

NLWJC - KAGAN

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[01/08/1999 - 01/10/1999]

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Laura Demeo to Elena Kagan and Laura Emmett re: Message from Bob Nash [partial] (1 page)	01/10/1999	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[01/08/1999-01/10/1999]

2009-1006-F

bm78

RESTRICTION CODES

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

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

- 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.

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

CREATION DATE/TIME: 8-JAN-1999 09:26:59.00

SUBJECT: Re: mike

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

TEXT:

I don't get it. Must be personal, or maybe he thinks the Republican (Mike Parker) would be too tough, and he's better waiting for Cochran to retire (perhaps in 2002). The rumor of him replacing Reno is interesting, but even that would be short-term work at best.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-JAN-1999 11:16:38.00

SUBJECT: SOTU/Budget Press Roll-Out Meeting moved to 2:30 pm Monday

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

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

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

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

TO: Jennifer N. Devlin (CN=Jennifer N. Devlin/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

TO: Patricia M. Ewing (CN=Patricia M. Ewing/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

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

TO: Matt Gobush (CN=Matt Gobush/OU=NSC/O=EOP @ EOP [NSC])
READ:UNKNOWN

TO: Sarah A. Bianchi (CN=Sarah A. Bianchi/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

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

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

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

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

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

TEXT:

Meeting has now been moved to Monday at 2:30 pm in the Roosevelt Room. I hope it's the last.

Initiatives to support families moving from welfare to work

January 8, 1998

The number of people on leaving welfare for work and the percentage of people on welfare who are working has increased dramatically since welfare reform (see attached one pager on employment numbers). To ensure the success of families moving from welfare to work, the President will propose in his new budget substantial new funding for welfare to work transportation and welfare to work housing vouchers.

A Doubling of Welfare to Work Transportation Funds

The President's budget will increase Access to Jobs funding from \$75 to \$150 million per year, doubling the number of individuals and communities can receive welfare to work transportation assistance. As the President has often remarked, transportation continues to be one of the significant challenges facing people making a transition from welfare to work. While two-thirds of all new jobs are in the suburbs, three-quarters of welfare recipients live in central cities or rural areas. Many entry level jobs require evening or weekend hours that are poorly served by existing transit routes, and few welfare recipients owning reliable cars. Forty percent of rural counties don't even have public transportation.

The Access to Jobs program was created last year in Transportation Equity Act at the urging of the President. TEA-21, as the transportation bill is called, authorized the President's welfare to work transportation proposal at \$150 million annually, but in FY 1999 only \$75 million was appropriated. The President's new budget proposes to fund Access to Jobs at the full authorized level of \$150 million in FY 2000. The program provides competitive grants to assist states and localities in developing flexible transportation services to connect welfare recipients and other low income persons (up to 150% of poverty) to jobs and other employment related services. The program is intended to promote new or expanded transportation services such as shuttles, vanpools, new bus routes, connector services to mass transit, employer provided transportation, and guaranteed ride home programs. TEA-21 also included \$10 million a year for Reverse Commute grants to address the urban/suburban mismatch for workers of all incomes.

A 50 Percent Increase in Welfare-to-Work Housing Vouchers

The President's new budget will provide \$430 million for 75,000 welfare to work housing vouchers, including \$144 million in new funds for 25,000 additional vouchers. This is a 50 percent increase over 50,000 new welfare-to-work housing vouchers the President secured last year, the first new housing vouchers authorized by Congress in five years. Families can use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time and perform their best on the job. These targeted vouchers will give people on welfare a new tool to make the transition to a job and succeed in the work place.

In many places, jobs are being created far from where most welfare recipients live and are not readily accessible by public transportation. About two-thirds of new jobs are being created in the suburbs, but three of four welfare recipients live in central cities or rural areas. In addition, there is a large unmet need for affordable housing for welfare recipients and other working poor families. There are over 5 million families who qualify for but do not receive federal housing assistance. About 2.4 million renter households with 'worst case' housing needs were working, with over half earning the equivalent of full-time year-round pay at the minimum wage. Only about one-quarter of current welfare recipients currently receive federal housing assistance.

The additional vouchers will be available on a competitive basis to local housing agencies, including tribes and tribally designated housing authorities. Applications must be developed in consultation with the state, local, or tribal welfare agency and the local Welfare-to-Work formula funds grantee (typically the Private Industry Council), to ensure that services are coordinated.

The vouchers will be used where they are essential to a successful transition from welfare to work--that is, where housing assistance is critical for a family to get or keep a job. To receive a welfare to work voucher, a family must be eligible for or currently receiving Temporary Assistance for Needy Families (TANF) or have received TANF within the past two years, and not already receiving HUD tenant-based housing assistance.

More Welfare Recipients are Working than Before Reform

New data show the percentage of welfare recipients working has greatly increased. Since 1992, the percentage of adults on welfare in direct work activities -- employment, work experience, and community service -- has tripled, rising from 7 percent in 1992 to nearly 22 percent in 1997. Nationwide, 28 percent of all adults on welfare are participating in direct work activities or other welfare-to-work activities, such as vocational training, and nearly every state met the law's 25 percent participation rate for FY 1997. (Source: Caseload data reported by the states to HHS--related data is now available on ACF's public affairs web site.)

Estimates based on Census Bureau data show that 1.5 million individuals who received welfare in 1997 were working in March 1998. This reflects an impressive 28 percent increase since 1996 in the percentage of people who were on welfare in one year and working the following year -- from 26.5 percent in 1996 to 33.8 percent in 1998. (Source: HHS calculations of Census Bureau data.)

Census Bureau data also show a dramatic shift towards employment among welfare recipients: the percentage of single women on welfare who were working increased by 50 percent from 1992 to 1997. In 1992, 40% of single women on welfare had earnings from employment and 60% did not; by 1997, these ratios had switched and 60% of single women on welfare had earnings from employment while 40% did not. In addition, the Census Bureau data show that the proportion of single mothers working has increased dramatically since 1992 and the number of women receiving welfare and not working has decreased dramatically. (Source: Harvard University Professor Jeffrey B. Liebman's calculations using Census Bureau Current Population Survey data. The data from 1996 and earlier appeared in Table III of his article "The Impact of the Earned Income Tax Credit on Incentives and Income Distribution" *Tax Policy and the Economy*, 12, 83-119.)

