

**NLWJC - KAGAN**

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**[8/28/1998 - 9/2/1998]**

# Withdrawal/Redaction Sheet

## Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Minyon Moore to Elena Kagan, et al. Subject: Details for tomorrow (2 pages)	09/02/1998	Personal Misfile

### COLLECTION:

Clinton Presidential Records  
Automated Records Management System (Email)  
OPD ([Kagan])  
OA/Box Number: 250000

### FOLDER TITLE:

[8/28/1998 - 9/2/1998]

2009-1006-F  
ke756

### RESTRICTION CODES

#### Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

#### Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:28-AUG-1998 08:57:02.00

SUBJECT: Draft radio address paper

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

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D48]MAIL416904930.226 to ASCII,  
The following is a HEX DUMP:

FF5750431F070000010A02010000000205000000743300000002000000DE0298BCD239E9DF2C6B1  
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36258B191790B27348F6EFD5E32D8542D64510B1A3FCF3BF12C58B79E931D05EB4EB6CA860BAC1  
EA3194BDBC043835A33EBF1A40B5369A2A42FDCA1A89AED66EEC2E2FDDDD2C3C79BDAEF26CF8AD

**PRESIDENT CLINTON ANNOUNCES NEW INTERNAL APPEALS REGULATION FOR OVER 120 MILLION AMERICANS AND REITERATES NEED FOR CONGRESS TO MAKE A STRONG PATIENTS' BILL OF RIGHTS THE LAW OF THE LAND**

August 29, 1998

Today, in his weekly radio address, President Clinton announced a new regulation that requires all insured health plans, covering over 120 million Americans, to implement an internal appeals process for enrollees who have grievances with their health plans. This new proposed regulation, released by the Department of Labor, is part of the President's ongoing efforts to institute the patients' bill of rights for all health plans under Federal oversight.

The President emphasized, however, that the Administration does not have the statutory authority to assure other critical protections for patients in employer-based health plans, such as access to specialists, emergency care protections, and an independent external appeals. Only Congress can provide the necessary authority by passing a strong, enforceable patients' bill of rights. The President urged the Senate to take up the patients' bill of rights as their first order of business when they return next week, but warned that he could not sign the Republican Leadership proposals as currently drafted and highlighted the reasons why. Today, the President:

**ANNOUNCED A NEW INTERNAL APPEALS REGULATION FOR THE 50 MILLION AMERICANS IN SELF-INSURED HEALTH PLANS.** While the Republican Leadership has delayed passing strong enforceable patients' bill of rights, the President has directed Federal agencies to implement these patient protections where possible. The Department of Labor is releasing a new proposed regulation that would assure, for the first time, that patients are assured a timely, fair internal review when they have a grievance with their health plan, including an expedited appeals for urgent claims. The proposed regulation includes:

- Requiring plans to notify enrollees of their appeal rights under the plan;
- Drastically reducing the time health plans have to respond to non-emergency appeals (from 90 days to 15 days), and require plans to respond to emergency appeals within 72 hours; and
- Giving enrollees greater access to documents used in reviewing their claims.

**HIGHLIGHTED NEED FOR STRONG LEGISLATION AND URGED CONGRESS TO MAKE IT THE FIRST ORDER OF BUSINESS.** The Labor Department regulation the President unveiled today also underscores the limitation of what the Administration can do without additional legislative authority. Without Congressional action, Americans in private health plans cannot be assured most of the consumer protections outlined in the patients' bill of rights, such as access to specialists, emergency care protections, or an external appeals mechanism. Recognizing this, the President urged the Republican Leadership to make passing a strong patients' bill of rights the first order of business when they return next week.

**REITERATED WHY THE ADMINISTRATION CANNOT SUPPORT THE REPUBLICAN LEADERSHIP PATIENTS' BILL OF RIGHTS.** He also reiterated his serious concerns about the shortcomings of the current Republican Leadership bills which:

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- **Let HMOs, not informed health professionals, define medical necessity.** The Republican

Leadership proposals provide for an external appeals process, but make this process meaningless by allowing HMOs themselves, rather than informed health professionals, to define what services are medically necessary. This loophole will make it very difficult for patients to prevail on an appeal to get the treatment doctors believe they need.

- **Fail to guarantee direct access to specialists.** The Republican Leadership proposals fail to ensure that patients with serious health problems have direct access to the specialists they need. We believe that patients with cancer or heart disease should not be denied access to the doctors they need to treat their conditions.
- **Reverse course on emergency room protections.** The Republican Leadership proposals back away from the emergency room protections that Congress implemented in a bipartisan manner for Medicare and Medicaid beneficiaries in the Balanced Budget Act of 1997. The bills include a watered-down provision that does not require health plans to cover patients who go to an emergency room outside their network and does not ensure coverage for any treatment beyond an initial screening. These provisions put patients at risk for the huge costs associated with critical emergency treatment.
- **Fail to protect patients from abrupt health care changes.** The Republican Leadership bills fail to assure continuity of care when an employer changes health plans. This deficiency means that pregnant women or individuals undergoing care for a chronic illness may have their care suddenly altered mid course, potentially causing adverse health consequences.
- **Allow financial incentives to threaten critical patient care.** The Republican Leadership proposal fails to prohibit financial incentives to providers. This would leave patients vulnerable to financial incentives that limit patient care.
- **Undermine existing medical privacy protections.** The House Republican Leadership bill would preempt some existing medical privacy protections guaranteed by state law, without putting any protections in their place. As a result, it would increase the number of individuals who can review and give out health records without a patient's knowledge or consent.
- **Fail to compensate patients who have suffered harm as a result of a wrongful health plan action.** The proposed per day penalties in the Republican Leadership plans fail to hold health plans accountable when patients suffer serious harm or even death because of a health plans' wrongful action. For example, if a health plan improperly denies a lifesaving cancer treatment to a child, it will incur a penalty only for the number of days it takes to reverse its decision but will not have to pay the family for all the damages they will suffer as the result of having a child with a now untreatable disease. And because the plan will not have to pay for all the harm it causes, it will have insufficient incentives to change its health care practices in the future.
- **Do not cover all health plans.** Both Republican Leadership bills leave millions of Americans unprotected. The Lott proposal, for example, covers only self-insured plans, thus leaving out 100 million Americans, including millions of Americans in small businesses. These Americans are held hostage to the hope that states will provide them with every patient protections that the Republicans in Congress will not.

*LABOR DEPARTMENT REGULATION BUILDS ON THE ADMINISTRATION'S EFFORTS TO EXTEND THE PATIENTS' BILL OF RIGHTS TO ALL HEALTH PLANS UNDER FEDERAL*

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**OVERSIGHT.** In February, the President issued an Executive Order directing all Federal health plans to come into compliance with the patients' bill of rights. In June, the Department of Health and Human Services extended the patients' bill of rights to the 40 million Americans who receive Medicare. Last month, the Department of Veterans' Affairs began to put in place a new, rapid appeals process for its 3 million beneficiaries. This month, the Department of Defense issued a directive to all military bases throughout the world, extending patient protections to 8 million servicemen and women and their families, and the Office of Personnel Management released a new anti-gag regulation as part of their efforts to implement the patients' bill of rights for the nine million Federal employees and their dependents in Federal Employees Health Benefits Program.

