/OU=CEQ/O=EOP@EOP [ CEQ ] )

READ:UNKNOWN

TO: Mickey Ibarra ( CN=Mickey Ibarra/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Sylvia M. Mathews ( CN=Sylvia M. Mathews/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: WALKER\_A@A1 ( WALKER\_A@A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: WEINSTEIN\_D@A1 ( WEINSTEIN\_D@A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: E. Holly Fitter ( CN=E. Holly Fitter/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Constance J. Bowers ( CN=Constance J. Bowers/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Jeffrey A. Weinberg ( CN=Jeffrey A. Weinberg/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: HOLSTEIN\_E@A1 ( HOLSTEIN\_E@A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: James J. Jukes ( CN=James J. Jukes/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Elisa Millsap ( CN=Elisa Millsap/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Charles Konigsberg ( CN=Charles Konigsberg/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Bruce D. Long ( CN=Bruce D. Long/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Ellen J. Balis ( CN=Ellen J. Balis/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Robert E. Barker ( CN=Robert E. Barker/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Philip A. DuSault ( CN=Philip A. DuSault/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Ronald M. Cogswell ( CN=Ronald M. Cogswell/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Alan B. Rhinesmith ( CN=Alan B. Rhinesmith/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Jill M. Blickstein ( CN=Jill M. Blickstein/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Joseph J. Minarik ( CN=Joseph J. Minarik/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: T J. Glauthier ( CN=T J. Glauthier/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Charles E. Kieffer ( CN=Charles E. Kieffer/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Dianne M. Wells ( CN=Dianne M. Wells/OU=OMB/O=EOP@EOP [ OMB ] )  
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TO: Daniel N. Mendelson ( CN=Daniel N. Mendelson/OU=OMB/O=EOP@EOP [ OMB ] )  
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TO: RUDMAN\_M@A1@CD@VAXGTWY ( RUDMAN\_M@A1@CD@VAXGTWY [ UNKNOWN ] ) (NSC)  
READ:UNKNOWN

TO: Janelle E. Erickson ( CN=Janelle E. Erickson/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Judy Jablow ( CN=Judy Jablow/OU=CEQ/O=EOP@EOP [ CEQ ] )  
READ:UNKNOWN

TO: Roger S. Ballentine ( CN=Roger S. Ballentine/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Lawrence J. Haas ( CN=Lawrence J. Haas/O=OVP@OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: David A. Bernell ( CN=David A. Bernell/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Jonathan H. Adashek ( CN=Jonathan H. Adashek/OU=WHO/O=EOP@EOP [ WHO ] )  
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TO: Suzanne Dale ( CN=Suzanne Dale/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Barbara Chow ( CN=Barbara Chow/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Theodore Wartell ( CN=Theodore Wartell/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Peter D. Greenberger ( CN=Peter D. Greenberger/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Jonathan Orszag ( CN=Jonathan Orszag/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Dario J. Gomez ( CN=Dario J. Gomez/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Allan E. Brown ( CN=Allan E. Brown/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Ann F. Lewis ( CN=Ann F. Lewis/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Wayne Upshaw ( CN=Wayne Upshaw/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Robin J. Bachman ( CN=Robin J. Bachman/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

TO: Jason S. Goldberg ( CN=Jason S. Goldberg/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Gene B. Sperling ( CN=Gene B. Sperling/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Robert Donnelly ( CN=Robert Donnelly/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Kevin S. Moran ( CN=Kevin S. Moran/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Paul J. Weinstein Jr. ( CN=Paul J. Weinstein Jr./OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: M. Jill Gibbons ( CN=M. Jill Gibbons/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Jennifer Ferguson ( CN=Jennifer Ferguson/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Kenneth L. Schwartz ( CN=Kenneth L. Schwartz/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Melissa N. Benton ( CN=Melissa N. Benton/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Michael Deich ( CN=Michael Deich/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Mathew C. Blum ( CN=Mathew C. Blum/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Rhodia D. Ewell ( CN=Rhodia D. Ewell/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Charles R. Marr ( CN=Charles R. Marr/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Peter R. Orszag ( CN=Peter R. Orszag/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Patricia E. Romani ( CN=Patricia E. Romani/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Andrew M. Schoenbach ( CN=Andrew M. Schoenbach/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Edward A. Brigham ( CN=Edward A. Brigham/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Francis S. Redburn ( CN=Francis S. Redburn/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: David E. Tornquist ( CN=David E. Tornquist/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Richard J. Turman ( CN=Richard J. Turman/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Larry R. Matlack ( CN=Larry R. Matlack/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Gary L. Bennethum ( CN=Gary L. Bennethum/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Rodney G. Bent ( CN=Rodney G. Bent/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Steven D. Aitken ( CN=Steven D. Aitken/OU=OMB/O=EOP@E [ OMB ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Toni S. Hustead ( CN=Toni S. Hustead/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Barry J. Toiv ( CN=Barry J. Toiv/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Brian A. Barreto ( CN=Brian A. Barreto/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Justine F. Rodriguez ( CN=Justine F. Rodriguez/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: OLIVER\_A@A1 ( OLIVER\_A@A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: LEVIN\_P@A1 ( LEVIN\_P@A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: Richard A. Mertens ( CN=Richard A. Mertens/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: MCKIERNAN\_K@A1 ( MCKIERNAN\_K@A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: James B. Kazel ( CN=James B. Kazel/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Robert S. Fairweather ( CN=Robert S. Fairweather/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Robert J. Nassif ( CN=Robert J. Nassif/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Anita Chellaraj ( CN=Anita Chellaraj/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Janet Himler ( CN=Janet Himler/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Douglas B. Sosnik ( CN=Douglas B. Sosnik/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

TO: John Podesta ( CN=John Podesta/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Todd Stern ( CN=Todd Stern/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Philip R. Dame ( CN=Philip R. Dame/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Annette E. Rooney ( CN=Annette E. Rooney/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Robert J. Pellicci ( CN=Robert J. Pellicci/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: BROWN\_JA@A1 ( BROWN\_JA@A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: Ingrid M. Schroeder ( CN=Ingrid M. Schroeder/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Janet R. Forsgren ( CN=Janet R. Forsgren/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: James C. Murr ( CN=James C. Murr/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Bruce W. McConnell ( CN=Bruce W. McConnell/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Lisa M. Kountoupes ( CN=Lisa M. Kountoupes/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Alicia K. Kolaian ( CN=Alicia K. Kolaian/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Susanne D. Lind ( CN=Susanne D. Lind/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Richard P. Emery Jr. ( CN=Richard P. Emery Jr./OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Barry T. Clendenin ( CN=Barry T. Clendenin/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Kathleen Peroff ( CN=Kathleen Peroff/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Janet L. Graves ( CN=Janet L. Graves/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: William A. Halter ( CN=William A. Halter/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Joshua Gotbaum ( CN=Joshua Gotbaum/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Robert G. Damus ( CN=Robert G. Damus/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Jacob J. Lew ( CN=Jacob J. Lew/OU=OMB/O=EOP@EOP [ OMB ] )  
 READ:UNKNOWN

TEXT:

TO: DIRECTOR FRANK RAINES  
 DEPUTY DIRECTOR JACK LEW  
 DEP. DIRECTOR FOR MANAGEMENT ED DESEVE  
 EXECUTIVE ASSOCIATE DIRECTOR JOSH GOTBAUM

FROM: OMB LEGISLATIVE AFFAIRS

DATE: APRIL 29, 1998

SUBJECT: LEGISLATIVE REPORT

The Conferees met on the Emergency Supplemental bill and completed action on all items except student loan interest rate reform and IMF. Conferees will meet again tomorrow. The House Rules Committee approved a rule for same day consideration of the bill. Therefore, House floor action is possible tomorrow.

Latest indication on House Budget Committee markup schedule came from Chairman Kasich yesterday when he said it could be a month before the House version of the budget resolution is debated on the Floor.

ISTEA conferees may reconvene on Thursday at a time TBA. [Draft letters to conferees from Director Raines and Secretary Slater are in clearance.]

CONGRESS -- TODAY (4/29):

SENATE:

Continued consideration of the NATO Enlargement Treaty, and took the following actions:

- o Adopted the Smith (NH) amendment 97-0;
- o Defeated the Hutchison amendment 37-62; and
- o Reached a UC agreement w/ regard to limiting amendments.

Adopted (UC) H.J.Res. 102 - Regarding the Bonds of Friendship Between the U.S. and Israel.

HOUSE:

Passed (287-140) H.R. 3717 - To Establish a Prohibition Regarding Illegal Drugs and the Distribution of Hypodermic Needles

[SAP sent, 4/28: Administration strongly opposes]

Passed (413-8) H.R. 3546 - National Dialogue on Social Security Act of 1998

[SAP sent, 4/28: Administration supports the goal; however, the bill is unnecessary]

Began consideration of H.R. 6 - Higher Education Amendments of 1998

[SAP sent, 4/28 & Riley letter sent, 4/28: Senior advisers veto threat]

CONGRESS -- TOMORROW (4/30):

SENATE:

Convene at 11am to resume consideration of the NATO Treaty with rollcall votes expected throughout the day on amendments including the following:

--Craig amendment relating to Bosnia;  
--Moynihan amendment relating to the European Union; and  
--Warner amendment relating to a three-year pause for further NATO expansion.  
[stacked votes at 3pm]

H.R. 3579 - 1998 Emergency Supplemental Appropriations Conference Report (possible)  
[Conferees letter sent, 4/23 & 4/29: senior advisers veto threat if conferees do not address issues related to offsets, IMF, UN, Skaggs amendment, environmental riders, Ag research, assault weapons, and student loan interest rate reforms]

HOUSE:  
Convene at 10:00 a.m. for legislative business.