All data are for single mothers aged 16-45

	1992	1996	1997
Percent of all single mothers who received welfare and had earnings	12.8 percent	13.5 percent	12.5 percent
Percent of all single mothers who received welfare	32.1 percent	24.3 percent	20.8 percent
Percent of single mothers on welfare who had earnings	40 percent	56 percent	60 percent

All data are for single mothers aged 16-45

	1992	1996	1997	Change between 1992-1997
Percent of single mothers who worked and did not receive welfare	60.9 percent	68.6 percent	71.7 percent	18 percent increase
Percent of single mothers who received welfare and did not work	19.3 percent	10.8 percent	8.3 percent	57 percent decrease

New data from the states show that not only are more welfare recipients working but their average earnings have increased by nearly 20 percent. Average monthly earnings, which were about \$506 in the nine month period from October 1996 to June 1997, rose to \$593 in the last three months of FY 1997 (July through September 1997). (Source: Caseload data reported by the states to HHS--now available on ACF web site.)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-JAN-1999 13:46:41.00

SUBJECT: Validators for housing vouchers

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

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

TEXT:

Here are people who a reporter could talk with to learn more about how the vouchers work and why they are good. I have NOT alerted any of them so they do not know about the budget increase. Let me know if I should. I also have NOT yet alerted HUD that we may do this -- let me know once you decide and I can call Jacqui Lawing.

Housing Vouchers

Center on Budget and Policy Priorities
Barbara Sard 781-232-0573
Jeff Lubel 202-408-1080

American Public Human Services Association
Bill Waldman or Elaine Ryan 202-682-0100

The Center, APHSA, National Association of Housing and Redevelopment Officials, and Council on Large Public Housing Authorities put out a joint letter explaining the opportunity presented with the current year vouchers (I'm faxing to 6-2878). Provides a good overview of the program.

Three places that are doing something similar: New Jersey (Roy Ziegler, New Jersey Division of Housing and Community Resources 609-633-8084), CT, and San Mateo County, CA (we have other contact info if needed, and the Center has done fact sheets)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-JAN-1999 13:58:15.00

SUBJECT: Validators for transportation

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

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

TEXT:

Two quick possibilities (and I can identify others if needed):

Rodney Carroll, Executive on Loan from UPS to the Welfare to Work Partnership (955-3005 x 330). UPS has been a leader in recognizing the critical role transportation plays in getting workers to the job and was instrumental in starting new bus routes to the Philadelphia airport, for example.

Blair Forlaw, St. Louis East-West Gateway Coordinating Council (314-421-4220). She spoke at the DOT/Partnership Summit on Welfare to Work Transportation in September. This organization has been a leader in identifying the importance of welfare to work transportation. They take a regional approach, and work closely with business and services providers.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-JAN-1999 14:05:55.00

SUBJECT: Re: mike

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

READ:UNKNOWN

TEXT:

no reason to think she'll leave

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-JAN-1999 15:48:37.00

SUBJECT: Education Meeting

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

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

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

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

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

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

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

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

CC: Chantell S. Long (CN=Chantell S. Long/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

CC: Carolyn T. Wu (CN=Carolyn T. Wu/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

CC: MaryEllen C. McGuire (CN=MaryEllen C. McGuire/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

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

TEXT:

Monday's 12:00 education premeet is RESCHEDULED for 5:00 p.m. on Monday (1/11). This will still be held in Bruce's office.

Sorry for any inconvenience.

----- Forwarded by Cathy R. Mays/OPD/EOP on 01/08/99
03:13 PM -----

Cathy R. Mays

01/07/99 03:15:17 PM

Record Type: Record

To: See the distribution list at the bottom of this message
cc: See the distribution list at the bottom of this message
Subject: Education Meeting

You are invited to a Premeet for Tuesday's POTUS Education Meeting on Monday, January 11, at 12:00 noon, Bruce Reed's office. Mike Smith will be joining us.

Message Sent

To: _____
Maria Echaveste/WHO/EOP
Elena Kagan/OPD/EOP
Shirley S. Sagawa/WHO/EOP
Michael Cohen/OPD/EOP
Broderick Johnson/WHO/EOP
Barbara Chow/OMB/EOP

Message Copied

To: _____
Leslie Bernstein/WHO/EOP
Marjorie Tarmey/WHO/EOP
Laura Emmett/WHO/EOP
Chantell S. Long/OPD/EOP
MaryEllen C. McGuire/WHO/EOP
Mindy E. Myers/WHO/EOP
Sandra Yamin/OMB/EOP

DRAFT

STATEMENT BY THE PRESIDENT

I was saddened to hear of the tragic shooting involving two high school students this morning in Carrollton, Georgia. My Department of Education has reached out to the State of Georgia to offer its assistance to the community regarding this traumatic incident. While many of the facts surrounding this tragedy are still unanswered, we must redouble our efforts to ensure that our children are safe from violence, and that guns remain out of our schools and out of the hands of young people. Hillary and I extend our thoughts and prayers to the parents and the entire community of Carrollton during this difficult time.

Possible State of the Union Welfare Announcements

(1) Caseloads Continue Their Record Declines: Unveil new caseload data showing the welfare rolls have fallen below 8 million for the first time since 1969 and have fallen nearly 2 million since last year's State of the Union. The welfare rolls have declined by 43 percent since January 1993, when they stood at 14.1 million, and by 35 percent since their August 1996. The percentage of the U.S. population on welfare is at its lowest since 1968 -- 2.9 percent.

	Number of people on welfare (millions)	Decline since taking office (#) (%)	Decline since signing law (#) (%)	Decline since prior SOU (#) (%)	President's Statements
Oath of Office (1/93)	14.1				
Welfare Bill Signing* (8/96)	12.2	1.9 14%			"Today, we are taking an historic chance to make welfare what it was meant to be: a second chance, not a way of life."
1997 State of Union (10/96 data)	11.9	2.2 16%	.3 2%		"Now each and every one of us has to fulfill our responsibility -- indeed, our moral obligation -- to make sure that people who now must work, can work. Now we must act to meet a new goal: 2 million more people off the welfare rolls by the year 2000."
1998 State of Union (9/97 data)	9.8	4.3 31%	2.4 20%	2.1 18%	"Last year, after a record four-year decline in welfare rolls, I challenged our nation to move 2 million more Americans off welfare by the year 2000. I'm pleased to report we have also met that goal, two full years ahead of schedule."
1999 State of Union (9/98 data)	8.0**	6.1 43%	4.3 35%	1.8 18%	

* These are the actual caseload numbers for August 1996, which were not yet available when the President signed the bill into law. The President's August 1996 statements were based on May 1996 data.

** The actual figures are just under 8 million (7,986,000).

(2) More Welfare Recipients are Working than Ever Before: Data released December 30th shows nearly every state is meeting the welfare law's overall work requirement (requiring 25 percent of all welfare families with an adult to work). Data also show the percentage of welfare recipients working has greatly increased. Since 1992, the percentage of adults on welfare in

direct work activities -- employment, work experience, and community service -- has tripled, rising from 7 percent in 1992 to nearly 22 percent in 1997. Nationwide, 28 percent of all adults on welfare are participating in direct work activities or other welfare-to-work activities, such as vocational training, and nearly every state met the law's 25 percent participation rate for FY 1997. (Source: Caseload data reported by the states to HHS.)