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:28-AUG-1998 12:44:24.00

SUBJECT:

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

READ:UNKNOWN

TEXT:

supposedly, jeanne lambrew wrote the long-term care memo...doesn't she work for you? don't you want to rewrite it now?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jennifer M. Palmieri ( CN=Jennifer M. Palmieri/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:29-AUG-1998 13:27:21.00

SUBJECT: Youth Handgun Report

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

READ:UNKNOWN

TEXT:

At yesterday's message meeting, we discussed the possibility of doing an event unveiling this year's youth handgun report on either 9/10 or 9/14. Rahm said I should check with you to see if you thought the report could be ready by this date. What do you think? thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-AUG-1998 20:41:59.00

SUBJECT: Updated tobacco fact sheet.

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:

FYI -- all the latest facts and figures in one place

----- Forwarded by Cynthia A. Rice/OPD/EOP on 08/30/98

08:41 PM -----

Cynthia Dailard  
08/21/98 01:48:48 PM  
Record Type: Record

To: Cynthia A. Rice/OPD/EOP  
cc:  
Subject: Updated tobacco fact sheet.

Here is our tobacco factsheet, updated with the new 1997 Household Survey data.

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

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D26]MAIL46812224Y.226 to ASCII,  
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F7CA1021DA10E08E418A81697AEC89E0468A0ABFD3E66652312850AB7A428ED5DCFE6D608E0AF4

## Teen Smoking Fact Sheet

### *Teen Smoking is a Major Problem in this Country*

- 4.5 million children ages 12-17 are current smokers.<sup>1</sup>
- Every day, 3000 young people become regular smokers in this country, and 1000 will die prematurely from smoking-related diseases as a result.<sup>2</sup>
- Almost 90 percent of adult smokers began at or before age 18.<sup>3</sup>

### *Tobacco Use by Teens is On the Rise*

- Smoking among high-school seniors is at a 19-year high -- 36.9 percent. Since 1991, past-month smoking has increased by 35 percent among eighth graders and 43 percent among tenth graders.<sup>4</sup>
- Cigarettes: Cigarette smoking rates among high school students rose by nearly a third between 1991 and 1997, from 27.5 percent to 36.4 percent.
  - Cigarette smoking was highest among white students (39.7 percent), rising by 28 percent from 1991 (30.9 percent).
  - While the level of cigarette smoking among African-American students was lower than for white students, the rate increased by 80 percent between 1991 and 1997 for African-American students (from 12.6 percent to 22.7 percent).
  - Smoking among Hispanic students rose 34 percent, from 25.3 percent in 1991 to 39.7 percent in 1997.<sup>5</sup>
- Cigars: One in five high school students (22 percent) smoked cigars within the past month. 31.2 percent of male high school students smoked cigars within the past month, compared with 10.8 percent of female students.<sup>6</sup>

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<sup>1</sup> "National Household Survey on Drug Abuse: Population Estimates 1997", Substance Abuse and Mental Health Services Administration, U.S. Department of Health and Human Services.

<sup>2</sup> John Pierce, et al., "Trends in Cigarette Smoking in the United States, Projections to the Year 2000", *Journal of the American Medical Association*, vol. 261, pp. 61-65, 1989.

<sup>3</sup> "Preventing Tobacco Use Among Young People--A Report of the Surgeon General, 1994", Centers for Disease Control and Prevention.

<sup>4</sup> Monitoring the Future Study, University of Michigan, 1997.

<sup>5</sup> "Tobacco Use Among High School Students -- United States, 1997", *Morbidity and Mortality Weekly Report*, vol. 47, no. 12, Centers for Disease Control and Prevention, April 3, 1998.

<sup>6</sup> "Tobacco Use Among High School Students -- United States, 1997".

- Smokeless Tobacco: Almost one in ten (9.3 percent) of high school students used smokeless tobacco within the past month. White male students were significantly more likely to use smokeless tobacco products than any other group of high school students (20.6 percent).<sup>7</sup>
- Tobacco Products: Overall, 42.7% of high school students used tobacco products in the previous month (cigarettes, cigars, or smokeless tobacco) -- this represents nearly half of male high school students (48.2 percent) and more than a third of female students (36 percent).<sup>8</sup>

### ***Many Teens are Addicted to Tobacco***<sup>9</sup>

- Teenagers find it difficult to quit smoking -- 86 percent of teens who smoke daily and try to quit are unsuccessful.
- Teenagers underestimate the addictiveness of nicotine -- 75 percent of daily smokers who expect to quit are still smoking five years later.
- Casual smokers become hooked -- 42 percent of young people who smoke as few as three cigarettes per month go on to become regular smokers.

### ***Teen Smoking is Associated with Other High-Risk Behaviors***

- Adolescents (ages 12-17) who are current smokers are 12 times as likely to use illicit drugs and 23 times as likely to drink heavily as non-smoking youths.<sup>10</sup> Seventy-four percent of youths who had smoked marijuana in their lifetime tried cigarettes first.<sup>11</sup>
- Smoking is associated with a host of other risk behaviors, such as fighting and engaging in unprotected sex.<sup>12</sup>

August 21, 1998

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<sup>7</sup> "Tobacco Use Among High School Students -- United States, 1997".

<sup>8</sup> "Tobacco Use Among High School Students -- United States, 1997".

<sup>9</sup> "Selected Cigarette Smoking Initiation and Quitting Behaviors Among High School Students -- United States, 1997", *Morbidity and Mortality Weekly Report*, vol. 47, no. 19, Centers for Disease Control and Prevention, May 22, 1998.

<sup>10</sup> "National Household Survey on Drug Abuse: Population Estimates 1997", Substance Abuse and Mental Health Services Administration, U.S. Department of Health and Human Services.

<sup>11</sup> "National Household Survey on Drug Abuse: Population Estimates 1995", Substance Abuse and Mental Health Services Administration, U.S. Department of Health and Human Services.

<sup>12</sup> "Preventing Tobacco Use Among Young People--A Report of the Surgeon General, 1994", Centers for Disease Control and Prevention.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jordan Tamagni ( CN=Jordan Tamagni/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:30-AUG-1998 18:09:43.00

SUBJECT: Revised Draft -- Comments Back by 9:00am

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

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

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

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

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

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

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

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

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

TEXT:

Draft 8/30/98 6:00pm  
JordanTamagni

PRESIDENT WILLIAM J. CLINTON  
TALKING POINTS FOR EDUCATION ROUNDTABLE  
HERNDON ELEMENTARY SCHOOL  
HERNDON, VIRGINIA  
August 31, 1998

[The President and Secretary Riley are introduced into the auditorium and take their seats at the table. Herndon Elementary School Principal Michele Freeman makes brief welcoming remarks from the podium; Sec. Riley introduces the participants to the President , who makes informal opening remarks.]

OPENING REMARKS: Thank you for inviting me to be here with you today. I want to spend most of our time listening to your ideas and concerns, and then I'd like to take a few minutes to talk about what I believe we must do to achieve the kind of educational excellence our children need as we move into the 21st century. Vice President Gore is in Dayton, Ohio today, having the same kind of conversation with parents and teachers at Carlson Elementary School, and I am looking forward to continuing these dialogues in the months ahead.

And now, I'd like to turn the conversation over to you, starting with Principal Michele Freeman.

[The round table discussion begins, led by the President and Secretary Riley; Secretary Riley wraps up discussion, and introduces the President's concluding remarks at the podium.]

