

NLWJC - KAGAN

EMAILS RECEIVED

ARMS - BOX 041 - FOLDER -004

[12/02/1998]

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Phillip Caplan to Elena Kagan re: toys (1 page)	12/02/1998	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[12/02/1998]

2009-1006-F

bm72

RESTRICTION CODES

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

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

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

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

RR. Document will be reviewed upon request.

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

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 16:27:59.00

SUBJECT:

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

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

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

TEXT:

Oops. Forgot to attach the statement in my last email.

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D81]MAIL468524735.326 to ASCII,
The following is a HEX DUMP:

FF5750435A040000010A02010000000205000000AC0B000000020000DF0BF02E1C7D3D2621AC4A
FE9AF936FBBB491C55B179B4815B9EDAF9A0AD2EE02512DFCC047A0A0EF6B5D16474968F483E51
F9E933F8A00B1E879FA8361CD8DAC26D6E4FDD69D9831A3D64786C9D0CEE91B8A4FDD0A119F17D
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41DD6CE9F1F87D2B200799755DD389D3BB3E249FDFC49ECF1524C0E5CE22CC34085832B7B85816
EA5F98318DA31E13CCC6DA7616C8AE890470F9B72DB76D6F98428827D7DACC4E6FE03B997FA34
2F9B9862417E226F1EC744C27DF9164F623174BCA66A318E28E80A5316C1AD553A4D85F58A0BB0

**Statement by the President on Release of Consumer Product Safety
Commission Report on Phthalates in Toys**
December 2, 1998

I congratulate Chairman Ann Brown and the Consumer Product Safety Commission on the release of a comprehensive and thoughtful report examining the potential exposure and health risks to children from teething rings, pacifiers, rattles and toys containing chemicals called phthalates that are used to soften plastic. The report makes clear that the best scientific evidence shows that children are not at risk of harmful exposure to these chemicals. It also provides information to consumers about the safety of products that may contain phthalates, and outlines the Commission's plans for further study. I also commend the many manufacturers and retailers who are taking the additional, precautionary step of discontinuing the sale of products designed for children to put in their mouths that contain the phthalate DINP. This should allay any remaining fears that families have about these products.

The CPSC report and supporting measures by manufacturers and retailers will go a long way toward calming concerns about the safety of products used everyday by our nation's youngest children. This report also commits the Consumer Product Safety Commission to pursue additional rigorous work in this area. The Administration will support both the Commission's continued efforts to investigate any risks to children from phthalates, as well as government and private efforts both here and abroad to take appropriate precautionary measures.

###

Automated Records Management System
Hex-Dump Conversion

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 11:46:22.00

SUBJECT: Responsible Fathers Grants

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

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

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

TEXT:

Here is an updated summary of the fathers grants idea. It reflects considerable staff-level input and general support from OVP, DOL and HHS, but has not yet gone through official clearance at the agencies. I do not believe the VP has been briefed yet (though his fatherhood advisors are on board), but that is supposed to happen shortly.

This is a more detailed discussion paper including options on several issues.

The biggest issue is still how to pay for the proposal. I need to touch bases w/ OMB on the status of funding for the Welfare-to-Work reauthorization, since this would likely be carved out of that amount.

We'd be glad to discuss this further.===== ATTACHMENT 1 =====

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D32]MAIL43922563J.326 to ASCII,
The following is a HEX DUMP:

FF575043E6040000010A02010000000205000000081C000000020000448C59E0DFB5A3E220EF65
DA6BA07E5E637788F45CED57F941EA270E0077456D5C1F3D31D245DB6F2E8D3916B1F98B867FCB
5A6DC45B30AF05555DAEDE78EE768DF0C656ED76702AC9D7C500E70BAD1F6F2D4356F6DB8345C3

RESPONSIBLE FATHERHOOD GRANTS

Goal/Purpose

Strengthen families by helping fathers to be more effective and involved parents and responsible members of their community through: 1) Increasing the employment and earnings of low income fathers so they can better support their children either through child support or more take-home pay and 2) Promoting and supporting fathers' personal responsibility including paternity establishment, child support, community involvement, and marriage (when appropriate).

Eligible population

Generally, fathers who are committed to playing by the rules in terms of employment, paternity, child support, and responsible parenting. Depending on how eligibility is defined, the number of poor non-custodial fathers conservatively ranges from 300,000 to 1 million. This does not include fathers who live with some of their children but not others, nor does it include fathers in prison or living on military bases. The grants could also serve fathers living with their children if they need help with employment and parenting (limiting eligibility to non-custodial parents is a disincentive to marriage and/or family unification). Non-custodial mothers would be served in the same way as non-custodial fathers.

Allowable activities

Employment activities such as job placement, retention, re-employment, entrepreneurship, and advancement services, and skills training combined with work. Job-related support services if not otherwise available -- transportation, child care, clothes and tools. Other services to promote responsible fatherhood including: outreach; peer support, parenting, violence reduction, conflict resolution, and team parenting courses; legal assistance, mediation, counseling, treatment

Funding Level and Match

Approximately \$200 million in federal funds, with a small state minimum. (Assuming Fathers grants at 20% of WTW formula grants, smallest states would get approximately \$700,000). Assuming same match as WTW program: \$1 non-federal for every \$2 federal, possibly with expanded definition of allowable in-kind match. Consider allowing a small percent of Federal TANF \$ to be transferred out as match (requires further discussion).

Funding Flow and Delivery System

Allocate majority of funds on a formula basis to states who submit Responsible Fatherhood plans. Governor submits plan with mandatory sign-off from workforce, TANF, and child support agencies, designates lead agency at state level, and identifies mechanism for ongoing coordination among key agencies. Reserve about 15% at national level for research and evaluation, technical assistance, and discretionary grants to test national models. Provide set aside for formula grants directly to federally-recognize tribes who submit plan.

Substate Allocation:

Options

- 1) Same as WTW: 85% of funds to local PICs/workforce boards, 15% reserved for Governor's discretionary activities. Require local PICs to coordinate with public agencies responsible for TANF and child support. Encourage PICs to subcontract with private, community groups, including faith-based organizations, where appropriate. Provide waiver authority for Governor to designate alternate service delivery entity.
- 2) Allow Governor to allocate funds within state to entities that best meet state and local needs and circumstances. This could be done on a formula or competitive basis. Grant recipients would need to demonstrate coordination with local workforce, welfare, and child support systems.

Federal Administrative responsibility

Regardless of which federal agency administers the funds, there should be a strong mechanism for ongoing interagency involvement in reviewing state plans, providing technical assistance, sharing information among various constituencies, and coordinating with existing programs. Key agencies include: DOL; HHS/OCSE and ACF; HUD; Justice. SBA, DOT, Education and others also play a significant role.

Rationale

Most children on welfare live with a single (custodial) parent and depend on child support payments from their non-custodial parent (usually father) for additional financial support. As these families move from welfare to work and face time-limited welfare assistance, increasing the child support paid by non-custodial parents is critical. Many of these fathers work, but their employment tends to be unstable and confined to entry level jobs. A recent study found that 70 percent of poor non-custodial fathers had some involvement with the criminal justice system. These same fathers express strong interest in being involved with their children, by providing both financial and emotional support and serving as a positive force in their children's lives. There is growing, broad-based support for responsible fatherhood initiatives. WTW funding is an important new federal funding source but is limited to a subset of poor fathers whose children are on welfare.

RESPONSIBLE FATHERHOOD GRANTS

Goal/Purpose

- Strengthen families by helping fathers to be more effective and involved parents and responsible members of their community through:
 - 1) Increasing the employment and earnings of low income fathers so they can better support their children either through child support or more take-home pay.
 - 2) Promoting and supporting fathers' personal responsibility including paternity establishment, child support, community involvement, and marriage (when appropriate).

Rationale [needs to be refined and beefed up with statistics]

Most children on welfare live with a single (custodial) parent and depend on child support payments from their non-custodial parent (usually father) for additional financial support. As these families move from welfare to work and face time-limited welfare assistance, increasing the child support paid by non-custodial parents is critical. Many of these fathers work, but their employment tends to be unstable and confined to entry level jobs. A recent study found that 70 percent of poor non-custodial fathers had some involvement with the criminal justice system. These same fathers express strong interest in being involved with their children, by providing both financial and emotional support and serving as a positive force in their children's lives.

Current Initiatives

The **Welfare-to-Work grants** administered by the Department of Labor can be used to provide employment-related services to certain non-custodial parents of children on welfare. Several states have focused their entire formula grant funds on non-custodial parents, others intend to serve a significant number of non-custodial parents along with custodial parents. In addition, 54 Welfare-to-Work competitive grants include non-custodial parents, with several of these grants focused exclusively on this population.

However, these WTW services do not address the needs of a broader group of low-income fathers who do not themselves meet the WTW criteria or whose children are not currently on welfare.

The Office of Child Support Enforcement is funding eight **Responsible Fatherhood demonstrations projects** to help low-income, unmarried fathers who have established paternity become involved in the lives of their children and become financially responsible parents. Funding for projects in CA, CO, MD, MA, MO, NH, WA, and WI, along with a multi-site evaluation, totals \$1.5 million.

