

**NLWJC - KAGAN**

**EMAILS RECEIVED**

**ARMS - BOX 038 - FOLDER -008**

**[10/01/1998]**

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christa Robinson ( CN=Christa Robinson/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 1-OCT-1998 09:48:34.00

SUBJECT: Today's speaking order

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

TEXT:

Just want to clarify that yesterday morning, when I spoke to the teacher and invited her to speak, it was still unresolved as to whether the VP would intro. the President or the teacher would. So, I told her that she would introduce either the VP or the President. She was fine with that, and in the remarks that she drafted and sent to me last night she did not put anything in about introducing anyone. We are speaking at 10am this morning to review her remarks. I have no idea why people felt that she was planning to introduce the President, and, in fact, I have no idea how anyone saw her remarks other than Karen T. Regardless, I'm pleased that she is able to introduce POTUS. This is something that I was pushing for.

As a side note, it's frustrating that the decision was made yesterday afternoon that she would NOT introduce POTUS -- so I called Leg. Affairs to make sure Daschle knew he would be introducing the teacher, and we went back and forth several times to make sure they had all the right info. Now I've just asked them to change that, but it is all such a waste of time when this is a basic decision that was certainly clear to me from the beginning. I know the problem stems from the VP's staff, and Stacie's trying to work it out with them but I just figured you should know how it does effect us too.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jose Cerda III ( CN=Jose Cerda III/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 1-OCT-1998 12:02:32.00

SUBJECT: Medical Marijuana

TO: Elena Kagan ( CN=Elena Kagan/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: Bruce N. Reed ( CN=Bruce N. Reed/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: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TEXT:  
BR/EK:

I just got invited to a meeting at ONDCP tomorrow on the DC medical marijuana initiative. I understand that McCaffrey wants us (WH Counsel, DPC, DOJ, ONDCP) to meet/strategize on this ASAP, since he's thinking about doing a press conference w/Mario Cuomo and Bill Bennett next Thursday.

EK: The meeting is tomorrow at 10:30am at ONDCP. Are you interested in going?

BR: Any important history I need to know on how we handled this the last time?

Any other thoughts, reactions?

Jose'

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 20:12:54.00

SUBJECT: H.R. 3789 - Class Action Jurisdiction Act of 1998

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

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

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

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

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

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

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

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

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

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

READ:UNKNOWN

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

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

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

TEXT:

The House is expected to take up H.R. 3789 - Class Action Jurisdiction Act of 1998 first thing tomorrow (Friday) morning. Position: Attorney General would recommend veto. Please review & provide comments/clearance by 9am tomorrow. Thank you.

DRAFT -- NOT FOR RELEASE October 1, 1998

(House)

H.R. 3789 - Class Action Jurisdiction Act of 1998  
(Hyde (R) Illinois and 10 cosponsors)

The Administration strongly opposes House passage of H.R. 3789, and if it were presented to the President, the Attorney General would recommend that he veto the bill.

H.R. 3789 would grant Federal district courts jurisdiction in almost all class action cases where any class member is a citizen of a State different from the State of any defendant. This would have the effect of transferring a significant number of class actions into Federal court and federalizing class action standards. States should be permitted to manage their own courts unless it can be demonstrated that there is a nationwide problem interfering with the fair adjudication of cases. Since this has not been demonstrated, the responsibility for handling class action litigation should continue to be shared between the State and Federal systems.

Class action litigation provides an important mechanism for vindicating the rights of plaintiffs whose individual claims would not warrant separate litigation and for resolving large numbers of related claims in a single action. H.R. 3789 also would require class action cases that are not certified in Federal court to be remanded to State courts and stripped of their class allegations, even if such a class could have been certified under applicable State standards. This provision would eliminate a viable remedy for individuals suffering injuries who could not otherwise afford to bring suit on their own and would significantly infringe on State courts' ability to offer redress to their citizens.

H.R. 3789 would move substantial numbers of State class actions to Federal courts at a time when the Chief Justice, among others, has expressed serious concerns about the workload of the Federal courts. A study by the Federal Judicial Center demonstrated that class actions are much more resource-intensive than other kinds of civil litigation. Particularly at a time when so many vacancies on the Federal bench exist, moving virtually all class actions to Federal courts would be counterproductive.

\* \* \* \* \*

(Do Not Distribute Outside Executive Office of the President)

This Statement of Administration Policy was developed by the Legislative Reference Division (Schroeder), in consultation with the Departments Commerce (Clark) and the Treasury (Levy), Administrative Office of the U.S. Courts (Blommer), WHC (Wilson), WHLA (Johnson, Jacoby), OVP (Brown), NEC (Rosen), OMB/GC (Aitken), HTF (Chapin), TCJS (Thompson), and BASD (Balis).

Justice, SEC, and DPC did not respond to our request for views on this SAP.

OMB/LA Clearance:

The House Judiciary Committee reported H.R. 3789 as amended on September 10, 1998.

Justice advises that the Attorney General will veto recommend of H.R. 3789 and that the Office of Legal Counsel may have a constitutional issue with the provision of H.R. 3789 related to remanding an action to State court (see description of provision below).

Administration Position to Date

On July 27, 1998, the Department of Justice sent a letter to the House Judiciary Committee strongly opposing H.R. 3789. Although the letter acknowledged that the Subcommittee's revised bill did address some of the Department's concerns, the Department strongly opposed H.R. 3789 because it would transfer a significant number of cases to Federal courts and would federalize class action standards.

On June 18, 1998, the Department of Justice sent a letter to the House Judiciary Subcommittee on Courts and Intellectual Property opposing H.R. 3789 because it would have the effect of narrowing access to class action procedures.

Major Provisions of H.R. 3789

Federal Court Jurisdiction. H.R. 3789 would grant Federal district courts jurisdiction over all class action litigation, in which any member of a proposed plaintiff class is a citizen of a State different from the State of any defendant or if the plaintiff or defendant is a citizen of a foreign state.

Exceptions. The bill states that district courts should abstain from exercising their jurisdictional authority in cases where: (1) a substantial majority of the plaintiff class and the primary defendants are citizens of the same State; and (2) the claims asserted will be governed primarily by the laws of that State.

District courts would have the discretion, but would not be required, to assert jurisdictional authority over cases in which: (1) all proposed plaintiff class members are seeking a total of less than \$1 million in damages; (2) there are less than 100 members in the plaintiff classes; or (3) the primary defendants are States, State officials, or other governmental entities against whom a U.S. district court may be prohibited from ordering relief.

In situations where the defendant is a corporation and deemed a citizen in multiple States, Federal court jurisdiction would only apply if a member of the plaintiff class is a citizen of a State different from all States where the defendant corporation is deemed a citizen.

H.R. 3789 would not apply to certain class action litigation brought under the Securities Act of 1933.

**Procedures for Removal.** H.R. 3789 would permit any defendant or any plaintiff class member who is not a named or representative class member to request the removal of a case from State court to Federal court. The request for removal may occur at any time before or after the certification of a class.

Under current law, a defendant who receives paper (e.g., a pleading, motion, order, etc.) from which it may be ascertained that the case is removable, must file for removal within 30 days of receipt of the paper. A defendant may file for removal beyond the 30-day limit only if it can prove that it did not receive paper from which it could be ascertained that the case is removable.

H.R. 3789 would apply this provision to an unnamed plaintiff and would require the party filing for removal to Federal court (the defendant or an unnamed plaintiff) to exercise "due diligence" when filing for removal beyond the 30-day limit.

**Remanding to State Court.** In situations where an action was removed to Federal court and subsequently "no aspect" of the class action can be maintained under Federal law, the action would be remanded to State court and stripped of its class action allegations.

In addition, the period of limitations for any claim remanded to State court on behalf of any member, named or unnamed, of the plaintiff class shall be tolled to the full extent provided under Federal law.

**General Accounting Office Study.** H.R. 3789 would require the Comptroller General to report to Congress, within one year of the date of enactment, on how the bill has affected the workload of the Federal courts.

**Applicability.** H.R. 3789 would apply to any action commenced on or after the date of enactment.

#### Pay-As-You-Go Scoring

According to BASD (Balis) and TCJS (Thompson), H.R. 3789 would not affect direct spending or receipts, and therefore is not subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act. CBO concurs.

LEGISLATIVE REFERENCE DIVISION

October 1, 1998

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 20:50:31.00

SUBJECT: LABOR/HHS/ED FLOOR SAP

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

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

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

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

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

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

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

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

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

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

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

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

CC: FARRAR\_J@A1@CD@VAXGTWY ( FARRAR\_J@A1@CD@VAXGTWY [ UNKNOWN ] ) (NSC)  
READ:UNKNOWN

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

CC: Robert L. Nabors ( CN=Robert L. Nabors/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

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

READ:UNKNOWN

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

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

TEXT:

House floor action on the Labor/HHS/Education Appropriations bill is expected Friday (10/2). Please review the SAP and provide comments/clearance by 10am tomorrow. Please note: family planning language on pgs. 8-9.

