

NLWJC - KAGAN

EMAILS RECEIVED

ARMS - BOX 035 - FOLDER - 010

[08/05/1998] [2]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-AUG-1998 12:29:04.00

SUBJECT: Those Ed Dept folks are persistent!

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

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

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

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

TEXT:

They've proposed to add the following language to the conferee letter:

"The Administration strongly supports the goal of providing educational opportunities to enable enabling more welfare recipients to move from welfare to work."

I plan to say no -- I assume you agree?

Here is how the whole paragraph would read.

The Senate bill contains a provision amending the Temporary Assistance for Needy Families program (TANF). It would expand the type and length of education programs that may be counted toward a State's "work activity" participation rate. The provision would also extend the FY98 and FY99 exclusion of teen parents from the cap on education programs that may be counted toward a State's "work activity" participation rate to FY2000 and beyond. The Administration strongly supports the goal of providing educational opportunities to enable enabling more welfare recipients to move from welfare to work. We look forward to working with conferees to ensure that the final legislation keeps the doors of college open to all Americans while still maintaining the welfare law's strong work requirements.

**Brady Event
Questions and Answers
August 6, 1998**

*Automated Records Management System
Hex-Dump Conversion*

Waiting Period on Handgun Sales

Q. Can you elaborate on why the President supports making permanent the Brady waiting period prior to the sale of a handgun?

A. Under the Brady Law, the National Instant Criminal Background Check System (NICS) will take effect on November 30, 1998. NICS will allow access to a fuller set of records than is now available, and law enforcement officials will use it to conduct checks of all prospective gun purchases -- not just handgun purchasers. We are pleased with the significant progress this Administration has made over the last 5 years to assist states in improving the accessibility of their criminal records once the NICS takes effect. These improved records will go a long way in helping to stop even more ineligible purchasers from buying firearms.

Once the NICS takes effect, the 5-day waiting period for handgun sales established in the Brady Law will sunset. And while NICS will allow access to a fuller set of records, a permanent waiting period will allow law enforcement officers to check additional, non-computerized records, as well as provide a cooling-off time for handgun purchases. We believe that local law enforcement officials know best who in their community can or can't legally own a gun, and that they are uniquely positioned to provide the last, best check before a handgun purchase goes through

Q. Can you give us more detail on the Schumer/Durbin waiting period legislation?

A. Representative Schumer and Senator Durbin introduced legislation applying to all states to which the Brady Law now applies that will:

- (1) Require a minimum 3-day waiting period for all handgun purchases. Under current law, while there is no minimum waiting period, local law enforcement officials have up to 5 days to reject a handgun purchase. The Schumer/Durbin legislation establishes a minimum wait time, even if NICS background check is completed well beforehand. The minimum wait period will give local law enforcement additional time to review other local records that may not be found in the NICS, helping to ensure that prohibited gun sales are not completed.
- (2) Add up to an additional two days to the waiting period if law enforcement officers need more time to clarify arrest records. Under current law, when NICS takes effect, the system is given up to 3 days to complete the background check and determine whether an arrest resulted in a conviction that disqualifies the

prospective purchaser from owning a gun. The Schumer-Durbin bill will extend this period to 5 days, making sure law enforcement has enough time to get the information they need to make a final decision.

- (3) Require gun dealers to notify the local law enforcement official in the purchaser's place of residence prior to selling the gun. Under current law, after November 30, 1998, guns dealers will no longer have to forward the names and addresses of prospective gun purchasers to designated local law enforcement officials -- only to the FBI or a NICS point of contact. The Schumer-Durbin bill requires gun dealers to keep notifying designated local law enforcement officials of handgun purchases.

Q. Why are certain states exempt from Brady? What states are these?

- A. States may be exempted from the Brady Law if they have a qualifying alternative permit system or a state "instant check" system -- both of which require background checks. Currently, 27 states are exempt from Brady's requirements -- including 9 that were originally subject to the Brady Law, but which later enacted Brady-qualifying state systems.

The states exempt from Brady are: California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Oregon, Tennessee, Utah, Virginia, Washington, and Wisconsin.

Q. Didn't the Supreme Court overturn Brady's requirements? Doesn't this decision impact your ability to impose a new waiting period?

- A. Last year's Supreme Court decision left the majority of the Brady Handgun Control Act intact. The Supreme Court ruled that the Federal government cannot require local police departments to conduct background checks, but left intact the 5-day waiting period. Nothing in the decision prohibits law enforcement from voluntarily enforcing the Brady Law checks. As we expected, after the Supreme Court's decision, the vast majority -- over 90% -- of the nation's law enforcement agencies continued to conduct background checks on handgun purchasers. They did this because it is a common sense and good law enforcement -- not because it was required. The Schumer-Durbin legislation is consistent with the Court's decision and does not require state and local law enforcement to do background checks.

Q. Isn't there a difference between the current waiting period and what you're proposing today? Why this change?

A. Currently, Brady allows up to 5 days to conduct a background check in states without permit systems. When NICS is implemented, there will generally be no waiting period, but law enforcement can take up to 3 days to clarify arrest records. Under the Brady extension legislation proposed by Senator Durbin and Rep. Schumer, there will be a minimum 3-day waiting period, and law enforcement can take as many as 5 days to clarify arrest records. While the NICS will allow access to a fuller set of records, this minimum 3-day and expanded 5-day waiting period ensures that law enforcement will have the time it needs to check all available records, as well as provide a cooling-off time for handgun purchases.

Q. How many and which states currently have their own waiting periods?

A. According to a 1996 Justice Department survey, 11 states have waiting periods pursuant to their own laws. These waiting periods vary in duration and may apply to different types of firearms. The states with waiting periods are: Alabama, California, Hawaii, Indiana, Iowa, Kentucky, New Jersey, Pennsylvania, Rhode Island, South Dakota, and Washington.

Anti-Brady Senate Amendment

Q. What are the Congressional efforts to “gut” Brady that the President referred to in his remarks?

- A. A recent amendment to the Senate Commerce- Justice-State appropriations bill would undermine implementation of the NICS. The Administration strongly opposes this anti-Brady amendment. Specifically, the Senate amendment does the following three things:
- 1) Prohibits the FBI from charging gun dealers a fee for background checks even though the FBI currently charges school districts, day care providers, and many others for similar background checks. States and local law enforcement agencies generally charge dealers for the costs of background checks they complete. Without these resources, the FBI will either have to forego processing millions of background checks, or transfer resources from other crime fighting efforts.
 - 2) Requires FBI to immediately destroy certain records obtained from clean background checks, substantially undercutting the reliability of the background check process by making it impossible to catch fraudulent submissions. The FBI does intend to destroy such records, but after a reasonable period that allows them to audit their records to protect against fraud.
 - 3) Establishes a federal right to sue if records are not immediately destroyed. Creating a federal cause of action with punitive damages for person aggrieved by the provisions of this amendment are -- pure and simple -- just another attempt to

undermine the operation of the NICS.