S. 1502 - District of Columbia Student Opportunity Scholarship Act of 1997 [SAP pending: Senior advisers veto threat; Education letter pending: Secretary Riley veto recommendation]

Complete action on H.R. 6 - Higher Education Amendments of 1998  
[SAP sent, 4/28 & Riley letter sent, 4/28: Senior advisers veto threat]

H.R. 3579 - 1998 Emergency Supplemental Appropriations Conference Report (possible)  
[Conferees letter sent, 4/23 & 4/29: senior advisers veto threat if conferees do not address issues related to offsets, IMF, UN, Skaggs amendment, environmental riders, Ag research, assault weapons, and student loan interest rate reforms]

H.R. 1872 - Communications Satellite Competition and Privatization Act of 1997 (possible)  
[No SAP]

CONGRESS: FRIDAY (5/1)

SENATE:  
Following completion of the NATO Treaty, the Senate will turn to S. 1186, the Workforce Investment Partnership Act of 1998.  
[SAP pending: Administration supports passage but has concerns; strongly opposes School-to-Work Opportunities Act amendment]

H.R. 3579 - 1998 Emergency Supplemental Appropriations Conference Report (possible)  
[Conferees letter sent, 4/23 & 4/29: senior advisers veto threat if conferees do not address issues related to offsets, IMF, UN, Skaggs amendment, environmental riders, Ag research, assault weapons, and student loan interest rate reforms]

HOUSE:  
No votes

CONGRESS - LONG-TERM SCHEDULE

SENATE:  
Next week the Senate is expected to take up the IRS Reform Bill  
[SAP under development]

On the tentative May schedule is nuclear waste storage legislation; the

DOD authorization bill; tobacco legislation; a series of high-tech bills including slamming, Internet pornography & Internet tax bill (likely the week of May 11); and the Caribbean Basin Initiative enhancements trade bill.

HOUSE:

On 4/21, Majority Leader Arney told reporters that, before the Memorial Day recess, the House may take up: an ISTEPA conference report, legislation on religious persecution, Internet taxation, Internet gambling, securities litigation reform, bankruptcy reform, preventing crimes against children, and the FY99 budget resolution. It is also likely that the House will debate the financial services modernization bill the week of May 4 and campaign finance is possible May 15.



April 30, 1998

The Honorable Lamar Smith  
Chairman  
Subcommittee on Immigration  
Judiciary Committee  
U. S. House of Representatives  
Washington, D.C. 20510

Dear Mr. Chairman:

Today, your Subcommittee will mark-up H.R. 3736, the "Workforce Improvement and Protection Act of 1998" which is intended to address the growing demand for skilled workers in the information technology (IT) industry by enacting a temporary increase in the annual cap on the number of visas for temporary foreign "specialty" workers under the H-1B program, while also effecting reforms to the H-1B program that would help target their usage to industries and employers that are actually experiencing skill shortages.

The Administration believes that the first step in increasing the availability of skilled workers must be raising the skills of U.S. workers and helping the labor market work better to match employers with U.S. workers. Therefore, substantial additional efforts by industry to increase the skill level of U.S. workers and needed improvements in the H-1B visa program are necessary prerequisites for the Administration to support any short-term increases in the number of visas for temporary foreign workers.

We are pleased that H.R. 3736 is consistent with one of our primary objectives, insofar as it conditions a temporary increase in the H-1B cap on the enactment of meaningful reforms to the H-1B visa program. Your bill would help ensure that U.S. workers would not lose their jobs to a temporary foreign worker and that qualified U.S. workers would have the opportunity to fill a job before a temporary foreign worker is hired. Moreover, your bill modestly expands enforcement authority to help prevent employer abuses of the H-1B program. These reforms will effectively target H-1B visas to industries experiencing skill shortages.

Unfortunately, H.R. 3736 does not contain any provision for additional training opportunities for U.S. workers. Training is a vital component of our strategy to address the long-term demand for highly skilled U.S. workers and to enhance the international competitiveness of important U.S. industries. An effective training strategy would also work to reduce the demand for H-1B visas. We are also concerned that the increase in the annual number of H-1B visas reflected in this bill is too large, although we agree that the increase should last for only three years.

For these reasons, the Administration believes that this legislation would substantially improve the current H-1B program and, with the addition of meaningful training provisions and a modest reduction in the level of increase in the annual H-1B visa cap, would garner the Administration's support. Modifications to the H-1B program that appropriately protect U.S.

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workers will also reinforce the Administration's strong support for legal immigration. We look forward to working with the Congress on these and other specific provisions in the bill.

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

BRUCE REED  
Assistant to the President  
for Domestic Policy

GENE B. SPERLING  
Assistant to the President  
for Economic Policy

cc: Representative Melvin L. Watt, Ranking Member

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:29-APR-1998 18:29:51.00

SUBJECT: justice draft

TO: Cynthia A. Rice ( CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

One more concern: I don't think DOJ should get into drafting the tort fund for these guys. That is a much more complex question than their draft suggests, and they should just flag it as an issue that needs to be resolved.

Also, why would attys fees go into Title XII? Wouldn't it be an issue with state suits as well?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Darby E. Stott ( CN=Darby E. Stott/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:29-APR-1998 18:47:08.00

SUBJECT: POTUS Q&A

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

----- Forwarded by Darby E. Stott/WHO/EOP on 04/29/98  
06:46 PM -----

Laura Emmett

04/29/98 12:02:28 PM

Record Type: Record

To: Amy W. Tobe/WHO/EOP, Lori L. Anderson/WHO/EOP, Darby E. Stott/WHO/EOP  
cc: Cynthia A. Rice/OPD/EOP, Paul J. Weinstein Jr./OPD/EOP, Sarah A.  
Bianchi/OPD/EOP  
Subject: POTUS Q&A

Per Amy's request to Bruce, here are the Q&A's you requested

----- Forwarded by Laura Emmett/WHO/EOP on 04/29/98 12:00  
PM -----

Elena Kagan

04/28/98 07:44:33 PM

Record Type: Record

To: Laura Emmett/WHO/EOP

cc:

Subject: POTUS Q&A

----- Forwarded by Elena Kagan/OPD/EOP on 04/28/98 07:47  
PM -----

Bruce N. Reed

04/28/98 06:41:07 PM

Record Type: Record

To: Elena Kagan/OPD/EOP, Cynthia A. Rice/OPD/EOP, Paul J. Weinstein  
Jr./OPD/EOP, Sarah A. Bianchi/OPD/EOP

cc:

Subject: POTUS Q&A

Amy Tobe asked that we pull together Q&A on 1)Tobacco and 2)Needle

Exchange to give the President tomorrow for a possible press availability later this week. Paul, could you pull together the latest and get it to Amy by midday tomorrow? thanks.

===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

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**Q&As on Tobacco**  
**April 28, 1998**

**Q: Do you really think you'll get a tobacco bill this year?**

**A:** I believe we have an historic opportunity to pass bipartisan legislation this year which contains all the elements necessary to reduce teen smoking. And I'm going to do everything I can to put politics aside and pass legislation that will achieve that objective. Senator McCain's legislation, which passed the Commerce Committee by a 19-1 vote, is a strong step in the right direction. **It shows real momentum in both parties to pass effective, comprehensive tobacco legislation this year.**

**Q: Isn't the McCain bill a big government, big tax proposal?**

**A:** No. What this bill does is to attack the problem of youth smoking comprehensively, as all experts say we need to do, by combining strong provisions on price, penalties, advertising and access, and FDA jurisdiction. Although we have some differences with Senator McCain, he also recognizes the need to move forward on all these fronts to reduce youth smoking. That's not about big government. It's about sensible, bipartisan steps to dramatically reduce youth smoking.

**Q. But won't the McCain bill create 17 new federal bureaucracies?**

**A.** No -- this isn't about big government. What the bill does is to ensure that the federal government has the authority to regulate tobacco products in order to reduce youth smoking, as well as the ability to target tobacco revenues to strong public health and research efforts. The so-called "bureaucracies" that the industry is now complaining about are nothing more than what's necessary to protect the public health in this way -- to ensure that cigarettes are not sold to minors, to promote effective education, and to encourage smoking cessation. The proof that this is an industry con job is clear: almost all these provisions were in the June 1997 proposed settlement put forward by 41 state attorneys general, which the industry agreed to. The industry is criticizing these provisions now only because the political tide has turned against it, and certain other aspects of the legislation have gotten stronger.

**Q: Are you worried about the bill creating a black market?**

**A:** We think we can minimize black market activity through a system similar to the one that's been in place for alcoholic beverages for over sixty years by: 1) creating a "closed" distribution system for tobacco products so that only licensed entities can sell or buy products; 2) clearly branding packages for export, to prevent them from being diverted; and 3) establishing and enforcing penalties and other actions for violators. Senator McCain's bill largely addresses these issues, and we are working with him on technical changes.