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

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D33]MAIL47034447E.226 to ASCII,  
The following is a HEX DUMP:

FF575043C5070000010A02010000000205000000709D00000002000001E2E1C6EC42D615DAAFB06  
79121945C21BCEE59475CBBCCFE0754DB98308E3E3261CDFCD478C5E7D9BCBD68926648E9D1C9B  
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6AF0E63A07DDA0A30F6ED50F7557DAF1C99C7CACAAAE7158EDB033F97AA2E23EAD83B554B98F5,9  
2A33E603AF24ECAC9B8BDFBB7DA2E468B09360585D5935C95294E753A0E7425A4F7D51A05DF2D0

October \_\_, 1998  
(House Floor)

**H.R. 4274 -- DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES,  
EDUCATION, AND RELATED AGENCIES APPROPRIATIONS BILL, FY 1999**

(Sponsors: Livingston (R), Louisiana; Porter (R), Illinois)

This Statement of Administration Policy provides the Administration's views on H.R. 4274, the Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill, FY 1999, as reported by the House Appropriations Committee. Your consideration of the Administration's views would be appreciated.

Due to the very serious funding and language issues present in the Committee bill, discussed below, the President would veto the bill in its current form.

The only way to achieve the appropriate investment level for programs funded by 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. In addition, this year, as in the past, such mandatory offsets have been approved by the House and the Senate in other appropriations bills. 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. In addition, we hope that the House will reduce funding for lower priority discretionary programs and redirect funding to programs of higher priority.

Department of Education

The Committee bill cuts \$2 billion from the President's overall request for education program funding. As a result, the bill does not adequately support the Nation's efforts to raise student achievement, make schools safe, and improve the capabilities of teachers. High priority programs inadequately funded include (listed in bill order):

- Goals 2000. Funding for Goals 2000 is cut \$255 million below the President's request, which would reverse momentum in all 50 States to raise academic standards and deny 6,000 schools serving over three million students the funds needed to implement innovative education reforms.
- School-to-Work. School-to-Work is cut by a total of \$100 million (between the

Departments of Education and Labor) below the President's \$250 million request, which would seriously hamper all States' efforts to help young people of all backgrounds move from high school to careers or postsecondary training and education.

- Technology in Education. The Committee's \$137 million reduction from the request would make it increasingly difficult for States to meet school children's education technology needs, especially in training teachers to integrate educational technology into their curriculum effectively.
- Title I (Education for the Disadvantaged) Grants to Local Educational Agencies. The Committee bill cuts \$392 million from the request, which would leave nearly 520,000 students in high-poverty communities without the extra help they need to master the basics and develop the capability to reach high academic standards.
- Safe and Drug-Free Schools and Communities. The Committee's \$50 million reduction would deny funding for School Coordinators in nearly one-half of the Nation's middle schools needed to implement effective drug and violence prevention programs.
- Education Opportunity Zones. The Committee bill does not provide the requested \$200 million, which would deny high-poverty urban and rural districts the extra assistance they need to implement effective reforms with tough accountability for performance.
- America Reads. America Reads is denied the \$210 million provided in last year's Bipartisan Budget Agreement for children's literacy and denied the additional \$50 million the President requested. These funds would prevent thousands of young children from receiving the extra help they need to learn to read well and independently by the end of the third grade.
- Bilingual Education. The Committee has cut by \$25 million the President's plan for training teachers to help limited-English proficient children.
- Work-Study. Roughly 57,000 needy students would be denied the opportunity to work to finance their college education because of the Committee's \$50 million reduction.
- Higher Education Initiatives. No funds are provided for three Presidential initiatives for which the President has requested \$237 million:
  - *High Hopes* to help prepare students at high poverty middle schools for college.
  - *Learning Anytime Anywhere Partnership grants* for pilot projects using distance learning technology.
  - *New teacher recruitment and preparation* programs.
- Eisenhower Professional Development. The Committee's \$50 million reduction would leave over 100,000 teachers without the training they need to help them teach to rigorous

academic standards.

- After School programs (21st Century Community Learning Centers). A \$140 million cut from the President's request to this program, part of the President's child care initiative, would result in 3,000 fewer centers and no services to nearly 400,000 children.
- Hispanic Initiative. In the FY 1999 budget, the President proposed funding increases of \$212 million for a series of programs to enhance the educational achievement of Hispanic Americans. The bill reduces the request by over \$90 million, with significant decreases from the request in Adult Education, Bilingual Education, Hispanic Serving Institutions, and Comprehensive School Reform Demonstrations. Funding for these programs should be restored to the level of the President's request.
- Civil Rights Enforcement. Ensuring that civil rights laws and regulations are adequately enforced is a fundamental responsibility of government. The Committee fails to provide the increase of \$6.5 million (for a total of \$68 million) requested by the Office for Civil Rights in the Education Department and reduced by \$2.4 million the request for \$67.8 million for the Labor Department's Office of Federal Contract Compliance. Both activities should be restored to the full requests.

In addition to inadequate funding for priority education programs, the Administration is concerned with several language provisions of the Committee bill that would severely restrict the Administration's ability to continue the development of programs designed to raise academic standards.

- National Tests. The Administration strongly objects to the language limitation and \$15 million funding cut that would bring a halt to the President's efforts to help States and parents raise academic standards through a voluntary national test. The Committee bill's language would prohibit the development, implementation, and administration of the tests unless explicitly authorized. The language prohibition should be deleted and the funding restored.
- Unfocused Block Grants. The Administration strongly objects to language that would, in effect, turn the Goals 2000 and the Eisenhower Professional Development programs into block grants by allowing those funds to be used under the broad Title VI block grant authority. Title VI has no performance or accountability standards. The language should be deleted so that these Federal funds can address national needs and continue to be guided by strong accountability measures.
- Special Education (Individuals with Disabilities Education Act -- IDEA). The bill contains two objectionable IDEA riders. One would undermine the due process protections and parental rights for disabled students who are regarded as violent. The other would, in effect, allow States to discontinue special education services for youth ages 18 to 21 in adult prisons, violating the principle that all disabled youth ages three to 21 have a right to a free, appropriate public education and undermining the Department of

Education's ability to enforce the Individuals with Disabilities Education Act. Both provisions would unnecessarily re-open IDEA before last year's bipartisan reauthorization has had a chance to be implemented and fairly assessed. Both provisions should be stricken.

- **Bilingual Education.** While we agree with the Committee on the need for some reforms to Bilingual Education, we are opposed to any provision that would set an absolute limit on student participation in bilingual education or alternative programs. Such a step would deny help to students who need it and violate the civil rights of Limited English Proficient students to an equal education. Because of individual differences, students will vary in how long it takes to develop English proficiency. We are also opposed to provisions that would establish a two-year goal for becoming proficient in English, since research has shown that this timetable is unrealistically short.
- **Internet Access in Schools and Libraries.** The bill contains objectionable language that would deny Federal funds to schools and libraries that have not installed software on their computers to block Internet access to indecent materials to minors. While the Administration strongly supports efforts to ensure that schools and libraries protect minors from indecent materials, it objects to such overly prescriptive language. Many local education agencies have already developed their own acceptable-use policies that are not based on software. Instead, the Administration favors less burdensome and restrictive language that would require that schools and libraries develop their own acceptable-use plans at the local level and certify their implementation.

#### Department of Labor

The Administration has strong concerns with the inadequate funding levels provided for the following Labor programs (listed in bill order):

- **Adult Job Training.** The Committee has provided none of the requested increases for the Dislocated Worker (\$100 million) and low-income adult (\$45 million) job training programs. Freezing these programs would mean that some 67,000 fewer workers in need of assistance would be helped. Without the requested increases, early implementation of the Workforce Investment Act could be jeopardized.
- **Summer Jobs Program.** The Administration strongly opposes the Committee's elimination of the Summer Jobs program. The President's request of \$871 million for this program could finance up to 530,000 summer jobs for economically disadvantaged youth. The unemployment rate for teens continues to far exceed the overall unemployment rate. The Summer Jobs program plays a vital role in supporting employment among these teens, especially among African-American youths -- approximately 25 percent of summer jobs held by African-American 14-15 year olds come through this program -- and serves as a valuable introduction to the world of work. We urge the House to restore the full request for this program.