Estimates based on Census Bureau data show that 1.5 million individuals who received welfare in 1997 were working in March 1998. This reflects an impressive 28 percent increase since 1996 in the percentage of people who were on welfare in one year and working the following year -- from 26.5 percent in 1996 to 33.8 percent in 1998. (Source: HHS calculations of Census Bureau data.)

Census Bureau data also show a dramatic shift towards employment among welfare recipients: the percentage of single women on welfare who were working increased by 50 percent from 1992 to 1997. In 1992, 40% of single women on welfare had earnings from employment and 60% did not; by 1997, these ratios had switched and 60% of single women on welfare had earnings from employment while 40% did not. In addition, the Census Bureau data show that the proportion of single mothers working has increased dramatically since 1992 and the number of women receiving welfare and not working has decreased dramatically. (Source: Harvard University Professor Jeffrey B. Liebman's calculations using Census Bureau Current Population Survey data. The data from 1996 and earlier appeared in Table III of his article "The Impact of the Earned Income Tax Credit on Incentives and Income Distribution" *Tax Policy and the Economy*, 12, 83-119.)

(3) The Public and Private Sectors Are Hiring from the Welfare Rolls. Announce that the Welfare to Work Partnership has met the President's challenge to sign up 10,000 businesses, and (possibly) that federal agencies have met the challenge to hire 10,000 welfare recipients -- ahead of the target date of 2000 (we'll know by the first week of January if we've met the federal hiring goal).

	President's Statements
Welfare Bill Signing (8/96)	"Now that we are saying with this bill we expect work, we have to make sure the people have a chance to go to work. If we really value work, everybody in this society -- businesses, non-profits, religious institutions, individuals, those in government -- all have a responsibility to make sure the jobs are there."
1997 State of Union	"To every employer in our country who ever criticized the old welfare system, you can't blame that old system anymore, we have torn it down. Now do your part. Give someone on welfare the chance to go to work. Tonight, I am pleased to announce that five major corporations -- Sprint, Monsanto, UPS, Burger King and United Airlines -- will be the first to join in a new national effort to marshal America's businesses, large and small, to create jobs so that people can move from welfare to work."
Cabinet Meeting on Federal Hiring of Welfare Recipients (4/10/97)	Announced plan to hire 10,000 welfare recipients in the federal government by the year 2000, an effort to be led by the Vice President (this announcement was the result of a Presidential directive issued 3/8/97 for agencies to develop welfare to work hiring plans).

Welfare to Work Partnership Launch (5/20/97)	Announced the Partnership had grown from 5 to 105 companies and set a goal of achieving 1,000 within a year.
1998 State of Union	“We still have a lot more to do, all of us, to make welfare reform a success -- providing child care, helping families move closer to available jobs, <u>challenging more companies to join our welfare-to-work partnership</u> , increasing child support collections from deadbeat parents who have a duty to support their own children.”
Welfare to Work Partnership Anniversary (5/27/98)	Announced the Partnership had grown from 105 to 5,000 companies and that Partnership companies had hired 135,000 welfare recipients in 1997. The President challenged the Partnership to double its number of hires and the number of companies participating. The President also announced that federal government has hired 4,800 people from welfare to work in the last year, of the goal of 10,000 by the year 2000.

(4) We Must do More to Ensure Those Still on the Rolls Go to Work. Announce our proposal for \$1 billion more in Welfare-to-Work funds to help those welfare recipients still on the rolls who face the greatest challenges get jobs and succeed in the work force. This revised program will contain a new emphasis on increasing the employment of low income fathers so they can better meet their responsibilities to their children, with a minimum of \$150 million for Responsible Fatherhood Grants. (See separate one pager for more details.)

(4) New Resources for Child Support Crackdown. Unveil a new child support law enforcement initiative to double the number of prosecutions of egregious child support violators by providing resources to identify, investigate, and prosecute these cases. This effort will be part of a challenge to law enforcement in every state to join our national effort to ensure America's children receive the support that they need and deserve. (See one pager for more details -- level of funding is still undecided, so it's unclear if we can pledge to double the number of prosecutions.)

We may also be able to release new 1998 figures showing additional increases in child support collections. (We do not have these data yet but are working on getting them by early January. These data will update our current statistics showing a 68 percent increase in child support collections since the President took office, which are based on 1992-1997 comparison).

	President's Statements
1996 State of the Union	<p>"In particular, I challenge the fathers of this country to love and care for their children. If your family has separated, you must pay your child support. We're doing more than ever to make sure you do, and we're going to do more, but let's all admit something about that, too: A check will not substitute for a parent's love and guidance. And only you -- only you can make the decision to help raise your children. No matter who you are, how low or high your station in life, it is the most basic human duty of every American to do that job to the best of his or her ability."</p>
Welfare Bill Signing (8/96)	<p>"It's the most sweeping crackdown on deadbeat parents in history....With this bill we say, if you don't pay the child support you owe we'll garnish your wages, take away your driver's license, track you across state lines; if necessary, make you work off what you pay -- what you owe. It is a good thing and it will help dramatically to reduce welfare, increase independence, and reenforce parental responsibility."</p>
1997 State of Union	<p>"In the last four years, we have increased child support collections by 50 percent. Now we should go further and do better by making it a felony for any parent to cross a state line in an attempt to flee from this, his or her most sacred obligation."</p>
1998 State of Union	<p>"We still have a lot more to do, all of us, to make welfare reform a success -- providing child care, helping families move closer to available jobs, challenging more companies to join our welfare-to-work partnership, <u>increasing child support collections from deadbeat parents who have a duty to support their own children.</u>"</p>
Signing of Deadbeat Parents Punishment Act (6/24/98)	<p>"The Deadbeat Parents Punishment Act of 1998 deals with child support evaders in the most serious cases. From now on if you flee across state lines and refuse to pay child support you may be charged with a federal offense, a felony offense, and may land in jail for up to two years. One way or the other people who don't support their children will pay what they must."</p> <p>In addition to signing the bill into law, the President announced that a new child support collection system launched nine months ago has already located one million delinquent parents and the child support enforcement program established a record 1.3 million paternities in 1997. Overall, 68 percent more child support was collected in 1997 than in 1992.</p>

(5) Additional Funds for Welfare to Work Housing Vouchers and Welfare to Work Transportation. The President's budget will contain additional funds for the President's proposals to help ensure welfare recipients who need to move or obtain transportation in order to go to work can do so (amounts are still being determined).