Eligible population

Generally, fathers who are committed to playing by the rules in terms of employment, paternity,

child support, and responsible parenting.

Depending on how the eligible population is defined, there are between 2 million and 5 million low income fathers, the majority of whom live with their children. The number of poor non-custodial fathers conservatively ranges from 300,000 to 700,000. Data from the 1990 SIPP indicates there are about 2 million fathers living in households with income below the poverty level, of which: 1.5 million fathers live with their children (resident dads), 300,000 do not live with any of their children (non-custodial dads), and 200,000 live with some of their children but not do not live with others (dual dads). An additional 2.7 million fathers live in households with income between 100% and 150% of the poverty level, including: 2 million resident dads, 400,000 non-custodial dads, and 275,000 dual dads. Looking at personal income, which is the basis for child support payments, about 3.8 million fathers have annual income below \$10,000, including: 2.3 million resident dads, 1 million non-custodial dads, and 450,000 dual dads. These figures considerably understate the number of low-income fathers because they do not include men in prison [approximately 1 million of whom are fathers?] nor those living on military bases, plus they reflect the census undercount of poor, young minority men.

Options:

- (1) **Preferred Option:** Low-income parents. Could define income eligibility as 150% of poverty, 185% of poverty, EITC eligibility, or below state or local average income of male earners (Fathers Count bill targets 80% of funds to the latter group).
- (2) Non-custodial parent of a child eligible for or receiving TANF, formerly received TANF, or at risk of receiving TANF. Could also non-custodial parents receiving Food Stamps -- provides link with population, by including fathers who are ABAWDs and Food Stamp E&T program.
- (3) 'Hard to Serve' non-custodial parents (current WTW definition). 70% criteria: either the child or the custodial parent has received TANF for at least 30 months or will become ineligible for assistance within 12 months due to a time limit *and* the non-custodial parent has two of the three barriers related to low education skills, substance abuse or poor work history. 30% criteria: noncustodial parent has characteristics associated with long-term welfare dependence.

All of the above income levels include fathers living with their children if they need help with employment and parenting (whether or not the parents are married). This could be open-ended, or limited to a certain percentage of the total grant funds. Limiting eligibility to non-custodial parents is disincentive to marriage and/or father living with children. Also, non-custodial mothers would be served in the same way as non-custodial fathers. Custodial parents on welfare are likely to be served under TANF or WTW.

NOTE: Options 2 and 3 are considered too narrow, administratively burdensome, and too tightly linked to welfare status of custodial parent.

Allowable activities

- Employment activities -- same as WTW activities, including job placement, post-placement services, retention, re-employment, advancement. Include education and training tied to employment (allowing stand-alone education and training raises equity issue with custodial parents). Also include entrepreneurship (build in link with IDAs).
- Employment-related supportive services if not otherwise available -- transportation, child care, work-related expenses such as clothes and tools. Consider including one-time/short-term health care and housing expenses needed to help someone get or keep a job. Whether to include ongoing health or housing assistance, i.e. monthly insurance premiums, needs further discussion. Encourage private sector involvement, including partnerships with health care providers (e.g. Kaiser Permanente provides insurance coverage for participants, including fathers, in Baltimore Healthy Start programs for a minimal monthly premium).
- Other services to promote responsible fatherhood including: outreach, peer support groups, parenting classes, violence reduction, conflict resolution, team parenting courses, legal assistance, mediation, counseling, treatment, and other items related to the purpose of the program.
- Allow reasonable administrative expenses (15% to be consistent with WTW funds).
- Encourage employment of low-income non-custodial fathers to help collect child support from other non-custodial parents and reinforce the importance of responsible fatherhood. [being done in MD Responsible Fatherhood project?]

Funding flow and Service delivery system

Federal to State

- Allocate majority of funds on a formula basis to states who submit Responsible Fatherhood plans.
- Formula factors:
Options [DOL/HHS: need to do runs]
 - Population (Fathers Count)
 - Low income men (data on fathers not available at sub-state level)
 - Poverty + number of children not living with both parents (similar to Access and Visitation grants)
 - WTW formula (poverty and welfare receipt)
- Reserve 15% at national level for Secretary to provide research and evaluation, Technical Assistance, and discretionary grants to test national models. Assuming \$200 M, 15% =

\$30 M. (Fathers Count earmarked \$10 M/year for research & evaluation, and \$10 M for TA.)

Tribes

- Set aside for formula grants directly to federally-recognize tribes who submit plan.

Substate Allocation:

Options

- 1) Same as WTW: 85% of funds to local PICs/workforce boards, 15% reserved for Governor's discretionary activities. Require local PICs to coordinate with public agencies responsible for TANF and child support, with community and faith based organizations involved in fatherhood issues, and with EZ/ECs. Encourage PICs to subcontract with private organizations where appropriate. Could provide waiver authority for Governor to designate alternate service delivery entity. Establish minimum grant size similar to WTW funds.
- 2) Allow Governor to allocate funds within state to entities that best meet state and local needs and circumstances. This could be done on a formula or competitive basis. Grant recipients would need to demonstrate coordination with local workforce, welfare, and child support systems, at a minimum.

NOTE: Assuming charitable choice provision in TANF applies to WTW, states can contract with religious organizations.

Federal Administrative responsibility

- Regardless of which federal agency administers the funds, there should be a strong mechanism for ongoing interagency involvement in reviewing state plans, providing technical assistance, sharing information among various constituencies, and coordinating with existing programs. Key agencies include: DOL; HHS/OCSE and ACF; HUD; Justice. SBA, DOT, Education and others also play a significant role.

Plan requirements

- Governor submits plan with mandatory sign-off from workforce, TANF, and child support agencies. Designates lead agency at state level and identifies mechanism for ongoing coordination among key agencies, such as Interagency Memorandum of Agreement. For example, state might have existing Fatherhood Task Force. Could require state to get sign-off from, or demonstrate coordination with, at least one other relevant agency such as Criminal Justice, Education, Housing or Health. Plan should document how coordination will occur at service delivery level, including referral process.

Total funding level

- Approximately \$200 million, with a small state minimum [DOL doing runs with \$200M allocated based on population and WTW formula; HHS doing runs based on low-income men and modified version of A&V formula]. (Assuming Fathers grants at 20% of WTW formula grants, smallest states would get approximately \$700,000)

Match

Options

- (1) Current WTW match: \$1 non-federal for every \$2 federal. Up to 50% can be met in-kind.
- (2) \$1 non-federal for every \$2 federal. Up to 75% in-kind.
- (3) No match (Fathers Count). (Not recommended due to equity with other WTW funds)

Existing foundation-funding for Fatherhood demos could count toward match. Also consider broad definition of in-kind match and flexibility on timing -- not all required in 1st year. Consider allowing a small percent of Federal TANF \$ to be transferred out as match (requires further discussion).

Evaluation

- Require cooperation with evaluation as condition of receiving grant funds.

Technical Assistance

- Provide authority and funding for federal agency(s) to provide or contract for technical assistance for state and local grantees.

Performance Measures

- Identify several core measures in legislation, such as increased employment and earnings of fathers; increased payment of child support; increased involvement with children; reduction in criminal activity/recidivism(?).
- Require Governors to identify additional measures by which they'll hold programs accountable.

Waivers

- Allow states to propose waivers necessary to put together a package of services that make sense at the community level (similar to EZ/EC).
- Explore discussion of special language to permit retroactive modification of child support order, for fathers participating in this program where appropriate. This is potentially controversial, but may be less so when targeted on low-income fathers. (Needs further discussion with ACF and OCSE).
- Consider deferral of arrearages for fathers participating in employment-related activities including education and training combined with work, community service, and certain parenting activities as incentive for low-skilled fathers to

build skills and increase earning potential. (Do states have this authority now? Issue is federal share of collections.)

Other Issues

- Build in protections for victims of domestic violence and allow batterers intervention services. Also recognize fathers who were themselves victims.
- Encourage fathers to get involved before child is born--prenatal and link with in-hospital paternity programs.
- Sort out how this relates to other WTW funds spent on non-custodial parents -- for example, would MI and MO use this to expand population served by their regular WTW formula grants? Would DOL still award regular WTW competitive grants for non-custodial fathers, or focus those funds on other populations?
- Encourage links with criminal justice system and incarcerated fathers about to be released.
- Consider link with child support financing process, including issue of child support disregard or pass through. Also explore link with possible child support assurance demonstrations(?).
- Be mindful that some fathers have children with more than one women and in more than one household.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 14:25:39.00

SUBJECT: Weekly Strategy Meeting

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: Amy Weiss (CN=Amy Weiss/OU=WHO/O=EOP @ EOP [WHO])
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: Devorah R. Adler (CN=Devorah R. Adler/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

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

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

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

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

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

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

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

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

READ:UNKNOWN

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

TEXT:

Tomorrow's 4:00 p.m. Health Care Strategy Meeting is CANCELLED.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 16:15:44.00

SUBJECT: Toys

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

TEXT:

Here is the draft statement on toys. Do either of you have a feel for whether we should release it? I am waiting to hear back from Barry Toiv as to whether they've gotten any calls.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Phillip Caplan to Elena Kagan re: toys (1 page)	12/02/1998	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[12/02/1998]

2009-1006-F

bm72

RESTRICTION CODES

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

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

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

RR. Document will be reviewed upon request.