- President's Youth Opportunity Areas Initiative. The Committee provides no funding for the President's Youth Opportunity Areas initiative and rescinds the \$250 million appropriated last year for this program. This program would address the problem of pervasive joblessness in high-poverty neighborhoods by making large investments in these areas to effect community-wide change and help 50,000 out-of-school youth. We oppose elimination of this program, which is an essential component of the Administration's Empowerment Zones/Enterprise Communities initiative. We strongly urge the House to fully fund this initiative that was recently enacted with strong bipartisan support as part of the Workforce Investment Act.
- Unemployment Insurance. The House Committee mark does not fund the \$91 million requested for the Unemployment Insurance (UI) integrity initiative. This initiative was authorized in the Balanced Budget Act of 1997 and would, over the next five years, achieve \$758 million in mandatory savings. Failure to fund this initiative would mean a continuation of errors in benefit payments and UI taxes. A similar initiative in the Social Security Administration's Disability Insurance program has proven to be a cost effective approach to achieving program savings.
- Worker Protection. The Committee has cut nearly in half the requested increase for programs that protect our workers on the job. For example, the Committee mark for the Occupational Safety and Health Administration (OSHA) redirects resources to State consultation and is nine-percent below the requested level for Federal enforcement, while funding for the Mine Safety and Health Administration (MSHA) is frozen at the 1998 level and virtually no funding is provided to the Pension and Welfare Benefits Administration (PWBA) for implementing the Health Insurance Portability and Accountability Act of 1996. We urge the House to restore financing for such critical workplace protection programs.
- Child Labor. The \$5 million increase to combat international child labor abuses is inadequate in light of the magnitude of the problem, and provides only a small fraction of the \$37 million requested.
- OSHA Peer Review. The Committee bill includes language that requires a peer review panel for all proposed OSHA regulations. This provision is unnecessary, overly broad, and would further delay OSHA's process for issuing regulations. OSHA already has an extensive public hearing process where any interested party may testify. OSHA must address all significant issues raised. The agency conducts peer reviews when appropriate. The Administration strongly urges the House to drop this provision.

The Committee bill contains several objectionable language riders addressing regulatory issues in the Department of Labor. These include language imposing new, unnecessary, and burdensome review procedures before the Department can issue Black Lung regulations and a

continuation of the rider that prohibits MSHA from enforcing training requirements at certain mines, which have a growing numbers of deaths. These riders would make it more difficult for the Department of Labor to carry out its programs and should be dropped.

#### Department of Health and Human Services

The Administration appreciates the Committee's efforts to provide much needed funding for important programs crucial to the healthy lives of all Americans. Unfortunately, the Committee has not provided adequate funding for several important programs of the Department of Health and Human Services (HHS). The Administration has strong concerns with the inadequate funding levels provided for the following HHS programs (listed in bill order):

- Prevention Research. The Committee has provided only \$10 million of the \$25 million requested for the Centers for Disease Control to expand research in ways to prevent disease and reduce the need for medical care.
- Bio-Terrorism. The Administration urges the House to provide the full \$111 million requested to improve HHS' ability to respond to attacks of biological and chemical terrorism.
- National Household Survey on Drug Abuse. The Committee mark eliminates funding for data collection activities of the Substance Abuse and Mental Health Services Administration, including the National Household Survey on Drug Abuse, which is our single best source of information on youth drug use and youth smoking and is important for evaluating the impact of substance abuse prevention, treatment, and enforcement efforts.
- Health Care Financing Administration (HCFA). Although the Committee has fully funded the President's program level request for HCFA Program Management (with the exception of the Medicare+Choice information campaign), no action has been taken on the \$265 million in new discretionary HCFA user fees. We urge the House to enact the President's requested user fees to finance HCFA activities and to ensure that sufficient resources remain available for education and other priorities.
- Low Income Home Energy Assistance Program (LIHEAP). **The Committee would eliminate funding for LIHEAP. Over 36 percent of LIHEAP households have elderly residents, 32 percent have disabled residents, 27 percent have children under the age of six, and 27 percent are the working poor who do not receive any other public assistance. The Administration urges the House to restore funds to the President's requested level.**
- Child Care. **The Administration urges the House to provide the additional \$174 million requested for a child care initiative that will improve the availability of affordable, quality child care for working parents. This initiative would provide States with resources to enhance child care health and safety standards enforcement, give child care workers scholarships to improve their skills, and**

**increase our commitment to understand better and evaluate how our Nation's child care system is working. Likewise, we ask the House to restore funds to the President's requested level for a \$5 million program designed to assist States in developing support systems for families of children with disabilities.**

- Head Start. The Committee funds Head Start at \$4.5 billion, \$160 million below the President's request -- denying slots to up to 25,000 low-income children in FY 1999 and undermining efforts to serve one million children by the year 2002. Head Start has a track record of success in readying disadvantaged children for school, supporting working families by helping parents to get involved in their children's lives and providing services to the entire family. We urge the House to restore Head Start funding to the President's requested level.
- Foster Care and Adoption Assistance. The Committee bill fails to provide the Administration's request for a \$200 million contingency reserve. This language is critical to ensure grant awards should the definite appropriations be insufficient for authorized eligible expenditures in either Foster Care or Adoption Assistance. The House should restore funding to the requested level of \$200 million, or approximately four percent of total program costs.
- Health Disparities. The Committee has failed to include \$30 million requested for demonstration projects to address racial and ethnic health disparities in infant mortality, cancer, diabetes, heart disease and stroke, HIV/AIDS, and immunizations.

In addition, the Committee bill contains several language provisions that are troubling to the Administration.

- Abortion. The Administration urges the House to strike sections 508 and 509 of the Committee bill, which would prohibit the use of funds for abortion. The President believes that abortion should be safe, legal, and rare. These provisions would continue to limit the range of conditions under which a woman's health would permit access to abortion services. Furthermore, section 509 requires a physician to make a legal determination that these conditions have been met. The Administration proposes to work with the Congress to address the issue of abortion funding.
- Organ Donation. The Administration strongly opposes two provisions of the Committee bill that would suspend two HHS rules pertaining to organ donation: a HCFA rule that seeks to expand the number of organs available for donation through more vigorous procurement efforts; and, a Health Resources and Services Administration rule that would require the national organ transplant network to develop policies that would allocate organs based on patients' medical need, not their geographic location.
- Family Planning. The Administration strongly objects to language in the Committee bill that requires family planning grantees either to receive written parental consent or provide

advance notification to parents before giving contraceptives to minors. Mandating parental consent discourages minors from seeking health care and reproductive services and leads to more unintended pregnancies, more abortions and more sexually transmitted diseases, including HIV. The Administration urges the Committee to use compromise language forged in last year's Act, ensuring that grantees will encourage minors to seek their family's participation in family planning decisions.

- Needle Exchange. The Committee includes a total ban on the use of funds appropriated in this Act for needle exchange programs rather than making the use of funds for such programs conditional upon the certification of the Secretary of Health and Human Services.
- Office of AIDS Research. The Committee bill does not appropriate a specific amount for AIDS research through a single appropriation for the National Institutes of Health's (NIH's) Office of AIDS Research. The single appropriation would help NIH plan and target research funds effectively, minimizing duplication and inefficiencies across the 21 institutes and centers that carry out HIV/AIDS research.
- Medicaid Drug Coverage. The Committee bill would prohibit HCFA from paying for a specific pharmaceutical agent under Medicaid except for post-surgical treatment. We oppose the use of the appropriations process to make selective coverage determinations and judgments regarding how best to treat specific medical problems. Further, the provision is unnecessary because the Secretary already has authority to limit coverage for pharmaceutical agents if prescribed inappropriately, and States already have broad latitude to limit the use of drugs under Federal law through drug utilization review and prior authorization programs.
- Social Services Block Grant. The Administration opposes a provision that would restrict State authority to transfer Temporary Assistance to Needy Families (TANF) funds to SSBG in FY 1999 to no more than the amounts transferred by individual States in FY 1998. Enacting such a provision so late in FY 1998 would inequitably limit State flexibility for the future.
- Potential Health Riders. We understand that several amendments affecting Medicare, Medicaid, and public health programs may be introduced on the House floor that could have a detrimental effect on the Administration's ability to administer its responsibilities efficiently and equitably. We urge restraint in the consideration of these issues.

**The Administration strongly objects to language in the House Committee bill, and to any related potential amendments, that would have the effect of requiring family planning or other health care grantees to receive parental consent or provide advance notification to parents before giving contraceptives to minors. Mandating parental consent discourages minors from seeking health care and reproductive services and thus leads to more unintended pregnancies, abortions, and sexually transmitted diseases, including HIV. Federal health program costs could also increase if this amendment interferes with the prevention of teen pregnancy. The**

**Administration urges the House to adopt the proposed Castle/Greenwood amendment, which will ensure that grantees will encourage minors to seek their family's participation in family planning decisions.**

**The Administration adamantly opposes the proposed Tiahrt amendment that would mandate onerous and troubling physical separation requirements between Title X supported family planning projects and non-Title X activities related to abortion. The Department of Health and Human Services already provides safeguards, as well as performs periodic rigorous site reviews, to ensure that no Title X funds are used to conduct abortions or abortion related activities.**

### Social Security Administration

The Committee bill does not provide \$19 million for administrative expenses, contingent on the authorization of a user fee for services provided by the Social Security Administration to attorneys who represent claimants for benefits. These services include withholding money from certain past due benefits and issuing payments to certain claimant representatives. The Administration continues to support enactment of this user fee and appropriation of the anticipated collections for administrative expenses.