	President's Statements
1998 State of Union	<p>"For 13 years, Elaine Kinslow of Indianapolis, Indiana, was on and off welfare. Today, <u>she's a dispatcher with the a van company</u>. She's saved enough money to move her family into a good neighborhood, <u>and she's helping other welfare recipients go to work</u>. Elaine Kinslow and all those like her are the real heroes of the welfare revolution. There are millions like her all across America. And I'm happy she could join the First Lady tonight. Elaine, we're very proud of you. Please stand up.</p> <p>We still have a lot more to do, all of us, to make welfare reform a success -- providing child care, <u>helping families move closer to available jobs</u>, challenging more companies to join our welfare-to-work partnership, increasing child support collections from deadbeat parents who have a duty to support their own children."</p>
Signing of Transportation Equity Act (TEA-21) into law (6/9/98)	<p>"The Act will expand opportunity. It offers transportation assistance to enable more Americans to move from welfare to work. If you can't get to work, you can't go to work."</p>

\$55 million to Expand Public School Choice.

In addition to continuing our efforts to expand charter schools, the President's budget provides several additional approaches to expanding public school choice to provide alternatives to conventional public schools and help promote school integration, especially for students in urban school systems:

Continuing to Expand Charter Schools. The President's budget contains a \$30 million increase in charter schools funding, to \$130 million. This will enable the federal government to support the development, start up and initial operation of an estimated 2,200 schools, and keep us on track to 3,000 charter schools by 2002.

Work-Site Schools. The President's FY 2000 budget proposes a new \$10 million demonstration program to about 100 school districts to support partnerships to create public schools located at work sites. About 30 of these schools have been constructed since 1987, and most operate as public-private partnerships. Typically, the employer pays for the school facility, utilities, and maintenance, while the school district provides the teachers, curriculum and instructional materials. The work-site schools are paired with "host" neighborhood schools that provide administrative support and share other resources such as art and music teachers. Because the school is located at the parent's work site, these schools typically have extremely high rates of parent involvement -- which is a key factor in increasing student achievement. These schools also enable school districts to relieve overcrowding at low cost and can often promote diversity (as workplaces are often more diverse than neighborhoods).

Interdistrict Magnet Schools. The President's FY 2000 budget proposal also includes a \$10 million increase in an existing grant program that allows two or more school districts to develop high-quality special programs at schools that are open to all students from participating districts to reduce racial isolation. This expansion would be targeted toward urban districts with high concentrations of minority and poor students that partner with suburban districts. This increase would fund 5-10 grants to states for planning and implementation activities, including curriculum development, teacher training, student recruitment, and instructional personnel, equipment, extended day instructional activities and public information efforts to promote and explain these programs to affected communities.

High Schools Located on Community College Campuses. The President's FY 2000 budget includes a \$5 million expansion of a demonstration program to co-locate high schools and community colleges, while providing high school students with opportunities to enroll in college courses for credit. In addition to broadening the course offerings for high school students, locating schools on college campuses would complement the goals of the GEAR UP program, by sparking college aspirations of low income students and facilitating mentoring and tutoring programs.

Work-Site Satellite School Examples:

About 30 work-site satellite schools have been constructed since 1987, built on corporate campuses and even in malls (3M, Mall of America). Most worksite satellite schools are K-2 or 3, but some have expanded to K-5. Teachers and principals report extraordinary levels of parent involvement which they believe contribute to high academic achievement. Approximately 10 additional worksite schools are currently in development across the nation. States with Work-Site Schools: Florida, Minnesota, California, Texas, Iowa. (largest numbers in Florida and Minnesota). Delaware recently passed a law to allow work-site schools.

American Bankers Insurance Group (Miami, FL). The nation's first work-site public school – it has been in existence since 1987. ABIG has spent \$2.5 million on a facility that houses 200 kindergarten to fifth grade students. The school is run by the Miami-Dade school district, which provides teachers and pays their salaries. ABIG is responsible for maintenance and upkeep of the facility. The school offers both before- and after-school programs. ABIG estimates that it saves \$475,000/year – more than three times the \$140,000 it costs to run the school – because it has reduced employee turnover and absenteeism. Job turnover among parents of children attending the school is 6 percent, compared with 13.3 percent at the company overall. The ABIG Satellite School received a Florida Schools of Excellence award, given to schools that meet the state standards and raise the achievement levels of its students for 2 years and across all racial categories.

3M- (Minneapolis, MN.) The Eastside Workplace Kindergarten is located in a strip mall near the corporate headquarters and serves children in grades K-1. The company reports that it has outstanding parent participation and as well as high volunteer participation from other company employees. The vast majority of the students are children of employees, the remaining children are from the surrounding neighborhood.

Hewlett-Packard (Santa Rosa, CA). HP opened a work-site school at its corporate headquarters in 1993. The Company invested \$400,000 to build the public school satellite location. The 2.4 acre school site is leased to the school district for \$1 for 10 years. About 80 of the 120 students (grades K-3) are children of employees. The school is a satellite location of the Hidden Valley Elementary School. The absenteeism rate at this school (3.3 %) is the lowest in the district (avg. 6.9 %) and test scores are high. Turnover is 50 % lower for workers with children enrolled than those in the general population.

Nations Bank - (Jacksonville, FL.) NationsBank reports almost 100 % parent participation in the school. The school was initially launched by Barnett Bank which merged into NationsBank. About 30 children left the school after their parents changed jobs-- they were allowed to finish the school year at the school if they chose to do so. 25 % of the student body is African-American as are a third of its teachers. Duval County's office of academic programs considers the worksite schools to be "an overwhelming, unqualified success."

Downtown School (Des Moines, IA.) A group called the Business/Education Alliance opened the Downtown school in August 1993. It serves 144 pupils in K-5. Located in an office building, the public school serves employees' children of 19 sponsoring businesses joined by a network of skywalks. The companies pay the cost of housing the schools, which has small class sizes and a longer school year.

Other companies with work-site schools: Mall of America, Miami International Airport, Radisson Hotel, Honeywell, Florida Power & Light, and Target Stores.

Inter-District Magnet School Example:

New Haven, CT.

The city of New Haven has five interdistrict magnet schools: each has between 20 percent and 30 percent suburban students. Among the interdistrict schools are Jepson, the only nongraded school in the state; the Cooperative Arts and Humanities High School; the long-running High School in the Community; the Career High School, which emphasizes work experience; and the Hyde Leadership School, scheduled to open this fall with a focus on character development. The federal government has provided \$2 million in grant money annually for New Haven's magnet schools.