CONCLUDING REMARKS: I want to thank you all for sharing your experiences and ideas with me this morning. From everything you have told me about what you are doing here -- from your Reading Recovery and mentoring programs to your Saturday school -- it is clear to me that Herndon Elementary School is on the right track.

It is also clear that we share a vision for building the America we want for our children and our grandchildren, starting by building an education system for the 21st Century. A world-class system based on high standards and accountability; a system that involves the community, bringing parents, teachers, principals, and leaders together; above all, an education system that gives all of our children -- no matter where they live or what their racial, ethnic, or economic background -- the same opportunity to make the most of their God-given potential.

This is a time of great prosperity for our people. We have the lowest unemployment in 28 years ... the smallest percentage of people on welfare in 29 years ... the smallest government since John F. Kennedy was President ... the highest home ownership rate in history ... and we are about to realize the first balanced budget and surplus in 29 years.

All Americans should be proud of our progress. But this is not a time to rest, for the world is changing very quickly. We must use the confidence, the resources, and the understanding we have acquired in the last six years to face the long-term challenges ahead. There is critical business ahead of us -- business we must take up now that Congress has returned to Washington.

To build the America we want in the 21st Century, we must keep our economy growing, by continuing to pursue the policies that have helped to create our prosperity. Before we touch a penny of our budget surplus, we must save Social Security for future generations. We must continue to work to make sure every American family has access to quality health care. We must continue to work to preserve and protect our environment. Finally, and in many ways, most important, we must redouble our efforts to give our children the best education in the world.

To do our part to meet that challenge, I have proposed a comprehensive education agenda with high national standards ... more well qualified teachers ... smaller classes ... modern schools equipped with computers ... reading tutors for children who are falling behind ... before- and after-school programs to keep young people learning in the classroom ... and summer job programs to give young people the skills they need to succeed once they leave school.

But to build an education system for the 21st Century, Congress must also do its part. Here are the steps I believe Congress must take:

First, provide our children with modern schools, smaller classes, and better teachers. We should pass tax credits to rebuild, modernize and build over 5,000 public schools. I also call on the Congress to enact and fully fund my plan to reduce class size to an average of 18 in grades 1 through 3 by helping local schools hire 100,000 new teachers.

Second, make sure our children have the skills they need for the jobs of the future, by fully funding for my plan to equip our nation's classrooms with computers and cutting edge educational software, and to train our teachers in the new technology.

Third, strengthen and expand charter schools, by passing bipartisan legislation that will help meet my goal of establishing 3,000 charter schools.

Fourth, reauthorize the Higher Education Act. From middle school through college, this critically important legislation will help more of our children to reach their highest potential, by improving teacher education, expanding mentoring programs, reducing interest rates on student loans, and extending the Pell Grant program and the Federal Work Study program, which helps students work their way through college.

Fifth, make sure every child can read independently by the end of the third grade, by passing a bipartisan Early Literacy Bill, that will help train our teachers and mobilize an army of volunteer literacy tutors.

Sixth, invest in all of our children's future by strengthening our public schools. I have proposed to expand Head Start so more children come to school ready to learn ... to strengthen after-school programs for hundreds of thousands of children ... to help more disadvantaged children master the basics and learn to high standards ... to keep thousands of Hispanic American young people from dropping out of school ... and to keep our children safe by supporting our Safe and Drug-Free Schools program.

Unfortunately, the House Republican Bill falls far short of these goals -- and short changes our children's futures in the process. I urge the Congress to fully fund these vitally important programs.

Finally, Congress should not turn its back on the Summer Jobs Program, which gives more than 500,000 young people the chance to work and learn new skills. At a time when we should be doing everything we can to help our young people compete for the jobs of tomorrow, we simply cannot afford to cut this vitally important program. But the House Republican budget would do exactly that.

Tomorrow, a Senate subcommittee will likely take up this matter. I am confident that the Senate will vote to restore funding for the Summer Jobs program -- and other critical investments in education -- that have helped so many young people to reach their dreams.

These are the steps I believe Congress must take to give our children the education they need and deserve. I look forward to working with the Congress every step of the way to meet this great challenge. For, as President Lincoln once said: "Education is the most important thing we as a people can be engaged in." If we really want to build a stronger America in the 21st Century, then we must put progress ahead of partisanship, people over politics, and our children's future above all else.

Thank you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:31-AUG-1998 10:57:45.00

SUBJECT: School Safety Conference Planning Mtg, Tues., Sept. 1 at 1:30pm -- Rooseve

TO: Charles.a.simon ( Charles.a.simon @ usdoj.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

TO: Ricki.l.seidman ( Ricki.l.seidman @ usdoj.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

TO: Ann\_O'Leary ( Ann\_O'Leary @ ed.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

TO: Kevin\_sullivan ( Kevin\_sullivan @ ed.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

TO: lisa.wetzl ( lisa.wetzl @ mail.va.gov [ UNKNOWN ] )  
READ:UNKNOWN

TO: Kelley L. O'Dell ( CN=Kelley L. O'Dell/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

TO: Jena V. Roscoe ( CN=Jena V. Roscoe/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Ilia V. Velez ( CN=Ilia V. Velez/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

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

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

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

TO: JOHNSON\_R ( JOHNSON\_R @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: Karen E. Skelton ( CN=Karen E. Skelton/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: Tanya E. Martin ( CN=Tanya E. Martin/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: Leanne A. Shimabukuro ( CN=Leanne A. Shimabukuro/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

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

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

TO: Jose Cerda III ( CN=Jose Cerda III/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

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

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

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

TO: gregory.king ( gregory.king @ usdoj.gov [ UNKNOWN ] )  
READ:UNKNOWN

TO: Shay.Bilchik ( Shay.Bilchik @ usdoj.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

TO: Julie\_green ( Julie\_green @ ed.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

TO: Sara\_Strizzi ( Sara\_Strizzi @ ed.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

TO: Bill\_Modzeleski ( Bill\_Modzeleski @ ed.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

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

TO: Ansley Jones ( CN=Ansley Jones/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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

TO: WOOLLEY\_B ( WOOLLEY\_B @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

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

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

TO: Emory L. Mayfield ( CN=Emory L. Mayfield/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: Trooper Sanders ( CN=Trooper Sanders/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

TEXT:

We will review the progress we have made in shaping an agenda and update  
WH offices on the specifics so far.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:31-AUG-1998 07:44:32.00

SUBJECT: Re: Chapter on Accomplishments

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

TO: Sidney Blumenthal ( CN=Sidney Blumenthal/OU=WHO/O=EOP [ WHO ] )  
READ:UNKNOWN

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

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

TEXT:

Maria, Elena, Sidney:

This (accomplishments chapter) is one of the topics for dinner tonight.

At 03:58 PM 8/24/1998 -0400, Michele\_Cavataio@pir.eop.gov wrote:

>Chris and I were hoping to get some feedback from you on the attached memo  
>which proposes a format for the accomplishments chapter in the President's  
>book on race. We hope that our next step will be to meet with Michael  
>Waldman and others to flesh out the themes. (See attached file:  
>ACCOMPS2.WPD)  
>Thanks.

>

>Attachment Converted: "c:\Documents\Attachments\ACCOMPS21.WPD"

>

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:31-AUG-1998 18:39:51.00

SUBJECT: Tobacco Industry Document Overture?