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

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- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 09:18:45.00

SUBJECT: REMINDER: CoS Mission Statements Requests are due Today

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

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

TEXT:

Did we get anywhere with this?

----- Forwarded by Bruce N. Reed/OPD/EOP on 12/02/98
09:18 AM -----

Kevin S. Moran 12/02/98 09:16:53 AM

Record Type: Record

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

cc:

Subject: REMINDER: CoS Mission Statements Requests are due Today

Please get your office Mission Statements in to us by close of business today. Please call me or Sara Latham at 6-6798 if you have any problems. Thanks.

November 23, 1998

MEMORANDUM TO ASSISTANTS TO THE PRESIDENT

FROM: JOHN PODESTA AND MARIA ECHAVESTE

SUBJECT: MISSION STATEMENTS

Earlier this month, we asked members of the Cabinet to prepare summaries of what they would like to accomplish in their agencies during the next two years. At the beginning of the President's second term, we asked you to prepare similar mission statements outlining the goals and objectives for your departments.

While we do not want to reinvent the wheel, we would like you to review your offices' previous work and prepare a short summary of what you would like to accomplish in your departments -- what your revised goals and objectives are -- over the next two years. We know you have been working hard and have accomplished a great deal for this President. We would like this exercise to build upon that work and challenge you to stretch your vision, again. This information will be very helpful to us and we would like to share your thoughts with the President. Please provide your submissions to us by the close of business on Wednesday, December 2.

Message Sent

To:

Virginia Apuzzo/WHO/EOP
Paul E. Begala/WHO/EOP
Tracy Pakulniewicz/WHO/EOP
Sidney Blumenthal/WHO/EOP
Jonathan E. Smith/WHO/EOP
Phillip Caplan/WHO/EOP
Carolyn E. Cleveland/WHO/EOP
Mickey Ibarra/WHO/EOP
Maria E. Soto/WHO/EOP
John A. Koskinen/WHO/EOP
Neal Lane/OSTP/EOP
Ann F. Lewis/WHO/EOP
Ruby Shamir/WHO/EOP
Joseph P. Lockhart/WHO/EOP
Elizabeth R. Newman/WHO/EOP
Thurgood Marshall Jr/WHO/EOP
Maya Seiden/WHO/EOP
Minyon Moore/WHO/EOP
Jocelyn A. Bucaro/WHO/EOP
Bob J. Nash/WHO/EOP
Laura K. Demeco/WHO/EOP
Bruce N. Reed/OPD/EOP
Cathy R. Mays/OPD/EOP
Charles F. Ruff/WHO/EOP
Ora Theard/WHO/EOP
Craig T. Smith/WHO/EOP
Christopher J. Lavery/WHO/EOP
Gene B. Sperling/OPD/EOP
Melissa G. Green/OPD/EOP
Lawrence J. Stein/WHO/EOP
Jessica L. Gibson/WHO/EOP
Todd Stern/WHO/EOP
Jonathan H. Adashek/WHO/EOP
Stephanie S. Streett/WHO/EOP
Michael Waldman/WHO/EOP
Joshua S. Gottheimer/WHO/EOP
Katharine Button/WHO/EOP
Scott R. Hynes/OVP @ OVP
Sara M. Latham/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 10:28:21.00

SUBJECT: stem cell -- press guidance

TO: Clifford J. Gabriel (CN=Clifford J. Gabriel/OU=OSTP/O=EOP @ EOP [OSTP])
READ:UNKNOWN

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

TO: Holly L. Gwin (CN=Holly L. Gwin/OU=OSTP/O=EOP @ EOP [OSTP])
READ:UNKNOWN

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

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

TEXT:

Chris -- Nanda Chitre has requested press guidance on the Varmus testimony by 11:30 a.m. Pasted below is a "placeholder" because Varmus is currently testifying as we speak. We'd appreciate having the benefit of your edits and suggestions.

Rachel Levinson is at the hearing now and is expected to report in shortly. A key issue of press interest is whether Dr. Varmus will say that the statute does or does not permit NIH-funded scientists to use some of the stem cells that were produced by the scientists on the second panel. DHHS General Counsel has not reached a decision on this point and Dr. Varmus' written testimony does not answer the question, and he will probably be pressed on the issue.

It may make sense to pass this current version along to Nanda -- with your edits included -- and then, shortly before noon, update the Q&A section in light of what actually transpired this morning's hearing.

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

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D76]MAIL49271463D.326 to ASCII,
The following is a HEX DUMP:

FF57504384040000010A020100000002050000005B1300000002000008A74215C0175F7A09BEC6B
82B4B0E2B4A88989357B767B48173BD47959D519678FAB2B1BACC55E6D64DF746015176224B8AC
2839008A51232F941D06D21576AF770F8E83E07064A0288BF3C0A61919FC5D6F435E0C0377DB39

HUMAN STEM CELL RESEARCH

SENATE HEARING

December 2, 1998

CONTEXT: Dr. Harold Varmus, Director of the National Institutes of Health testifies today before the Senate Labor, HHS Appropriations Subcommittee. The subject of the hearing is human stem cell research.

General

Dr. Varmus will appear as the first witness, followed by the second panel including Drs. James Thomson (University of Wisconsin), John Gearhart (Johns Hopkins University) and Michael West (Advanced Cell Technology, Inc), the scientists associated with three experiments reported recently in which human stem cells were produced from human embryos, fetal tissue, and a human somatic cell fused to a cow egg, respectively. A third panel will be comprised of ethicists including Dr. Arthur Caplan (University of Pennsylvania).

Dr. Varmus will describe the potential scientific and medical benefits of research using human stem cells including the development of treatments for cancer, heart disease, diabetes, Parkinson's and Alzheimer's disease, stroke, burns, and arthritis. Additionally, Dr. Varmus will discuss some of the ethical issues raised by human stem cell research and will reaffirm his commitment to the President's 1994 ban on the use of NIH funds to create human embryos for research purposes.

Beginning in FY 96, annual Congressional appropriations language has extended beyond the President's ban in forbidding research in which an embryo is knowingly discarded, destroyed or exposed to greater than minimal risk. Patient advocacy groups and scientific societies have written Subcommittee Chairman Sen. Specter seeking reversal of the Congressional ban and supporting stem cell research.

Q. What is the Administration's view on human stem cell research?

A. We are told that human stem cell research has great promise, and we are hopeful that these predictions will bear out. Nevertheless, there are a number of ethical, medical and legal issues that need to be sorted out before a policy decision can be made. The President has asked his National Bioethics Advisory Commission to undertake a thorough review of the issues associated with human stem cell research, balancing all the ethical and medical considerations. The Commission's report will assist in defining our next steps.

Q. What is the Administration's view on the Congressional ban on Federally-funded human embryo research?

A. Given the dynamic nature of the science and how that science shapes our ethical understanding, we believe the President's 1994 directive banning the use of Federal funds for the creation of human embryos for research provides appropriate restrictions. Each year, the President's budget has proposed deleting the broader Congressional ban and has objected to addressing this issue in statute.

Q. Was public funding used to support this research?

A. No. The human stem cell research discussed at today's Senate hearing was privately funded.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 09:47:13.00

SUBJECT: Tobacco Farmers fyi

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

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

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

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

TEXT:

Tobacco firms quickly rebuff growers'
 plan

By BOB WILLIAMS, Staff Writer

billion proposal Cigarette makers have no interest in funding a \$12

farmers and allotment floated by a tobacco growers group to compensate
 holders for damages they expect to suffer from the land
 mark national smoking settlement.

attorney Phil Carlton, "Their plan is absolutely unacceptable," Pinetops
 lead negotiator for the country's major tobacco
 companies, said Monday.

makes the "The companies want to work out a reasonable plan that
 growers whole for their losses, but we have no desire
 to fund a welfare program like the one they're talking about."

get their first solid In the meantime, tobacco allotment holders are to
 government will allow to indication today of how much tobacco the federal
 be grown next year.

Department of Cigarette makers must submit estimates to the U.S.
 purchase next year. Agriculture today on how much tobacco they expect to
 anticipated exports USDA uses those estimates, along with the amounts of
 to calculate and of surplus tobacco left over from previous seasons

allotments for the coming season.
 disclosed Sunday by the Carlton reacted angrily to the \$12 billion plan
 National Tobacco Growers Association.

The association's proposal calls for the owners of tobacco allotments, a government license to grow a certain amount of tobacco each year, to be paid 80 cents a pound for the next 10 years. It also calls for growers who don't own allotments, also called quotas, to be paid 20 cents a pound for the next 10 years.