In addition, the Committee bill does not provide \$50 million for administrative expenses for the conduct of additional non-disability Supplemental Security Income (SSI) redeterminations of eligibility. These resources and the resulting redeterminations are essential to ensuring the integrity of the SSI program and reducing unnecessary benefit payments. Failure to provide this funding would result in serious staffing shortfalls.

### Other Agencies

- National Labor Relations Board (NLRB). The Committee provides funding for the NLRB at the FY 1997 level. This would result in a loss of over 100 staff, an increase in case backlogs, and could result in furloughs and office closings. This reduction would cripple an agency key to protecting workers' rights on the job, and we urge the House to restore the NLRB to the requested level.

Section 516 amends the National Labor Relations Act to require the NLRB to adjust its dollar jurisdictional standards for inflation on October 1, 1998, and every five years thereafter. This change would deny workers in some small businesses the protection afforded to others to organize and bargain collectively. This change to substantive law raising the jurisdictional thresholds more than five-fold should not be done through the appropriations process, but only after hearings and debate. The Administration urges the House to drop this provision.

- Corporation for National and Community Service. The Administration is deeply concerned about the Committee's \$27 million reduction to the request for the Corporation for National and Community Service. This reduction freezes the Corporation's Senior Service program at the FY 1998 level and cuts VISTA \$5 million below FY 1998.

These reductions would deny more than 500 VISTA members the opportunity to serve in low-income communities Nation-wide and would reduce the number of seniors serving their communities by 15,000. The Administration urges the House to fully fund the Corporation at the \$279 million level proposed in the FY 1999 Budget.

- Corporation for Public Broadcasting. The Administration strongly objects to the lack of funding provided for the President's initiative to assist public broadcasters in converting to digital technology. The transition to digital technology promises to create tremendous opportunities for expanded and enhanced educational and public service programming while promoting innovative technology applications. Providing the Corporation with funding in FY 1999 will allow public broadcasting to convert to digital technology on a schedule similar to that of commercial stations. This will facilitate fundraising efforts and allow public broadcasters to participate in the establishment of digital standards.
- Railroad Retirement Board (RRB). The Committee bill does not include language to provide the RRB with authority to offer voluntary separation incentive payments (or "buyouts") through the end of calendar year 1998. RRB's experience has shown that reducing employment through buyouts is much less disruptive to agency operations than conducting a reduction-in-force. The Administration urges the House to provide this buyout authority.

The Committee bill includes language prohibiting the RRB Inspector General from using funds for any audit, investigation, or review of the Medicare program. The Administration believes that this language should be dropped. RRB has statutory authority to administer a separate contract for RRB, Part B Medicare claims. As long as RRB has authority to negotiate and administer a separate Medicare contract, the RRB Inspector General ought not to be prohibited from using funds to review, audit, or investigate activity related to that contract.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kevin S. Moran ( CN=Kevin S. Moran/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 1-OCT-1998 13:53:56.00

SUBJECT: Re: Waxman

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

CC: Cathy R. Mays ( CN=Cathy R. Mays/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TEXT:

I just got more info from EBB. Waxman wants to meet with you all to tell you not to do McCain split or state money for tobacco. Erskine told him you all would meet. Should we work to set up a meeting? Do you need to do anything first? k

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 09:37:21.00

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 ] )  
READ:UNKNOWN

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: 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

CC: Mindy E. Myers ( CN=Mindy E. Myers/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:

The weekly Education Strategy Meeting scheduled for 5:15 p.m. today is  
CANCELLED.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 10:28:50.00

SUBJECT: Tobacco: MCD federal share amendment.

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

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

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

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

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

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

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

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

TEXT:

Tom Mahr called to check on the WH view on enacting language to enable states to keep the federal MCD share from state tobacco suits. As you may know, there are rumors about members adding such language to the omnibus budget bill. Conrad has several concerns: 1) what would be the offset; 2) any provision should be limited to the 4 states that have settled -- to hold down the cost, and to keep this issue alive as an engine for tobacco legislation next year; 3) a majority of what would have been the federal share should go for state tobacco control. Conrad is considering speaking out on this subject and is considering generating a Congressional letter. He would like to know the WH position before he makes his next move. How should we respond? Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 12:39:12.00

SUBJECT: H1B -- end of meeting

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:

It was decided that Gene would call Abraham this afternoon to try to get him to agree (in a low temperature way) to remove the "\$60K or masters (or equivalent)" exemption from the attestations. If unsuccessful, he will try to push for \$80K and for defining "equivalent" to mean a foreign degree equivalent to a U.S. masters. If Abraham says no, we will go ahead with the bill, with the intent to clarify what "or equivalent" means in regulations. If Abraham makes a floor statement re: what he means by equivalent, we will ask a member to make a statement re: what we mean.

julie

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christa Robinson ( CN=Christa Robinson/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 1-OCT-1998 09:56:04.00

SUBJECT: Re: Education event program order

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

TEXT:

Thanks. And welcome back!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael Cohen ( CN=Michael Cohen/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 1-OCT-1998 18:54:34.00

SUBJECT: Education weekly

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:

Charter Schools. House and Senate staff have met to preconference the charter schools bill, and are close to agreement on virtually every issue. Drafting should be completed within the next day or two, and the current plan is to take the bill to the floor next week. While many Democrats and education groups (NEA and AFT in particular) are lukewarm to the bill at best, Sen. Kennedy's staff does not anticipate opposition or attempts to derail the bill. We should know early in the week if any amendments will be offered, though at present the bill seems to be on track.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 09:29:06.00

SUBJECT: LRM #IMS437 - Statement of Administration Policy on HR3789 Class Action Ju

TO: seclegis ( seclegis @ sec.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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

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

TO: agc.llr ( agc.llr @ treas.sprint.com @ inet [ UNKNOWN ] )  
READ:UNKNOWN

TO: ao\_courts\_lrm ( ao\_courts\_lrm @ ao.uscourts.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

## TEXT:

You will not receive a paper copy of this LRM. Please note that House floor action on HR 3789 is scheduled for Friday, October 2nd. Therefore the deadline is firm. If we do not receive your response by the deadline we will assume that you have no objection to the attached SAP.

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

LRM ID: IMS437  
EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
Washington, D.C. 20503-0001

Thursday, October 1, 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: Statement of Administration Policy on HR3789 Class Action Jurisdiction Act of 1998

DEADLINE: 2:30pm Thursday, October 1, 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: HR3789 is scheduled for House floor action on Friday, October 2nd. Therefore the above deadline is firm.

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## EOP:

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Julie A. Fernandes  
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Derek A. Chapin  
Michelle Peterson  
John THOMPSON  
Kate P. Donovan  
Peter G. Jacoby  
Sara Wilson

LRM ID: IMS437 SUBJECT: Statement of Administration Policy on HR3789  
Class Action Jurisdiction 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  
October 1, 1998  
(House)

H.R. 3789 - Class Action Jurisdiction Act of 1998  
(Hyde (R) Illinois and 10 cosponsors)

The Administration strongly opposes House passage of H.R. 3789 which would grant Federal district courts jurisdiction in almost all class action cases where any class member is a citizen of a State different from any defendant. This would have the effect of transferring a significant number of class actions into Federal court and "federalizing" class action standards. States should be permitted to manage their own courts unless it can be demonstrated that there is a nationwide problem interfering with the fair adjudication of cases. Since this has not been demonstrated the responsibility for handling class action litigation should continue to be shared between the State and Federal systems.

Class action litigation provides an important mechanism for vindicating the rights of plaintiffs whose individual claims would not warrant separate litigation and to resolve large numbers of related claims in a single action. H.R. 3789 also would require class action cases that are not certified in Federal court to be remanded to State courts and stripped of their class allegations, even if such a class could have been certified under applicable State standards. This provision would eliminate a viable remedy for individuals suffering injuries who could not otherwise afford to bring suit on their own and would significantly infringe on State courts' ability to offer redress to their citizens.

H.R. 3789 would move substantial numbers of State class actions to Federal courts at a time when the Chief Justice, among others, has expressed serious concerns about the workload of the Federal courts. A study by the Federal Judicial Center demonstrated that class actions are much more resource-intensive than other kinds of civil litigation. Particularly at a time when so many vacancies on the Federal bench exist, moving virtually all class actions to Federal courts would be counterproductive.