**Q: Wouldn't this big government scheme extend the reach of the federal government to**

**every mom-and-pop grocery store or 7-11?**

**A:** No. We are comfortable with a system that places primary responsibility for licensing retailers on state governments, as the McCain bill does. The important thing is to work with Congress to devise a scheme that will facilitate the effort to prevent smuggling, while not burdening retailers. The Administration will work with Congress, and the retailers themselves, on this issue.

**Q:** **Won't the McCain bill bankrupt the companies? Lots of Wall Street analysts say it will.**

**A:** We don't want to put the tobacco companies out of business. We just want to put them out of the business of selling cigarettes to kids. A central feature of comprehensive tobacco legislation is to ensure that most of the payments made by the tobacco companies are passed on to price, in order to reduce youth smoking. As a result, there will be at most a modest impact on the profitability of the tobacco companies. This is also an industry with significant cash flow and net assets that will allow it to easily absorb this modest profit decline. The operating earnings of RJR, Philip Morris, and Loews last year were *\$18 billion*. Even RJR, the most highly leveraged firm in this industry, had a \$1.5 billion operating profit for its domestic tobacco business, and has over \$4 billion in net assets from its Nabisco stock holdings. The only real risk of bankruptcy comes from losing a rash of lawsuits in court.

**Needle Exchange Q&As**  
**April 29, 1998**

**Q: What is your position on the Solomon Amendment to prohibit any Federal funding for needle exchange programs?**

**A:** The Administration strongly opposes this legislation because it is unnecessary and unwarranted. We believe that this legislation serves only to further politicize this issue. Congress should focus on those issues that immediately impact the health and well being of the nation: youth smoking, quality shortcomings, and Americans ages 55 to 65 that have been failed by the insurance market.

**Q: If you believe that needle exchange is an issue that should be decided at the local level why does the Secretary need any authority to authorize Federal funding?**

**A:** It has been the longstanding position of Congress to give the Secretary of Health and Human Services the authority to determine the scientific and public health merits for a wide range of public health activities. We believe it is unwarranted and unnecessary to take away the Secretary's authority and that this legislation is being pursued for purely political -- not policy -- reasons.

**Q: If the science concludes that needle exchange programs reduce the transmission of HIV and do not increase drug use, why didn't you release federal funds for needle exchange programs?**

**A:** We have always said that communities should make their own decisions on this issue, based on their own circumstances and using the best available scientific information. Releasing federal funding for needle exchange would have inappropriately shifted the focus away from communities -- where these decisions should be made -- to the national level. That could have severely undermined or threatened local programs that are currently in place, and hindered additional communities from deciding to put these programs into place. At the same time, such federal action could send an inappropriate message about the acceptability of drug use -- a message that is not sent when an individual community decides, on the basis of its unique circumstances, that a particular, carefully designed needle exchange program advances public health interests. For these reasons, the Administration concluded that it should simply give the scientific guidance that is necessary for communities to make their own decisions, rather than federalize the needle exchange issue.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah A. Bianchi ( CN=Sarah A. Bianchi/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:29-APR-1998 09:47:21.00

SUBJECT: medicare q&As

TO: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

===== ATTACHMENT 1 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

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**Q: What is your reaction to the Medicare Trustees report released yesterday?**

I am extremely encouraged by the Medicare Trustees report released yesterday. Thanks to the bipartisan Balanced Budget Act (BBA) of 1997, which provided for more plan choices, new preventive benefits, and structural and payment reforms, the life of the Medicare Trust Fund has been extended through 2008, a decade from today.

This report also shows that the historic BBA Medicare reforms halved the program's long-term deficit. The year's 75-year "actuarial deficit" -- the measure used by the actuaries to compare program spending to projected revenues -- is nearly one-half of last year's deficit, and the lowest that it has been since the Trustees began reporting this statistic in 1985.

We know that Medicare still faces long-term financing and delivery challenges that must be addressed. The program not only faces major demographic changes, but also must cope with an ever-changing health care delivery system that is being altered by new technology and other difficult-to-predict advances in health care. Although these complexities will be more difficult to address than the challenges facing the Social Security program, I am confident that the bipartisan Medicare Commission can build on the successes of the BBA to make additional recommendations that will further strengthen the program.

**Q: Clearly, the Congress is not going to enact your Medicare buy-in proposal, was this proposal just an effort to play politics with this issue?**

**A:** Absolutely not. We are going to continue to urge Congress to pass this proposal to allow Americans ages 55 to 65 to buy into the Medicare program. This is a carefully targeted, paid for proposal that will not hurt the Medicare Trust Fund or undermine the balanced budget, and it helps an extremely vulnerable population that the health insurance market has failed. There is absolutely no reason provide another choice for the hundreds of thousands of Americans who have no affordable health care options today.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Ruby Shamir ( CN=Ruby Shamir/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:29-APR-1998 17:41:38.00

SUBJECT: Women's Mtg

TO: Virginia Apuzzo ( CN=Virginia Apuzzo/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Rebecca M. Blank ( CN=Rebecca M. Blank/OU=CEA/O=EOP @ EOP [ CEA ] )  
READ:UNKNOWN

TO: Stacie Spector ( CN=Stacie Spector/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Audrey T. Haynes ( CN=Audrey T. Haynes/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Marsha Scott ( CN=Marsha Scott/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Tracey E. Thornton ( CN=Tracey E. Thornton/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Maria Echaveste ( CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Lynn G. Cutler ( CN=Lynn G. Cutler/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Lucia F. Gilliland ( CN=Lucia F. Gilliland/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: Sandra Thurman ( CN=Sandra Thurman/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Judith A. Winston ( CN=Judith A. Winston/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ:UNKNOWN

TO: Robin Leeds ( CN=Robin Leeds/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Roberta W. Greene ( CN=Roberta W. Greene/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Janet Murguia ( CN=Janet Murguia/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Karen E. Skelton ( CN=Karen E. Skelton/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Sylvia M. Mathews ( CN=Sylvia M. Mathews/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Minyon Moore ( CN=Minyon Moore/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Susan M. Liss ( CN=Susan M. Liss/O=OVP @ OVP [ UNKNOWN ] )

READ:UNKNOWN

TO: Ellen M. Lovell ( CN=Ellen M. Lovell/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Miriam H. Vogel ( CN=Miriam H. Vogel/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Francine P. Obermiller ( CN=Francine P. Obermiller/OU=CEA/O=EOP @ EOP [ CEA ] )

READ:UNKNOWN

CC: Noa A. Meyer ( CN=Noa A. Meyer/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Jennifer L. Klein ( CN=Jennifer L. Klein/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: June G. Turner ( CN=June G. Turner/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Marjorie Tarmey ( CN=Marjorie Tarmey/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Mindy E. Myers ( CN=Mindy E. Myers/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Tania I. Lopez ( CN=Tania I. Lopez/OU=WHO/O=EOP @ EOP [ WHO ] )

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CC: Marjorie A. Black ( CN=Marjorie A. Black/OU=PIR/O=EOP @ EOP [ PIR ] )

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CC: Mona G. Mohib ( CN=Mona G. Mohib/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Nicole R. Rabner ( CN=Nicole R. Rabner/OU=WHO/O=EOP @ EOP [ WHO ] )

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CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Katharine Button ( CN=Katharine Button/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TEXT:

There will be a Women's Mtg on Thursday at 9am in room 100. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mary L. Smith ( CN=Mary L. Smith/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:29-APR-1998 09:10:18.00

SUBJECT: Administration position on Gorton amendment

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Cynthia A. Rice ( CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

Senator Monyihan's office has called the Department of Interior asking what the Administration's position is with respect to the Gorton amendment, which requires Indian tribes to collect state taxes on the sale of tobacco products to non Indians. There doesn't seem to be any debate over our position-- the Department of Justice recently testified in March of this year that we don't favor this type of legislation because it interferes with tribal sovereignty. Let me know if it is alright if Interior calls Monyihan's office back.



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Hex-Dump Conversion

**Q: What is happening involving a meat recall in Illinois? Have there been any reports of illness associated with the beef?**

**A:** IBP, a company that produces ground beef at a plant in Joslin, Illinois, yesterday voluntarily recalled all the ground beef that was produced by the plant on April 14, 1998. A package of ground beef produced at the plant on that day and shipped to Florida was tested and found positive for E.coli 0157:H7. USDA has notified all state health departments, and there has been no known illness reported from the product. The positive test was performed as part of a regular program of testing conducted by the USDA. USDA officials have visited the IBP facility and continue to work closely with IBP in ensuring that all product is removed from commerce as soon as possible.