In exchange, growers and allotment holders would agree to ask the USDA to cut the government support price for tobacco by 30 to 40 cents a pound, making tobacco cheaper for the cigarette companies to buy. The average support price for flue-cured tobacco -- the variety grown on most North Carolina farms -- was about \$1.63 a pound this year.

Cigarette makers have yet to offer a formal proposal to help growers and allotment holders, but there have been private discussions on a plan for the companies to pay up to a total of \$5 billion into foundations established in tobacco-growing states. Each foundation would then dole out the money as it sees fit, presumably through some sort of payments to growers and quota owners.

Carlton was quick to point out Monday that growers are at the mercy of cigarette makers, even though growers have recently gained some support from public health groups and the White House. President Clinton, in particular, has made protection of tobacco growers central to any settlement involving the federal government.

"The last time I checked, [former Surgeon General] C. Everett Koop had never bought a single pound of tobacco, and neither had Bill Clinton," Carlton said. "It would be a crying shame if these farmers bought into the line of bull they are getting from the public health people and Bill Clinton."

Carlton also hinted Monday that growers and allotment holders could end up with nothing if they persist in demanding more money.

"When we float \$5 billion and they come back and say they want \$12 billion, it makes me wonder if we should offer anything at all," he said.

"The companies are under no legal obligation to do anything for the growers and allotment holders."

Unlike with most other crops, the government imposes stiff penalties on

price support tobacco growers unless they participate in the federal program. For all practical purposes, that means the only people who grow tobacco at a profit are those who participate in the program.

To qualify, a farmer must hold an allotment or rent one from someone who does. Only a small fraction of the 82,000 individuals and corporations that own quotas actually grow tobacco; most choose instead to rent out their allotments each year to growers.

Flue-cured quotas were cut more than 17 percent this year, and growers and quota owners could get more bad news today if cigarette makers decide to buy less U.S.-grown tobacco next season.

The two other figures USDA uses to determine quotas -- anticipated exports and surplus leaf from previous seasons -- could drive down next year's allotments.

Exports of flue-cured tobacco have fallen to their lowest levels since 1942, according to USDA.

At the same time, more than 182 million pounds of surplus leaf has piled up at price support cooperatives.

"We're hopeful the companies will announce large purchase intentions

and will also agree to buy up a significant amount of the surplus leaf," said

Lionel Edwards, executive director of the Flue-Cured Tobacco

Cooperative Stabilization Corp. in Raleigh. "If we can't work something out with the companies, we could be looking at some serious problems."

Edwards said private talks between the price support co-op and cigarette makers have taken place over the last few weeks, but he would not disclose details of those discussions.

There were rumors circulating Monday that the cooperative has offered to sell all or part of the surplus leaf to cigarette makers at an 18 percent discount.

There also were rumors that Philip Morris, the country's largest cigarette maker, was holding out for a 25 percent discount on the surplus leaf.

"The companies have shown an interest in buying some of our tobacco, but it's highly unlikely they will take it all," Edwards said. "At this point we aren't sure if they will take any of it."

Philip Morris officials did not return phone calls on Monday.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 16:31:51.00

SUBJECT: kerry

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Schoolyard Tussle

By Dana Milbank

John Kerry takes on the teachers' unions.

Boston

Senator John Kerry displays a glass-encased baseball card in his office featuring his likeness where a

slugger's should appear. The card, an award from the National Education Association, proclaims

Kerry a member of the union's "Education All-Star Team." In his 14 years in the Senate, Kerry has

consistently gone to bat for the NEA, earning a perfect 100 percent in its most recent rating. He didn't

vote a single time against the American Federation of Teachers, either, according to that union's latest

scoring. Volunteers from the teachers' unions, in return, proved crucial in Kerry's 1996 reelection fight.

All of which makes John Kerry's latest crusade rather puzzling. In twin speeches delivered recently in

Boston and Washington, Kerry ostentatiously defied these same teachers' unions, declaring that "we

must end teacher tenure as we know it" and proposing "to make every public school in this country

essentially a charter school"--in other words, a school free from most of the bureaucratic controls on

regular public schools. He decried the "bloated bureaucracy" and "stagnant administration" of schools

and demanded higher teaching standards and streamlined certification rules. "Those going into

teaching have the lowest SAT and ACT scores of any profession in the United States," he lamented.

Publicly, union officials reacted to Kerry's speech with talk of "mixed feelings." Privately, they groused

about Kerry's "teacher-bashing." One NEA official told The Boston Globe after Kerry's first speech

that "we are not pleased with his swipes at teachers' unions." But Kerry, undaunted, told me in an

interview that he'd even approve of government-funded vouchers--good for tuition in any accredited

private school--as part of an overall education reform, if that's what it took to make America's schools better.

Just what is John Kerry up to? "I think he's running for president, that's what," says AFT President Sandra Feldman. She's got a point there. Kerry, his aides and confidantes say, used the education speeches as the informal launch of his 2000 presidential campaign. "It's important to make it a component of a national race," affirms Kerry, who hasn't yet committed himself to a run. "It's a point I'd like to take to the country."

To be sure, John Kerry is not likely to ride this issue to the White House. Barring some bizarre twist, he will not be our next president, and he will not be the Democratic nominee--even if he spends a bit of his wife Teresa Heinz's colossal fortune and makes Vice President Gore sweat. He lacks anything near the infrastructure, name recognition, and popularity of the front-runner; his image, to the extent he has one, is that of a Northeastern liberal. Most likely, Kerry is angling for the higher visibility that comes with a presidential run and maybe consideration as vice president or secretary of state.

But, by building his campaign around education, Kerry may well provoke a long-overdue debate over the issue within the Democratic Party. Americans are clearly angry about the state of public schools. And, if the Democrats do not seize the initiative, Republicans may well prevail with a large, uncontrolled rush to vouchers. "If we don't come up with real answers for what ails our schools," Kerry declared in his Boston speech, "then our defense of public schools will become the defeat of the public schools." About this, surely, he is exactly right.

The new South Boston Harbor Academy Charter School has a physical presence not quite befitting its lofty name. It sits across the street from a power plant and shares an alley with a corrugated-metal warehouse. The school building itself says "computer products power conversion"; inside, a hand-lettered, cardboard sign directs visitors to the second floor. A young man, not too long out of school himself, is at the top of the stairs. "I'm the principal," says Brett Peiser, 30 years old. Peiser isn't the only unusual thing here. Like most charter schools, this one has smaller classes (about 20 students per class) and longer days (eight hours a day) than regular public schools. With no union to represent them, the teachers work longer hours and have no tenure protections. But they get a slightly higher wage than starting teachers elsewhere, and they are eligible for merit bonuses. The union says that's no bargain, but apparently a lot of teachers disagree: the school had 700 applicants for eight teaching positions before it opened.

The person in charge of the school is State Senator Stephen Lynch, whose South Boston district is one of the poorest in the state. Lynch has deep union roots: for 18 years he toiled as an ironworker, eventually becoming president of his union's 2,000-member Boston local. A few years ago, this hard-bitten Democrat got himself elected to the state legislature and promptly won the afl-cio's "legislator of the year" award. But now, as chairman of the South Boston charter school--and one of the legislature's fiercest advocates for charters--he has become the nemesis of the teachers' unions.

He vows to push for an expansion of charters, as well as for government-funded vouchers. "When you know you're absolutely right about something, that other stuff is secondary," he says from his makeshift office. "I have a great respect for the teachers' unions, but there's far too much at stake." Lynch says other Democrats, driven by the wretched state of public schools, are joining his insurgency. "Ideas that were taboo at one time now have a fighting chance," he says.

Indeed, the state's Democrat-dominated legislature, which in 1995 came within a couple of votes of killing charter schools, now gives them overwhelming support. The state's governor, Republican Paul Cellucci, is likely to attempt a further expansion of charters, plus another assault on the state's tenure law, which has already been weakened. Cellucci also wants to loosen the control unions and local districts have over some charter schools. And he may succeed, for even some Democrats have found it's not fatal to take on the teachers' unions here. Three years ago, Thomas Finneran described members of the Massachusetts Teachers Association as "selfish pigs." Today he's speaker of the state House.

The teachers' unions, meanwhile, have their backs to the wall. In April, 59 percent of teaching candidates flunked a new statewide test for prospective teachers. In July, 47 percent failed. Cellucci responded with a proposal not just to test new teachers for competency but to test all teachers every five years, decertifying those who flunk twice. He made it an issue in his successful gubernatorial campaign this fall. And, in a poll cited in The Boston Globe, 73 percent of his constituents supported Cellucci's proposal.

"Not only are our teachers alarmed, they're completely demoralized by this," said Massachusetts Teachers Association President Stephen Gorrie when I asked him about the plan. Gorrie, for his part, argued that the union is "in the forefront" of reform, and he says he's all for higher teaching standards: "We view education reform as a huge opportunity." Politicians, he added,

"still come courting our endorsement." But Gorrie conceded that several Democrats had broken ranks with the unions. "The political landscape has changed," he said. "They feel they can run a bit on the public perceptions."