\* \* \* \* \*

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 11:34:37.00

SUBJECT: rjr worth more dead than alive

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

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

TEXT:

RJR: Russia's Problems Don't Change Odds of Spinoff. The Coming Proxy Fight. Outperform.

Gary Black (212) 756-4197  
Jon Rooney (212) 756-4504

September 30, 1998

TOBACCO

#### HIGHLIGHTS

1. We have cut RJR estimates to \$2.20 in 1998 (from \$2.40; we had previously quantified exposure of \$(.15)/share in Russia), and to \$2.40 in 1999 (from \$2.50). Our going forward assumption is that Russia will generate zero profits in 1998, and \$10-\$15 million in 1999. With no profits in low-tax Russia, management has increased its estimated 1998E tax rate to 45.5%, from 43.0%.

2. The estimate cut, which was largely expected, was offset by news that 3Q domestic tobacco profits will be up about +10% (+4-5% previously expected) on an approximate (7%) volume decline (industry -6%; reflects trade deloading following Spring price increases). This suggests that RJR, following B&W's lead, is finally cutting back on promotional spending behind Doral.

3. We do not expect RJR to cut its dividend (1998 dividend \$2.05, vs. \$3.75 cash earnings, 55% payout; MO 52% payout; UST 65% payout) until Nabisco is spun off (early-1999). Our standalone RJR Worldwide Tobacco 1998E estimates are now \$1.45 reported EPS (\$1.55 in 1999), \$2.55 cash EPS (\$2.70 in 1999), and a 1998E fixed charge coverage of 3.1x (3.3x in 1999).

4. The estimate cut does not change prospects for a spinoff of Nabisco. In fact, the continued terrible operating results at both RJR International and Nabisco, combined with our view that raider Carl Icahn (13-14MM shares) will announce another proxy fight to unseat

management (filing deadline Nov. 26),

increases the pressure on RJR to spin out Nabisco once there is a new AG deal.

5. We believe the market has overreacted to what is old news, especially when one considers that RJR likely

has no choice but to find an international partner to beef up distribution and management. With a 35% cut

in RJR estimates since beginning of the year, shareholders have lost faith in management's ability to fix

RJR's problems, and should increasingly attach a change in control premium to RJR's shares. If Icahn

attracts as a partner a strong consumer products veteran, he could get 60%+ of the proxy vote.

6. While Philip Morris does not appear to be having anywhere near the same problems that RJR is having in

Russia -- much better management team and local distribution -- we have said that we would cut \$.05/share

out of our Philip Morris 1998 numbers (to \$3.10) if PM told us that its Russian profits were zero (\$150

million current estimate -- about 3% of PM International)

7. Settlement update: We believe the key obstacle holding up the deal is the parties' intent to make sure that

"substantially all" of the AGs opt-in to the deal once it is announced (Friday or next Monday is our best

bet). We have heard that the opt-in period for the AGs will be relatively short -- likely 7-10 days from day

of announcement. We have also heard that there will be some monetary incentive that RJR and B&W (portion

of upfront payments borne by MO) forfeit if they fail to sign up during the opt-in period.

#### INVESTMENT CONCLUSIONS

We reiterate our outperform rating. Assuming there is a new AG agreement, we see little downside for RJR,

even with continuing problems in Russia. Either one of two outcomes seems likely: One, RJR will enter into

the AG settlement, spin off Nabisco, and shareholders will be rewarded with a sum-of-the-parts valuation

(estimate \$40 -- RJR's stake in Nabisco is now worth \$23.75 per share. Even with the estimate cut, RJR's

worldwide tobacco business (\$1.45 in reported EPS and \$2.55 in cash EPS), is worth potentially \$15 - \$18

per share, at 10 - 12x reported earnings, or 6-8x cash earnings). If RJR elects not to join the settlement,

which would suggest no spinoff, we have no doubt there would be a change in control at RJR next year as

shareholders elect to unseat the current Board and management. In the latter situation, we would expect

the new Board to adopt the settlement put in place by Philip Morris and Loews, install a new management

team that can fix RJR International, and move to unlock value via spinoffs, asset sales, etc. That said, we

still prefer Philip Morris and UST over RJR, which is likely worth more dead than alive. Our price target

remains \$40.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 18:50:29.00

SUBJECT: Race Initiative Transition Activities

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Antoinette D. Marchette ( CN=Antoinette D. Marchette/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Staff Secretary sent a Draft Race Initiative Transition Activities memo to you yesterday. Please let me know if you plan on making comments to the draft.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 15:41:27.00

SUBJECT: mtg. agenda

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:

for this afternoon's meeting.

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

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

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D55]MAIL48823247T.226 to ASCII,

The following is a HEX DUMP:

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## H-2A Reform Meeting Agenda

### Background

A key to the effectiveness of a farm labor program is matching farmworkers to growers in an effective and efficient manner. Currently, most farmworkers find jobs through use of a kinship/friendship network. Less than 5% of farmworkers found their job through the employment service or labor union; 10% found employment through employer recruitment (including through farm labor contractors). Under the current system, the DOL approves over 90% of grower requests for H-2A workers.

In addition, growers are concerned that workers that they recruit domestically (either through the DOL employment service or through their own positive recruitment efforts) are not authorized to work, and thus their employ leaves the grower vulnerable to INS enforcement (and losing their workers because of a raid).

### Discussion

- I. How do we make recruitment more effective (matching U.S. workers to farmworkers)?
  - a. Role of growers
  - b. Role of intermediaries (farm labor contractors)
  - c. Role of government
- II. How do we make verification work?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 07:54:37.00

SUBJECT: Women's Mtg

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

TO: Jocelyn Neis ( CN=Jocelyn Neis/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: Noa A. Meyer ( CN=Noa A. Meyer/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: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

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

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

READ:UNKNOWN

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

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

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

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

TO: Marjorie Tarmey ( CN=Marjorie Tarmey/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: 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

TEXT:

Yes!! There will be a Women's Mtg this morning at 9:00am in room 100.  
Sorry for the late notice, Ann and I were out yesterday!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael Cohen ( CN=Michael Cohen/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 1-OCT-1998 10:17:53.00

SUBJECT: Q&A's for today

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

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

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

TEXT:

Attached are q's and a's for today's education event.

With respect to the prospect of a House vote on Labor/HHS:

1. There appears to be no chance of a vote today--there are no votes until 5:00 at the earliest, and the Rules committee hasn't taken this up yet. The earliest Rules will deal with this is at 5:00 or later.
2. Appropriations staff are not preparing for a floor vote; they are continuing to work on preconferecing with the Senate. Obviously they will shift gears if they need to, but that's not where they are right now.
3. IF there is a vote on Labor/HHS in the next couple of days, we need to blast the bill. It will provide some funding for LIHEAP and Summer Jobs, but nothing additional for education. And we know we are going to do better, since the appropriators are adding somewhere in the neighborhood of \$4 billion to the House committee bill, and giving us a lot of what we have asked for.===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D5]MAIL471675379.226 to ASCII,  
The following is a HEX DUMP:

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C0FFC6B65CA9E6231EA6457968A2F7A91A381A1E69A10C2874E193A99C0DFC0BD06A75158C7724
```

## **October 1 Rally for Education**

### **QUESTIONS AND ANSWERS:**

**Q. IS THE PRESIDENT THREATENING A GOVERNMENT SHUTDOWN IF THE REPUBLICANS DO NOT GIVE HIM THE EDUCATION PROGRAMS THAT HE WANTS?**

**A.** No, he is asking that they spend a day working cooperatively and productively to address the needs of our schools, to provide children with better-trained teachers, smaller classes, modern classrooms and technology, and after-school programs. He is asking that they work on a cooperative basis. The passage of the higher education legislation earlier this week is a demonstration that bipartisanship can yield results. He is asking Congress to learn from that lesson, and do the same with elementary and secondary education.

**Q. HASN'T THE PRESIDENT SAID HE WOULD VETO THE LABOR-HHS APPROPRIATIONS BILL?**

**A.** Yes, the President made it clear on July 14 that the House appropriations bill was unacceptable, and that he would veto it if it came to him. He has indicated that the Senate Committee version is a step in the right direction, but is still deficient. He is asking the Republican leadership in Congress to work with him and with their Democratic colleagues to develop a plan that we can all rally behind.

**Q. DIDN'T YOU ACTUALLY LOSE YOUR EDUCATION INITIATIVES WHEN YOUR TOBACCO EFFORT STALLED?**

**A.** First, out of all of our education initiatives, only the Class Size Reduction proposal was funded out of projected tobacco revenues. Funding to help modernize schools, put technology in the classroom and train teachers in how to use it, provide after-school programs, expand charter schools, was not funded out of tobacco revenues, and is part of the President's balanced budget proposal. Second, when Congress wants to accomplish something, it finds ways. For example, many different savings proposals were cobbled together to fund the highway bill earlier this year. That kind of effort should be put into education, too.

**Q. IS IT REALLY FAIR TO SAY THAT REPUBLICANS HAVE DONE NOTHING ON EDUCATION? ISN'T THEIR AGENDA JUST DIFFERENT (EDUCATION SAVINGS ACCOUNTS, D.C. VOUCHERS, BLOCK GRANTS)?**

A. Regardless of one's view of vouchers, most children will continue to be in public schools, so it is critical that we invest in improving them. The gimmicks that the Republicans have put forward--including the block grant proposal (Dollars to the Classroom) the House voted on recently, would actually rob public schools of resources, and reduce accountability.

Q. THE REPUBLICAN TAX BILL HAS A SCHOOL CONSTRUCTION COMPONENT. DO YOU SUPPORT THAT?

A. The tax bill threatens Social Security by raiding the surplus. The President's school construction tax credit is fully paid for in his budget. If the Republican leadership would like to join us in Saving Social Security First, then we would be happy to sit down to discuss different ways to address the school construction and renovation needs of the Nation.

Q. THE CONGRESS JUST PASSED A HIGHER EDUCATION BILL WITH STRONG BIPARTISAN SUPPORT. ISN'T IT ALSO QUITE POSSIBLE THAT A NUMBER OF EDUCATION BILLS SUPPORTED BY THE ADMINISTRATION WILL PASS IN THE NEXT WEEK: HEAD START REAUTHORIZATION, CHILD LITERACY, CHARTER SCHOOLS? DOES THAT MAKE THIS A DO-SOMETHING CONGRESS?

A. I hope they pass them. But it would be the ultimate in hypocrisy to pass them, but not fund them. And while these steps are important and will help, the best way for Congress to help strengthen our schools and begin to provide our students with a world-class education is to provide our students with smaller classes and modern school buildings. That's what we are talking about today.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 11:24:37.00

SUBJECT: draft Council Agenda

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

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

CC: Cathy R. Mays ( CN=Cathy R. Mays/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TEXT:

This is a draft agenda for the first meeting of the Food Safety Council (not for the public meeting tomorrow). The first meeting of the Council has not been scheduled yet, but we discussed having it sometime in October or November. Cliff has drafted an agenda with Bruce speaking for 10 minutes on the executive order creating the Council (and to emphasize the President's commitment). Bruce, are you OK with speaking? Thanks, Mary  
----- Forwarded by Mary L. Smith/OPD/EOP on 10/01/98  
10:55 AM -----

Clifford J. Gabriel  
09/30/98 01:41:20 PM  
Record Type: Record

To: See the distribution list at the bottom of this message  
cc:  
Subject: draft Council Agenda

Please get your comments to me by COB today if possible on the following draft agenda for the first council meeting. Please comment on whether you think this meeting should be open or closed. If we talk seriously about budgets at least that portion needs to be closed- -right OMB? I have a conference call with Woteki and O'Hara tomorrow to discuss this. Thanks

AGENDA  
(closed or open?)  
President's Council on Food Safety

October/November, 1998

15 min: Introductions and Opening Remarks -- Glickman, Shalala, Lane

10 min: Elements of the Executive Order -- Reed

(POTUS marching orders)

10 min: Discussion and Approval of Charter -- Glickman or Woteki

(discussion of operational aspects of Council -- possible plans for an OSTP Council office, etc.)

30 min: Discussion and Approval of Council's approach to scope -- Browner or Goldman

(How broad? Priorities for fixing problems, real or perceived?)

10 min: NAS Report Assessment -- Shalala or O'Hara

(How will this get done in the time allotted?)

10 min: Joint Institute for Food Safety Research -- Lane or Gabriel

(status and role of the NSTC IWG)

15 min: Comprehensive Plan -- Winograd or NPR representative

(Planning Principles, public input, etc.)

15 min: Budget -- Lew or OMB representative

FY2000

FY2001

5 min: Closing

Message Sent

To:

---

Mary L. Smith/OPD/EOP  
Jean.logan @ npr.gov  
Wendy A. Taylor/OMB/EOP  
Margaret A. Malanoski/OMB/EOP  
Dana L. Flower Lake/OMB/EOP  
Amandeep K. Matharu/OMB/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 11:34:36.00

SUBJECT: Conrad/Waxman re: Medicaid recoupment

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

READ:UNKNOWN

TEXT:

I also just got a phone call from Waxman's staff about this issue.

How much do we want to tell them? That we would be willing to accept a provision that included the NGA/McCain menu so long as it was paid for, but that we are not pushing it?

And who should return these calls? Bruce? Chris? Me? The Conrad call was from Tom Mahr and the Waxman call was from Karen Lightfoot.

----- Forwarded by Cynthia A. Rice/OPD/EOP on 10/01/98  
10:54 AM -----

Jerold R. Mande

10/01/98 10:29:23 AM

Record Type: Record

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

cc: Cynthia Dailard/OPD/EOP, Sarah A. Bianchi/OPD/EOP

Subject: Tobacco: MCD federal share amendment.

Tom Mahr called to check on the WH view on enacting language to enable states to keep the federal MCD share from state tobacco suits. As you may know, there are rumors about members adding such language to the omnibus budget bill. Conrad has several concerns: 1) what would be the offset; 2) any provision should be limited to the 4 states that have settled -- to hold down the cost, and to keep this issue alive as an engine for tobacco legislation next year; 3) a majority of what would have been the federal share should go for state tobacco control. Conrad is considering speaking out on this subject and is considering generating a Congressional letter. He would like to know the WH position before he makes his next move. How should we respond? Thanks.

Message Sent

To:

---

Bruce N. Reed/OPD/EOP

Elena Kagan/OPD/EOP

Cynthia A. Rice/OPD/EOP

Christopher C. Jennings/OPD/EOP

Joshua Gotbaum/OMB/EOP

David W. Beier/OVP @ OVP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 13:40:59.00

SUBJECT: Re: Waxman

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

READ:UNKNOWN

TEXT:

----- Forwarded by Bruce N. Reed/OPD/EOP on 10/01/98  
01:40 PM -----

Bruce N. Reed

10/01/98 01:39:12 PM

Record Type: Record

To: Kevin S. Moran/WHO/EOP

cc:

Subject: Re: Waxman

I can only assume it's about the issue of Medicaid recoupment of a state tobacco settlement. Let me know if I need to call Waxman.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Thomas L. Freedman ( CN=Thomas L. Freedman/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 1-OCT-1998 18:20:08.00

SUBJECT: Food safety

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Word is that the ag. bill negotiations are still on-going -- food safety being stuck at \$52 million of new money. I've talked to Harkin's guy (sponsor of the senate amendment) and Weatherly at OMB to reinforce that we shouldn't be satisfied with \$52 million. Folks say you should remind Lew/Stein that the Senate voted for \$66 million, (we had about \$96 million in our original), and we should keep pushing at least for an additional \$14 million.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 13:16:29.00

SUBJECT: RU-486 memo

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:

Here is the memo on RU-486 that Elena requested this morning. Please let her know that I will be out of the office tomorrow, but she can page me if she needs me.===== ATTACHMENT 1 =====

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

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D98]MAIL454500473.226 to ASCII,  
The following is a HEX DUMP:

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To: Elena  
From: Cynthia Dailard  
Date: October 1, 1998  
Re: RU-486

---

### **Purpose**

This memo describes where RU-486 is in the FDA approval process, explains the legislative status of the Agriculture Appropriations bill and the Coburn amendment preventing the approval of RU-486, and describes the implications of this amendment both within and beyond the abortion context.

### **Pharmaceutical Status**

RU-486 (or mifepristone) is an effective non-surgical method of early abortion (often referred to as a "medical abortion") that has been in use in other countries since 1981. It is an antiprogesterone, one of a family of drugs that block the action of progesterone, a hormone needed to maintain pregnancy. The drug is administered within the first seven weeks following conception, and is followed three days later by misoprostol, a prostaglandin which causes uterine contractions.

RU-486 was approved for use in France, Great Britain, and Sweden following extensive clinical trials that demonstrated its safety and effectiveness. During the Bush Administration, the FDA issued an "import alert" which helped ensure that RU-486 would not be available in the United States for any purpose. A United States District Court that examined the "import alert" concluded, "[T]he decision to ban the drug was based not from any bona fide concern for the safety of users of the drug, but on political considerations having no place in FDA decisions on health and safety."