**Q: How much beef is being recalled? What should consumers do?**

**A:** The recall involves over 280,000 pounds of ground beef, and the recall is planned to reach every state where the beef may have been shipped. Consumers should follow safe handling labels and thoroughly cook the meat to an internal temperature of 160 degrees which kills harmful bacteria, including E.coli 0157:H7.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dario J. Gomez ( CN=Dario J. Gomez/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 29-APR-1998 11:25:03.00

SUBJECT: Needle Exchange

TO: Robert N. Weiner ( CN=Robert N. Weiner/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Minyon Moore ( CN=Minyon Moore/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Andrew J. Mayock ( CN=Andrew J. Mayock/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Richard Socarides ( CN=Richard Socarides/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ: UNKNOWN

TO: Mickey Ibarra ( CN=Mickey Ibarra/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Lynn G. Cutler ( CN=Lynn G. Cutler/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Peter Rundlet ( CN=Peter Rundlet/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Christopher C. Jennings ( CN=Christopher C. Jennings/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ: UNKNOWN

TO: Sandra Thurman ( CN=Sandra Thurman/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ: UNKNOWN

TO: Janet Murguia ( CN=Janet Murguia/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Maria Echaveste ( CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

CC: Jessica L. Gibson ( CN=Jessica L. Gibson/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

CC: Suzanne Dale ( CN=Suzanne Dale/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

CC: Mindy E. Myers ( CN=Mindy E. Myers/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

CC: Marjorie Tarmey ( CN=Marjorie Tarmey/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TEXT:

Chuck Brain wanted to make sure that everyone had a copy of Pelosi's Motion to Recommit:

Motion to Recommit H.R. 3717

Offered by Ms. Pelosi of California

Ms. Pelosi of California moves to recommit the bill, H.R. 3717, to the Committee on Commerce with instructions to report the same back to the House with the following amendment: Page 2, line 8, insert before the period the following: ", unless the Governor, State health officer, or local municipal health authority determines that the use of Federal funds for such a program would reduce the rate of transmission of the human immunodeficiency virus (commonly known as HIV), would not encourage the use of illegal drugs, and is acceptable to the affected State, city or other unit of local government, or community".

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christopher C. Jennings ( CN=Christopher C. Jennings/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 29-APR-1998 20:11:50.00

SUBJECT:

TO: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ: UNKNOWN

TEXT:  
insert===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:  
Unable to convert ARMS\_EXT:[ATTACH.D61]MAIL489657815.126 to ASCII,  
The following is a HEX DUMP:

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000200000DD0A10008301040003000200211000DDDD0B0B00030000040B00DDF1020A01F19BF1  
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6C61636B806F668064617461806F6E8074686580696E73756C61728061726561732C8070617274

Health Care/Tobacco Concerns of Asian Americans:

Immediately after this week's release of the Surgeon General's report on tobacco, a number of members of the minority caucuses wrote Dr. Satcher to raise concerns about the lack of data on the insular areas, particularly on residents of the Pacific Islands. They urged the Surgeon General to ensure that future health reports incorporate this data, so as to inform health care providers and other experts about the extent of the problems for this population. They strongly feel that such information is necessary to create a baseline of understanding of the challenges these populations face, which they believe is essential to learning if various interventions are actually improving the situation.

Although Asian American Members of Congress and advocates frequently raise the need for better data collection, they are extremely happy with your focus on race and health disparities. In particular, they were pleased you highlighted Asian-American-specific data in your radio address and in your speech as you received the Surgeon General's report. (There has been a 17 percent increase in smoking among Asian American high school students; the Surgeon General's report chronicled how tobacco companies have promoted their products by sponsoring numerous ethnic activities and events, such as Chinese New Year festivities and events related to Asian/Pacific Heritage month.)

Some members of the Caucus are searching for funding set-asides in the tobacco legislation. This may be unconstitutional; even if it is not, it would be extremely difficult to pass this Congress or not even particularly advisable. We are working with numerous organizations to develop the best alternatives to ensuring that the needs of special populations are adequately addressed in any tobacco legislation.

Talking Points:

- I have found the information on the increases in smoking amongst all our high school children in the last several years to be shocking. We cannot tolerate the fact that there has been a 17 percent increase in smoking by Asian American high school students. This is the time, this is the year, for comprehensive tobacco legislation. It would be the most significant public health achievement any of us could be a part of.
- I acknowledge that we need better data and a greater commitment to collecting health care information on populations living in the insular areas, particularly for the Pacific Islands. I am well aware of your letter to the Surgeon General and look forward to working with him and the rest of the Department in doing a better job in this area.
- I want to work with you on the tobacco bill, as well as on my race and health initiative, to ensure that we are crafting the strongest possible legislation to address the many health care challenges facing Asian Americans and all minorities. The health care disparities I have documented in the past are an embarrassment to the whole nation; we can and should do better. I am committed to that end.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan H. Schnur ( CN=Jonathan H. Schnur/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:29-APR-1998 19:42:28.00

SUBJECT: Possible substitute sentence -- how about...

TO: Kate P. Donovan ( CN=Kate P. Donovan/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Barbara Chow ( CN=Barbara Chow/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TEXT:

S. 1502 would create a program of federally funded vouchers that would direct critical resources from public schools to private schools with little or no public accountability for how those funds are used.



**STATEMENT BY PRESIDENT WILLIAM J. CLINTON  
ON HOUSE REPUBLICANS SIGNING ONTO THE PATIENTS' BILL OF RIGHTS  
April 29, 1998**

I am extremely pleased that today at least nine Republican House Members added their names as cosponsors to H.R. 3605, the Patients' Bill of Rights Act of 1998. In announcing their support for this legislation, they are sending a strong signal that it is unacceptable for this Congress to adjourn this year without passing a strong patients' rights bill.

I commend Representatives Ganske (IA), Bass (NH), Forbes (NY), Fox (PA), Gilchrest (MD), Graham (SC), Horn (CA), LaTourette (OH), and Leach (IA) for their leadership, and I look forward to working with them. We have learned again and again that when we reach across party lines we can pass important legislation that improves our nation's health care. Making the Patients' Bill of Rights Act of 1998 bipartisan provides new momentum towards assuring that a patients' bill of rights will become the law of the land.

The Patients' Bill of Rights Act of 1998, recently introduced by Congressman Dingell, provides long overdue protections that Americans need to renew their confidence in the nation's rapidly changing health care system. It allows patients to see the specialists they need; to get emergency care wherever and whenever a medical emergency arises; to talk freely with doctors and nurses about all the medical options available -- not only the cheapest; and gives patients a place to go to present grievances about their health care.

I urge Congress to send me legislation that gives Americans the health care protections they need and deserve. I look forward to working with members on both sides of the aisle to ensure that we pass a strong patients' bill of rights this year.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Ingrid M. Schroeder ( CN=Ingrid M. Schroeder/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME: 29-APR-1998 13:31:18.00

SUBJECT: LRM #IMS314 - NEC and DPC Report on HR3736 Workforce Improvement and Prote

TO: ogc\_legislation ( ogc\_legislation @ ed.gov @inet [ UNKNOWN ] )  
READ: UNKNOWN

TO: Rachel E. Levinson ( CN=Rachel E. Levinson/OU=OSTP/O=EOP@EOP [ OSTP ] )  
READ: UNKNOWN

TO: lrm ( lrm @ nsf.gov @ inet [ UNKNOWN ] )  
READ: UNKNOWN

TO: lrm ( lrm @ os.dhhs.gov @ inet [ UNKNOWN ] )  
READ: UNKNOWN

TO: collins\_peter@ustr.gov@INET@VAXGTWY ( collins\_peter@ustr.gov@INET@VAXGTWY [ UNKN  
READ: UNKNOWN

TO: clrm ( clrm @ doc.gov @ inet [ UNKNOWN ] )  
READ: UNKNOWN

TO: US@2=TELEMAIL@5=JMD@7=Deborah@6=Clifton@mrx@lngtwy ( 1=US@2=TELEMAIL@5=JMD@7=Deb  
READ: UNKNOWN

TO: James C. Murr ( CN=James C. Murr/OU=OMB/O=EOP@EOP [ OMB ] )  
READ: UNKNOWN

TO: Rebecca M. Blank ( CN=Rebecca M. Blank/OU=CEA/O=EOP@EOP [ CEA ] )  
READ: UNKNOWN

TO: Karen Tramontano ( CN=Karen Tramontano/OU=WHO/O=EOP@EOP [ WHO ] )  
READ: UNKNOWN

TO: Robert N. Weiner ( CN=Robert N. Weiner/OU=WHO/O=EOP@EOP [ WHO ] )  
READ: UNKNOWN

TO: Maria Echaveste ( CN=Maria Echaveste/OU=WHO/O=EOP@EOP [ WHO ] )  
READ: UNKNOWN

TO: Broderick Johnson ( CN=Broderick Johnson/OU=WHO/O=EOP@EOP [ WHO ] )  
READ: UNKNOWN

TO: Peter G. Jacoby ( CN=Peter G. Jacoby/OU=WHO/O=EOP@EOP [ WHO ] )  
READ: UNKNOWN

TO: Sally Katzen ( CN=Sally Katzen/OU=OPD/O=EOP@EOP [ OPD ] )  
READ: UNKNOWN

TO: Thomas A. Kalil ( CN=Thomas A. Kalil/OU=OPD/O=EOP@EOP [ OPD ] )  
READ: UNKNOWN

TO: Julie A. Fernandes ( CN=Julie A. Fernandes/OU=OPD/O=EOP@EOP [ OPD ] )  
READ: UNKNOWN

TO: S. A. Noe ( CN=S. A. Noe/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Gregory G. Henry ( CN=Gregory G. Henry/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Mary Jo Siclari ( CN=Mary Jo Siclari/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Ronald L. Silberman ( CN=Ronald L. Silberman/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Evan T. Farley ( CN=Evan T. Farley/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Steven M. Mertens ( CN=Steven M. Mertens/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Barbara Chow ( CN=Barbara Chow/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Larry R. Matlack ( CN=Larry R. Matlack/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Jeffrey M. Smith ( CN=Jeffrey M. Smith/OU=OSTP/O=EOP@EOP [ OSTP ] )

READ:UNKNOWN

TO: blue\_gloria@ustr.gov@INET@VAXGTWY ( blue\_gloria@ustr.gov@INET@VAXGTWY [ UNKNOWN