Other communities w/ interdistrict magnets: Minneapolis, MN; St. Louis MO.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-JAN-1999 17:39:28.00

SUBJECT: Visas for exploited aliens

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

CC: Scott Busby (CN=Scott Busby/OU=NSC/O=EOP @ EOP [NSC])
READ:UNKNOWN

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

TEXT:

As you recall, last December the NSC raised the issue of whether the Administration would support the creation of a new visa category for victims of smuggling, worker exploitation and the like who are illegally in the U.S. Scott Busby and I met with DOJ, INS and DOL this afternoon to discuss this issue.

Though the DOJ has not yet come forward with a formal proposal, they are interested in pursuing the creation of a temporary (non-immigrant) visa that would provide status (permission to remain in the U.S.) to those who step forward and provide information to the government that assists in bringing a law enforcement action against their exploiter(s).

Under their current system, INS has a visa program (the s-visa) that is used to protect illegal aliens who are material witnesses in a criminal case. Those who qualify (as determined by the local U.S. Attorney and the DOJ's Criminal Division) are eligible for temporary stays of deportation (including work authorization) and, after three years, permanent status. Traditionally, this visa category has been used to protect international criminals who have agreed to testify in a U.S. criminal proceedings against their bosses (it has been commonly referred to as the "snitch" visa). The program is capped at 250 visas per year (which includes 50 reserved specifically for international terrorists).

In recent years, the DOJ has expanded the use of the s-visa to protect victims of labor or other exploitation. For example, the s-visa was used to protect the deaf Mexicans who were involved in smuggling and exploitation in New York and the Thai women who were enslaved in California. However, the Criminal Division at Justice has put up a lot of resistance to using this visa for victims of abuse. They have been lobbying hard to retain its use only for the protection of international criminals who are helpful with criminal investigations.

Given that resistance, NSC (Eric Schwartz in particular) is very interested in our exploring the creation of a new visa category to temporarily protect the victims of egregious labor and other abuses (smuggling; prostitution rings; etc.) during the pendency of a law enforcement investigation. Though no particulars have been decided upon, this visa would likely be different from the s-visa in that: (1) it would be temporary, with only the possibility to adjust to permanent status under severe circumstances (i.e., a demonstration that return would be life threatening); and (2) it would not be limited to criminal prosecutions, but would cover administrative investigations into labor

exploitation and/or smuggling (conducted by the Departments of Labor or State). Like the s-visa, it would carry an annual cap (perhaps 500) and each application for a visa would need specific approval from the investigating agency, the INS, and the AG.

DOJ is doing some background work to make sure that this would not be a big deal on the Hill. Their preliminary read is that this will be seen more as a tool to enhance enforcement against trafficking and egregious worker exploitation than anything else -- particularly b/c it is temporary and carries a small annual cap. On the whole, this seems to me to be worthwhile to explore further, as long as we make sure that the legislative proposal is crafted very narrowly, so as not to induce people to come to this country under adverse conditions with the hope of getting work authorization (even if temporary).

Does that seem right?

Julie

January 9, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Elena Kagan

SUBJECT: DPC Weekly Report

Health Care -- Unveiling of the Budget's inclusion of Jeffords/Kennedy and other work incentives initiatives for individuals with disabilities: On Wednesday, you will participate in a bipartisan event to unveil the Administration's new, \$1.7 billion (over 5 years) work incentive initiative for individuals with disabilities. Your package includes funds to finance: (1) the Jeffords-Kennedy Work Incentives Improvement Act, which provides disabled persons wishing to work and retain health coverage the ability to buy into Medicaid (at the states' option) and Medicare; (2) a new tax credit for work related impairment expenses (such as transportation and personal assistance services that are essential to enabling people to work); and (3) a new \$35 million initiative that would help fund assistive technologies that are critically important to empowering individuals with disabilities to be able to work. Your proposal will receive strong support from the disability community, but its pro-work nature is also extremely attractive to the Republicans. Because of strong, bipartisan interest from the Finance Committee and the Labor and Human Resources Committee, the Jeffords-Kennedy and the other components of this initiative have an excellent chance of passing this year.

Health Care -- Medicare managed care payment regulation and HMO withdrawals: BBA '97 requires HCFA to announce its plan to implement a risk adjustment payment mechanism for Medicare managed care plans by next Friday. Risk adjustment payments were passed to compensate plans that are serving disproportionately sicker patients, as well as to lower those payments for those plans who are serving disproportionately healthy beneficiaries. Since currently available data still indicate that HMOs are attracting fairly healthy populations, the implementation of this new system would, in most cases, reduce payment rates to plans -- by as much as 15% in 2000. The HMOs are now suggesting that, if this system is put into place, much greater numbers of participating plans will be forced to leave Medicare. In the wake of last year's HMO withdrawals and pressure from Congress to increase the payment rates, we have decided to phase in the risk adjustment over a 5 to 6 year period in order to ease the financial impact these provisions will have on the industry. We have the administrative authority to do this. While not immediately

and completely implementing this system this year will save the industry hundreds of millions, if not billions of dollars, it will probably still seek additional redress (including repeal) by the Congress. However, we believe a modern Medicare program needs a risk adjustment mechanism in place to more accurately reimburse its plans. We are encouraging HHS, however, to announce this action with a series of "carrot and stick" initiatives aimed at avoiding additional withdrawals.

Health Care -- Medicare Commission update: The Medicare Commission met earlier this week. Since it has at most two meeting left before its March 1 reporting deadline, the press is paying greater attention to its progress, especially its premium support idea. Premium support is a term coined by Reischauer and Aaron to describe a combined defined contribution and defined benefits model. In practice, this means that beneficiaries would still be entitled to a minimum set of benefits, but the government payment for those benefits would be limited in some way. Coverage of this policy discussion suggests that the Commission is much closer to agreement than is the case. Many issues remain unresolved and there has yet to be independent scoring by CBO (which has declined to work for the Commission) or HCFA Office of the Actuary (which hopes to complete its estimates in two weeks). There is growing consensus among all members that there should be a prescription drug benefit. However, there is no consensus over its design, financing, management, and scope (*i.e.*, do all beneficiaries or only those in managed care receive it). There is also private acknowledgment by virtually all members (and a public statement from Bruce Vladeck) that significant new revenues are needed to extend the life of the Trust Fund for any period of time. Chairman Breaux is calling on us to give technical assistance as he develops his mark, which he said would include the set of principles to guide reform developed by Congressman Dingell. However, Dingell and other Democratic appointees remain concerned that they will be asked to vote for premium support that does not meet these principles. There will be a principals' meeting next week to coordinate our public position and ongoing working relationship with the Commission.