When President Clinton took office in January 1993, he signed an Executive Order directing HHS to assess initiatives to promote the testing and licensing of RU-486. As the result of the Administration's efforts following this directive, the French drug company, Roussel Uclaf, donated the US patent rights to RU-486 to a non-profit research organization, the Population Council. The Council announced that it would conduct clinical trials in 17 sites across the country, and would work to locate a manufacturer to produce and distribute the product.

Population Council has completed its clinical trials, which show that RU-486 is 95% effective in terminating pregnancy. Women taking the drugs need to see a doctor three times. Its side effects can include painful uterine contractions, nausea, vomiting, diarrhea and headaches. A small number of the women in the trials had to be hospitalized or given transfusions because of bleeding, and 1.5% of participants in the US trial required a surgical abortion.

In 1996, shortly after the Population Council submitted its clinical trial data to the FDA, the Agency declared that clinical trials revealed the drug to be safe and effective for terminating an early pregnancy, when used under close medical supervision in combination with misoprostol.

At that time, it issued an "approvable letter" for the use of mifepristone and misoprostol for early abortion, but said that it would withhold final approval until it received more information about the drug's manufacture and labeling. The Population Council has indicated that it has located a pharmaceutical company willing to manufacture the drug, which could become available on the market sometime next year.

## **Legislative Status**

Representative Coburn successfully offered an amendment to the House Agriculture Appropriations bill that would prohibit the expenditure of FDA funds for the testing, development, or approval of any drug for the "chemical" inducement of abortion. "Approval" was defined to include the approval of production, manufacturing or distribution. The Senate bill did not contain a similar provision.

The Coburn amendment and disaster relief are currently the only outstanding issues in conference. The Senate conferees voted 8-5 against receding to the House language on RU-486 (all the Democrats voted with us, as did Specter and Gorton. Chairman Stevens initially voted with us, which would have made the vote 9-4, but then switched his vote when he realized that it was not needed to prevent the language from being accepted by the Senate.)

If the House and Senate conferees continue to remain in disagreement, they could decide to approve the conference report with the RU-486 language "in disagreement", meaning that the conference report would return to both chambers, requiring an up or down vote on the Coburn amendment. The conference report would first go to the House, which would certainly approve the Coburn language once again. Then it would go to the Senate, which would probably (but not certainly) vote against the amendment. However, Lott is adamant about preventing the conference report from returning to the Senate, because procedural rules would allow the report to be opened up for any reason, and we could expect Daschle or Harkin to offer an amendment adding \$7.5 billion for disaster relief. For this reason, Lott wants the issue to be resolved in conference.

## **Implications of the Coburn Amendment**

This amendment has several far reaching implications both within and beyond the abortion context. First, this amendment represents the first time that Congress has attempted to override the FDA's authority in approving a drug. Americans rely on the FDA to appropriately evaluate drugs for safety and efficacy based on sound scientific principles. In attempting to legislate against RU-486's approval, Congress threatens the integrity of the FDA and its routine approval process.

Second, this amendment would deny women a major medical breakthrough which

provides a safe non-invasive alternative to surgical abortion. Unlike a surgical abortion, RU-486 would be available in the privacy of a doctor's office -- rather than a clinic that may be subject to violence or protests -- and will be far more accessible to women who do not have abortion clinics conveniently located within their county or state. The amendment would also ban the approval of another promising drug named mexotrexate which is currently being testing in clinical trials for pregnancy termination. This drug has already been approved for chemotherapy and is being widely used for that purpose. Clearly, the Coburn amendment would block the FDA from approving its use for medical abortion, including efforts to provide labeling for this use.

Third, the amendment would freeze research on other drugs which could lead to important treatments for a host of diseases benefiting both women and men. For example, researchers believe that RU-486 has potential for use in treating breast cancer, endometriosis, Cushing's Syndrome, AIDS, diabetes, brain tumors and glaucoma. It has the potential to help treat a wide range of conditions related to reproductive health, including uterine fibroids. The amendment could also have dangerous implications for the development of drugs that are used for purposes other than terminating a pregnancy, but which may cause miscarriages. Many drugs, including chemotherapy and anti-ulcer medications, have the side effect of inducing abortion. While the proponents of the amendment argue that their intent is only to ban those drugs that have the *primary purpose* of causing abortions, the research community believes that the broad scope of the amendment could stifle research in these other important areas.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kevin S. Moran ( CN=Kevin S. Moran/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 1-OCT-1998 13:26:59.00

SUBJECT: Waxman

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

TO: Cathy R. Mays ( CN=Cathy R. Mays/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: Carole A. Parmelee ( CN=Carole A. Parmelee/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TEXT:

Erskine just spoke with Henry Waxman. Immediately after Erskine called out to Carolyn and asked that we set up a meeting (sometime in the next several days) with "Waxman, Bruce, Elena and John." Do you know the substance? Do you have any recommendations / questions concerning this? I'll also try to get more info from Erskine. Kevin

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Debra J. Bond ( CN=Debra J. Bond/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME: 1-OCT-1998 10:15:55.00

SUBJECT: H-2A Talkers

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

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

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

TEXT:

See attached document on H-2A. Please call me if you have any questions.  
----- Forwarded by Debra J. Bond/OMB/EOP on 10/01/98  
10:17 AM -----

Debra J. Bond  
10/01/98 10:04:18 AM  
Record Type: Record

To: Julie A. Fernandes/OPD/EOP@EOP, Cecilia E. Rouse/OPD/EOP@EOP, Steven  
M. Mertens/OMB/EOP@EOP, Mark A. Weatherly/OMB/EOP@EOP  
cc: Larry R. Matlack/OMB/EOP@EOP  
Subject: H-2A Talkers

As Barbara Chow has been making her rounds on the Hill discussing the H-2A bill (which is attached to the C/J/S appropriations bill), Hill staff have requested paper that they can use in their discussions with others. This paper would likely be widely distributed. Please review the talking points and provide comments to me by 1:00 pm today. I am also circulating the paper to DOL and USDA for their comments. Thanks for your assistance.

PS. You will need to either launch or detach the document to read the footnote.

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

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D31]MAIL48737537X.226 to ASCII,  
The following is a HEX DUMP:

FF57504319090000010A020100000002050000008C2C000000020000C8D819849496F70B284698  
2E27FC8155E8F9C02A5DA25F8B7F987F5965FD6ABF5151BBBB2271A37A73F3130045C7C9301B94

## Talking Points H-2A Agricultural Guest Workers -- Wyden-Graham Legislation

### Background.

- Farm workers are among the poorest and most vulnerable in our society. Average annual earnings of farm worker families are only about \$6,500 and farm workers are employed on average only about 26 weeks per year.

### Current Program.

- The H-2A “guest worker” program admits temporary nonimmigrant agricultural workers in order to provide farmers with an adequate supply of laborers during the growing season. There is no cap on the number of H-2A visas granted annually.
- Currently there are 1.6 million farm workers in the U.S. of which approximately 600,000 are illegal (unauthorized to work), 1 million are legal (citizens or authorized foreign labor), and 20,000 are in the H-2A program.
- **Under the current program, in order to hire H-2A workers, an employer must demonstrate to the DOL that:**
  - (a) **there are not sufficient U.S. workers able, willing, qualified and available to perform the services; and,**
  - (b) **there will be no adverse effect on the wages and working conditions of similarly-employed U.S. workers.**
- **Employers also are required to:**
  - pay workers an “adverse effect wage rate” (AEWR), determined by the average wage paid to non-managerial agricultural workers in the state;
  - provide free housing to workers coming from outside the commuting area;
  - reimburse workers’ inbound transportation if they complete half the contract, outbound also if they complete the contract; and,
  - guarantee 3/4 of the hours of the contract; and,
  - hire any qualified U.S. worker who applies during the first half of the work contract.

### State of Play.

- The H-2A program has been heavily criticized by the GAO, DOL’s IG, and Congress due to the difficult administrative burdens placed on growers.
- The Administration has acknowledged the problems and is working administratively to

reengineer and streamline the H-2A program to ease grower burdens while maintaining strong worker protections.

- In the recent letter to the Commerce, Justice, and State appropriations conferees, the Administration strongly urged deleting the **Agricultural Job Opportunity, Benefits, and Security Act of 1998**. **The bill in its current form is unacceptable**. However, the Administration is engaging in a bi-partisan process with the Congress to develop overall reform, including possible legislative reform.
- The Administration shares the goal of assuring an adequate, predictable labor supply of farm workers and will work with the Congress to develop reforms to the current program to ensure that it responds to agricultural needs while protecting U.S. farm workers.

### Wyden-Graham Bill.

- As a result of growers' dissatisfaction with the current program, Senator Wyden (D/OR) and Senator Graham (D/FL) attached the Agricultural Job Opportunity Benefits and Security Act of 1998, to the Commerce, Justice, State appropriations bill.
- **The Administration's overall concern with the Wyden-Graham bill is that it shifts costs and risks from employers to workers and/or the government.**
- Although Wyden-Graham has been changed to remove some objectionable provisions (e.g., restores the requirement that growers reimburse workers for transportation; eliminates the provision that would have required withholding 20% of workers' wages to be refunded upon their return home as a repatriation incentive), the fundamental substantive objections noted below, remain.