Automated Records Management System
Hex-Dump Conversion

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-AUG-1998 10:32:42.00

SUBJECT: Head Start Article

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

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

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

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

TEXT:

From today's CQ Daily Monitor.

AMENDMENTS PUT HEAD START A
STEP BEHIND

By Sue Kirchhoff, CQ Staff Writer

Aug. 05, 1998 - House Education and the Workforce Committee Chairman Bill Goodling, R-Pa., said yesterday he plans to jettison the Head Start reauthorization bill (HR4241) marked up by his panel July 29 and instead try to bring a stripped-down version to the floor under suspension of the rules later this week.

The committee adopted amendments by Rep. Frank Riggs, R-Calif., that would bar children from the program unless their mothers cooperated in establishing paternity and would create a limited program of vouchers that could be used to purchase alternative child care. Committee Democrats voted against the bill, angry about the changes and a third provision that would eliminate the use of the Davis-Bacon prevailing wage law on Head Start construction projects.

Goodling said in an interview that the unusual step of bringing a substitute bill to the floor was necessary to avoid a drawn-out fight over the preschool program, which has had broad bipartisan support since its creation in 1965.

"What I want is to find a way to make sure that my whole emphasis, which is on quality (in the Head Start program), is not lost in this whole debate," Goodling said. He said that he wanted to get a bill passed on the suspension calendar before the coming August recess. The Senate passed its version of the bill (S2206) by voice vote on July 27.

Goodling had introduced a substitute in committee that did not have the paternity or voucher requirements. He said he could take that substitute to the floor or simply bring up another measure (HR4271) marked up by the committee to reauthorize

the Community Services Block Grant and low-income heating assistance program. The Senate combined those two programs and Head Start in one bill, meaning the two chambers could be able to conference on Head Start even if that program did not pass the House.

Riggs, however, said he did not favor Goodling's strategy. "I have not signed off on any such plan and find it hard to believe that we would arbitrarily and unilaterally override the will of the committee, particularly on provisions ... supported by almost all Republicans."

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Melissa N. Benton (CN=Melissa N. Benton/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME: 5-AUG-1998 12:10:20.00

SUBJECT: Reminder--comments on LRM MNB217--Transportation testimony on PLAs--are du

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TEXT:

This is a reminder that your comments on the subject testimony are due.

Please provide all comments no later than 2 p.m. today. If I do not hear from you, I will assume you have no comments and will clear the document.

Please call (5-7887) if you have any comments or questions. Thanks!

August 5, 1998

**NATIVE AMERICAN ECONOMIC
DEVELOPMENT CONFERENCE**

DATE: August 6, 1998
LOCATION: Grand Hyatt Hotel, Washington, D.C.
BRIEFING TIME: 12:45 pm - 1:15 pm
EVENT TIME: 1:35 pm - 2:50 pm
FROM: Bruce Reed
Mickey Ibarra
Lynn Cutler

I. PURPOSE

To reaffirm your commitment to protecting tribal sovereignty and the government-to-government relationship between the United States and tribes and to promote and encourage economic self-determination in Indian country.

II. BACKGROUND

On Thursday, April 6, you will speak to approximately 800 tribal leaders, businesses, and government personnel at a conference at the Grand Hyatt Hotel in Washington, D.C., sponsored by the White House (Domestic Policy Council and Office of Intergovernmental Affairs) and 15 federal agencies, entitled "Building Economic Self-Determination in Indian Communities." This event is the first time you have spoken in front of Native Americans since your meeting with tribal leaders in 1994.

Purpose and Structure of the Conference

This conference grew out of your meeting with tribal leaders on April 29, 1994, and the establishment of the Domestic Policy Council's (DPC) Working Group on American Indians and Alaska Natives. In addition, as a result of the government-wide survey of activities in relation to Indian country and your suggestion that initiatives be developed around economic development, the DPC's subgroup on economic development started planning this conference several months ago.

This conference will cover topics such as commerce in Indian country; building infrastructure and a positive climate for business; tribal self-government and economic self-determination; agriculture and economic development; rural business; community development in Indian country; electronic commerce; welfare

to work initiatives; and tourism.

Background on American Indians and Alaska Natives

Indian America is made up of more than 550 tribes, with a total population of approximately 2.4 million. Approximately forty percent of all American Indians and Alaska Natives are under the age of twenty. Nearly half of the American Indian and Alaska Native population resides on 314 reservations, Indian lands, and in Alaska Villages that make up Indian country.

While economic conditions in Indian country have improved in recent years, American Indian and Alaska Native communities continue to lag behind the rest of the United States with respect to social, economic, and educational attainment levels.

Income levels of American Indians and Alaska Natives are substantially below those of all other Americans, and about 34 percent continue to live below the poverty level. In comparison, the national poverty level is about 14 percent. Complicating factors such as geographical isolation, under-developed infrastructures, and demographics add to the challenges confronting tribes as they work toward a better standard of living and quality of life for tribal peoples.

In your remarks, you will be make the following announcements:

- **The signing of an executive order at the conference which is designed to improve the academic performance of American Indian and Alaska Native students in grades K-12. The order focuses special attention on improving student achievement in reading and mathematics.**
- **The issuance of a directive to federal agencies to work in collaboration with tribal governments to: (1) prepare a report on the technology infrastructure needs in Indian country; (2) develop a strategic plan that will coordinate existing economic development initiatives across agencies; and (3) initiate a project to help streamline the mortgage lending process in Indian country in order to improve access to mortgage loans on Indian reservations. The agencies will initiate this mortgage lending effort through a year-long pilot program on the Navajo Nation and in at least one other location.**
- **The intention of the Department of Agriculture (USDA), through its Bringing Rural America Venture Opportunities (BRAVO) initiative, to direct \$70 million of its contracting dollars through Fiscal Year 2000 to assist seven American Indian and Alaska Native tribes establish small start-up technology companies in order to obtain government contracts.**
- **A call to Congress to pass legislation to elevate the Director of the Indian Health Service to an Assistant Secretary. Elevating the IHS Director to the position of Assistant Secretary will strengthen the government-to-government relationship;**

facilitate communication and consultation with the Tribes on matters of Indian health; and raise awareness of Indian health concerns throughout HHS and the entire federal government.

- A change in the state-by-state allocation of the \$24 billion in the Children's Health Insurance Program (CHIP) to appropriately count Native American children. States receive a share of CHIP funds based on their proportion of uninsured children below 200 percent of poverty. When the Census Bureau produced these counts last September, it did not include Native American children with access to the Indian Health Service as "uninsured." Thus, even though such children are eligible for CHIP coverage, the states with a large number of Native American children did not receive a larger share of funds. These revised allotments will be published in October with the preliminary 1999 allotments.