READ:UNKNOWN

TO: dodlrs ( dodlrs @ osdgc.osd.mil [ UNKNOWN ] )

READ:UNKNOWN

TO: montgomery\_fred@ustr.gov@INET@VAXGTWY ( montgomery\_fred@ustr.gov@INET@VAXGTWY [

READ:UNKNOWN

TO: US@2=TELEMAIL@3=GOV+TREAS@5=DO@4=MS01@7=LLR@6=TREASURY@mrx@lngtwy ( 1=US@2=TELEM

READ:UNKNOWN

TO: dol-sol-leg ( dol-sol-leg @ dol.gov @ inet [ UNKNOWN ] )

READ:UNKNOWN

TO: Kate P. Donovan ( CN=Kate P. Donovan/OU=OMB/O=EOP@EOP [ OMB ] )

READ:UNKNOWN

TO: Maria J. Hanratty ( CN=Maria J. Hanratty/OU=CEA/O=EOP@EOP [ CEA ] )

READ:UNKNOWN

TO: Ricardo M. Gonzales ( CN=Ricardo M. Gonzales/O=OVP@OVP [ UNKNOWN ] )

READ:UNKNOWN

TO: William P. Marshall ( CN=William P. Marshall/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

TO: Emil E. Parker ( CN=Emil E. Parker/OU=OPD/O=EOP@EOP [ OPD ] )

READ:UNKNOWN

TO: Charles M. Brain ( CN=Charles M. Brain/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

TO: Janet Murguia ( CN=Janet Murguia/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Gene B. Sperling ( CN=Gene B. Sperling/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Cecilia E. Rouse ( CN=Cecilia E. Rouse/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Jack A. Smalligan ( CN=Jack A. Smalligan/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Katherine M. Tyler ( CN=Katherine M. Tyler/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Charles W. Fox ( CN=Charles W. Fox/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Louisa Koch ( CN=Louisa Koch/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Joseph G. Pipan ( CN=Joseph G. Pipan/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Daniel J. Chenok ( CN=Daniel J. Chenok/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Sandra Yamin ( CN=Sandra Yamin/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Barry White ( CN=Barry White/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Debra J. Bond ( CN=Debra J. Bond/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Darlene O. Gaymon ( CN=Darlene O. Gaymon/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: James J. Jukes ( CN=James J. Jukes/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TEXT:

You will not receive a paper copy of this LRM.

Total Pages: \_\_\_\_

LRM ID: IMS314  
EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
Washington, D.C. 20503-0001

Wednesday, April 29, 1998

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

FROM: James J. Jukes (for) Assistant Director for Legislative Reference  
OMB CONTACT: Ingrid M. Schroeder  
PHONE: (202)395-3883 FAX: (202)395-3109

SUBJECT: NEC and DPC Report on HR3736 Workforce Improvement and  
Protection Act of 1998

DEADLINE: 4:30pm Wednesday, April 29, 1998 -- FIRM

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

COMMENTS: The above deadline is FIRM. The House Judiciary immigration subcommittee is scheduled to markup HR 3736 tomorrow, April 30th.  
DISTRIBUTION LIST

## AGENCIES:

61-JUSTICE - Ann Harkins - (202) 514-2141  
62-LABOR - Robert A. Shapiro - (202) 219-8201  
25-COMMERCE - Michael A. Levitt - (202) 482-3151  
118-TREASURY - Richard S. Carro - (202) 622-0650  
128-US Trade Representative - Fred Montgomery - (202) 395-3475  
52-HHS - Sondra S. Wallace - (202) 690-7760  
29-DEFENSE - Samuel T. Brick Jr. - (703) 697-1305  
84-National Science Foundation - Lawrence Rudolph - (703) 306-1060  
95-Office of Science and Technology Policy - Jeff Smith - (202) 456-6047  
114-STATE - Paul Rademacher - (202) 647-4463  
30-EDUCATION - Jack Kristy - (202) 401-8313  
76-National Economic Council - Sonyia Matthews - (202) 456-6630  
Council of Economic Advisers - Liaison Officer - (202) 395-5084

## EOP:

Debra J. Bond  
Larry R. Matlack  
Barry White  
Barbara Chow  
Sandra Yamin  
Steven M. Mertens  
Daniel J. Chenok  
Evan T. Farley  
Joseph G. Pipan  
Ronald L. Silberman  
Louisa Koch  
Mary Jo Siclari  
Charles W. Fox  
Gregory G. Henry  
Katherine M. Tyer  
S. A. Noe  
Jack A. Smalligan  
Julie A. Fernandes  
Elena Kagan  
Thomas A. Kalil  
Cecilia E. Rouse  
Sally Katzen  
Gene B. Sperling  
Peter G. Jacoby

Janet Murguia  
 Broderick Johnson  
 Charles M. Brain  
 Maria Echaveste  
 Emil E. Parker  
 Robert N. Weiner  
 William P. Marshall  
 Karen Tramontano  
 Ricardo M. Gonzales  
 Rebecca M. Blank  
 Maria J. Hanratty  
 James C. Murr  
 Kate P. Donovan

LRM ID: IMS314 SUBJECT: NEC and DPC Report on HR3736 Workforce Improvement and Protection Act of 1998

RESPONSE TO  
 LEGISLATIVE REFERRAL  
 MEMORANDUM

If your response to this request for views is short (e.g., concur/no comment), we prefer that you respond by e-mail or by faxing us this response sheet. If the response is short and you prefer to call, please call the branch-wide line shown below (NOT the analyst's line) to leave a message with a legislative assistant.

You may also respond by:

- (1) calling the analyst/attorney's direct line (you will be connected to voice mail if the analyst does not answer); or
- (2) sending us a memo or letter

Please include the LRM number shown above, and the subject shown below.

TO: Ingrid M. Schroeder Phone: 395-3883 Fax: 395-3109  
 Office of Management and Budget  
 Branch-Wide Line (to reach legislative assistant): 395-3454

FROM: \_\_\_\_\_ (Date)  
 \_\_\_\_\_ (Name)  
 \_\_\_\_\_ (Agency)  
 \_\_\_\_\_ (Telephone)

The following is the response of our agency to your request for views on the above-captioned subject:

- \_\_\_\_\_ Concur
- \_\_\_\_\_ No Objection
- \_\_\_\_\_ No Comment
- \_\_\_\_\_ See proposed edits on pages \_\_\_\_\_
- \_\_\_\_\_ Other: \_\_\_\_\_

\_\_\_\_\_ FAX RETURN of \_\_\_\_\_ pages, attached to this response sheet

DRAFT -- NOT FOR RELEASE

April 30, 1998

The Honorable Lamar Smith  
Chairman  
Subcommittee on Immigration  
Judiciary Committee  
U. S. House of Representatives  
Washington, D.C. 20510

Dear Mr. Chairman:

Today, your Subcommittee will mark-up H.R. 3736, the Workforce Improvement and Protection Act of 1998 which is intended to address the growing demand for skilled workers in the information technology (IT) industry by enacting a temporary increase in the annual cap on the number of temporary visas for foreign specialty workers under the H-1B program, while also effecting reforms to the H-1B program that would help target their usage to industries and employers that are actually experiencing skill shortages.

The Administration believes that the first step in increasing the availability of skilled workers must be raising the skills of U.S. workers and helping the labor market work better to match employers with U.S. workers. Therefore, substantial additional efforts by industry to increase the skill level of U.S. workers and needed improvements in the H-1B visa program are necessary prerequisites for the Administration to support any short-term increases in the number of visas for temporary foreign workers.

We are pleased that H.R. 3736 is consistent with one of our primary objectives, insofar as it conditions a temporary increase in the H-1B cap on the enactment of meaningful reforms to the H-1B visa program. Your bill would help ensure that no U.S. worker would lose their job to a similarly qualified temporary foreign worker and that every qualified U.S. worker would have the opportunity to fill a job before a temporary foreign worker. Moreover, your bill greatly strengthens program requirements and enforcement to prevent employer abuses of the H-1B program.

Unfortunately, H.R. 3736 does not contain any provision for additional training opportunities for U.S. workers. This training is a vital component of our strategy to address the long-term demand for highly skilled U.S. workers and to enhance the international competitiveness of important U.S. industries. An effective training strategy would also work to lessen the need for more H-1B visas. We are also concerned that the increase reflected in this bill is large and is not, in any event, targeted to skill shortages being used to justify this change in policy (i.e., advanced degrees or significant practical experience in math, science, or engineering).

For these reasons, the Administration believes that this legislation would substantially improve the current H-1B program and, with the addition of meaningful training strategies and a modest reduction in the level of increase in the annual cap, would garner the Administration's strong support. We look forward to working with the Congress on these and other specific provisions in the bill.