#### *Most significant issues with the revised proposal.*

- Eliminates the current grower recruitment requirement and creates a government-run job registry.

--Responsibility for the recruitment of domestic farm workers would shift to a new "job registry" for which the government and low-wage workers are entirely responsible.

--Growers would only need to check this registry before employing H-2A workers.

--The fundamental problems with the registry are:

(1) that use of the registry would relieve the growers of any obligation to do positive recruitment beyond searching the registry, making it easier to employ H-2A workers over U.S. workers; and,

(2) that the bill would require wholesale reliance on a method of recruitment that has not been tested or shown to be effective (it will be very difficult to maintain an accurate, up-to-date registry).

--In addition, although this registry would take years to create and implement effectively,

employers could begin to hire H-2A workers within 6 months of enactment of the bill.

- Erodes U.S. worker wages.

--Caps the adverse effect wage rate<sup>1</sup> at 105% of the local prevailing wage.

--This cap is not set high enough to compensate for the depression of wages in areas where there is a heavy reliance on foreign workers, and not sufficiently high to attract new U.S. workers into agricultural employment.

- Provides an inadequate mechanism for housing foreign guest workers.

--Allows growers to provide a payment voucher in lieu of housing, unless the State certifies that adequate housing is not available in the area. The State is not required to make this determination nor has an incentive to do so.

--Requires growers to make a "good faith" effort to locate housing for the worker. Growers are not required to locate and secure the housing.

--Eliminates a fundamental grower obligation to assure that workers are adequately housed.

--Overlooks the basic problem of inadequate housing in many areas of the country (particularly in the West).

--It is unrealistic to expect low-wage foreign migrant farm workers to be able to secure housing using a federal voucher. Thus, many workers will likely end up without housing, will overcrowd any available rental housing, or will end up on the street.

- Eliminates the requirement that growers guarantee  $\frac{3}{4}$  of the work offered to recruit U.S. and foreign farm workers.

--May encourage growers to lure workers from hundreds or thousands of miles away with the promise of potentially high earnings without any obligation to fulfill any part of that promise.

--May encourage growers to recruit more workers than they actually need to hedge against uncertainties.

Automated Records Management System  
Hex-Dump Conversion

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<sup>1</sup>The adverse effect wage rate (AEWR) is equal to the average statewide wage. The use of the AEWR reflects the fact that foreign workers (both undocumented and H-2A guest workers) can sometimes dominate a local labor market and depress the local prevailing wage.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 13:04:25.00

SUBJECT: H-2A

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:

According to Peter, Gingrich is now interested in the H-2A issue. Likely b/c of calls that he has received from Georgia growers who were caught up in last year's Vidalia onions battle. Because of this pressue (and b/c Lamar is doesn't like the Graham-Wyden bill), he has rejoined with Bob Smith in an attempt to replace Graham-Wyden with the Smith guestworker bill. As you recall, we have a Secy of Labor veto threat on that bill. According to Linda Delgado, USDA heard that attempts to make this switch have been unsuccessful. She is going to check again with Dave Carlen and let us know.

julie

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Stacie Spector ( CN=Stacie Spector/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 1-OCT-1998 09:29:42.00

SUBJECT: Education event program order

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

READ:UNKNOWN

TEXT:

fyi, this was the outcome. christa was good, she told the real person to be prepared to intro either.

----- Forwarded by Stacie Spector/WHO/EOP on 10/01/98  
09:29 AM -----

Stacie Spector  
10/01/98 08:50:12 AM  
Record Type: Record

To: See the distribution list at the bottom of this message  
cc: Patricia M. Ewing/OVP @ OVP  
Subject: Education event program order

THE VP WILL introduce the real person. The real person WILL introduce the president. Thanks for everyones help on this.

Message Sent

To: \_\_\_\_\_  
Christa Robinson/OPD/EOP  
Laura D. Schwartz/WHO/EOP  
Karen Tramontano/WHO/EOP  
Jeffrey A. Forbes/WHO/EOP  
Stephanie S. Streett/WHO/EOP  
Ann F. Lewis/WHO/EOP  
Jennifer M. Palmieri/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Leanne A. Shimabukuro ( CN=Leanne A. Shimabukuro/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 1-OCT-1998 19:25:30.00

SUBJECT: PLEASE NOTE: CHANGE IN DOJ GRANTS FOR ELDER FRAUD EVENT

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

----- Forwarded by Leanne A. Shimabukuro/OPD/EOP on  
10/01/98 07:18 PM -----

Leanne A. Shimabukuro

10/01/98 06:40:06 PM

Record Type: Record

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

cc: Jose Cerda III/OPD/EOP

Subject: PLEASE NOTE: CHANGE IN DOJ GRANTS FOR ELDER FRAUD

Our small grants just got smaller! I just got off the phone with Justice -- the figure they originally gave us for the total grant amount for telemarketing fraud is wrong. Instead of over \$3 million, it is only about \$1.7 million. The four grantees are the same. They mistakenly gave us two-year figures which included FY 97 grants.

Let me know if you have any questions.

Message Sent

To:

Sarah A. Bianchi/OPD/EOP

Christopher C. Jennings/OPD/EOP

Christa Robinson/OPD/EOP

June Shih/WHO/EOP

Julie B. Goldberg/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 10:27:47.00

SUBJECT: Access to Jobs -- cars

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

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

TEXT:

DOT is getting close to finalizing notice of availability for Access to Jobs/Reverse Commute grants. One outstanding issue is to what extent these funds can be used to help people get to work by car. The Federal Transit Administration, who has lead responsibility for ATJ is opposed on several grounds, the main one being they are in the business of getting people out of cars and into mass transit (there is some indication Fed Highway Admin. may not agree). Because ATJ was put in the mass transit statute, FTA says they are legally prohibited from using funds for single occupancy vehicles, though car pools and ridesharing are allowed. While there are various reasons we might not want to use this money to outright purchase a car for an individual, we think they could be more flexible if they wanted to be, and that they should not preclude innovative local solutions including cars--for example, revolving loan programs, car-lending arrangements, repair of donated cars. There are interesting examples like this cropping up around the country; they tend to be small, and they usually do not involve simply using public funds to buy someone a car. This is especially important in rural areas, 40% of which do not have public transit and where it may be more efficient to help someone get access to a car than to set up a van or shuttle when there may not be sufficient density of people on similar schedules to fill it up. We do not imagine car programs will be used on large scale. We and NEC would both like to push back for more flexibility for projects who justify why cars are the most efficient/effective solution and why other approaches won't suffice --what do you think?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 10:55:41.00

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: Daniel N. Mendelson ( CN=Daniel N. Mendelson/OU=OMB/O=EOP @ EOP [ OMB ] )  
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: Rhonda Melton ( CN=Rhonda Melton/O=OVP @ OVP [ UNKNOWN ] )  
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: 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: 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:

We will hold the weekly Health Care Strategy Meeting today at 4:00 p.m. in Bruce Reed's office, 2 Floor, West Wing.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael D. McCurry ( CN=Michael D. McCurry/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 1-OCT-1998 11:34:36.00

SUBJECT: youth violence summit

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

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

TO: Ann F. Lewis ( CN=Ann F. Lewis/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:

my pal, tina exarhos from MTV (212-258-8727), called to run thru some issues related to the youth violence summit here at the white house on october 15. apparently we are planning a partnership announcement in which MTV will have some role and tina is trying to figure out how we are pitching the deal. i'm not sure who has the ball on this, but i suggested she reach out to all of you (rahm, bruce, elena, ann) to fill you in on what they are planning to do. from experience, i know they do a pretty good job working the press and they will help sell this event and make it into something.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-OCT-1998 19:19:45.00

SUBJECT: family planning lang.

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

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

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

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

TEXT:

Dan Mendelson prepared this language for the Labor/HHS/Ed House Floor SAP. We'll be circulating it tonight for WW clearance but wanted to run it by you first. Please let me know if you're ok or need changes. Thanks.

The Administration strongly objects to language in the House Committee bill, and to any related potential amendments, that would have the effect of requiring family planning or other health care grantees to receive parental consent or provide advance notification to parents before giving contraceptives to minors. Mandating parental consent discourages minors from seeking health care and reproductive services and thus leads to more unintended pregnancies, abortions, and sexually transmitted diseases, including HIV. Federal health program costs could also increase if this amendment interferes with the prevention of teen pregnancy. The Administration urges the House to adopt the proposed Castle/Greenwood amendment, which will ensure that grantees will encourage minors to seek their family's participation in family planning decisions.

The Administration adamantly opposes the proposed Tiahrt amendment that would mandate onerous and ill-defined physical separation requirements between Title X supported family planning projects and non-Title X activities related to abortion. The Department of Health and Human Services already provides safeguards, as well as performs periodic rigorous site reviews, to ensure that no Title X funds are used to conduct abortions or abortion related activities.