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 Dailard ( CN=Cynthia Dailard/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

HHS has been approached by Triad Communications, the company that Philip Morris, Lorillard, and the Tobacco Institute hired to put its company documents in computer format. Triad says they can convert the documents to an easily searchable form and that PM public relations officials have indicated an interest in paying the cost, thinking this could bring them good publicity. PM's board of directors has not yet been consulted. HHS is skeptical but would like to obtain more information. Is that OK?

More broadly, HHS and DOJ are making decent progress in fulfilling the requirements of the President's memorandum (we've been making them report to us in biweekly conference calls to keep them on track). DOJ is working with FDA to draft its brief to make the IVA index public -- the district court has not yet set a due date, but DOJ expects them to set one in mid-Sept. HHS has done a lot of leg work on the documents, including sending a CDC team to Minnesota, and is pulling together a group of research and information technology specialists to discuss options at an all-day meeting next Friday (Sept. 11th).

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lisa Zweig ( CN=Lisa Zweig/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME:31-AUG-1998 18:40:43.00

SUBJECT: URGENT: SENATE FOREIGN OPERATIONS FLOOR SAP

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

TO: Ron Klain ( CN=Ron Klain/O=OVP@OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: Kerri A. Jones ( CN=Kerri A. Jones/OU=OSTP/O=EOP@EOP [ OSTP ] )  
READ:UNKNOWN

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

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

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

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

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

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

TO: Kathleen A. McGinty ( CN=Kathleen A. McGinty/OU=CEQ/O=EOP@EOP [ CEQ ] )  
READ:UNKNOWN

TO: Rahm I. Emanuel ( CN=Rahm I. Emanuel/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

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

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

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

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

TO: RUDMAN\_M@A1@CD@VAXGTWY ( RUDMAN\_M@A1@CD@VAXGTWY [ UNKNOWN ] ) (NSC)

READ:UNKNOWN

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

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

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

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

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

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

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

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

TEXT:

Tomorrow morning, the Senate plans to consider the FY99 Foreign Operations Appropriations Below is the draft SAP and the language is similar to language you reviewed in a prior draft SAP on July 23rd. Therefore, we need your comments by 9:00 am Tuesday morning. Thanks.

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

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D71]MAIL445895343.226 to ASCII,  
The following is a HEX DUMP:

FF575043C5060000010A020100000002050000009E6D00000002000001E82347B915B8198FF5B88  
0F37CEADFB8D105185E3AE63610863DC8C27E85F28D77294A7A1863B5F4F996A17F54B7211DE25  
5849D92BDAA1406D7A16E10F7B21E0922ECC98876EEDFA14B3BFA8C29EB5C83AD358477CE26ED9

September x, 1998  
(Senate Floor)

Automated Records Management System  
Hex-Dump Conversion

**S. 2334 -- FOREIGN OPERATIONS, EXPORT FINANCING,  
AND RELATED PROGRAMS APPROPRIATIONS BILL, FY 1999**

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(Sponsors: Stevens (R), Alaska; McConnell (R), Kentucky)

This Statement of Administration Policy provides the Administration's views on S. 2334, the Foreign Operations, Export Financing, and Related Programs Appropriations Bill, FY 1999, as reported by the Senate Appropriations Committee. Your consideration of the Administration's views would be appreciated.

The Administration appreciates efforts by the Committee to accommodate many of the President's priorities within the limited 302(b) allocation available, and commends the Committee for its support of key funding priorities such as the International Monetary Fund (IMF). However, the allocation is simply insufficient to make the necessary investments in programs funded by this bill. As a result, a number of key programs are seriously under-funded.

To have an effective foreign policy, a strong national security policy, and to promote continued economic prosperity, it is essential that additional resources be made available to the Subcommittee. In addition, there are a number of objectionable restrictions on funding in the bill and a significant number of earmarks that, combined with the reduced funding level, would seriously limit the Administration's ability to conduct foreign policy. For these reasons, if the bill were presented to the President in its current form, the President's senior advisers would recommend that he veto the bill. We hope to reach consensus on these issues as the bill moves forward.

This legislation is a critical element of America's national security budget. At the dawn of a new century, America faces unique challenges and unprecedented opportunities to strengthen our national security, enhance our global leadership, extend the reach of our democratic values, and deepen our own prosperity. The challenges we face are formidable. If this bill in its current form were to become law, however, it would erode our ability to promote critical American interests at home and abroad effectively. The responsibility of safeguarding our national security and exercising U.S. leadership cannot be secured within the resources available to the Subcommittee. We urge the Congress to provide the resources needed to keep America safe, strong, and prosperous.

The only way to achieve the appropriate investment level for the programs funded through this bill is to offset discretionary spending by using savings in other areas. The President's FY 1999 Budget proposes levels of discretionary spending for FY 1999 that conform to the Bipartisan Budget Agreement by making savings through user fees and certain mandatory programs to help finance this spending. In the Transportation Equity Act, Congress -- on a

broad, bipartisan basis -- took similar action in approving funding for surface transportation programs paid for with mandatory offsets. We want to work with the Congress on mutually-agreeable mandatory and other offsets that could be used to increase funding for high-priority discretionary programs, including those funded by this bill.

### International Monetary Fund

The Administration welcomes and commends the Committee's efforts to provide funding for both the International Monetary Fund's (IMF's) New Arrangements to Borrow and quota increase. The Administration believes that the immediate approval of these requests is necessary to provide the IMF with the resources it needs to protect the international financial system -- and therefore the U.S. economy -- against the risk of new, escalating, or spreading crises. As recent events, including the new stabilization program for Russia, clearly demonstrate, the IMF's need for additional resources grows more urgent by the day.

The Administration is concerned, however, with some of the provisions of the Committee-reported bill as currently drafted. The Administration is in agreement with many of the underlying objectives as policies that the United States should vigorously promote at the IMF and looks forward to working with the Congress to address these issues in a manner consistent with our goals.

### New Independent States

As recent events have indicated, the incomplete peaceful transition of the New Independent States (NIS) to stable, market-based democracies is vital to the U.S. national security. The Congress has shared this view and provided considerable support for this program in the past. The current political/economic situation in Russia indicates how great the stakes are for the United States to continue to help Russia achieve this peaceful transformation. The enormous economic potential of the Caspian Basin represents great opportunities to advance our mutual goals. The Administration commends the Committee for providing resources above the House level. However, the cuts embodied in the Committee's funding level for USAID assistance programs to the NIS would result in a funding level that is \$30 million below the FY 1998 level and \$185 million below the request.

These cuts would make it extremely difficult to push for market reforms and support democratic forces across the region. Further, the prohibition on all assistance to Russia -- not just the government -- pending certification of termination of all nuclear reactor and ballistic missile technology cooperation with Iran, is so rigid as to impede the Administration's ability to ensure that termination. This would hold programs designed to foster the private sector across Russia hostage to Government policy in Moscow. In addition, the numerous country earmarks would make it more difficult for the Administration to shift assistance to take advantage of new opportunities such as the election of reform-minded governments, peace agreements settling ethnic disputes, or helping leverage reforms by coordination of our assistance with international financial institutions. The Administration strongly favors repeal of continued restrictions on U.S. assistance to Azerbaijan. These restrictions operate as a disincentive to securing peace in

the Caucasus, and they do not serve U.S. national interests.