III. PARTICIPANTS

Briefing Participants:

Bruce Reed
Mickey Ibarra
Elena Kagan
Lynn Cutler
Julie Fernandes
Mary Smith

Event Participants:

Dominic Ortiz, Lawrence, KS, is college student who owns and operates a wholesale Native American jewelry business

Standing on stage, but not speaking:

-Marge Anderson, CEO, Mille Lacs Band of Ojibwe (MN)
-Walter Dasheno, Governor, Santa Clara Pueblo
-Frank Ettewagechik, Chairman, Little Traverse Bay Bands of Odawa Indians (MI)
-Roland Harris, Chairman, Mohegan Tribe (CT)
-Kathryn Harrison, Chair, Confederated Tribes of Grand Ronde (OR)
-Henry Kostzuta, Chairman, Apache Tribe of Oklahoma (OK)
-Ivan Makil, President, Salt River Pima-Maricopa Indian Community (AZ)
-Mary Thomas, Governor, Gila River Indian Community (AZ)
-A. Brian Wallace, Chairman, Washoe Tribe of Nevada (NV)
-John Yellow Bird Steele, President, Oglala Lakota Nation (SD)

Persons Standing on Stage for Signing of Executive Order

-Michael Anderson, Deputy Assistant Secretary for Indian Affairs, Dept. of Interior
-Dr. David Beaulieu, Director, Office of Indian Education, Dept. of Education
-Michael Cohen, Domestic Policy Council
-Lorraine Edmo, Executive Director, National Indian Education Association

- James Kohlmoos, Deputy Assistant Secretary, Office of Elementary and Secondary Education, Dept. of Education
- Melodee McCoy, Native American Rights Fund
- Joann Sebastian Morris, Director, Office of Indian Education, Dept. of Interior
- Yvonne Novack, President, National Indian Education Association
- Sherry Dawn Red Owl, Rosebud Sioux
- Ernie Stevens, Jr., National Congress of American Indians
- Mary Smith, Domestic Policy Council

IV. PRESS PLAN

Open Press.

V. SEQUENCE OF EVENTS

- Dominic Ortiz will make remarks and introduce **YOU**.
- **YOU** will make remarks.
- **YOU** then proceed to the desk on stage and sign the Native American education executive order.
- YOU** then work a ropeline and depart.

*Before you enter the stage, **YOU** will take a photo with approximately 30 persons who worked on the Native American education executive order.

VI. REMARKS

Remarks Provided by Speechwriting.

VII. ATTACHMENTS

- Conference Agenda
- Participants List
- Background on American Indians and Alaska Natives

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-AUG-1998 10:27:22.00

SUBJECT: Native American Education exec order

TO: Michael Cohen (CN=Michael Cohen/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

TEXT:

You should have a copy of the order . I'm meeting with Mac Reed at 11:15 to have a final review of the order. Let me know if you have changes. We're going to try to get this in to Phil Caplan by the early afternoon

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-AUG-1998 09:36:59.00

SUBJECT: LRM #IMS398 - REVISED Statement of Administration Policy on HR3736 Workfor

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

READ:UNKNOWN

TO: Lisa Zweig (CN=Lisa Zweig/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: Michelle Peterson (CN=Michelle Peterson/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: Tracey E. Thornton (CN=Tracey E. Thornton/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: David W. Beier (CN=David W. Beier/O=OVP@OVP [UNKNOWN])

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: Leslie S. Mustain (CN=Leslie S. Mustain/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: Mary Jo Siclari (CN=Mary Jo Siclari/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: Steven M. Mertens (CN=Steven M. Mertens/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

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

TO: Kate P. Donovan (CN=Kate P. Donovan/OU=OMB/O=EOP@EOP [OMB])
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: 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: Jim Kohlenberger (CN=Jim Kohlenberger/O=OVP@OVP [UNKNOWN])
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. Tyer (CN=Katherine M. Tyer/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: Richard J. Turman (CN=Richard J. Turman/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: David J. Haun (CN=David J. Haun/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

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

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

CC: ogc_legislation (ogc_legislation @ ed.gov @inet [UNKNOWN])
READ:UNKNOWN

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

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

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

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

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

CC: US@2=TELEMAIL@3=GOV+TREAS@5=DO@4=MS01@7=LLR@6=TREASURY@mrX@lngtwy (1=US@2=TELEM
READ:UNKNOWN

CC: mjtaylor (mjtaylor @ dol.gov @ inet [UNKNOWN])
READ:UNKNOWN

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

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

TEXT:
Total Pages: _____

LRM ID: IMS398
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

Wednesday, August 5, 1998

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

FROM: Ronald E. Jones (for) Assistant Director for Legislative Reference
OMB CONTACT: Ingrid M. Schroeder
PHONE: (202)395-3883 FAX: (202)395-3109

SUBJECT: REVISED Statement of Administration Policy on HR3736
Workforce Improvement and Protection Act of 1998

DEADLINE: 2pm Wednesday, August 5, 1998

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: HR 3736 is scheduled for House floor action on Thursday, August 6th. Therefore the above deadline is firm. The attached SAP comments on the version of H.R. 3736 which was circulated on July 30th and is identical to the SAP circulated on July 30th. Please note the senior advisors veto recommendation in the first paragraph.

DISTRIBUTION LIST

AGENCIES:

61-JUSTICE - L. Anthony Sutin - (202) 514-2141
62-LABOR - Robert A. Shapiro - (202) 219-8201
25-COMMERCE - Michael A. Levitt - (202) 482-3151
128-US Trade Representative - Fred Montgomery - (202) 395-3475
118-TREASURY - Richard S. Carro - (202) 622-0650
30-EDUCATION - Jack Kristy - (202) 401-8313
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
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
Sandra Yamin
Barbara Chow
Steven M. Mertens
David J. Haun
Daniel J. Chenok
Evan T. Farley
Joseph G. Pipan
Ronald L. Silberman
Louisa Koch
Richard J. Turman
Mary Jo Siclari
Gregory G. Henry
Charles W. Fox
Katherine M. Tyer

Leslie S. Mustain
 Jack A. Smalligan
 Julie A. Fernandes
 Elena Kagan
 Thomas A. Kalil
 Jim Kohlenberger
 David W. Beier
 Cecilia E. Rouse
 Sally Katzen
 Gene B. Sperling
 Peter G. Jacoby
 Janet Murguia
 Broderick Johnson
 Charles M. Brain
 Tracey E. Thornton
 Maria Echaveste
 Emil E. Parker
 Robert N. Weiner
 Michelle Peterson
 Karen Tramontano
 Rebecca M. Blank
 Kate P. Donovan
 Lisa Zweig
 Charles Konigsberg
 James J. Jukes

LRM ID: IMS398 SUBJECT: REVISED Statement of Administration Policy 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

August 5, 1998

(House)

H.R. 3736 - Workforce Improvement and Protection Act of 1998
(Smith (R) Texas and 3 cosponsors)

The Administration strongly opposes House passage H.R. 3736, the Workforce Improvement and Protection Act of 1998, as amended. If this bill is presented to the President, his senior advisors will recommend that he veto it.