Crime -- Victims: On January 25, the Vice President will announce over \$300 million in FY 99 Justice Department funds to provide assistance for victims. Funds from the Crime Victims Fund help to support nearly 3,000 victims service agencies nationwide, such as domestic violence shelters, child abuse and sexual assault programs, and programs to assist survivors of homicide. Money in the Crime Victims Fund comes solely from fines paid by criminal offenders, collected by U.S. Attorneys, federal courts, and the Bureau of Prisons. Over 90 percent of the funding available in the Fund go toward state victim compensation and assistance programs. The remainder is used for training, technical assistance, and demonstration projects. All 50 states will receive funding, including: \$43 million for California; \$17 million for New York; \$23 million for Texas; \$15 million for Florida, \$12 million for Illinois, and \$3 million for Arkansas.

Welfare -- More People Are Working: On December 30th, we released the first work participation data under the welfare reform law and the final numbers turned out to be better than we reported in the December 11th weekly -- all 36 states plus D.C. who were subject to the 25 percent work participation rate for FY 1997 met the target (West Virginia's data is still incomplete but HHS is working with the state to obtain final data). Nationwide, 28 percent of all adults on welfare were participating in a direct work activity or another welfare-to-work activity such as job search or vocational education. The percentage of welfare recipients in direct work activities (employment, work experience, and community service) has tripled since 1992. Census data confirms a dramatic shift towards employment among welfare recipients, with the percentage of single women on welfare who were working increased by half, from 40 percent in 1992 to 60 percent in 1997. In addition to more people on welfare working, estimates based on Census data show that 1.5 million individuals who received welfare in 1997 were working in March 1998 -- a 28 percent increase since March 1996.

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Crime -- Prisoners: This Sunday, the Justice Department will release a report indicating that prisoners, and particularly violent offenders, are serving out more of their sentences. The Bureau of Justice Statistics report, *Truth in Sentencing in State Prisons*, indicates that by the end of 1998, 27 states and D.C. required violent offenders to serve at least 85 percent of their prison sentences -- up from 5 states in 1993. An additional 13 states have adopted truth-in-sentencing laws requiring violent offenders to serve a substantial portion of their sentence before becoming eligible for release. As you know, the 1994 Crime Act provides additional prison construction funds to states that adopt the 85 percent standard. Since FY 1996, the Justice Department has awarded over \$1.3 billion to states through the Violent Offender Incarceration/Truth-in-Sentencing incentive grants program. The average time served by released violent offenders (those convicted of murder, rape, robbery and aggravated assault) increased from 43 months in 1993 to 49 months in 1997. In addition, the release rate among murderers was cut in half between 1990 to 1996 -- from 10 per 100, to 5 per 100.

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne E. McGuire (CN=Anne E. McGuire/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 8-JAN-1999 18:24:59.00

SUBJECT: Conference Call on Americorps Visibility

TO: "Gomperts, John" <JGOMPERT@cns.gov> ("Gomperts, John" <JGOMPERT@cns.gov> [UNKN
READ:UNKNOWN

TO: Thurgood Marshall Jr (CN=Thurgood Marshall Jr/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

CC: MaryEllen C. McGuire (CN=MaryEllen C. McGuire/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

Please join a conference call re: Americorps visibility at 4:00 on
Monday. 757-2104 code 5564

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Paul J. Weinstein Jr. (CN=Paul J. Weinstein Jr./OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 8-JAN-1999 18:35:35.00

SUBJECT: BAB one and two pager

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

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

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

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

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

TEXT:

----- Forwarded by Paul J. Weinstein Jr./OPD/EOP on
01/08/99 06:36 PM -----

Pieter J. Boelhouwer @ OVP
01/08/99 06:23:46 PM
Record Type: Record

To: David A. Bernell/OMB/EOP
cc: Paul J. Weinstein Jr./OPD/EOP
Subject: BAB one and two pager

These should both be final -- cleared by OMB and Treasury -- is my understanding.
contains OMB edits as of 6:25 pm today -- should be done
- att1.unk

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D39]MAIL455174903.036 to ASCII,
The following is a HEX DUMP:

FF575043B6040000010A02010000000205000000E0150000000200009A7AE5E71CD75EA0B82B6B

LIVABILITY: BETTER AMERICA BONDS

To help communities reconnect with their land and water, preserve green space for future generations, and provide attractive settings for economic development, the Clinton-Gore Administration is proposing a new financing tool generating \$9.5 billion for investments by state, local and tribal governments. Better America Bonds can be used to preserve open space, clean up brownfields and protect water quality.

Across America, communities are searching for ways to keep growing while preserving a high quality of life. Among their concerns are revitalizing older neighborhoods, curbing water pollution, and protecting farmland and other green space close to home. Last November, voters in hundreds of communities passed state and local ballot measures to manage growth and preserve vital green spaces. While each community must chart its own destiny, the federal government can be an important partner in building healthy, livable communities for the 21st century.

To provide communities with additional resources to achieve their "smart growth" objectives, President Clinton's proposed budget will include a total of \$700 million over five years for Better America Bonds. This funding will support federal tax credits enabling state, local and tribal governments to issue \$9.5 billion in bonds over 5 years. Communities will have access to zero-interest financing because investors who buy these fifteen year bonds will receive tax credits in lieu of interest.

Better America Bonds can be used to:

Preserve and Enhance Green Space. State, local and tribal governments, working alone or in partnership with land trusts and other nonprofit organizations, can create or restore urban parks, preserve suburban green spaces, and protect threatened farmland and wetlands. Land can be protected either by acquiring title or purchasing permanent easements. Proceeds can also be used for reforestation, replanting and other types of environmental restoration or enhancement.

Protect Water Quality. Rivers, lakes, coastal waters, and wetlands -- and drinking water sources -- can be restored or protected through measures to reduce pollution runoff and land acquisition to reduce polluted runoff. Eligible projects include "passive" controls, such as settling ponds, or the creation of planted or forested buffer strips along waterways that filter contaminants from runoff.

Clean Up Brownfields. Pressure to develop green space can be eased by preparing brownfields -- abandoned industrial sites -- for new economic uses. Better America Bonds would supplement the Administration's existing brownfields initiatives by providing new resources to assess and clean up brownfields for use as open spaces or for development under limited circumstances.

To become eligible for a bond allocation, state, local and tribal governments will submit proposals to the Environmental Protection Agency for initial review in consultation with other agencies with programs and expertise in the competing communities. EPA will award bond allocations in conjunction with the Vice President's Community Empowerment Board and other cognizant agencies. Preference will be given to regional proposals that reflect collaborative planning by neighboring communities, particularly partnerships among cities, suburbs and rural areas.

BETTER AMERICA BONDS

President Clinton's budget proposes new resources and a new tool -- Better America Bonds -- for state and local governments to reconnect their communities to the lands and water around them, preserve open space for future generations, cleanup abandoned industrial sites and make them available for new uses, and improve the quality of life in their communities. This proposal provides \$700 million in new resources over five years that will generate \$9.5 billion of investments in our communities.