### Middle East Assistance

The Administration welcomes the efforts of the Committee to work with us in encouraging changes in traditional levels of assistance to countries in the Middle East. We believe that Israel's initiative to reduce Economic Support Fund (ESF) assistance provides an important basis on which to build future assistance programs that meet our needs in the Middle East and beyond. However, due to the very constrained funding levels for international affairs programs, the Administration has proposed an accelerated approach to the reduction of Israel's ESF. We would encourage the Senate to give strong consideration to such an approach as the bill proceeds through the process.

We are very concerned about the deletion of current authority to allow the Palestine Liberation Organization (PLO) to maintain an office in Washington, D.C. This would severely undermine our ability to facilitate dialogue between Israel and the Palestinians at what is an extremely sensitive juncture of the peace process. Finally, we favor maintaining a Foreign Military Financing funding level of \$1.3 billion for Egypt in FY 1999.

### Export-Import Bank

The Administration appreciates the Committee's effort to increase the funding for the Export-Import Bank (Ex-Im Bank) substantially. The funding increase represents a vote of confidence in the Bank's mission to sustain U.S. jobs and exports that would not otherwise go forward. However, the bill falls short of the level needed to meet anticipated U.S. exporter demand in FY 1999.

The Administration is concerned with the language prohibiting disbursements of Ex-Im Bank credits to programs or enterprises that are majority owned or managed by State entities. The Administration wants to promote private sector development in Russia and other NIS countries. The Administration shares the Committee's goal of supporting private sector businesses in the region and would like to work with the Committee to develop responses to the difficult issue of how to work with governments in the transition period from command to free markets. However, the proposed language would imperil almost \$4 billion in U.S. exports tied to current and probable transactions, provoking substantial litigation and undermining the credibility of Ex-Im Bank's financing support for U.S. exporters.

The Administration is opposed to an amendment that may be offered that would require the Ex-Im Bank to approve transactions that did not conform to its environmental guidelines if a foreign government offered -- or indicated -- support for the transaction. This "least common-denominator" amendment could effectively eliminate the guidelines, as virtually every case involving the guidelines is potentially subject to foreign competition. Both in the G-8 and the Organization for Economic Cooperation and Development (OECD), the United States has made real progress in getting other countries to take a serious look at the impact of export credit financing on the environment. If the Ex-Im Bank's environmental guidelines are eliminated due

to this amendment, the United States' leadership and credibility on these issues would be significantly threatened and progress on these issues would be substantially hindered.

#### Nonproliferation, Anti-terrorism, Demining, and Related Programs (NADR)

The Administration is concerned with the \$46 million, or 21 percent, cut to the \$216 million request for NADR, but greatly appreciates the Committee's support for the Korean Peninsular Energy Development Organization. Unfortunately, the NADR reduction undermines the multi-prong effort that NADR supports to reduce the proliferation threat to U.S. national and global security. Lack of funding for the Comprehensive Test Ban Treaty (CTBT) Preparatory Commission would harm U.S. national security interests as it would eviscerate planned improvements in our ability to monitor nuclear testing worldwide. The recent Indian and Pakistani tests are a stark reminder of the importance of this monitoring. As well, we would be forced to reduce support for demining efforts, NIS science centers, and other related activities. The Commission and its International Monitoring System should be funded, regardless of ratification of the CTBT.

#### Global Environment Facility

The Administration is concerned with the refusal of the Committee to fully fund the request for the Global Environment Facility (GEF), which is helping to reduce long-term environmental risks that will affect all Americans. The full \$300 million request for GEF (of which \$192.5 million is for arrears) is needed to assure that GEF does not run out of resources in FY 1999. Concerns that funding GEF would prejudge debate on the Kyoto Climate Protocol are misplaced: the new replenishment agreement is funded at the same level as the prior one, and GEF will continue with precisely the same broad work program that it had prior to Kyoto. The GEF is among the best vehicles that the U.S. has to encourage developing countries to shoulder greater responsibility for protecting both the local and global environment. Under the terms of the bipartisan Balanced Budget Act, the Senate can fully fund the arrearage request without making reductions to other programs funded in the bill. It is manifestly in our interests to clear our arrears and keep GEF running, and the Administration strongly urges the Senate to restore funding for this critical program.

#### Economic Support Fund

The Administration is concerned with the overall funding level for the Economic Support Fund (ESF). At the Committee mark, the Fund would be cut by 50 percent of the funds necessary to support economic and political stability in Latin America, as well as other emerging democracies in Africa and Asia. We strongly encourage the Senate to support a higher funding level for the ESF as the bill moves forward.

Excessive conditions on aid to Haiti, even with a national security waiver, would undercut our efforts to achieve a democratic, self-sustaining Haiti with an honest, independent judiciary.

### Peacekeeping Operations

The Committee has reduced the \$83 million request for Peacekeeping Operations (PKO) by 17 percent. PKO provides vital assistance and support for many important national security and foreign policy activities, including commitments in Bosnia and Haiti, conflicts in Africa, and potential trouble spots such as in the Balkans. This reduction would limit the President's ability to respond to these and other evolving events.

### Central and Eastern Europe

The Administration appreciates the continued support of the Senate for our efforts to achieve a lasting peace in the Balkans. The assistance programs are essential to meet the goals of the Dayton agreement, including the ability of refugees and displaced persons to return to their homes, reintegration of multi-ethnic communities and institutions, and helping the citizens of the region decide their futures through free and fair elections. The 11-percent reduction to the request for assistance to Bosnia is of concern because it would reduce our ability to react to unforeseen problems or opportunities. This lack of flexibility could impair our ability to reach the goals outlined above and, in turn, would pose a potential problem in terms of reducing our troop levels, a goal shared by the Administration and the Congress. Finally, restrictions in the bill intended to prevent war criminals from benefitting from U.S. assistance, though well-intentioned, would prove extremely difficult to administer. We look forward to working with the Senate to make this language more workable.

Additional reductions in the assistance program for the rest of the region are problematic as well. These reductions come at a time when we are working to phase out assistance. FY 1999 is planned to be the last year for new funding in Lithuania, Poland, and Slovakia, and the year in which we planned to begin capitalizing a joint public-private partnership to help sustain democracy after U.S. bilateral assistance is phased out.

### African Development Fund

The Administration is deeply concerned with the \$150 million cut to the request for the African Development Fund, which provides resources for the poorest countries in SubSaharan Africa, including the entire request to fund the annual commitment of \$67 million and \$83 million in arrears. Funding the request is necessary to support the reform measures underway for the past three years at the African Development Bank and Fund. The Administration strongly urges the Senate to restore funding for this critical program.

### Community Adjustment and Investment Program

The Administration is very concerned with the Committee's failure to fund the Community Adjustment and Investment Program (CAIP), a program initially funded through the North American Development Bank, a multilateral development bank. The CAIP was established to help communities affected by adverse trade patterns associated with implementation of the North American Free Trade Agreement. To date, the program has assisted in more than 120 loans in 20 States, leveraging private sector financing of over \$70 million. The \$37 million requested would significantly bolster CAIP's ability to continue this work, as well as to support technical assistance, grants, and micro-lending. The Administration strongly urges the Senate to restore funding for this innovative program.

### Asian Development Fund

The Administration appreciates the Committee's support for the Asian Development Fund, reflected in the \$187 million funding of arrears. Nevertheless, the Committee's mark excludes the \$100 million request to fund our annual commitment to the Asian Development Fund; thus, it would result in substantial net new arrears to the Fund. The Administration is committed to clearing up current arrears and to avoiding the creation of new arrears. The Asia Development Fund has played an important role in addressing the Asian economic crisis. The Administration strongly urges the Senate to fund the Administration's request of \$150 million towards arrears and \$100 million towards the annual commitment.