This bill is intended to respond to a skills shortage in the information technology industry by increasing the annual cap on the number of temporary visas for foreign specialty workers under the H-1B program. Regrettably, H.R. 3736, as amended, emphasizes providing opportunities for foreign workers rather than providing opportunities for and protecting U.S. workers.

The Administration supports sound and balanced legislative efforts to address shortages of skilled workers within certain sectors of our economy. The most important way to increase the availability of skilled workers must be to improve the skills of U.S. workers and ensure that employers seek U.S. workers first. While it may be necessary in the short-term to increase the number of visas for temporary foreign workers, this must only be done in conjunction with additional efforts to increase the skill level of U.S. workers and meaningful reforms to the H-1B program.

Although this bill provides for certain employers to attest to recruitment and lay-off provisions, the attestations are too weak to adequately protect U.S. workers and far too many employers are exempt from their obligations. Moreover, the bill, as structured, will not generate sufficient funds for increased training opportunities for U.S. workers. Finally, rather than strengthening enforcement to prevent employer abuses of the H-1B program, H.R. 3736, as amended, undermines some of the program's important enforcement provisions.

The Administration wants to work with the Congress to develop a bill that addresses the growing demand for highly skilled workers, while effectively protecting and promoting the interests of U.S. workers and enhancing the international competitiveness of important U.S. industries.

* * * * *

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: "Christopher Edley, Jr." <edley@law.harvard.edu> ("Christopher Edley, Jr.")

CREATION DATE/TIME: 5-AUG-1998 19:47:40.00

SUBJECT: Re: next steps

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

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

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

TO: Edward W. Correia (CN=Edward W. Correia/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

CC: Jacinta Ma (CN=Jacinta Ma/OU=PIR/O=EOP [PIR])
READ:UNKNOWN

CC: Charles F. Ruff (CN=Charles F. Ruff/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TEXT:

Fabulous notes. Geez.

Small comments, in no particular order:

a. I would say that MAYBE these need elevation to POTUS. I favor developing the memo (with all the work that entails) and dropping out or adding as that process indicates. In other words, this shouldn't be viewed as a final list.

b. We really are killing four birds with one stone, and it makes sense to bear that in mind. The birds are: (1) updating POTUS on a few items; (2) plotting Administration priorities for the next two years and getting the needed policy signals to accomplish that; (3) flagging anything that has budget implications for FY 2000; (4) getting some bold thinking in front of POTUS for his race book.

c. In regard to the last item, b(4), we need a mini-working group not only to help process the memo, but also to think about ideas that may not be federal, or that may be longer range, or whatever. And, I dunno, maybe there's something about Native Americans. Maybe discrimination in the context of immigration enforcement. Anyway, I'd like a little working group, with charter not only to assist with Eddie's POTUS memo, but the broader brainstorming I need for the book.

d. I don't want any of this morning's discussion to leave the impression that I am anything but wildly enthusiastic about biting the bullet on 8(a) and SDB programs -- or at least putting before POTUS the option of doing so. I believe Maria agrees. BUT I DID NOT LEAVE THE DISCUSSION WITH A SENSE OF WHO HAS THE LEAD IN DRIVING 8(a) REFORMS FORWARD. If not WH COUNSEL, then who? Would be nice to get something signed off on by the time of the book. Erskine and Cassandra designed a package of changes that are sitting on the shelf to consider.

e. I just want to reiterate that there is serious intellectual work involved in many of these issues. There is hard conceptual stuff that ought to be framed in a way with the general way POTUS will discuss racial and ethnic justice, etc. Obvious point, but when the lawyers in the basement start arguing about everything, we'll have to remind folks to keep the big picture in mind. (Once we paint it.)

f. This is a large agenda. I urge Eddie to make use of Jacinta Ma, an attorney with a strong civil rights background, from the PIR staff. In addition, Maria will have a White House Fellow starting in September, who is an attorney with some civil rights experience and interest.

At 04:52 PM 8/5/1998 -0400, Edward_W._Correia@who.eop.gov wrote:

> Chris asked me to summarize my notes of our meeting this morning in
> order to review the civil rights enforcement issues we identified as
> particularly significant. I list these below, as well as my recollection
> of

> the remainder of our discussion. Please let me know if you have
corrections
> or additions.

>

> We identified the following "frontier" civil rights enforcement
issues

> as significant enough to warrant review by the President:

> 1) higher education admissions, including the use of standardized
> tests and the way we choose to articulate and support the Bakke decision;

> 2) high stakes testing in other settings, such as elementary and
> secondary schools;

> 3) single sex schools;

> 4) magnet and charter schools, including the appropriate use of race
> by these schools in creating a diverse student body and our enforcement
> strategy if schools exclude groups in violation of the civil rights laws;

> 5) the importance of testers in civil rights enforcement, as used by
> the EEOC and other enforcement agencies;

> 6) achieving diversity in employment and ownership in the
broadcasting

> industry, including the status of the challenge to the FCC's employment
> rules and strategies to diversify ownership;

> 7) our efforts to achieve "environmental justice," i.e., challenging
> decisions of local government or other recipients of federal funds in land
> use planning decisions that have a discriminatory impact.

>

> In addition to these issues, we may, after further review, want to
> include language discrimination by employers and religious discrimination.
> Also, the question of reforms in the 8(a) program may warrant review, both
> as a legal matter based on our need to comply with Adarand and as a policy
> matter, based on the desire to make the program more effective.

>

> In regard to policy issues that Chuck and I contemplated including in
> a memo to the President, particularly pipeline strategies for higher
> education, there was a strong recommendation to include these as a part of
> the regular budget process. I will convey this recommendation to Chuck and
> discuss with Elena and Mike Cohen how that would be done. Finally, there
> was a consensus that we need some kind of regular White House review of

>civil rights enforcement policy and strategies. One possibility is a
>meeting every month (perhaps 6 weeks) involving DPC, Counsel's Office,
>other White House staff where appropriate, the heads of the enforcement
>agencies and some agency staff.

>

>

>

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-AUG-1998 13:09:54.00

SUBJECT: Those Ed Dept folks are persistent!

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

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

TEXT:

Yes, I agree with you.

----- Forwarded by Bruce N. Reed/OPD/EOP on 08/05/98
01:09 PM -----

Cynthia A. Rice
08/05/98 12:28:48 PM
Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP, Laura Emmett/WHO/EOP,
Andrea Kane/OPD/EOP

cc:

Subject: Those Ed Dept folks are persistent!