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

Bruce Reed  
Assistant to the President for Domestic Policy

Gene B. Sperling  
Assistant to the President for Economic Policy

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Minyon Moore ( CN=Minyon Moore/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 29-APR-1998 17:57:41.00

SUBJECT: WHITE HOUSE/PIR COORDINATING MEETING

TO: Broderick Johnson ( CN=Broderick Johnson/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Katherine D. Sheckells ( CN=Katherine D. Sheckells/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ: UNKNOWN

TO: Dario J. Gomez ( CN=Dario J. Gomez/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Miriam H. Vogel ( CN=Miriam H. Vogel/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Michele Cavataio ( CN=Michele Cavataio/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ: UNKNOWN

TO: Tracey E. Thornton ( CN=Tracey E. Thornton/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Ann F. Walker ( CN=Ann F. Walker/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Tamara Monosoff ( CN=Tamara Monosoff/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ: UNKNOWN

TO: Lydia Sermons ( CN=Lydia Sermons/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ: UNKNOWN

TO: Dawn M. Chirwa ( CN=Dawn M. Chirwa/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Stacie Spector ( CN=Stacie Spector/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Beverly J. Barnes ( CN=Beverly J. Barnes/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Jennifer M. Palmieri ( CN=Jennifer M. Palmieri/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Lin Liu ( CN=Lin Liu/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ: UNKNOWN

TO: Fred DuVal ( CN=Fred DuVal/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Michael J. Sorrell ( CN=Michael J. Sorrell/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ: UNKNOWN

TO: Michael Wenger ( CN=Michael Wenger/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ: UNKNOWN

TO: Richard Socarides ( CN=Richard Socarides/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Maria Echaveste ( CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Maureen T. Shea ( CN=Maureen T. Shea/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Terri J. Tingen ( CN=Terri J. Tingen/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Jessica L. Gibson ( CN=Jessica L. Gibson/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Janelle E. Erickson ( CN=Janelle E. Erickson/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Janet Murguia ( CN=Janet Murguia/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Maurice Daniel ( CN=Maurice Daniel/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: Audrey M. Hutchinson ( CN=Audrey M. Hutchinson/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ:UNKNOWN

TO: Claire Gonzales ( CN=Claire Gonzales/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ:UNKNOWN

TO: Cheryl D. Mills ( CN=Cheryl D. Mills/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Karen Tramontano ( CN=Karen Tramontano/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Amy W. Tobe ( CN=Amy W. Tobe/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Julie A. Fernandes ( CN=Julie A. Fernandes/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Jon P. Jennings ( CN=Jon P. Jennings/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Lynn G. Cutler ( CN=Lynn G. Cutler/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Peter Rundlet ( CN=Peter Rundlet/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Andrew J. Mayock ( CN=Andrew J. Mayock/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Robert B. Johnson ( CN=Robert B. Johnson/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Judith A. Winston ( CN=Judith A. Winston/OU=PIR/O=EOP @ EOP [ PIR ] )

READ:UNKNOWN

TEXT:

We will have our regularly scheduled PIR/White House coordinating meeting on Thursday, April 30th at 4:00 p.m. in room 180. Please make every effort to attend or send a representative.

1. PRESIDENTIAL ACTIVITIES
  
2. PIR REPORTS
  - A. Statewide days of dialogue
  - B. May Advisory Board Meeting
  - C. Upcoming Religious Forum
  
3. Report from White House Offices

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:29-APR-1998 11:44:07.00

SUBJECT: Re: H1B Legislation

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Julie A. Fernandes ( CN=Julie A. Fernandes/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

Naturally, I would be honored to sign a letter with Gene. That sounds like a good idea.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Donna L. Geisbert ( CN=Donna L. Geisbert/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:30-APR-1998 08:00:28.00

SUBJECT: Weekly Tobacco Strategy Meeting

TO: DAILARD\_C ( DAILARD\_C @ A1 @ CD @ VAXGTWY [ UNKNOWN ] ) (OPD)  
READ:UNKNOWN

TO: Cynthia A. Rice ( CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Christopher C. Jennings ( CN=Christopher C. Jennings/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Peter R. Orszag ( CN=Peter R. Orszag/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Barry J. Toiv ( CN=Barry J. Toiv/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Barbara D. Woolley ( CN=Barbara D. Woolley/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Donald H. Gips ( CN=Donald H. Gips/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: Jeanne Lambrew ( CN=Jeanne Lambrew/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Thomas L. Freedman ( CN=Thomas L. Freedman/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Peter G. Jacoby ( CN=Peter G. Jacoby/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: MARR\_C ( MARR\_C @ A1 @ CD @ VAXGTWY [ UNKNOWN ] ) (OPD)  
READ:UNKNOWN

TO: Charles F. Stone ( CN=Charles F. Stone/OU=CEA/O=EOP @ EOP [ CEA ] )  
READ:UNKNOWN

TO: Joshua Gotbaum ( CN=Joshua Gotbaum/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Sherman G. Boone ( CN=Sherman G. Boone/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Emily Bromberg ( CN=Emily Bromberg/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Toby Donenfeld ( CN=Toby Donenfeld/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: Jerold R. Mande ( CN=Jerold R. Mande/OU=OSTP/O=EOP @ EOP [ OSTP ] )  
READ:UNKNOWN

TO: Mary L. Smith ( CN=Mary L. Smith/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

CC: MURRAY\_MM ( MURRAY\_MM @ A1 @ CD @ VAXGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

CC: Satish Narayanan ( CN=Satish Narayanan/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

CC: Dan J. Taylor ( CN=Dan J. Taylor/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

CC: haverkamp\_jennifer ( haverkamp\_jennifer @ ustr.gov @ INET @ VAXGTWY [ UNKNOWN ] )  
READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

CC: Jill M. Pizzuto ( CN=Jill M. Pizzuto/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TEXT:

The Weekly Tobacco Strategy Meeting is scheduled for today, April 30, at 2:45 in Room 211, OEOB.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jennifer R. Muller ( CN=Jennifer R. Muller/O=OVP [ UNKNOWN ] )

CREATION DATE/TIME:30-APR-1998 18:26:08.00

SUBJECT: Labor Law Meeting

TO: Cecilia E. Rouse ( CN=Cecilia E. Rouse/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

Morley A. Winograd ( CN=Morley A. Winograd/O=OVP [ UNKNOWN ] )  
READ:UNKNOWN

TEXT:

Morley Winograd would like to organize a labor law meeting on 5/5 or after  
. What times are good for you?



**Prescription Drug Coverage and Medicare.** Prescription drug costs represents the highest out-of-pocket health care expenditure for three out-of-four elderly. Many older Americans “stretch-out” their supply of prescriptions to defray costs; their non-compliance with drug regimens frequently results in additional, more expensive health care treatments. A number of your Medicare Commissioners, as well as a host of outside validators (like Henry Aaron and Bob Reischauer), have indicated their interest in exploring options to providing prescription drug coverage for Medicare beneficiaries. They note that much of our future medical interventions will be pharmacologically-based and, as such, Medicare’s current lack of coverage of out-patient drugs is antiquated. In response, DPC/NEC is setting up a work group to review policy options and costs. Costs will certainly determine the viability of any drug coverage. However, more studies are becoming available about the cost-effectiveness of drug coverage. Moreover, since more than half of Medicare’s managed care plans now offer some type of prescription drug benefit, it is not inconceivable to contemplate required prescription drug coverage for at least these plans. Such a recommendation could be bolstered by the fact that studies show that, notwithstanding the BBA Medicare reforms, most managed care plans remain overcompensated relative to the patients they serve. Finally, it may be advisable to raise this issue relatively early in the debate to illustrate that the Commission’s and our review of the long-term challenges facing Medicare are focused on the need for program improvements as well as financing.

**Patients’ Bill of Rights Update.** On Wednesday, Congressman Ganske and six other Republicans added their names as cosponsors to the Dingell Patients’ Bill of Rights legislation. In a White House released statement, you praised these members for providing “new momentum towards ensuring that a patients bill of rights will become the law of the land.” Congressman Ganske appreciated your comments and Congressman Dingell’s office indicated that it has helped place needed pressure on the Republican Leadership to move this legislation this year. On Friday, we met with the disability advocacy community to encourage them to mobilize their effective network to strongly push for passage of this bill. They have indicated that they are going to make this a much higher priority. (NOTE TO ELENA: THIS IS A MEETING THAT WILL TAKE PLACE TOMORROW AND I AM ASSUMING WHAT I BELIEVE THE OUTCOME WILL BE .)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christopher C. Jennings ( CN=Christopher C. Jennings/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:30-APR-1998 19:37:00.00

SUBJECT: Chiles

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Cynthia A. Rice ( CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

Just was talking to Gary Claxton about another matter and he asked me to forward on a message to you guys. When Gary met with Governor Chiles' staff today, they made a pitch for us to use the Governor to help push the tobacco bill. I asked if the Governor was now in the position of strongly pushing for a Federal bill and Gary said the Chiles' staff said yes.

At any rate, Gary just wanted to make sure you guys knew this. Just making another one of my major contributions to the tobacco bill...

cj

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cynthia A. Rice ( CN=Cynthia A. Rice/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:30-APR-1998 15:43:17.00

SUBJECT: Radio Address Q

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

----- Forwarded by Cynthia A. Rice/OPD/EOP on 04/30/98  
03:42 PM -----

Jordan Tamagni

04/30/98 02:08:46 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP

cc:

Subject: Re: Thanks

do you think we could address the industry's plan to launch a media blitz criticizing our efforts to protect our children from smoking as 'big government" designed to raise taxes etc.



May 1, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed  
Elena Kagan

RE: DPC Weekly Report

**Tobacco -- Legislative Update:** Senator Lott has said he will bring the McCain bill to the Senate on May 18th. On Wednesday, as you know, we had a very positive meeting with Lott and Daschle where we discussed developing an agreed upon manager's amendment as well as an amendment strategy for the floor. We then met separately with Senator McCain on Thursday, and he said that he would urge Lott to appoint Senator Mack to negotiate on behalf of the Republicans. We expect that negotiations could begin as soon as Tuesday.