And public perceptions increasingly favor radical education reforms. A group of Massachusetts community activists, Democrats mostly, has formed the Citizens United for Charter Schools. They hired a lobbyist and make grants to groups that start charter schools. A ballot initiative to institute vouchers is afoot, though state constitutional hurdles will stop it from becoming a serious possibility for years. Boston's black leaders remain fiercely loyal to the public schools, but there are cracks in the African American community. Judy Burnette, a black former teacher, runs the United in Spirit Coalition in Roxbury, supporting charters and vouchers. Burnette wants to open her own charter school in the near future.

John Kerry was well aware of the groundswell for education reform in his home state before he gambled on the issue this year. And, while it might seem odd to make schools the centerpiece of a presidential campaign--states make most of the big policy decisions, and only seven percent of education funding comes from the federal government--the fact that such a notoriously cautious (some would even say opportunistic) politician as Kerry embraces the cause tells you that it might indeed be a potent issue.

Kerry's most important idea, which he has borrowed from centrist groups like the Democratic Leadership Council (DLC), is to turn all public schools into charter schools. He envisions thousands of public schools competing fiercely for students and envisions the competition pushing all schools to get better. "Let's have a bold experiment," he says.

The strongest argument against charter schools is that they skim off the best students, or at least the students with the most involved parents, leaving the rest of the public schools worse than before. That may be so. But the trouble is that the status quo forces all children to suffer rather than letting a few get ahead--to the point where parents want to opt out of the system altogether, a fact Kerry is quick to note. And, while critics say it's far too early to say definitively whether charter schools work at all, there are at least some encouraging signs. A Department of Education study this year found that charter schools had a racial and ethnic mix similar to regular public schools. And parental demand is huge: more than 70 percent of charter schools had more applicants than they could accommodate. There are now 1,129 charter schools in operation, according to the Center for Education Reform, with

another 157 approved to open.

The fact that charter schools are so popular also explains the other, more calculating, rationale for expanding them--it may be the only way to avoid a wholesale switch to vouchers. A Gallup poll released in September found that Americans, by 51 percent to 45 percent, favor allowing parents to send children to "any public, private, or church-related school" with government paying "all or part of the tuition." Even in the heavily Democratic District of Columbia, a Washington Post poll found that 56 percent of residents favor vouchers for low-income students. In June, businessmen Ted Forstmann and John Walton pledged \$100 million for what is essentially a privately funded voucher program to send poor students to private schools; their board includes such Democratic luminaries as Senators John Breaux and Daniel Patrick Moynihan and Representative Charles Rangel.

The trouble with vouchers, as Kerry and other Democrats will tell you, is that they lack accountability; the government can't enforce standards at the private schools that get its money. Charter schools, by contrast, operate under contracts with state or local government and thus remain accountable to the government that licenses them. A vast expansion of charter schools, therefore, is less dangerous--but potentially just as rewarding--as a headlong leap into vouchers. "If you do the things I'm proposing, you won't be arguing about vouchers," says Kerry.

In Washington, the education showdown will likely begin next year, in the form of the reauthorization in Congress of the Elementary and Secondary Education Act. Some Republicans would like to replace Title I--a huge program for educating the poor--with a voucher program or direct grant to the states to allow them to establish voucher programs. They may well succeed unless Democrats present an alternative.

The Kerry plan looks like such an alternative. In addition to expanding charter schools, it would end "social promotion" for underperforming children. It would also end tenure and introduce national educational standards and alternative certification (to allow those with liberal arts degrees, and not just teaching degrees, to teach). Kerry also favors such Democratic (and union) favorites as increased spending for infrastructure and smaller classes but minces no words about his intentions. "I'm for tough love here, folks," Kerry says. "It's time to come in and kick some butts. Democrats can't be viewed as somehow protecting these practices. You can't do this in some loosey-goosey, half-assed way."

Kerry can count on the support of centrist organizations like the DLC.

The Clinton administration is also friendly to the idea of expanding charter schools, and it endorses many of the other reforms. The problem, as always, is with the education establishment--and particularly with the unions.

On the one hand, the leaders of both major teachers' unions say they want to put their organizations in the vanguard of reform. NEA chief Bob Chase talks about the "new unionism," an end to the industrial model of conflict; AFT's Feldman calls it "one of the great frustrations of my life" that the union is portrayed as opposing alternative teacher certification and alternatives to tenure. Last year, for example, the NEA, hoping to shed its obstructionist image, even commissioned a report by some image consultants, The Kamber Group. The report suggested "co-opting the other side's turf so the NEA can direct reform discussions rather than having them dictated to it." The Kamber report was very specific, calling for "at least two or three substantive measures the NEA should adopt, or call for, to improve public schools.... The campaign should be launched in a speech by President Chase in which he acknowledges the crisis, says some things for their shock value to open up the audience's minds (e.g., there are bad teachers and our job is to make them good or show the way to another career), and then details the Association's substantive programs to improve public schools."

Chase followed the script to the letter. A few weeks later, he appeared at the National Press Club. "We must revitalize our public schools from within, or they will be dismantled from without," he declared. "I must publicly speak some rather blunt truths.... There are indeed some bad teachers in America's schools. And it is our job as a union to improve those teachers or, that failing, to get them out of the classroom."

But it's not clear how much of this talk is just talk. Take the just-enacted Charter School Expansion Act, which expands funding and incentives to states to open charter schools. Both the AFT and the NEA opposed the measure in the House. When the measure, sponsored by Indiana Democrat Tim Roemer, passed with significant Democratic support, the unions concentrated their efforts on the Senate, winning some small concessions.

In the last days of the session, when it came to a vote, the unions tried to get a senator to place a "hold" on it--which would have killed the measure. But not one Democrat would do their bidding, and the measure passed by unanimous consent. Episodes like these are one reason that Connecticut Democrat Joseph Lieberman, who sponsored the charter legislation in the Senate, says he sees the makings of a revolt against the unions and the rest of the education

establishment. "Things are moving in that direction," he says. "We just all have to get together and charge the wall."

To be sure, there are some serious reformers within the union ranks. Adam Urbanski, for example, the president of the Rochester Teachers Association and a member of the AFT's executive council, has formed the Teacher Union Reform Network, devoted to "injecting market dynamics into public education." Urbanski talks about giving parents a choice of any public school, and he favors incentive pay and replacing tenure with a due process dismissal system. Urbanski, however, is unusual. Some say the problem is the state chapters, which resist the progressive thinking of the national leaders. Some think the problem is the NEA; others say it's the AFT. They may all be right.

But the resistance, whatever its source, is becoming less relevant. Last session, on a student savings-account measure that would have helped parents save for private schools, Lieberman almost mustered enough Democratic Senate votes to override President Clinton's veto. A surprising number of Democrats in the Senate, including Moynihan, Mary Landrieu, Joseph Biden, Bob Graham, Robert Torricelli, and Dianne Feinstein, support various heretical education reforms. Virtually no senator voices outright opposition to charter schools. "More Democrats are looking at more options that Democrats didn't look at before," says a White House official. The teachers' unions "realize things could slip away from them." Adds Jeanne Allen, president of the Center for Education Reform, which backs vouchers and charter schools: "People have come to realize these opponents are a paper tiger."

Ironically, another group of the Democrat faithful--urban minorities--is fueling this backlash. Howard Fuller, a former superintendent of the Milwaukee Public Schools, has become an outspoken champion of the city's voucher program, one of only two in the country. (The U.S. Supreme Court, in a setback to teachers' unions, this month let the Wisconsin voucher program stand.) Hugh Price, head of the National Urban League, warned in a 1997 speech that parents would "shop elsewhere" if public schools continued to fail. "We Urban Leaguers believe passionately in public education," he said. "But make no mistake. We love our children even more." Other longtime members of the education establishment have come to the same conclusion: this June, Arthur Levine, president of the Columbia University Teachers College, wrote an op-ed in The Wall Street Journal to say that he, too, was "reluctantly" supporting vouchers for poor students.

While Kerry has been a beneficiary of teachers' union support in the past, he seems unafraid of their

wrath. One reason is that he's got his own money to spend on a presidential campaign. (He doesn't accept PAC money anyway.) Another is that confronting the teachers' unions allows Kerry to separate himself from the front-runner, Al Gore, a union ally who has taken to the stump to call vouchers "an illusion wrapped in an insult."

Chase and Feldman try to put the best gloss on this, minimizing their differences with the senator. "I don't necessarily think some of the things he's been saying should be interpreted the way everyone's been interpreting them," says Chase. Feldman agrees: "We disagree with some things, but they're not life-and-death issues." In fact, Kerry met with union officials before his big speeches and tried to pacify them. When Feldman balked at Kerry's idea of making "every school a charter school," Kerry added more words about accountability and high standards.

Union officials also believe that Kerry's policies aren't really as tough as his rhetoric. Though he likes charter schools, they say, he favors the Horace Mann version in Massachusetts, which has collective bargaining, not the Commonwealth charter schools, which are nonunion and sometimes run by for-profit companies. He wants tenure reform, they acknowledge, but he's satisfied with Massachusetts's watered-down tenure law. And, they believe, he remains opposed to vouchers. Conservative education activists offer the same opinion of Kerry: "Rhetoric has value, but, on the details, he loses me," says James Peyser, head of the Pioneer Institute, a think tank in Boston, and a member of the state's Board of Education. "I don't think John Kerry really wants to challenge the big interests of the unions."