They've proposed to add the following language to the conferee letter:

"The Administration strongly supports the goal of providing educational opportunities to enable enabling more welfare recipients to move from welfare to work."

I plan to say no -- I assume you agree?

Here is how the whole paragraph would read.

The Senate bill contains a provision amending the Temporary Assistance for Needy Families program (TANF). It would expand the type and length of education programs that may be counted toward a State's "work activity" participation rate. The provision would also extend the FY98 and FY99 exclusion of teen parents from the cap on education programs that may be counted toward a State's "work activity" participation rate to FY2000 and beyond. The Administration strongly supports the goal of providing educational opportunities to enable enabling more welfare recipients to move from welfare to work. We look forward to working with conferees to ensure that the final legislation keeps the doors of college open to all Americans while still maintaining the welfare law's strong work

requirements.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-AUG-1998 16:04:20.00

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

CC: Leslie Bernstein (CN=Leslie Bernstein/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: 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])
READ:UNKNOWN

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

CC: Jocelyn Neis (CN=Jocelyn Neis/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: 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: 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 9:00am in Room 100. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-AUG-1998 18:39:58.00

SUBJECT: Debate on Federalism Exec Order is underway; Hefley should be next

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

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

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

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

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

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

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

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

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

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

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

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

READ:UNKNOWN

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

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

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

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

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

TEXT:

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jeanne Lambrew (CN=Jeanne Lambrew/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 5-AUG-1998 19:03:15.00

SUBJECT: CORRECTION: Native American CHIP funding number change

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:

HHS just confirmed that the increase in funding to states with native american kids is about \$20 million, not \$15 million.

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-AUG-1998 19:05:03.00

SUBJECT: we think possibly announce two plan -- Nebraska and Maine - sarah b

TO: ELENA (Pager) #KAGAN (ELENA (Pager) #KAGAN [UNKNOWN])

READ:UNKNOWN

TO: 4429 (4429 @ WHCA [UNKNOWN])

READ:UNKNOWN

TEXT:

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Edward W. Correia (CN=Edward W. Correia/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 5-AUG-1998 16:52:30.00

SUBJECT: Re: next steps

TO: "Christopher Edley, Jr." <edley ("Christopher Edley, Jr." <edley @ law.harvard.
READ:UNKNOWN

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

CC: Jacinta Ma (CN=Jacinta Ma/OU=PIR/O=EOP @ EOP [PIR])
READ:UNKNOWN

CC: Charles F. Ruff (CN=Charles F. Ruff/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

Chris asked me to summarize my notes of our meeting this morning in order to review the civil rights enforcement issues we identified as particularly significant. I list these below, as well as my recollection of the remainder of our discussion. Please let me know if you have corrections or additions.

We identified the following "frontier" civil rights enforcement issues as significant enough to warrant review by the President:

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- 2) high stakes testing in other settings, such as elementary and secondary schools;
- 3) single sex schools;
- 4) magnet and charter schools, including the appropriate use of race by these schools in creating a diverse student body and our enforcement strategy if schools exclude groups in violation of the civil rights laws;
- 5) the importance of testers in civil rights enforcement, as used by the EEOC and other enforcement agencies;
- 6) achieving diversity in employment and ownership in the broadcasting industry, including the status of the challenge to the FCC's employment rules and strategies to diversify ownership;
- 7) our efforts to achieve "environmental justice," i.e., challenging decisions of local government or other recipients of federal funds in land use planning decisions that have a discriminatory impact.

In addition to these issues, we may, after further review, want to include language discrimination by employers and religious discrimination. Also, the question of reforms in the 8(a) program may warrant review, both as a legal matter based on our need to comply with Adarand and as a policy matter, based on the desire to make the program more effective.

In regard to policy issues that Chuck and I contemplated including

in a memo to the President, particularly pipeline strategies for higher education, there was a strong recommendation to include these as a part of the regular budget process. I will convey this recommendation to Chuck and discuss with Elena and Mike Cohen how that would be done. Finally, there was a consensus that we need some kind of regular White House review of civil rights enforcement policy and strategies. One possibility is a meeting every month (perhaps 6 weeks) involving DPC, Counsel's Office, other White House staff where appropriate, the heads of the enforcement agencies and some agency staff.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-AUG-1998 17:20:12.00

SUBJECT: New announcement and Q&A with Jeanne's changes

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

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

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

CC: Sarah A. Bianchi (CN=Sarah A. Bianchi/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

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

TEXT:

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D68]MAIL49710612K.226 to ASCII,
The following is a HEX DUMP:

FF57504364050000010A02010000000205000000E52400000002000008A1C93BC79A9A30ACEFC14
2B8F5E9E10177C2E3B16D27D53C540D2754F0BDC21066C023AECAFD103394A241DE2D49B0E383D
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15496C51E949832B06689DA024B0AF98C3AF0BDC2EA6D801D66CE1ED3DBF29B0AD71D83118404E
90F31A0B536141C4AB5A9815A2ED677C7D659460B53FBB77EC5D8E80096C962B9607B982AED993

Draft

**THE PRESIDENT ANNOUNCES INITIATIVES FOR
NATIVE AMERICANS RELATED TO ECONOMIC
DEVELOPMENT, HEALTH CARE, AND EDUCATION**

August 6, 1998

Today, the President will attend a conference, sponsored by the White House and fifteen federal agencies, entitled "Building Economic Self-Determination in Indian Communities," and will announce several initiatives aimed at improving economic self-sufficiency, increasing educational opportunities, and providing health care to Native Americans. The initiatives focus on: improving student achievement in reading and math for grades K-12; assessing the technology infrastructure needs of Indian country; coordinating existing federal economic development programs for Native Americans; creating a one-stop mortgage center in Indian country to streamline the mortgage process; creating technology-based jobs in Indian country; and adjusting the state funding from the Children's Health Insurance Program (CHIP) to accurately reflect states' populations of Native American children. In addition, the President called on Congress to pass legislation to elevate the Director of the Indian Health Service to an Assistant Secretary.

Creating Educational Opportunities for Native American Students

Native American Education Executive Order. The President signed an executive order at the conference which is designed to improve the academic performance of American Indian and Alaska Native students in grades K-12. The order focuses special attention on the following five goals: (1) improving student achievement in reading and mathematics; (2) increasing high school completion and post-secondary attendance rates; (3) reducing the influence of long-standing factors that impede educational performance, such as poverty and substance abuse; (4) creating strong, safe, and drug-free school environments conducive to learning; and (5) expanding the use of science and educational technology. This order is structured to address Indian educational needs through participation at the federal, regional, and local levels. At the federal level, the order establishes an Interagency Task Force which will plan initiatives, develop an education resource guide, and assist in implementing a comprehensive research agenda on Indian education. At the regional level, the order mandates a series of regional forums to be convened to identify promising practices. Finally, at the local level, this executive order sets up pilot sites which will receive comprehensive technical assistance in support of the goals of the order.