The Commerce Committee will shortly release a new version of the McCain bill with technical changes. In addition, McCain's staff asked for our assistance in restructuring the bill so that it could operate effectively whether or not the industry consents. **In response, we plan to provide them shortly with proposed revisions that separated out all the provisions requiring the consent of participating manufacturers -- as well as the benefits they are seeking, such as the liability cap -- into a single stand-alone title.** The other titles would apply to all manufacturers, whether they consent or not, and include advertising restrictions originally included in the FDA rule but not the broader ones that raise constitutional difficulties (those would be put in the separate title). **ELENA: LA COUNTY OFFICIALS ARE IN TOWN NEXT WEEK, SO THIS WOULD BE A GOOD WEEK TO GET THIS IN. I HAVE ALREADY HEARD A RUMOR THEY ARE TRYING TO GET A MEETING WITH ERSKINE, THOUGH NOTHING IS ON HIS CALENDAR YET. THEY'LL PROBABLY ALSO PUSH FOR A VP MEETING.**

**Child Support Enforcement -- Progress on Child Support Incentives Legislation:** Both the House and Senate are moving forward on good legislation to reward states for high performance on child support collections, and to ensure that states face tough but reasonable penalties if they fail to establish child support enforcement computer systems on time. The penalty in current law is so extreme (withholding all TANF and child support funds) that it has never been enforced, while the proposed penalties are smaller -- e.g., 4% the first year, 8% the second year -- but automatic. We favor the tougher House bill. The Senate bill would allow states an extra year to comply without penalty, and let them "earn back" prior penalties once they come into compliance. About 15 states are likely to face some penalty.

The Senate bill was specifically crafted to satisfy members from California. That state faces far greater penalties than any other state because it is years away from having a functioning state-wide system and has continued to rely on county-based systems. However, L.A. County remains very unhappy with even the Senate position, and is pushing both Congress and the Administration to give it a special exemption from any penalty. L.A. County District Attorney Gil Garcetti argues that L.A. County has an excellent county system that has long functioned well and was designed with federal involvement under a waiver several years ago. DPC, HHS, and OMB hold that such an exemption would allow numerous other counties to make the same argument, and that the federal government must hold states accountable for their actions in this critical area. (States are not required to pass along penalties to counties.) Hill leaders do not generally support an L.A. County exemption, and California members like Matsui and Stark oppose it. Sen. Feinstein supports the exemption.

In addition, we are working with Congress on how to create a standard form for medical support orders, in order to make it easier for children to be covered by a non-custodial parent's health insurance. Finally, the House bill would exclude aliens who fail to pay child support from admission to the U.S. and make them ineligible for visas. We generally support this provision, but are working to ensure that it is better targeted so that it does not create a huge administrative burden for the INS.

**Health Care -- Prescription Drug Coverage and Medicare:** Prescription drug costs represents the highest out-of-pocket health care expenditure for three out-of-four elderly. Many older Americans "stretch-out" their supply of prescriptions to defray costs; their non-compliance with drug regimens frequently results in additional, more expensive health care treatments. A number of your Medicare Commissioners, as well as a host of outside validators (like Henry Aaron and Bob Reischauer), have indicated their interest in exploring options to providing prescription drug coverage for Medicare beneficiaries. They note that much of our future medical interventions will be pharmacologically-based and, as such, Medicare's current lack of coverage of out-patient drugs is antiquated. In response, DPC/NEC is setting up a work group to review policy options and costs. Costs will certainly determine the viability of any drug coverage. However, more studies are becoming available about the cost-effectiveness of drug coverage. Moreover, since more than half of Medicare's managed care plans now offer some type of prescription drug benefit, it is not inconceivable to contemplate required prescription drug coverage for at least these plans. Such a recommendation could be bolstered by studies that show that, notwithstanding the BBA Medicare reforms, most managed care plans remain overcompensated relative to the patients they serve. Finally, it may be advisable to raise this issue relatively early in the debate to illustrate that the Commission's and our review of the long-term challenges facing Medicare are focused on the need for program improvements as well as financing.

**Health Care -- Patients' Bill of Rights Update:** On Wednesday, Congressman Ganske and six other Republicans added their names as cosponsors to the Dingell Patients'

**Bill of Rights legislation.** In a White House released statement, you praised these members for providing “new momentum towards ensuring that a patients bill of rights will become the law of the land.” Congressman Ganske appreciated your comments and Congressman Dingell’s office indicated that it has helped place needed pressure on the Republican Leadership to move this legislation this year. On Friday, we met with the disability advocacy community to encourage them to mobilize their effective network to strongly push for passage of this bill. They have indicated that they are going to make this a much higher priority. (NOTE TO ELENA: THIS IS A MEETING THAT WILL TAKE PLACE TOMORROW AND I AM ASSUMING WHAT I BELIEVE THE OUTCOME WILL BE .)

**Immigration -- H1B visas:** H1B visas are temporary work visas that allow “highly skilled” immigrants (with a BA or equivalent) to work in this country for up to six years. Under current law, the number of H1B visas is capped at 65,000 per year. Last year, this cap was reached for the first time. The information technology industry strongly supports raising the annual cap to address what they maintain is a shortage of U.S. workers with IT skills. Others, including the Department of Labor, challenge the industry’s conclusions about a shortage and are concerned that the current H1B program does nothing to target its use to employers who are experiencing skills shortages. On April 30, 1998, the Administration sent a letter to Congress supporting Representative Lamar Smith’s bill, which includes a substantial reform of the H1B program, if it is modified to include meaningful training provisions and a more modest increase in the cap. Representative Smith’s bill was voted out of committee without amendment. We plan to continue to work with Smith and other Members (both House and Senate) to develop a bill that meets the Administration’s objectives.

**Campaign Finance Reform -- Free Broadcast Time:** Norm Ornstein, co-chair of the Advisory Committee on Public Interest Obligations of Digital Television Broadcasters is trying to forge a consensus proposal on free broadcast time. There are two main components to this proposal: 1) Each broadcast station would be required to provide 5 minutes of free air time per night (6:00 pm to 11:30 pm) over the last 30 days of an election. At least 3 minutes of the free time would be broadcast consecutively. Local stations would decide which candidates have access to the free air time. Stations would also design the format for the air time (commercials, interviews, mini-debates). This proposal would be implemented either as an FCC mandate or as part of a new "Code of Conduct". To give a voluntary agreement some teeth, the FCC would announce that no broadcast licenses would be renewed unless the station could justify why it did not meet the conditions of the Code of Conduct (currently the presumption is for automatic renewal); 2) Challenge Congress to replace "lowest unit rate cost" with a system that would provide one minute of free time for every two minutes purchased. Under Ornstein's proposal, the state parties would control the free time, not the candidates.

While we think that Ornstein’s proposal moves the debate in the right direction, we are concerned about giving the broadcasters too much control over format and candidate access. We believe the Committee and the FCC should develop guidelines for the broadcasters on access

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and format. We have reservations about challenging Congress to enact the second part of Ornstein's plan. While the FCC cannot repeal "lowest unit rate cost" it could require broadcasters to provide one free minute of air time for every two minutes purchased. We think the Committee should recommend that the FCC institute such a system and challenge Congress to repeal "lowest unit rate cost" as a separate issue. Finally, we are concerned with the role of state parties in Ornstein's proposal and believe there should be a cap on the amount of free time that any one candidate could accumulate in order to prevent very wealthy candidates from abusing the system.

**Education -- D.C. Student Opportunity Scholarship Act ( Voucher Bill):** The House passed legislation (214 to 206) that would set up a D.C. voucher program by providing scholarships of \$3200 for low-income students to apply toward the cost of a private school education. You have promised to veto this legislation when it reaches your desk. Congressional leaders have acknowledged that they lack the necessary votes to override a veto.

**Education -- Administration Opposition to Unz Initiative Announced:** The Los Angeles Times reported Monday that the administration was opposed to the Unz Initiative to eliminate bilingual education in California. The Times reported that the administration is in favor of reforms to bilingual education, including a three-year goal for teaching students English. Also on Monday, Secretary Riley issued a detailed statement explaining our position on the Unz Initiative. Senior staff in IGA, Public Liaison and Political Affairs reported that the reactions of state and local leaders was positive both to the message and the timing of the announcement.

**Education -- Charter Schools in California:** After two weeks of negotiations among Silicon Valley high-tech executives, the California Teachers' Association (CTA), and state legislators, a legislative conference committee reached a compromise Wednesday on a legislative alternative to a charter school ballot initiative backed by the executives and opposed by the CTA. If enacted, the bill would increase the cap on charter schools in the state from 100 to 250, and allow another 100 new schools each subsequent year. The bill would also amend California's charter school law to make it easier to start charter schools. Votes were expected Thursday, April 30 in both houses of the California legislature on the conference agreement. The bill would need to be signed into law by Friday, May 1 in order to keep the initiative off of the ballot.

**Crime -- Assault Weapons:** Despite efforts by both Republicans and Democrats on the conference committee considering the supplemental appropriations bill, a provision to exempt firearms "in transit" from the Administration's decision to ban semiautomatic assault rifles that accept large capacity magazines was not included in the final conference report. However, Senator Craig expressed his intention to offer a similar amendment during the appropriations process.