But, while it's certainly true that Kerry's proposals aren't as audacious as his rhetoric, the mere fact that he puts out such rhetoric marks a significant milestone in the party's evolution, if not his own. Does Kerry support the Commonwealth schools, which unions hate? "Absolutely." Does he care if charter schools are run by for-profit companies? "Doesn't matter." Has tenure been weakened enough in Massachusetts? "They need to go a little further, and I've said that," he replies. "I know there are teachers who can't be fired, and I have to say it." And what about vouchers? "Clearly it could be part of a mix if you're embracing other reforms," says Kerry, who calls his vote against vouchers for the District of Columbia "very, very hard."

The DLC, which never considered Kerry one of its own, is impressed. One DLC official calls Kerry's plan "the most radical statement of support for charter schools I've heard from any politician in either party." Kerry says he's heard some encouragement from Republicans, too. He also sweetened the

tougher parts of his legislation with more spending for infrastructure and teacher salaries. "The unions," Kerry says, "are prepared to sit down at the table if they're met by people who aren't trying to destroy them."

They'd better get to the table quickly, though, because reform will come, with or without them. If you have any doubt, a few minutes at the Neighborhood House Charter School in Boston's Dorchester neighborhood will dispel it. The school was started in 1995 by a group of angry parents. Now it borrows space in a vacant wing of a Catholic school. While public schools are overcrowded, Neighborhood House has 18 students and two teachers in each class. It saves money by having only two full-time administrators, and its nonunion teachers, who don't have tenure, work a longer school day and school year. The school also raises a third of its budget from private contributions. And, though the teachers' unions may hate the idea, the local construction trade unions in Dorchester refurbished an old building to give the school expansion room, pro bono.

Before Neighborhood House will admit a student--even though half of its students live in poverty, it has ten applicants for every spot, better than many Ivy League colleges--parents must sign a "family learning contract." This commits parents to attend three conferences a year, to do eight hours of volunteer work at the school, and to give their children a quiet place for homework. A parent coordinator makes home visits, and, if the parents don't honor the bargain, their kids are gone. "We've turned a lot of parents around," says Kristen McCormack, one of the parents who founded Neighborhood House.

McCormack is a Democrat from Dorchester who founded the Boston Food Bank before joining the charter-school movement. She decided to start the school when she saw children in her neighborhood failing in school "through no fault of their own," because the public schools felt "no sense of urgency" to reform. So she pulled her kids out of school and put them in Neighborhood House. "Every school commissioner says this is going to be a ten-year process," she says. "In ten years, my kids are going to be out of the system. I can't wait that long." It's a sentiment echoing across the land--and Democrats like John Kerry are beginning to hear it. In McCormack, the teachers' unions and the education establishment have encountered someone even more powerful than they are: an angry parent.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 17:18:18.00

SUBJECT: Drug-Free Prisons Event

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

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

TEXT:

Just spoke to McCaffrey's Chief of Staff, and they agreed to hold off until early January -- but they have to get their money out by then. Also, by tomorrow I should have a definite confirmation from DOJ on the prison grant's guidance being ready by first week in Jan. If so, I'll ask Christa to submit a scheduling request for a rock-solid coerced abstinence event...jc3

----- Forwarded by Jose Cerda III/OPD/EOP on 12/02/98
05:15 PM -----

Jose Cerda III
12/02/98 12:08:36 PM
Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP, Leanne A. Shimabukuro/OPD/EOP, Christa Robinson/OPD/EOP
cc:
Subject: Drug-Free Prisons Event

BR/EK/CR/LS:

I've suggested to both MD and ONDCP that they should postpone their 12/9 "Drug-Free Prisons" event until the first week in January when we anticipate being able to do a broader coerced abstinence event with new guidance for the use of prison funds, a DOJ report on drug testing/treatment in prisons and ONDCP's drug detection grants. The ONDCP announcement -- while not huge -- links nicely with the prison grants and would allow us to show -- exactly a year after the President signed a directive on "zero tolerance" for drugs in prisons -- that we've made progress on 2 out of the 3 issues we identified at the time: (1) up to \$50 million for the 50 states to do more testing and treatment; and (2) \$4 million for 8 key states to implement drug detection technologies to keep drugs out of prisons (MD, CA, AZ, AL, FL, NJ, NY and KS). (FYI: The third issue was increased penalties, at the state level, for trafficking drugs into prisons.)

Should we also have cabinet affairs or someone else reach out to

McCaffrey's folks to make the same request?

Jose'

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 13:28:24.00

SUBJECT: Drug-Free Prisons Event

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

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

TEXT:
BR/EK/CR/LS:

I've suggested to both MD and ONDCP that they should postpone their 12/9 "Drug-Free Prisons" event until the first week in January when we anticipate being able to do a broader coerced abstinence event with new guidance for the use of prison funds, a DOJ report on drug testing/treatment in prisons and ONDCP's drug detection grants. The ONDCP announcement -- while not huge -- links nicely with the prison grants and would allow us to show -- exactly a year after the President signed a directive on "zero tolerance" for drugs in prisons -- that we've made progress on 2 out of the 3 issues we identified at the time: (1) up to \$50 million for the 50 states to do more testing and treatment; and (2) \$4 million for 8 key states to implement drug detection technologies to keep drugs out of prisons (MD, CA, AZ, AL, FL, NJ, NY and KS). (FYI: The third issue was increased penalties, at the state level, for trafficking drugs into prisons.)

Should we also have cabinet affairs or someone else reach out to McCaffrey's folks to make the same request?

Jose'

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 17:37:26.00

SUBJECT: Medal of Freedom

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

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

TO: Holly L. Gwin (CN=Holly L. Gwin/OU=OSTP/O=EOP @ EOP [OSTP])
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

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

READ:UNKNOWN

TO: Neal Lane (CN=Neal Lane/OU=OSTP/O=EOP @ EOP [OSTP])

READ:UNKNOWN

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

READ:UNKNOWN

TO: Ruth A. Eaglin (CN=Ruth A. Eaglin/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Antony J. Blinken (CN=Antony J. Blinken/OU=NSC/O=EOP @ EOP [NSC])

READ:UNKNOWN

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

READ:UNKNOWN

TO: Paul D. Glasstris (CN=Paul D. Glasstris/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Daniel W. Burkhardt (CN=Daniel W. Burkhardt/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: Sean P. Maloney (CN=Sean P. Maloney/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

There will be a meeting on Friday, December 4, at 9:45 am in the First Lady's Conference Room (Rm 100) to discuss Medal of Freedom candidates to recommend to the President. We've received a number of suggestions on

candidates, narrowed the list a little, and now need to discuss a close-to-final list to give to the President from which he can make choices.

The ceremony will likely be in January (maybe early February) but to do things right, we should get a memo to the President prior to Christmas.

I'll circulate some paper late tomorrow so that you can look it over prior to the meeting. Let me or Carol Cleveland in my office know if you can make it.

Thanks.

Message Sent

To: _____

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 11:39:03.00

SUBJECT: IMPENDING NY TIMES STORY ON NEW PROBLEMS FOR 55-65 POPULATION

TO: Jennifer M. Palmieri (CN=Jennifer M. Palmieri/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: 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

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

TEXT:

Peter Kilborn of the NY Times is writing a story painting a fairly devastating picture of the problems faced by 55-65 year olds in accessing affordable insurance. His story will conclude that this problem is getting worse and will only continue to do so b/c of the demographics and new practices by insurers to move away from community rating. This story builds on a recent Washington Post story discussing the large premium increases Kaiser and other insurers are contemplating (or have announced) for this population this year. I expect it to get pretty good placement in the paper and will probably run either tomorrow, Sunday or Monday.

He desperately wants a quote from me or someone else. I have said no, but he keeps on pushing. (My primary concern was that virtually anything from us would box us in on this year's budget decisions.) Having said this, it is a very good opportunity to highlight the President's proposal this year, illustrating that he has recognized and responded to the problems that will be outlined in Kilborn's article.

If we want a quote, we could perhaps think of things that are more oriented to this year's proposal -- not the upcoming budget discussions. Here's one idea, if we are interested

"These problems [underscore the need for] [served as the rationale behind] the President's Proposal to provide more affordable insurance options for this population."