Expanding Economic Development in Indian Country

Executive Directive for Economic Development in American Indian and Alaska Native Communities. The President announced the following directive which has the following three components:

- **Technology Infrastructure Study.** The President directed the Department of Commerce, in collaboration with the Department of the Interior and tribal governments, to issue a report within 9 months on the technology infrastructure needs within Indian country, including distance learning facilities,

telecommunications capabilities, and manufacturing facilities.

- Strategic Plan to Coordinate Economic Development. The President also directed the Department of the Interior, the Department of Commerce, and the Small Business Administration to develop, within 90 days, a strategic plan that will coordinate existing economic development initiatives across agencies for Native American and Alaska Native communities. The plan will build upon current efforts in the agencies and detail future efforts on matters such as providing technical assistance, enhancing infrastructure, and developing software.
- One-Stop Mortgage Center. The President also directed the Departments of Treasury and Housing and Urban Development, in partnership with local tribal governments and in cooperation with other federal agencies, to initiate a project to help streamline the mortgage lending process in Indian country in order to improve access to mortgage loans on Indian reservations. The agencies will initiate this effort through a year-long pilot program on the Navajo Nation and in at least one other location.

Providing \$70 Million to Create Technology-Based Jobs in Indian Country. The President announced that the U.S. Department of Agriculture (USDA), through its Bringing Rural America Venture Opportunities (BRAVO) initiative, will direct \$70 million of its contracting dollars through Fiscal Year 2000 to assist seven American Indian and Alaska Native tribes in establishing small start-up technology companies in order to obtain government contracts.

Improving Health Care for Native Americans

Legislation to Elevate the Director of the Indian Health Service to an Assistant Secretary. The President called on Congress to pass legislation to elevate the Director of the Indian Health Service to an Assistant Secretary. Elevating the IHS Director to the position of Assistant Secretary will strengthen the government-to-government relationship; facilitate communication and consultation with the Tribes on matters of Indian health; and raise awareness of Indian health concerns throughout HHS and the entire federal government.

Increase Children's Health Insurance Program (CHIP) funding in states with large numbers of Native American children by about \$15 million. The President announced a change in the state-by-state allocation of the \$24 billion in the Children's Health Insurance Program (CHIP) to appropriately count Native American children. Under this new program, states receive a share of CHIP funds based on their proportion of uninsured children below 200 percent of poverty. When the Census Bureau produced these counts last September, it did not count vulnerable Native American children as "uninsured." Thus, even though such children are eligible for CHIP coverage, the states with a large number of Native American children did not receive a larger share of funds. The President announced that both the Census Bureau and Administration recognize that this was inequitable and thus will revise the allotments. These revised allotments will be published in October. **This effort will build upon the Administration's commitment to improve health care coverage for Native American children.** Both the Department of Interior's Bureau of Indian Affairs and HHS's Indian Health

Service are committed to increase enrollment of uninsured Native American and Alaska Native children including developing and distributing culturally relevant referral information to schools and social services.

Draft

**QUESTIONS AND ANSWERS
NATIVE AMERICAN ECONOMIC DEVELOPMENT CONFERENCE
August 6, 1998**

Q: What did the President announce at the Native American economic development conference?

A: The President announced several initiatives aimed at improving economic self-sufficiency, increasing educational opportunities, and providing health care to Native Americans. The President issued a directive which: (1) called for the Department of Commerce, in collaboration with the Department of the Interior and tribal governments, to issue a report within 9 months on the infrastructure technology needs in Indian country; (2) required the Departments of the Interior and Commerce and the Small Business Administration to develop, within 90 days, a strategic plan, in consultation with all interested parties, including tribal governments, to coordinate existing federal economic development programs for Native Americans; and (3) called for the Department of Treasury and the Department of Housing and Urban Development (HUD), in partnership with local tribal governments and in cooperation with other federal agencies, to create a one-stop mortgage center in Indian country to streamline the mortgage process. The President also announced that the U.S. Department of Agriculture will provide \$70 million to create technology-based jobs in Indian country.

Because the building blocks of economic opportunity lie in obtaining a good education, the President signed an executive order at the conference which seeks to improve achievement in reading and math for American Indian and Alaska Native students in grades K-12. In order to improve the provision of health care to Native Americans, the President announced that the state funding for the Children's Health Insurance Program (CHIP) would be adjusted to accurately reflect states' populations of Native American children. Finally, the President called on Congress to pass legislation to elevate the Director of the Indian Health Service to an Assistant Secretary.

Native American Education Executive Order

Q: What is the Native American education executive order?

A: This executive order is designed to improve the academic performance of American Indian and Alaska Native students in grades K-12. The order focuses special attention on the following five goals: (1) improving student achievement in reading and mathematics; (2) increasing high school completion and post-secondary attendance rates; (3) reducing the influence of long-standing factors that impede educational performance, such as poverty and substance abuse; (4) creating strong, safe, and drug-free school environments conducive to learning; and (5) expanding the use of science and educational technology. This order is structured to address

Indian educational needs through participation at the federal, state, and local levels.

At the federal level, the order establishes an Interagency Task Force which will plan initiatives, develop an education resource guide, and assist in implementing a comprehensive research agenda on Indian education. At the regional level, the order mandates a series of regional forums to be convened to identify promising practices. Finally, at the local level, this executive order sets up pilot sites which will receive comprehensive technical assistance in support of the goals of the order.

Economic Development Initiatives

Q: What did the President direct several federal agencies to do with respect to economic development in American Indian and Alaska Native communities?

A: The President announced a directive with the following three components:

- Technology Infrastructure Study. The President directed the Department of Commerce, in collaboration with the Department of the Interior and tribal governments, to issue a report within 9 months on the technology infrastructure needs within Indian country, including distance learning facilities, telecommunications capabilities, and manufacturing facilities.
- Strategic Plan to Coordinate Economic Development. The President also directed the Department of the Interior, the Department of Commerce, and the Small Business Administration to develop, within 90 days, a strategic plan that will coordinate existing economic development initiatives across agencies for Native American and Alaska Native communities. In developing this strategic plan, the agencies should consult with all interested parties, including tribal governments. The plan will build upon current efforts in the agencies and detail future efforts on such matters as providing technical assistance, enhancing infrastructure, and developing software.
- One-Stop Mortgage Center. The President also directed the Departments of Treasury and Housing and Urban Development, in partnership with local tribal governments and in cooperation with other federal agencies, to initiate a project to help streamline the mortgage lending process in Indian country in order to improve access to mortgage loans on Indian reservations. The agencies will initiate this effort through a year-long pilot program on the Navajo Nation and in at least one other location.

Q: What did the President announce with respect to creating technology-based jobs in Indian country?