**Crime -- COPS Initiative:** The Department of Justice is preparing to launch a new \$240 million initiative to hire about 2,000 more police in high-crime and high-need neighborhoods. Under this initiative, the Justice Department will select 16 cities (8 small, 8

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large) that agree to target crime and drug "hot spots," youth violence problems, or economically distressed areas and provide them with 100% grants to hire more police officers. By waiving the 25% local match, key cities that may not have been able to afford more police officers will be able to do so. Mayor Daley of Chicago has pushed the Justice Department to use its waiver authority in this targeted manner, and he is interested in announcing this new initiative with the Administration. We are working with Rahm to submit a scheduling request for such an event.



**Question & Answer on Immigration: H-1B visas**  
**May 1, 1998**

**Q: What is your position regarding the call by industry to increase the number of temporary visas available for highly skilled foreign workers?**

**A:** I believe that the first step in increasing the availability of skilled workers for industry must be increasing the skills of U.S. workers and helping the labor market work better to match employers with U.S. workers. Therefore, substantial additional efforts by industry to increase the skill level of U.S. workers and needed improvements in the H-1B visa program to protect U.S. workers by targeting the program's use to employers experiencing genuine skills shortages are necessary prerequisites for me to support any short-term increase in the number of H-1B visas available for temporary foreign workers.

**Q: Yesterday the House Judiciary Subcommittee on Immigration approved legislation that increases the number of H-1B visas for temporary foreign workers. What is your position regarding this legislation?**

**A:** I am pleased that Representatives Smith's bill is consistent with one of my primary objectives, insofar as it links a temporary increase in the H-1B cap to the enactment of meaningful reforms to the H-1B visa program. The bill would help ensure that U.S. workers would not lose their jobs to a temporary foreign worker and that qualified U.S. workers would have the opportunity to fill a job before a temporary foreign worker is hired. Moreover, the bill modestly expands enforcement authority to help prevent employer abuses of the H-1B program. These reforms will effectively target H-1B visas to industries experiencing skill shortages.

Unfortunately, the bill does not contain any provision for additional training opportunities for U.S. workers. Training is a vital component of my strategy to address the long-term demand for highly skilled U.S. workers and to enhance the international competitiveness of important U.S. industries. I am also concerned that the increase in the annual number of H-1B visas reflected in this bill is too large, although I agree that the increase should be temporary.

I would be pleased to support this bill if it included meaningful training provisions and a modest reduction in the level of increase in the annual H-1B visa cap.

**Q: What is your position regarding Senator Abraham's bill?**

**A:** Senator Abraham's bill includes a large increase in the annual number of visas and provides no meaningful reform of the H-1B program. I would be happy to work with members of the Senate to develop a bill that is more consistent with the Administration's principles.

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Background

H-1B visas are temporary work visas that allow “highly skilled” immigrants (with a BA or equivalent) to work in this country for up to six years. Under current law, the number of H-1B visas is capped at 65,000 per year. Last year, this cap was reached for the first time. The information technology (IT) industry strongly supports raising the annual cap to address what they maintain is a shortage of U.S. workers with IT skills. Others, including the Department of Labor, challenge the industry’s conclusions about a shortage and are concerned that the current H-1B program does not target its use to employers who are experiencing skills shortages.

Though the Administration has never before squarely addressed the issue of the cap, we have consistently emphasized training and re-training U.S. workers to enable them to move into jobs within the high-tech industry. Also, since 1993 we have sought reforms to the H-1B program that would target their use to industries with genuine short-term skill shortages.

On April 2, 1998, the Administration (Secretaries Daley and Herman and Attorney General Reno) sent a letter to Congress that opposed Senator Abraham’s bill (that provided for a large, temporary increase in the cap and the expansion of an existing scholarship program for low-income students, but did not provide meaningful reform of the H-1B program) and endorsed the approach advocated by Senator Kennedy (that would effect a temporary increase in the cap, but also included reform to the H-1B program and increased training for U.S. workers). On April 30, 1998, the Administration sent a letter to Congress supporting Representative Lamar Smith’s bill, if it is modified to include meaningful training provisions and a more modest increase in the cap.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jerold R. Mande ( CN=Jerold R. Mande/OU=OSTP/O=EOP [ OSTP ] )

CREATION DATE/TIME:30-APR-1998 18:43:31.00

SUBJECT: Canada/smuggling briefing

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TEXT:

There will be a briefing on Mon. at 11:45 in 211 by David Sweanor from Canada's Non-Smokers' Rights Association on Canada's experience with cigarette smuggling. Canada was forced to roll back its tax increase because of problems with smuggling. Sweanor testified before Hatch today and will be testifying before Conrad on Monday afternoon. He will: reveal the facts and myths about cigarette smuggling, discuss what works and what doesn't work to combat smuggling, and he will tell us about the tobacco industry's role in smuggling cigarettes in Canada.

The following is an excerpt from an 8/25/97 NYTs story on smuggling:

Assault on Canada  
Higher Taxes Set Off A Lucrative Trade

It was a rainy day at a salmon-fishing resort in British Columbia in September 1995. Les Thompson, an R. J. Reynolds salesman, was sitting around a fireplace with some of his customers.

Unbeknownst to Mr. Thompson, one man was an American informant. And according to court records unsealed in Syracuse on Aug. 13, he later described to a grand jury how the conversation took an intriguing turn -- right into a discussion about smuggling cigarettes into Canada.

One document -- an affidavit from a Federal law enforcement officer -- quoted the informant as saying it was clear Mr. Thompson knew the dealers were selling the cigarettes to American Indians who smuggled them across the St. Lawrence River.

The informant said Mr. Thompson chided the dealers that if they did not keep better sales records, he would start selling directly to the Indians. And on another day when one guest fell ill on a fishing boat, Mr. Thompson joked that the man "should be used to the water from hauling the cigarettes," the affidavit said.

As raw as it might seem, industry critics and law enforcement officials say this episode was just the latest in a chain of evidence that the tobacco industry fueled a smuggling assault on Canada in the early 1990's.

The smuggling took off after Canada raised taxes several times largely to discourage cigarette consumption, one of the first countries to try this approach. Beginning in 1982, its taxes became increasingly stiffer. By 1992 a pack cost about \$4.50 (United States) in Canada, compared with slightly less than \$2 in the United States, making the situation ripe for smuggling.

Canadian health researchers think consumption did fall because of the taxes. And Canada's top three tobacco companies -- each affiliated with either Philip Morris, Reynolds or B.A.T. -- lobbied to repeal them.

The taxes did not apply to exports, and the companies started shipping large amounts of Canadian brands, like Players and Export A, to the United States even though few Americans smoke them.

Where once only a tiny portion of the cigarettes made in Canada had been exported, that total jumped to a third by 1993, with the bulk going to upstate New York and other border locales. Reynolds also began making Canadian brands in the United States and shipping them to dealers in border states. Most quickly found their way back into Canada through smugglers.

None of this was any secret in Canada. The industry "absolutely" knew that most of the exports were being smuggled back, Michel Descoteaux, a spokesman for Imperial Tobacco Ltd., which is partly owned by B.A.T., said in an interview.

But Mr. Descoteaux said this was not the industry's fault. "We had warned the Government for years that when the taxes were increased, there would be smuggling." He also said Imperial was simply "shipping cigarettes in response to orders" by American dealers. "What would you have us do?"

Still, by February 1994, the smuggling had become so intense that Prime Minister Jean Chretien was forced to start rolling back the taxes. "The fact is," he said then, "that the Canadian tobacco manufacturers have benefited directly from this illegal trade." He said they had "known perfectly well" what was happening and added, "I believe they have not acted responsibly."

Since then, two criminal cases have reinforced what he said. Federal undercover agents in New Orleans recorded talks with two Brown & Williamson sales managers in 1994 as they arranged shipments of Imperial products that were supposed to go to fishing vessels but were really smuggled back into Canada. Both men have since pleaded guilty to Federal charges of aiding smugglers.

Court documents show that one of them, Michael I. Bernstein, told an undercover agent that a sales official at Imperial had agreed to supply cigarettes for the smuggling as long as each order was kept small.

The documents quote Mr. Bernstein as saying the Imperial official would "go along with that." But, Mr. Bernstein cautioned, "he assured me that if and when we get snagged with the packet of stuff anywhere in Canada, they're going to cut me off."

Mr. Bernstein also told investigators that selling to smugglers was part of Brown & Williamson's marketing strategy. Brown & Williamson and Imperial officials have denied this, and Federal prosecutors recently closed the case without bringing additional charges.

The second investigation, centered in Syracuse and in Canada, is now raising similar questions about Reynolds.

The grand jury in Syracuse indicted 21 people in June on charges that they were involved in smuggling \$700 million worth of cigarettes and alcohol through the St. Regis Indian Reservation in upstate New York from 1992 through

1996. Court documents state that some dealers regularly bought cigarettes from Reynolds and resold them -- usually for cash -- to members of an Indian tribe, who slipped them into Canada.

Affidavits by investigators in both countries show that Reynolds routinely entertained the dealers at the Sonora Island Resort in British Columbia, where the company sponsored an annual fishing tournament. One dealer told an informant last summer that he was about to take 12 to 14 associates to the tournament and that Reynolds was going to pay a \$10,000 entry fee for each of them.

Reynolds says it does not condone smuggling and would not comment on the investigation. Mr. Thompson did not return calls for comment.

But David T. Sweanor, an antismoking advocate in Canada, said the industry "basically played Canada for a banana republic and got rewarded for it."