What you think/say? Need guidance as soon as possible. Thanks.

cj

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 14:28:31.00

SUBJECT: CRIME STRATEGY MEETING

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

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

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

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

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

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

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

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

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

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

TEXT:

The Crime Strategy meeting scheduled for tomorrow, December 3, at 5:15 p.m. is CANCELLED.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elizabeth R. Newman (CN=Elizabeth R. Newman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 2-DEC-1998 09:24:30.00

SUBJECT: Guidance today

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

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

TEXT:

Thanks in advance for all your help on guidance today. we need from you all:

Please have guidance in by 11:15 at the latest - thanks

Consumer Product Safety Commission report
Welfare to What report

HHS IG report on Medicare Fraud

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-DEC-1998 13:26:29.00

SUBJECT: Toys Q&A as requested

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

READ:UNKNOWN

TEXT:

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D34]MAIL481607632.326 to ASCII,
The following is a HEX DUMP:

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**Questions and Answers on Release of Consumer Products Safety
Commission Report on Phthalates in Toys
December 2, 1998**

Q. What is the Consumer Product Safety Commission (CPSC) releasing today?

A. The CPSC is releasing a report examining the potential exposure and health risks to children from teething, pacifiers, rattles, and toys containing chemicals called phthalates (pronounced fal-ates) that are used to soften plastic. The report includes new data on the potential release of DINP -- the most widely used phthalate -- when children bite, chew, or suck on products containing the chemical, as well as a review of existing science on migration of phthalates. The report also evaluates all existing data on the health effects of ingesting phthalates. The report concludes that the plastic toys at issue do release phthalates -- and so children are not exposed to phthalates -- at levels that might be considered even potentially harmful. The report also provides information to consumers about the issue, and outlines the CPSC's plans for further study.

The CPSC also announced the plans of a number of manufacturers and retailers to discontinue selling certain toys containing DINP out of an abundance of caution and to allay any fears that customers may have about buying these products.

Q. What is the Administration going to do in response to this report, which by saying that further study is warranted seems to indicate that we don't really know whether products containing phthalates are harmful to children?

A. The report shows that, based on all currently available evidence, DINP used in toys, teething, and pacifiers is not released at levels that could be considered potentially harmful to children. But because our children's safety is of such paramount importance, the report also commits the CPSC to do additional research on this issue. The Administration will support in every way possible the CPSC's efforts to continue to research DINP, as well as to study alternative methods of softening plastic for use in children's toys.

Q. If this report shows that there is no risk to children, why are toy manufacturers agreeing to phase out the use of the chemical and why are retailers removing products containing it from store shelves?

A. Although the current scientific evidence does not support removal of these products, toy manufacturers and retailers are acting with super-abundance of caution, which we believe is commendable. Although this question is better directed to the manufacturers and retailers themselves, we assume that these companies want to make clear to their customers that they take every possible precaution to protect children, even where there appears to be no risk.

Q. Environmental groups and others claim that the Commerce and State Departments -- acting at the request of US toy manufacturers -- influenced the European Union's decision not to ban phthalates. Is this true?

A. The report released today states that the Consumer Product Safety Commission does not believe that there is a scientific basis for a ban on phthalates in children's toys and other products. Although the Commerce and State Departments initially expressed concerns about whether the product bans considered (but rejected) by the European Union were scientifically justified, the Administration recognizes that each country has the right to take whatever precautionary measures it deems appropriate to protect public health. The President has made it clear to the Commerce and State Departments that they should respect any precautionary steps that foreign countries believe to be appropriate with respect to these products.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jake Siewert (CN=Jake Siewert/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 2-DEC-1998 09:01:30.00

SUBJECT: Was This our News? -- What's Left?

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Commission Won't Seek Toxic Toy Ban

WASHINGTON (AP) -- Government safety regulators are asking toymakers to quit using a suspected carcinogen as a plastic-softening compound in baby rattlers and teething toys, but have decided against trying to ban all toys made with the substance.

The Washington Post quoted Consumer Product Safety Commission officials in today's editions as saying studies show that the amount of the chemical -- diisononyl phthalate -- ingested by small children ``does not even come close to a harmful level.''

The agency was scheduled to announce its actions today, along with advice to parents to discard soft vinyl toys that their children chew or hold in their mouths for long periods of times.

Medford, the commission's assistant executive director for hazard identification and reduction, told the Post. ``But given the number of uncertainties, we are -- as a precaution -- asking the toy industry to take certain steps to reformulate their products intended to go into children's mouths.''

The newspaper said phthalates have been linked in laboratory studies to cancer in mice and rats. They also are a suspected

animals.

pacifiers and nipples

that parents

Us, have

with pthalate

reading up on it,"

interview

forward in the

other products

not be explicitly for

children

children's products,

off its shelf by

Wal-Mart

plans to remove

shelves.

Inc., Walt Disney

phase out use of

ban the

parents on its

the use of

in children's

source of liver and kidney damage in laboratory

The commission identified only one line of

-- Clear and Soft made by Gerber Products Co. --

should immediately discard, the Post said.

Some major retailers, including Kmart and Toys R

already begun pulling plastic teething toys made

from their shelves.

"We've just been looking at the research and

Kmart spokeswoman Michele Jasukaitis said in an

with The Associated Press. "We are going

interest of our customer safety."

Jasukaitis said Kmart would continue to monitor

containing pthalate, including those that might

teething but could end up in the mouths of young

anyway.

Toys R Us, the world's largest retailer of

promised last month to have the teething toys

Nov.18.

The commission said Sears, Roebuck and Co.,

Stores and Target Stores also have announced

phthalate teethers and rattlers from their

Several toy manufacturers, including Mattel

Co. and Little Tikes Co., have said they plan to

the additive.

Environmental groups had asked the commission to

chemical ingredient and issue an advisory to

dangers.

At least seven European governments have banned

phthalates in certain toys that commonly are put

mouths.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Bradley M. Campbell (CN=Bradley M. Campbell/OU=CEQ/O=EOP [CEQ])

CREATION DATE/TIME: 2-DEC-1998 10:17:32.00

SUBJECT: Toxic Toys Documents

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

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

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

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

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

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

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

TEXT:

I am attaching my revised versions of the statement and press guidance, mostly small changes to Jen's excellent draft, which incorporate comments from Jen provided by voicemail this morning after seeing Ann Brown's Today show. Also below are today's AP and WP articles. As you will see, the number of companies involved makes it awkward to name them individually in the POTUS statement. ----- Forwarded by Bradley M. Campbell/CEQ/EOP on 12/02/98 10:12 AM -----

Ariel T. Mendez

12/02/98 10:04:00 AM

Record Type: Record

To: Bradley M. Campbell/CEQ/EOP

cc:

Subject: 12/2/98 phthalates articles

Hey there Brad,

Here are two articles about phthalates in toys. One is from the Wash. Post, the other is from the AP News services. Just open them from Netscape.

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

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

TEXT:

<!-- \$Id: center_story.wb,v 1.20 1998/11/06 22:36:07 ali Exp \$ -->

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

x	—	—	—	—	—
	—	—	—	—	—

DECEMBER 02, 04:47 EST

Automated Records Management System
Hex-Dump Conversion

Commission Won't Seek Toxic Toy Ban

WASHINGTON (AP) — Government safety regulators are asking toymakers to quit using a suspected carcinogen as a plastic-softening compound in baby rattlers and teething toys, but have decided against trying to ban all toys made with the substance.

The Washington Post quoted Consumer Product Safety Commission officials in today's editions as saying studies show that the amount of the chemical — diisononyl phthalate — ingested by small children "does not even come close to a harmful level."

The agency was scheduled to announce its actions today, along with advice to parents to discard soft vinyl toys that their children chew or hold in their mouths for long periods of times.

"Few children, if any, are at risk," Ronald Medford, the commission's assistant executive director for hazard identification and reduction, told the Post. "But given the number of uncertainties, we are — as a precaution — asking the toy industry to take certain steps to reformulate their products intended to go into children's mouths."

The newspaper said phthalates have been linked in laboratory studies to cancer in mice and rats. They also are a suspected source of liver and kidney damage in laboratory animals.

The commission identified only one line of pacifiers and nipples — Clear and Soft made by Gerber Products Co. — that parents should immediately discard, the Post said.

Some major retailers, including Kmart and Toys R Us, have already begun pulling plastic teething toys made with phthalate from their shelves.

"We've just been looking at the research and reading up on it," Kmart spokeswoman Michele Jasukaitis said in an interview with The Associated Press. "We are going forward in the interest of our customer safety."

Jasukaitis said Kmart would continue to monitor other products containing phthalate, including those that might not be explicitly for teething but could end up in the mouths of young children anyway.

Toys R Us, the world's largest retailer of children's products, promised last month to have the teething toys off its shelf by Nov. 18.

The commission said Sears, Roebuck and Co., Wal-Mart Stores and Target Stores also have

announced plans to remove phthalate teething rings and rattlers from the shelves.

Several toy manufacturers, including Mattel Inc., Walt Disney Co. and Little Tikes Co., have said they plan to phase out use of the additive.

Environmental groups had asked the commission to ban the chemical ingredient and issue an advisory to parents on its dangers.

At least seven European governments have banned the use of phthalates in certain toys that commonly are put in children's mouths.

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

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CPSC Won't Seek Phthalate Ban

Agency Asks That the Chemicals Not Be Used in Some

Toys < p > *By Caroline E. Mayer*

Washington Post Staff Writer

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The Consumer Product Safety Commission staff has decided against recommending a ban on soft plastic toys made with phthalates, a controversial group of chemical additives that have been linked to cancer and kidney and liver damage in animals.