A: The President announced that the U.S. Department of Agriculture (USDA), through its Bringing Rural America Venture Opportunities (BRAVO) initiative, will direct \$70 million of its contracting dollars through Fiscal Year 2000 to assist seven American Indian and Alaska Native tribes in establishing small start-up technology companies. Through the 8(a) program, USDA, large technology companies doing business with USDA, and the Tribal Colleges and other land-grant educational institutions will work with these newly-established companies to assist them in obtaining government contracts.

Q: **What is the status of technology infrastructure in Indian country?**

A: A recent report, prepared by the Department of Commerce, shows that although many more Americans now own computers, minorities and low-income households are still far less likely to have personal computers or access to the Internet than white or more affluent households. Even more alarming, this study reveals that this “digital divide” between households of different races and income levels is growing. The report concluded that significant segments of the population, particularly in rural areas, remain unconnected by telephone or computer. Because reservations are often in remote areas and the income levels are low, this report supports the conclusion that more must be done to build a technology infrastructure in Indian country.

Q: **What difficulties does a resident of an Indian reservation face in obtaining a mortgage?**

A: There are unique issues facing prospective home buyers in Indian country such as trust land status (where the United States holds the land in trust for a tribe or an individual), tribal sovereignty issues, and limited availability of services such as appraisals and title insurance. Because of these issues, obtaining a mortgage in Indian country is often much more time consuming and complicated than a comparable transaction off the reservation.

Q: **How long does the mortgage lending process in Indian country take?**

A: **The length of time to obtain a mortgage varies by Indian reservation and Bureau of Indian Affairs (BIA) area office. In most parts of Indian country, the process can take anywhere from several months to several years. Unfortunately, these delays sometimes result in problems for lenders who cannot hold open an extension of credit over such a long time period without closing the loan.**

Q: **When will the mortgage pilot programs be operational?**

A: **Treasury and HUD have already identified a local partner for the first pilot on the Navajo Nation called the Navajo Partnership for Housing (NPH). This organization currently provides home buyer education services, which include hosting home buyer orientation and home ownership counseling programs. Despite**

its success at preparing residents of the reservation for home ownership, NPH has not reached its projected number of mortgage closings because of the systemic problems in the residential mortgage approval process. This pilot will demonstrate, over the course of the year, ways to streamline and consolidate the process to shorten significantly the approval time.

Over the year of the pilot, as the federal and tribal governments streamline and consolidate their processes, the length of the mortgage process should shorten significantly.

Health Care Initiatives for Native Americans

Q: What did the President say with respect to the Director of the Indian Health Service at HHS?

A: The President called on Congress to pass legislation to elevate the Director of the Indian Health Service to an Assistant Secretary. Elevating the IHS Director to the position of Assistant Secretary will strengthen the government-to-government relationship; facilitate communication and consultation with the Tribes on matters of Indian health; and raise awareness of Indian health concerns throughout HHS and the entire federal government.

Q: What did the President announce with respect to the CHIP program?

A: The President announced a change in the state-by-state allocation of the \$24 billion in the Children's Health Insurance Program (CHIP) to appropriately count Native American children. Under this new program, states receive a share of CHIP funds based on their proportion of uninsured children below 200 percent of poverty. When the Census Bureau produced these counts last September, it did not count vulnerable Native American children as "uninsured." Thus, even though such children are eligible for CHIP coverage, the states with a large number of Native American children did not receive a larger share of funds. The President announced that both the Census Bureau and Administration recognize that this was inequitable and thus will revise the allotments. These revised allotments will be published in October. **This effort will build upon the Administration's commitment to improve health care coverage for Native American children.** Both the Department of Interior's Bureau of Indian Affairs and HHS's Indian Health Service are committed to increase enrollment of uninsured Native American and Alaska Native children which include developing and distributing culturally relevant referral information (e.g., brochure, poster, supplementary packets of information) to Native American families through the Bureau of Indian Affairs, especially focusing on tribal schools, colleges and social services agencies.

Q: What are the new state allotments with this adjustment?

- A. This adjustment to states' 1998 allotments will be published in October. Future year allotments will accurately count Native American children. We believe that this change will result in an increase in funding to states with a large number of Native American children of about \$15 million.

Background on the Conference and American Indians and Alaska Natives

Q: What is the Native American economic development conference?

A: This conference is sponsored by the White House (Office of Intergovernmental Affairs and the Domestic Policy Council), the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, Interior, Justice, Labor, State, Transportation, the Treasury, and the Comptroller of the Currency and the Small Business Administration. Secretary Babbitt, Secretary Daley, Secretary Glickman, Secretary Herman, Attorney General Reno, and Administrator Alvarez were speakers at the conference.

The conference had approximately 800 participants including tribal leaders and members, businesses, and federal agency personnel. This conference was attended by over 100 tribes from over 20 states and by over 150 businesses, both Native-owned and non-Native-owned. This conference covered topics such as commerce in Indian country; building infrastructure and positive climate for business; tribal self-government and economic self-determination; agriculture and economic development; rural business; community development in Indian country; electronic commerce; welfare to work initiatives; and tourism.

Q: What are some demographics on American Indians and Alaska Natives?

A: Indian America is made up of more than 550 tribes, with a total population of approximately 2.4 million. Nearly half of the American Indian and Alaska Native population resides on 314 reservations, Indian lands, and in Alaska Villages that make up Indian country.

Q: What are the economic conditions in Indian country?

A: While economic conditions in Indian country have improved in recent years, American Indian and Alaska Native communities continue to lag behind the rest of the United States with respect to social, economic, and educational attainment levels. Income levels of American Indians and Alaska Natives are substantially below those of all other Americans, and about 34 percent continue to live below the poverty level. In comparison, the national poverty level is about 14 percent. Complicating factors such as geographical isolation, under-developed infrastructures, and demographics add to the challenges confronting tribes as they

work toward a better standard of living and quality of life for tribal peoples.

Q: What are the educational attainment levels for Native Americans?

A: In 1990, approximately 66 percent of Native Americans 25 years or older were high school graduates compared with approximately 75 percent of the total population. About 9 percent of Native Americans completed a bachelor's degree or higher compared with 20 percent of the total population.

Q: Is this conference part of the Race Initiative?

A: This conference addresses many of the same issues that have been addressed by the Race Initiative. However, this conference also addresses issues unique to American Indian and Alaska Native communities such as tribal self-government and economic self-determination. Members of the President's Initiative on Race are actively participating in this conference.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Andrea Kane (CN=Andrea Kane/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 5-AUG-1998 13:23:08.00

SUBJECT: Support for IDAs

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:

Though the President didn't get a chance to mention IDAs in the speech yesterday, we now have a chance to get on record with support in the SAP. Apparently HHS has not raised concerns with proposed language below.