Communities are increasingly concerned about the loss of open space and farmland, as well as declines in water quality, attributable to unchecked development and sprawl. The public is demanding more effective efforts to manage sprawl and promote "smart growth." In the 1998 election, more than two hundred communities debated -- and most adopted -- measures to address this issue. While land use decisions and planning are almost exclusively areas of local concern, communities often lack the resources to meet their goals and need Federal help. This need is becoming greater as the scarcity of open space increases the cost of preservation for state and local governments.

Modeled on President Clinton's school construction proposal, this bond initiative would provide new resources to local and state governments (including U.S. possessions and Indian tribal governments) seeking to preserve and restore open space, cleanup and redevelop brownfield sites, and restore community parks. Like qualified zone academy bonds, this program would allow state and local governments to issue zero interest bonds to lenders who could claim a tax credit for the life of the bond in lieu of interest. The issuer makes no payments on the bond until maturity (15 years).

The allocation of the limited amount of Better America Bonds issuance authority would be made through an open competition, with State and local governments submitting plans for use of the bond proceeds to EPA for initial review which would include comprehensive consultation with other agencies on the Vice President's Community Empowerment Board for review with programs and expertise in the relevant communities. After consultation, EPA would then designate the awards with the consent of the Community Empowerment Board. This approach is analogous to the manner in which the Department of Housing and Urban Development makes decisions about Empowerment Zones and Enterprise Communities.

The annual competition among cities would give preference to regional proposals reflecting partnerships and comprehensive planning among local governments, particularly where cities partner with suburbs and rural areas on a coordinated strategy. This will ensure that the bond proceeds support the long term economic and environmental goals of a broad range of communities. State and county governments also will be encouraged to partner with land trusts, conservancies, and other nonprofit organizations in developing their strategies. EPA would monitor compliance with the plans.

Ninety-five percent of the proceeds from sale of Green Bonds would have to be spent for the qualified uses outlined in this proposal. Proceeds would have to be used in accordance with the plans submitted by the qualified applicants, and within three years of issuance of the bonds.

Under the proposal, a menu of projects would be eligible for assistance. Projects available for assistance would include:

- **Open Space.** Green Bonds will enable state and local governments to acquire and conserve open space subject to development pressure, to create parks or to preserve farmland and wetlands. Government acquisition of title and of qualified easements to preserve open space would be included as eligible activities, as would government-sponsored acquisitions of title and easements through land conservancies and similar nonprofit organizations. Reforestation, replanting, and other environmental restoration, or enhancement efforts on lands already acquired by governments or non-profits. **The property must remain an open space.**
- **Clean Water.** Clean water and safe drinking water are essential to environmental quality and economic future of our communities. Better America Bonds could be used by state and local governments to support the following eligible activities: (1) passive infrastructure to control polluted runoff, such as settling ponds, and greenways (specifically, this would not include capital-intensive treatment plants funded under other mechanisms); (2) financing of water pollution reduction measures such as buffer and forest strips and other activities that include purchasing land and other permanent improvements on the land to prevent polluted runoff; and 3) wetlands acquisition and restoration.
- **Brownfields Redevelopment.** Pressure to develop **open space** is eased significantly by preparing abandoned industrial sites for new development, thereby meeting both economic and environmental goals. While the Clinton Administration's brownfields initiatives have **helped** state and local governments to meet this challenge, the sheer number of brownfields sites requiring assessment or cleanup far outstrips the resources available to state and local governments. Better America Bonds would provide another tool in meeting this challenge, and would **support** assessment, and cleanup of **abandoned brownfield sites owned by State and local governments** -- whether for future development or for other uses supported by the community.

Acquisition of land and facilities is only a qualifying purpose if the property is intended to be available, and is in fact reasonably available, for use by members of the general public. Any agreement conveying priority rights or other preferential benefits to a private person violates the general public use provision and would not constitute a qualified purpose. Furthermore, repayment of Better America Bonds principal may not be secured or paid with monies derived from private persons in any capacity other than that of the general public (with the exception of qualifying brownfield sites).

Bonds would cease to be qualified bonds and would accrue no further tax credits after the date the use of any bond financed facilities changes to a non-qualifying use. The issuer would be obligated to reimburse the federal government (with interest) for any credits accruing prior to that date. If this obligation is not timely paid by the issuer, the federal government has the right to recover the credit amount from the current holder of the bonds.

Cost: the revenue cost would be limited to \$700 million over 5 years by setting the annual cap appropriately. The volume of authority to issue Better America Bonds that may be allocated the EPA Administrator in each of the five years, beginning in 2000, would be \$1.9 billion. Amounts unallocated out of the annual limit for any year may be allocated in the following year. Allocated

amounts unissued in the year of allocation may be issued up until the end of the third following year.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-JAN-1999 18:40:14.00

SUBJECT: Civil Rights Initiative

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

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

TEXT:
BR/EK:

Spoke to Deich a short while ago. He wanted our helping in solving the Edley problem on new funds for states to focus more on civil rights prosecutions.

Deich, providing we're fine w/it, wants to add a new \$5 million civil rights initiative that would give small grants to the states to better coordinate civil rights enforcement. He has found new money, or an accounting gimmick at least, so crime or civil rights funds already in the budget won't be affected. The program will be overseen by OJP, and it won't be linked to our prosecutors program. That said, he's hoping we won't oppose him simply sneaking this new \$5 million initiative to the budget.

I told him that I would check w/you both, but -- with his assurance that our budget items aren't impacted -- he should go ahead and assume we'll be okay with the addition...so long as he called Edley for the flagrant process foul.

Hope you folks are okay with this; if not, let me or Michael know.