### Peace Corps

The Administration is deeply concerned with the \$49 million cut to the request for the Peace Corps. This reduction, to a level \$5 million below the FY 1998 funding level, would not only preclude the Peace Corps initiative to fund 10,000 volunteers by the year 2000, but would require the Peace Corps to reduce costs equivalent to closing six country programs and reducing the number of volunteers by 500. The Administration strongly encourages the Senate to support a higher funding level for the Peace Corps.

### Treasury Debt Restructuring

The \$25 million funding level for international debt restructuring is inadequate to finance anticipated debt restructuring for some of the poorest countries in FY 1999, especially debt relief proposed under the President's new Africa Initiative. The Administration's \$72 million request was made on the basis of debt reduction anticipated for up to 14 countries to receive debt relief through the Paris Club group of official creditors or through the Africa Initiative's bilateral concessional debt reduction component. If this \$25 million funding level were enacted, the Administration would be unable to provide debt relief to a number of sub-Saharan African countries likely to be eligible under the Africa Initiative.

### U.S. Agency for International Development (USAID) Development Assistance

While the Administration appreciates the Committee's provision (after permitted transfers) of an amount for USAID Development Assistance very close to the President's request, we are concerned about the multitude of earmarks, which would make it difficult to fully fund the shared assistance priorities of the President and Congress in regions such as Africa and Latin America. In particular, while the Administration is committed to helping Indonesia through its current economic crisis, we are concerned that the Committee's earmark for Indonesia, by reducing the President's flexibility, may actually impede our efforts to respond most effectively to the changing nature of the Asian economic crisis. The Administration is concerned about new onerous language related to climate change, including additional procedural requirements and the omission of existing language that provides "notwithstanding" authority for activities intended to reduce global greenhouse gas emissions.

### International Narcotics Control

The Administration is deeply concerned about the \$53 million reduction to the \$275 million request for International Narcotics Control. Such a reduction would negatively impact country programs, especially in the Andean region, that are aimed at reducing the supply of cocaine. The reduction would force the redirection of available resources to cocaine producing countries at the expense of heroin reduction efforts in Southeast Asia.

### International Organizations and Programs

The Committee bill reduces the request for International Organizations and Programs by \$44 million, which would limit significantly U.S. ability to participate and support a number of international organizations, particularly those involved with global environmental activities.

### U.S. Agency for International Development (USAID) Operating Expenses

The Administration appreciates the Committee's effort to provide a small increase above the FY 1998 enacted level for USAID Operating Expenses. However, we are concerned that this level will not allow USAID to complete the Year 2000 conversion and implement other necessary management improvements while implementing the President's initiatives in Africa and Latin America and effectively managing its ongoing programs, including congressional priorities in areas such as infectious diseases and child survival. Therefore, we urge the Senate to provide additional funding for USAID Operating Expenses.

### U.S. Agency for International Development (USAID) Operating Expenses: Inspector General

The Administration appreciates the Committee's effort to provide a small increase above the FY 1998 enacted level for Operating Expenses for the Office of the USAID Inspector General. However, we are concerned that this level will not provide sufficient funding to allow

the Inspector General to carry out fully his increased audit responsibilities under the GPRA and GMRA while also responding to the increased costs of providing security for USAID in the Ronald Reagan Building. Therefore, we urge the Senate to provide additional funding for the USAID Inspector General.

#### U.S. Agency for International Development (USAID) Credit Programs

The Administration is concerned that the Committee has reduced the requested subsidy amount for the Urban Environment (UE) credit program and has not provided transfer authority for USAID's Development Credit Authority (DCA). As the Congress and the Administration agreed in the FY 1998 appropriations legislation, USAID has taken substantial steps towards developing the capacity to manage both its existing and future credit portfolios. We urge the Senate to restore the transfer authority for the DCA and increase funding for the UE program. Failure to do so would limit the ability of USAID to use credit to promote development in urban areas and to encourage the development of needed private sector financial mechanisms.

#### Overseas Private Investment Corporation

The Administration is pleased the Committee has provided full program funding for the Overseas Private Investment Corporation (OPIC). However, we are concerned with the provision of the bill that would withhold one-half of the agency's administrative budget. The Administration is working closely with the Committee to resolve any outstanding issues and notes that withholding funds would impede the agency's efforts to support American business and promote U.S. foreign policy.

#### African Development Foundation

The Committee has reduced the \$14 million request for the African Development Foundation (ADF) by 43 percent. Through its grants program, ADF supports community-based, self-help initiatives in Africa. This reduction would severely limit the ability of the Foundation to respond to the development needs at the grassroots level in Africa. The Administration urges the Senate to fund this program at the requested level.

#### Year 2000 Conversion

The need to conform with Year 2000 (Y2K) conversion requirements mandates the additional investments in information technology and credit management that are included in the requests for USAID Operating Expenses, Peace Corps, and the other agencies funded in this bill.

It is essential to make Y2K funding available quickly and flexibly. We appreciate the action of the Senate Appropriations Committee to provide an emergency fund in the Treasury/General Government bill for such purposes. We urge Congress to leave as much as possible of the reserve unallocated so that funds are available to address emerging needs.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:31-AUG-1998 07:05:20.00

SUBJECT: I-200 and loose nukes

TO: Mona G. Mohib ( CN=Mona G. Mohib/OU=WHO/O=EOP [ WHO ] )  
READ:UNKNOWN

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

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

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

TO: Lisa M. Brown@OVP ( Lisa M. Brown@OVP [ UNKNOWN ] )  
READ:UNKNOWN

CC: Leslie Bernstein ( CN=Leslie Bernstein/OU=WHO/O=EOP [ WHO ] )  
READ:UNKNOWN

CC: Scott R. Palmer ( CN=Scott R. Palmer/OU=PIR/O=EOP [ PIR ] )  
READ:UNKNOWN

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

TEXT:

In advance of Maria's 11:30 meeting on I-200, I offer one substantive observation on the level of principle. My sense is that some, probably most, WH staff believe that the fate of I-200 is basically a local concern, and that the Administration's posture should be one of "support", rather than "responsibility." From that, it follows that you should just monitor, and be reactive and responsive.

The alternative principle is that if I-200 passes it will ignite a firestorm of Prop 209-like activity, and in combination with adverse lower court rulings, broaden and deepen the risks to affirmative action policies the President and Vice President strongly support. This is no more a "local" problem than loose nukes in the Former Soviet Union.

What I hear is that "No-200" is in serious financial trouble, relative to the need; that the battle is winnable (as Prop 209 probably was); and that

the local folks are pretty good (which was only half true on Prop 209).

So the first question is, What's our principle? If you agree with me, then the second question is, What would the Administration have to do to maximize the chances of defeating I-200, and how much of that are we actually willing to undertake, given everything else?