DRAFT - NOT FOR RELEASE

1998

H.R. 4271 - The Community Services Reauthorization Act of 1998
Rep. Riggs (R) CA and 4 co-sponsors

The Administration supports H.R. 4271, which would reauthorize appropriations for the Community Services Block Grant (CSBG) Program and Low-Income Home Energy Assistance Program (LIHEAP). The Administration is pleased that the bill includes a pilot project for Individual Development Accounts (IDAs) to encourage low-income Americans to set money aside in special savings accounts for post-secondary education or to purchase a first home or start a new business. The President has long supported IDAs as a means to helping low-income Americans save for their futures.

The Administration, however, is concerned that the bill includes only a two-year reauthorization of LIHEAP and urges the Congress to enact a four-year reauthorization of this important program. In addition, the Administration is concerned that the provision to allow States to use CSBG funds for State tax credits may divert funds from the primary purposes of the CSBG program and prove extremely difficult to monitor and evaluate. The Administration will work to amend the bill as it continues through the legislative process.

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-AUG-1998 15:57:25.00

SUBJECT: Draft SAP: HR 3892 - English Language Fluency Act

TO: Edward W. Correia (CN=Edward W. Correia/OU=WHO/O=EOP@EOP [WHO])
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

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

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

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

TEXT:

Please review the draft SAP for HR 3892 - English Language Fluency Act. House floor action is expected tomorrow, Thursday (5/6), but we want to clear as soon as possible in case the House decides to turn to it earlier. Please provide comments/clearance by cob today. Thank you.

H.R. 3892 - English Language Fluency Act
(Rep. Riggs (R) CA and 3 others)

The Administration strongly opposes H.R. 3892, which would significantly amend the Bilingual Education Act. While there is a need to strengthen programs designed to help students with limited English proficiency (LEP) learn English, meet challenging standards in academic subjects, and successfully move into mainstream classes, H.R. 3892 would not accomplish these purposes. It is a step in the wrong direction.

H.R. 3892 is objectionable because it would:

Force school districts to cut off services arbitrarily to students who need them, and deny funds to school districts if they fail to do so.

Eliminate professional development programs that focus on the preparation of teachers, thereby exacerbating the current shortage of qualified bilingual and English-as-a-second language teachers.

Eliminate targeting of limited Federal funds on school districts with the greatest need and the highest quality programs, by replacing the current competitive grants program with a State block grant.

Fail to include safeguards to prevent States and school districts from reducing their financial support for educating LEP students.

Curtail necessary efforts by the Education Department to protect the civil rights of LEP students by voiding compliance agreements where local educational agencies (LEAs) have chosen bilingual education as the means of complying with Title VI of the Civil Rights Act. This would generate costly and time-consuming law suits for LEAs and deny them the ability to resolve compliance issues voluntarily.

The President has articulated a clear set of principles to strengthen education programs for LEP students. This bill does not reflect those principles, and will not improve education programs for these students. It will not help them to learn English more rapidly, nor will it help them to meet challenging standards in academic subject areas.

* * * * *

(Do Not Distribute Outside Executive Office of the President)

This draft Statement of Administration Policy was developed by LRD (Connie Bowers) in consultation with the Department of Education (Hansen) and HRD (Mustain). The position was agreed to by DPC (Cohen), WHLA (Johnson), and the Departments of Justice (Jones) and Interior (Cardinale).

OMB/LA Clearance: _____

ADMINISTRATION POSITION TO DATE

On June 4, 1998, Secretary Riley sent a letter to the House Committee on Education and the Workforce stating strong opposition to H.R. 3892 for the same reasons stated in this Statement of Administration Policy. His letter also noted that the bill is inconsistent with the Administration's principles for strengthening bilingual education. These principles are: (1) a goal that students learn English within 3 years; (2) accountability for results, so that students not making adequate progress get the extra help they need and programs that do not measure up are improved; (3) local flexibility for determining how best to achieve results; and (4) assurance that an adequate supply of well-trained teachers is provided, to ensure quality no matter what instructional approach a community selects. The letter also advised the Committee that "the President plans to send legislation to Congress fully consistent with these principles" ED prepared a draft bill, but a decision was made not to transmit it to Congress.

BACKGROUND

The Bilingual Education Act was enacted originally in 1968 as part of the Elementary and Secondary Education Act (ESEA). It established a Federal policy of assisting local school districts to develop and implement new programs to meet the unique educational needs of children with limited English-speaking ability -- i.e., those "who come from environments where the dominant language is other than English." Over the years, the Act has been amended to broaden its coverage to any individual who has difficulty speaking, reading, writing, or understanding the English language, and whose difficulty denies them the opportunity to learn successfully in classrooms where English is the language of instruction. In 1974, the Bilingual Education Act was amended to authorize transitional bilingual education (programs using children's native language in instruction until they are proficient in English) as the basic instructional approach supported under the Act. Although the Act has been amended several times since 1974, the emphasis on the transitional bilingual education approach remains.

The Emergency Immigrant Education Act was enacted to provide funds to States to assist in the education of immigrant students who have been in the United States for less than three years. According to the committee report on H.R. 3892, more than half of recent program expenditures have been used on English language instruction or other bilingual education services.

SUMMARY OF H.R. 3892

H.R. 3892 would combine the Bilingual Education Act and the Emergency Immigrant Education Act and rename the combined Acts the English Language Fluency Act. The bill would replace the current competitive grant program, which targets funds to districts with the greatest need, with a State block grant program. It would authorize "such sums" appropriations for FYs 1999-2003 and require that appropriated funds be used for programs designed to move students, in two years, to a classroom where instruction is not tailored to those learning English. It would prohibit the use of funds to teach a child who has completed three years in a bilingual education program.

In addition, H.R. 3892 would:

Void all current compliance agreements related to bilingual education between the Department of Education (ED) and local school districts or States receiving assistance for such programs under the ESEA. Such agreements have emphasized the development of bilingual programs. The bill also would prevent the Secretary from entering into any future compliance agreements until the enforcement guidelines and compliance standards have been published in the Federal Register and become final regulations.

Require that parents sign permission forms before their children could be placed in English instruction programs, and require schools to let parents remove their children from bilingual programs. In addition, schools must allow parents to select the method of English language instruction -- transitional bilingual education, English-immersion programs, et al -- their child will receive if more than one method is offered.

Prohibit States receiving funds under the Act from exempting children who are English language learners from State standardized tests, even if the test is given only in English. Eliminate the direct funding of professional development programs, but allow States to use funds to assist

personnel in meeting certification requirements for English language instruction and to train personnel in ways to improve such instruction.

Change the name of ED's Office of Bilingual Education and Minority Languages Affairs to the Office of English Language Acquisition.

PAY-AS-YOU-GO SCORING

According to HRD (Mustain), H.R. 3892 would not affect direct spending or receipts; therefore, it is not subject to the PAYGO provisions of the Omnibus Budget Reconciliation Act.

LEGISLATIVE REFERENCE DIVISION DRAFT
August 5, 1998 - 12 p.m.