Jose'

Education — Accountability for Results. Education Week released its annual Quality Counts report, which focused on state approaches to holding schools, educators and students accountable for results. The report demonstrates clearly that while the accountability measures we plan to include in our ESEA reauthorization proposal are beginning to take hold in the states, relatively few states are yet using the full set of accountability measures needed to effectively link consequences to performance. For example, our proposal would require states to issue school report cards to the public, recognize high performing schools and identify and intervene aggressively in failing schools. The report shows that 36 states issue report cards for each school, though only 13 send the report cards to parents, and only 26 place them on the internet. Only 19 states publically identify low performing schools and provide them with assistance. Of these, only ten have the power to remove teachers or principals, and only seven permit students in these schools to leave the school and enroll in a different public school. Sixteen states have the power to take over, reconstitute or close down failing public schools--though Education Week reports that only three states (New York, Oklahoma and Texas) have applied this sanction, and then only to a total of 55 schools. Nineteen states reward successful schools, and fourteen of these provide successful schools with additional money. And only five states have a comprehensive system for holding schools accountable for results -- using school report cards, ratings of schools, monetary rewards for success and ultimate sanctions for failing schools. Significantly, two of these states — North Carolina and Texas — have been shown in other studies to have made the greatest overall improvement in student achievement and the greatest strides in closing the achievement gap between minority and majority students.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah A. Bianchi (CN=Sarah A. Bianchi/O=OVP [UNKNOWN])

CREATION DATE/TIME:10-JAN-1999 14:35:12.00

SUBJECT: Immigration

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

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

TEXT:

Spoke to Ron about VP level of interest in unveiling this initiative and whether it is at all possible to do with a leak before the SOTU, b/c would lose much of news value. We could not find any place for VP to do before SOTU but Ron indicated he would really like the VP to this in LA -- (1/25) if it is ok with you all to hold until after SOTU.

sb

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Nanda Chitre (CN=Nanda Chitre/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:10-JAN-1999 15:55:05.00

SUBJECT: fyi - NY Post story on Rangel

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:

NEWS

RANGEL: BILL WANTS 'EM TO STAY BRONX BOMBERS

By DAVID SEIFMAN

President Clinton favors keeping the Yankees in The Bronx and using a rejuvenated stadium to anchor redevelopment of the area, Rep. Charles Rangel (D-Manhattan) told The Post.

The U.S. Department of Housing and Urban Development has prepared a document for Clinton detailing a number of development plans involving the House That Ruth Built, including proposals put forward by Mayor Giuliani, Yankee owner George Steinbrenner and Bronx Borough President Fernando Ferrer, Rangel said.

The congressman said Clinton told him Jan. 5, "We need Yankee Stadium and we need it in The Bronx. It's a national monument."

He said Clinton also said, "You know the Yankees' victory has put new gusto into baseball. When you think about [Mark] McGwire and [Sammy] Sosa and you think about the whole season, and with the NBA problems, we need the Yankees."

Last week Rangel met with the president's budget advisers to discuss including money in the next federal budget for a Harlem-South Bronx empowerment zone that would include Yankee Stadium.

"We're looking at this as not just a city problem, but that Yankee Stadium is a national landmark within a federal empowerment zone," Rangel said.

"This goes beyond Yankee Stadium. We're talking

about that whole area," he said.

Rangel sponsored a 1993 law that put parts of Harlem and the South Bronx in an empowerment zone that would give tax breaks to companies that build in the area and provide jobs for local residents.

Because the Stadium is in the zone, any development there could take advantage of those breaks.

Clinton is rumored to be considering unveiling a South Bronx development plan in his State of the Union Address on Jan. 19, one source said.

The president also may say something about the Stadium when the Yankees visit the White House in March to be acknowledged as the World Series champions, Rangel said. But he added that he does not know if the president's enthusiasm will translate into a willingness to commit federal money.

Clinton is far from advocating a specific plan.

"He wants to support any plan he could with city, state and private sector support to keep Yankee Stadium in The Bronx," Rangel said.

Rangel, whose congressional district does not include the Stadium, stressed that the important players in the Stadium question are Giuliani, Steinbrenner, Ferrer and state economic development chief Charles Gargano.

Ferrer has advocated a "Yankee Village" plan that calls for renovating the Stadium by adding luxury boxes and other amenities, revitalizing a commercial strip nearby, and building a new Metro-North rail station, 10,500 parking spots and a regional retail center at the Bronx Terminal Market.

The mayor's office did not return calls for comment on the Stadium.

New York magazine reports in this week's issue that the congressman had dinner with the Boss the same day he spoke with the president.

"I hope the president gives [Steinbrenner] an offer he can't refuse," Rangel told the magazine.

Steinbrenner spokesman Howard Rubenstein told The Post the Yankees owner is excited by Clinton's interest but will consider Giuliani's wishes before committing to any plan.

"The Yankees are certainly pleased that the

president has recognized the national importance of the South Bronx and the Yankees as a national treasure.

"This might be a tremendous boost to not only the Yankees but to housing, transportation and full economic development of that area," Rubenstein said.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Laura Demeo to Elena Kagan and Laura Emmett re: Message from Bob Nash [partial] (1 page)	01/10/1999	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[01/08/1999-01/10/1999]

2009-1006-F
bm78

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: Laura K. Demeo (CN=Laura K. Demeo/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:10-JAN-1999 19:34:21.00

SUBJECT: Message from Bob Nash

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:

Bob Nash would like you to please give him a call at your convenience tomorrow regarding the Asst. AG for Civil at Justice and his conversation with Bruce Lindsey re: P6/(b)(6)

[001]

Bob can be reached at x65251. thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah A. Bianchi (CN=Sarah A. Bianchi/O=OVP [UNKNOWN])

CREATION DATE/TIME:10-JAN-1999 20:52:14.00

SUBJECT: VP announcements/leaks

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

READ:UNKNOWN

TEXT:

The following are events that the VP and Mrs. Gore are currently scheduled to participate plus a couple that I am hoping to get on VP's schedule. Would like to coordinate these events with leaks in whatever way works best. Let me know.

Mental health. (Jan 14th) Mrs. Gore is scheduled to announce the new mental health increases in the budget in her speech at Dartmouth along with the WH conference on mental health (that the President signed off on last week). As this is the same day of the President's disability event, she will also highlight some of the proposals he is unveiling that help people with mental illnesses.

Small housing/long term care. (Jan 21st) The VP is hosting his first long-term care forum in Florida. At this event, there is a HUD initiative that we are scheduled to unveil to help Americans get into assisted living facilities (essentially it gives money to low-income housing facilities to convert to assisted living).

Immigration. (Jan 25th) Per our discussion today, VP would like to make announcement in LA on the 25th in conjunction with a broader WH leak.

Equal Pay. (still need date). We are interested in unveiling the budget initiative and the new legislation if it does not make the President's schedule. although don't yet have final commitment from Ron and Pat. Do you have any thoughts on timing on this? Any time before the budget. Would this need to be done with Daschle's folks? Please advise.

Events w/ First Lady

Family planning. (Jan 22th) As they did last year, the VP and HRC are scheduled to meet with the women's groups/family planning community to discuss the increase in the budget. HRC would like this to be before her NARAL speech on the 22nd so she can highlight the increase there, but both offices are interested in getting unveiling with women's groups more broadly. Both have confirmed to do and schedulers are working on agreeable date that will likely be on the 22nd itself.

Asthma.(still need date) Both the First Lady and the VP want to do this event and we are trying to find date before budget that works for both. If we can't then one or other will definitely do. Will let you know as this gets resolved.