In an announcement scheduled for release today, the agency will say its studies show that the amount of phthalates ingested by small children "does not even come close to a harmful level."

Even so, the agency has asked the nation's toymakers to remove phthalates from soft plastic baby rattles and teething toys because significant uncertainties remain about the chemical used to make vinyl toys flexible and pliable.

For products already in the home, the CPSC is advising concerned parents to discard any soft plastic teethers, rattles or toys that their children may chew or hold in their mouths for long periods of time.

"Few children, if any, are at risk," said Ronald L. Medford, the CPSC's assistant executive director for hazard identification and reduction. "But given the number of uncertainties, we are -- as a precaution -- asking the toy industry to take certain steps to reformulate their products intended to go into children's mouths," such as teethers and rattles.

The agency says about 90 percent of the nation's toymakers have indicated that they will stop making phthalate teethers and rattles by early next year.

Many of these companies, including Mattel Inc., Walt Disney Co. and Little Tikes Co., have already announced plans to discontinue using phthalates in some toys, including rattles and teethers, after an aggressive publicity campaign by the international environmental group Greenpeace questioned the safety of children's toys made with phthalates.

In early November, Toys R Us Inc., the nation's largest toy retailer,

also announced it would pull all phthalate teething rings and rattles from its shelves -- a move that was more critical to toy manufacturers' decisions to reformulate their products than the CPSC request, according to an industry official who declined to be named.

The CPSC also is asking toymakers to reconfigure other soft vinyl toys containing phthalates -- such as bath toys and squeeze toys -- intended for children under age 3 that could end up in a child's mouth.

But the Toy Manufacturers Association indicated yesterday it is doubtful that many companies will comply with that request.

"We believe vinyl toys are safe for children of all ages," said association President David Miller. Individual companies have agreed to reformulate their teething rings and rattles "not because they're being precautionary but because Greenpeace has managed to frighten parents. We as an industry are proud to make safe products and this [soft vinyl toys] is a safe product. We will not sit idly by and let them do us in over a safe product."

In addition to Toys R Us and Kmart Corp., CPSC said Sears, Roebuck and Co., Wal-Mart Stores Inc. and Target Stores Inc. also have announced plans to remove phthalate teething rings and rattles from their shelves.

The CPSC found that almost all baby-bottle nipples and pacifiers are made with latex or silicone and therefore do not pose health concerns. There was, however, one exception: the Clear and Soft line of pacifiers and nipples, made by Gerber Products Co., which contain phthalates. The CPSC said parents should immediately discard these products, which Gerber has stopped making and had retailers pull from their shelves.

Gerber also has decided to eliminate any phthalate products designed for children's mouths -- less than 10 percent of its entire line -- "not because they are harmful but because there are some doubts and we build our business on trust and we're doing what's right for babies," said Alfred A. Piergallini, Gerber's CEO.

In recent weeks, the CPSC has come under mounting criticism from environmental and consumer groups for failing to take action on toys made with polyvinyl chloride (PVC). Two weeks ago, Canada issued a health advisory, urging parents to dispose of PVC toys and rattles. Meanwhile, several European countries have announced plans to ban PVC toys.

PVC toys often contain high levels of phthalates to make them soft and pliable. But laboratory studies have shown that phthalates may damage the liver, kidneys and other organs and cause cancer in mice

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Rick Hind, legislative director for Greenpeace's toxics campaign, called CPSC's action "only a baby step because the agency fails to definitively require any action by toymakers." He said "we'll have to pursue litigation for any companies that are not responding," under California's Proposition 65 product-labeling law. That law requires health warnings on all products sold in California containing ingredients that can cause cancer or birth defects.

Twelve years ago, the toy industry decided to limit the use of one particular phthalate, diethylhexyl-phthalate (DEHP), in vinyl toys because it was found to be carcinogenic.

The industry replaced DEHP with diisononyl phthalate (DINP) and other phthalates, which more recent studies have linked to cancer and other health concerns.

Laboratory animal studies show phthalates to be "clearly toxic," Medford said. But even so, he said, that finding, doesn't permit the CPSC, under its legal authority, to ban the product.

"The agency also needs to prove that there is significant exposure to the chemical to ban the product," he said. "And so far, our data shows that exposure is not at a significant health risk to justify a mandatory ban."

CPSC said it relied on its own tests and two Dutch studies to come to its conclusions.

In one CPSC laboratory test, 35 PVC toys were placed in stainless-steel beakers with artificial saliva and then pounded by a piston for six hours. Only a moderate amount of phthalates were released.

But another study, in which 10 human volunteers chewed a PVC toy and then spit out the accumulated saliva, showed that the amount of phthalates released was nearly 40 times higher than the beaker test. Even then, the commission found that the level released was far less than what it considered the acceptable daily intake. Even so, the commission's scientists were concerned because they found that the amount of DINP released from a product varied widely -- and could not be predicted with any consistency.

"We had expected we would be able to predict how much DINP would come out, based on how much DINP was in a product or how a product was made but there was absolutely no correlation," Medford said.

Meanwhile, a Dutch study that closely observed 42 children showed that babies, 3 to 12 months old, mouthed toys (excluding pacifiers) an

average of 12 minutes a day. Children 13 to 26 months old chewed toys (excluding pacifiers) an average of 2.1 minutes a day.

Based on that study, the CPSC calculated that daily exposure to phthalates was far less than it had expected -- and consequently few if any children were at risk from DINP.

Because the study was so small, however, the commission wants to run a larger human observation test, using about 200 children.

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**Statement by the President on Release of Consumer Product Safety
Commission Report on Phthalates in Toys**
December 2, 1998

I congratulate Chairman Ann Brown and the Consumer Product Safety Commission on the release of a comprehensive and thoughtful report examining the potential exposure and health risks to children from teething rings, pacifiers, rattles and toys containing chemicals called phthalates that are used to soften plastic. The report makes clear that children are not at risk of harmful exposure to these chemicals. provides information to consumers about the safety of these products that may contain phthalates. and outlines the Commission's plans to for further study. I also commend the many manufacturers and retailers who are taking the additional, precautionary measure of discontinuing the sale of products containing the phthalate DINP that are designed for children to put in their mouths. This should allay any remaining fears that families have about these products.

The CPSC report and supporting measures by manufacturers will go a long way toward calming concerns about the safety of products used everyday by our nation's youngest children. It also commits the Consumer Product Safety Commission to pursue additional rigorous work in this area. The Administration will support both the Commission's continued efforts to investigate health issues related to phthalates, as well as governmental and private efforts both here and abroad to take appropriate precautionary measures.

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**Questions and Answers on Release of Consumer Products Safety
Commission Report on Phthalates in Toys
December 2, 1998**

Q. What is the Consumer Product Safety Commission (CPSC) releasing today?

A. The CPSC is releasing a report examining the potential exposure and health risks to children from teething rings, pacifiers, rattles and toys containing chemicals called phthalates (pronounced fal-ates) that are used to soften plastic. The report includes new data on the release or migration of DINP -- the most widely used phthalate -- when children bite, chew or suck on products containing the chemical, as well as a review of existing science on migration of phthalates. The report also evaluates all existing data on the health effects of ingesting phthalates. The report concludes that the plastic does of concern do not release the phthalates, and so children are not exposed to phthalates, at levels even that might be considered potentially harmful. The report also provides information to consumers about the issue, and outlines the CPSC's plans for further study.

The CPSC also announced the plans of [names of manufacturers and retailers] to discontinue selling products containing DINP that are designed for children to put in their mouths in order to allay any fears that their customers may have about buying these products.

Q. What is the Administration going to do in response to this report, which seems to indicate that we don't really know whether products containing phthalates are harmful to children?

A. The report shows that, based on all available evidence, DINP used in toys, teething rings and pacifiers is not released at levels from the plastic at levels that could ever be considered potentially harmful to children. That said, the report also commits the CPSC to do additional research on this issue. The Administration will support in every way possible the CPSC's efforts to continue to look at DINP and to study alternative methods to soften plastic for use in children's toys.

Q. If this report shows that there is no risk to children, why are toy manufacturers agreeing to phase out the use of the chemical and why are retailers removing products containing it from store shelves?

A. Although there has been no definitive scientific evidence to support removal of these products, toy manufacturers and retailers are acting with an abundance of caution, which we believe is commendable. While this question is better directed to them, I assume that these companies want to make clear to their customers that they take special precautions to protect children, even where there appears to be no risk.

Q. Environmental groups and others claim that the Commerce and State Departments

-- acting at the request of US toy manufacturers -- influenced the European Union's decision not to ban phthalates. Is this true?

- A. The report released today states that the Consumer Product Safety Commission does not believe that there is need for a ban on phthalates in children's toys and other products. While the Commerce and State Departments initially expressed concerns about whether the product bans considered (but rejected) by the European Union were scientifically justified, the Administration recognizes that each country has the right to take whatever precautionary measures they deem appropriate to protect public health. The President has made it clear to the Commerce and State Departments that they should be supportive of any precautionary steps that foreign countries believe to be appropriate under their domestic laws.