Finally, I'll play the WW parlor game: I'll bet that if the issues and arguments were put before the President, he would say that he does not want to preside over the dismantling of affirmative action; that he wants an aggressive (not reactive) strategy to defend his mend-it-don't-end-it policy; and that he would make these points with an edge of impatience.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-SEP-1998 14:54:51.00

SUBJECT: Update on cost allocation

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

We've spared you the gory details, but we have worked with HHS, OMB, IGA, and NGA to work out revised guidance on cost allocation, to be officially sent out this week. The guidance provides instructions to the states to provide budget information to HHS to help them determine, as required by the Ag Research bill, how much of each state's TANF block grant is comprised of Food Stamp and Medicaid administrative costs. NGA had passed a resolution at its August meeting expressing concern about the draft guidance. Nearly all those concerns have been addressed (most relate to making clear that the data collection models provided in the guidance are simply that -- models that states can adapt to their historical circumstances). We had a final meeting today with NGA, APHSA, NCSL and Indiana and Wisconsin state staff and they seemed pleased with the outcome. We did not address all of their complaints, however -- some are due to the statute and one -- relating to how narrowly to define "administrative costs" we simply have an honest disagreement.

FYI -- this provision produced Food Stamp savings in the Ag Research bill used to fund Food Stamps for legal immigrants (once the amount of Food Stamp admin costs in the TANF block grant is determined, USDA will then deduct that amount from each state's Food Stamp admin reimbursement.) New legislation would be needed to capture savings from the Medicaid data which will be captured in this process. Our budget proposal last year captured savings from both, but (in the absence of state by state data) by cutting FS and Medicaid admin reimbursement by 3 percent. The idea was to ensure that states didn't double-dip, by shifting admin costs to the open-ended FS and Medicaid programs while maintaining their entire TANF block grant.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Essence P. Washington ( CN=Essence P. Washington/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 1-SEP-1998 15:41:59.00

SUBJECT: Weekly Crime Meeting

TO: Rhonda Melton ( CN=Rhonda Melton/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

TO: David W. Beier ( CN=David W. Beier/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: Christopher S. Lehane ( CN=Christopher S. Lehane/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

TO: GALLEGOS\_S ( GALLEGOS\_S @ A1 @ CD @ VAXGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: Charles A. Blanchard ( CN=Charles A. Blanchard/OU=ONDCP/O=EOP @ EOP [ ONDCP ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

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

TO: Michelle Crisci ( CN=Michelle Crisci/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

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

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

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

TO: Audrey Choi ( CN=Audrey Choi/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

TO: Lisa M. Brown ( CN=Lisa M. Brown/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

TO: Trooper Sanders ( CN=Trooper Sanders/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: NELSON\_J ( NELSON\_J @ A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

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

TO: Rahm I. Emanuel ( CN=Rahm I. Emanuel/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

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

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

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

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

TO: Jose Cerda III ( CN=Jose Cerda III/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

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

READ:UNKNOWN

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

TEXT:  
MEMORANDUM TO DISTRIBUTION LIST

FROM: Bruce Reed  
Assistant to the President for Domestic Policy

SUBJECT: September 2, 1998 CRIME MEETING

On Wednesday, September 2, at 10:00 a.m. in Room 211 of the Old Executive Office Building, we will hold the weekly crime meeting.

Thank You.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cathy R. Mays ( CN=Cathy R. Mays/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 2-SEP-1998 12:29:02.00

SUBJECT: Weekly Strategy Meeting

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

TO: David W. Beier ( CN=David W. Beier/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

READ:UNKNOWN

TEXT:

There will be a Health Care Strategy Meeting tomorrow, Thursday, September 3, in Bruce Reed's office.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-SEP-1998 12:17:58.00

SUBJECT: LRM #IMS405 - OMB Request for Views on S53 Curt Flood Act of 1997

TO: justice.lrm ( justice.lrm @ usdoj.gov @ inet [ UNKNOWN ] ) (OA)  
READ:UNKNOWN

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

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

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

TO: Daniel J. Chenok ( CN=Daniel J. Chenok/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: dol-sol-leg ( dol-sol-leg @ dol.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

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

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

TO: Bruce R. Lindsey ( CN=Bruce R. Lindsey/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

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

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

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

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

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

TEXT:

Total Pages: \_\_\_\_\_

LRM ID: IMS405  
EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
Washington, D.C. 20503-0001

Wednesday, September 2, 1998

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below  
FROM: Jeffrey A. Weinberg (for) Assistant Director for Legislative Reference  
OMB CONTACT: Ingrid M. Schroeder  
PHONE: (202)395-3883 FAX: (202)395-3109  
SUBJECT: OMB Request for Views on S53 Curt Flood Act of 1997  
DEADLINE: Noon Tuesday, September 8, 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: S.53 passed the Senate by unanimous consent on July 30th.  
DISTRIBUTION LIST

- AGENCIES:  
61-JUSTICE - Andrew Fois - (202) 514-2141  
62-LABOR - Robert A. Shapiro - (202) 219-8201  
76-National Economic Council - Sonyia Matthews - (202) 456-6630

- EOP:  
John E. Thompson  
David J. Haun  
Larry R. Matlack  
Daniel J. Chenok  
Steven D. Aitken  
Elena Kagan  
Bruce R. Lindsey  
Mark Mazur  
Ellen J. Balis  
Michelle Peterson  
Sarah Rosen  
Peter G. Jacoby

LRM ID: IMS405 SUBJECT: OMB Request for Views on S53 Curt Flood Act of 1997

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  
 S 53 ES

105th CONGRESS

2d Session

S. 53

AN ACT

To require the general application of the antitrust laws to major league baseball, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'Curt Flood Act of 1998'.

## SEC. 2. PURPOSE.

It is the purpose of this legislation to state that major league baseball players are covered under the antitrust laws (i.e., that major league baseball players will have the same rights under the antitrust laws as do other professional athletes, e.g., football and basketball players), along with a provision that makes it clear that the passage of this Act does not change the application of the antitrust laws in any other context or with respect to any other person or entity.

## SEC. 3. APPLICATION OF THE ANTITRUST LAWS TO PROFESSIONAL MAJOR LEAGUE BASEBALL.

The Clayton Act (15 U.S.C. Sec. 12 et seq.) is amended by adding at the end the following new section:

SEC. 27. (a) Subject to subsections (b) through (d), the conduct, acts, practices, or agreements of persons in the business of organized professional major league baseball directly relating to or affecting employment of major league baseball players to play baseball at the major league level are subject to the antitrust laws to the same extent such conduct, acts, practices, or agreements would be subject to the antitrust laws if engaged in by persons in any other professional sports business affecting interstate commerce.

(b) No court shall rely on the enactment of this section as a basis for changing the application of the antitrust laws to any conduct, acts, practices, or agreements other than those set forth in subsection (a). This section does not create, permit or imply a cause of action by which to challenge under the antitrust laws, or otherwise apply the antitrust laws to, any conduct, acts, practices, or agreements that do not directly relate to or affect employment of major league baseball players to play baseball at the major league level, including but not limited to--

(1) any conduct, acts, practices, or agreements of persons engaging in, conducting or participating in the business of organized professional baseball relating to or affecting employment to play baseball at the minor league level, any organized professional baseball amateur or first-year player draft, or any reserve clause as applied to minor league players;

(2) the agreement between organized professional major league

baseball teams and  
the teams of the National Association of Professional Baseball  
Leagues, commonly  
known as the 'Professional Baseball Agreement', the relationship  
between organized  
professional major league baseball and organized professional  
minor league baseball,  
or any other matter relating to organized professional  
baseball's minor leagues;

`(3) any conduct, acts, practices, or agreements of persons  
engaging in, conducting  
or participating in the business of organized professional  
baseball relating to or  
affecting franchise expansion, location or relocation, franchise  
ownership issues,  
including ownership transfers, the relationship between the  
Office of the  
Commissioner and franchise owners, the marketing or sales of the  
entertainment  
product of organized professional baseball and the licensing of  
intellectual property  
rights owned or held by organized professional baseball teams  
individually or  
collectively;

`(4) any conduct, acts, practices, or agreements protected by  
Public Law 87-331  
(15 U.S.C. Sec. 1291 et seq.) (commonly known as the 'Sports  
Broadcasting Act  
of 1961');

`(5) the relationship between persons in the business of  
organized professional  
baseball and umpires or other individuals who are employed in  
the business of  
organized professional baseball by such persons; or

`(6) any conduct, acts, practices, or agreements of persons not  
in the business of  
organized professional major league baseball.

`(c) Only a major league baseball player has standing to sue under  
this section. For the  
purposes of this section, a major league baseball player is--

`(1) a person who is a party to a major league player's  
contract, or is playing baseball  
at the major league level; or

`(2) a person who was a party to a major league player's  
contract or playing baseball  
at the major league level at the time of the injury that is the  
subject of the complaint;  
or

`(3) a person who has been a party to a major league player's  
contract or who has  
played baseball at the major league level, and who claims he has  
been injured in his

efforts to secure a subsequent major league player's contract by an alleged violation of the antitrust laws: Provided however, That for the purposes of this paragraph, the alleged antitrust violation shall not include any conduct, acts, practices, or agreements of persons in the business of organized professional baseball relating to or affecting employment to play baseball at the minor league level, including any organized professional baseball amateur or first-year player draft, or any reserve clause as applied to minor league players; or

`(4) a person who was a party to a major league player's contract or who was playing baseball at the major league level at the conclusion of the last full championship season immediately preceding the expiration of the last collective bargaining agreement between persons in the business of organized professional major league baseball and the exclusive collective bargaining representative of major league baseball players.

`(d) (1) As used in this section, `person' means any entity, including an individual, partnership, corporation, trust or unincorporated association or any combination or association thereof. As used in this section, the National Association of Professional Baseball Leagues, its member leagues and the clubs of those leagues, are not `in the business of organized professional major league baseball'.

`(2) In cases involving conduct, acts, practices, or agreements that directly relate to or affect both employment of major league baseball players to play baseball at the major league level and also relate to or affect any other aspect of organized professional baseball, including but not limited to employment to play baseball at the minor league level and the other areas set forth in subsection (b) above, only those components, portions or aspects of such conduct, acts, practices, or agreements that directly relate to or affect employment of major league players to play baseball at the major league level may be challenged under subsection (a) and then only to the extent that they directly relate to or affect employment of major league baseball players to play baseball at the major league level.

`(3) As used in subsection (a), interpretation of the term `directly' shall not be governed by any interpretation of section 151 et seq. of title 29, United States Code (as amended).

`(4) Nothing in this section shall be construed to affect the

application to organized  
professional baseball of the nonstatutory labor exemption from the  
antitrust laws.

`(5) The scope of the conduct, acts, practices, or agreements covered  
by subsection (b)  
shall not be strictly or narrowly construed.'.

Passed the Senate July 30, 1998.

Attest:

Secretary.

105th CONGRESS

2d Session

S. 53

AN ACT

To require the general application of the antitrust laws to major league  
baseball, and for other  
purposes.

END

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cathy R. Mays ( CN=Cathy R. Mays/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 2-SEP-1998 16:37:36.00

SUBJECT: DPC Staff Meeting

TO: Essence P. Washington ( CN=Essence P. Washington/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

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

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

TO: Jonathan H. Schnur ( CN=Jonathan H. Schnur/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: Tanya E. Martin ( CN=Tanya E. Martin/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

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

TO: Jose Cerda III ( CN=Jose Cerda III/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: WEINSTEIN\_P@A1@CD@VAXGTWY ( WEINSTEIN\_P@A1@CD@VAXGTWY @ VAXGTWY [ UNKNOWN ] ) (O  
READ:UNKNOWN

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

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

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

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

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

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

READ:UNKNOWN

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

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

READ:UNKNOWN

TEXT:

The DPC staff meeting for tomorrow is CANCELLED.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cathy R. Mays ( CN=Cathy R. Mays/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 2-SEP-1998 15:01:12.00

SUBJECT: Weekly Strategy Meeting

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

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

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
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TO: Vicky\_Stroud ( Vicky\_Stroud @ ed.gov@inet [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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

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

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

TEXT:

We will be having the Education Strategy Meeting tomorrow, Thursday, September 3, at 5:15 p.m. in Bruce's office.

# Withdrawal/Redaction Marker

## Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Minyon Moore to Elena Kagan, et al. Subject: Details for tomorrow (2 pages)	09/02/1998	Personal Misfile

### COLLECTION:

Clinton Presidential Records  
Automated Records Management System (Email)  
OPD ([Kagan])  
OA/Box Number: 250000

### FOLDER TITLE:

[8/28/1998 - 9/2/1998]

2009-1006-F  
ke756

### RESTRICTION CODES

#### Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

#### Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-SEP-1998 18:21:30.00

SUBJECT: FYI -- Naturalization Accomplishments/Briefing Format

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

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

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

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

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

TEXT:

FYI.

----- Forwarded by Julie A. Fernandes/OPD/EOP on 09/02/98  
06:39 PM -----

Steven M. Mertens

09/02/98 06:18:34 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: FYI -- Naturalization Accomplishments/Briefing Format

I met with INS and Justice staff to review progress in achieving the naturalization milestones announced as part of the naturalization improvement/reprogramming rollout and to develop a monthly naturalization reporting format to track naturalization accomplishments. I emphasized the importance OMB placed on achieving these milestones and our intention to closely monitoring progress.

In general, INS has moved forward with the incremental improvements they agreed to accomplish by October 1.

They have restructured the naturalization operation and merged the naturalization policy shop into INS' organizational/operational structure. A respected interim Deputy Executive Associate Commissioner for Immigration Services has been announced and INS' Deputy Commissioner is expected to select division heads for customer service, backlog reduction, reengineering and operations next week. We expressed concern that these division heads be permanent not interim selections so they can take charge/responsibility upon their appointment.

Backlog reduction "managers" have been selected for the top six cities. INS does not agree with our concept of backlog reduction or SWAT teams

that are mobile, dedicated to backlog reduction, and report to headquarters, preferring to designate "teams" at the district level that report to the district director. To date no "teams" have been established using existing resources -- however, their activation under the INS definition may await the approval of the reprogramming.

Most of the minor restructuring/reengineering accomplishments INS agreed to complete by October 1 should be implemented -- probably late, but within the month of October.

Report Format: With INS and Justice, we worked through a draft reporting format that INS will begin submitting to OMB on October 15 and on the 15th of each month through FY 1999. They agreed to all the data elements we requested and will establish milestones and deliverables by month so we can track progress. This reporting format will be used to brief the AG and CJS Appropriations Committee staff, which have sought similar information. A draft reporting format will be developed and submitted to OMB by September 18th.

If you have any questions regarding the above, please let me know. Thanks.

Message Sent

To: \_\_\_\_\_

Sylvia M. Mathews/OMB/EOP  
Charles E. Kieffer/OMB/EOP  
Michael Deich/OMB/EOP  
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