

NLWJC - KAGAN

EMAILS RECEIVED

ARMS - BOX 042 - FOLDER -010

[01/14/1999]

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Christopher Edley, Jr. to Michael Cohen et al re: Social promotion debate focusing on TAAS' role [partial] (1 page)	01/14/1999	P6/b(6)
002. email	Karin Kullman to Elena Kagan and Bruce Reed re: First Lady's Box (1 page)	01/14/1999	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[01/14/1999]

2009-1006-F
 bm81

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]

January 13, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING

SUBJECT: Edley Memo

Chris's attached memo stresses two areas in economic opportunity and development where he feels our efforts so far are inadequate. While we will agree that if we had unlimited resources it would be good to do even more and while there are legitimate differences on how best to tackle these challenges, it is important to put his ideas in both areas in perspective.

Economic Development:

On top of your Empowerment Zones, the Community Reinvestment Act, the Community Development Financial Institution (CDFI) fund, you will announce on Friday the New Markets Initiative, which will dramatically expand capital investments in our underserved areas. This initiative will include:

- **A New Market Investment Tax Credit:** You will propose a new \$1 billion tax credit, which will be available for qualified equity investments **in a range of vehicles financing businesses in America's new markets**. An investor will receive total tax credits up to a fixed percentage of his/her investment. This tax credit will leverage \$6 billion in additional investment in our distressed communities.
- **The Creation of America's Private Investment Companies (APIC):** In response to concerns that the SBICs are too limited in size to meet the need for larger-scale investment in underserved areas, you will propose a new program to provide government guarantees for investment partnerships targeting larger businesses relocating or expanding in inner cities and rural areas. This initiative will allow government guarantees on debt up to two times the amount of equity investment allowing up to five investment firms each with up to \$300 million to invest -- or up to \$1.5 billion in investment.
- **New Markets Venture Capital Firms (NMVC):** To help small-sized firms in underserved areas that need investment *and* technical assistance, you will propose that SBA finance investment firms offering a new combination of investment and technical assistance to smaller businesses in targeted areas. The program should provide long-term, patient growth capital and facilitate critically needed technology and management skills development for these firms.
- **SBIC Targeting for Underserved Areas:** In order to meet better the needs of minority firms and underserved markets, SBA will hold a series of workshops throughout the

country to educate the business and investment community about the SBIC program and to promote the formation of SBICs focused on equity capital for underserved areas. SBA will also provide a new financing mechanism and more favorable regulatory treatment, if an SBIC invests in businesses in underserved areas (or which draw a significant proportion of its employees from those areas).

- **250 Percent Expansion of Microenterprise Investment:** In many underserved areas, fostering opportunities for the smallest of entrepreneurs can help to build the job base and provide economic stability to a community. Your budget calls for a 250-percent increase in funding for technical assistance and lending to very small businesses.

Chris recommends re-chartering the Federal Home Loan Bank System (FHLBS) to create a National Community Investment Bank with the goal of promoting community development. While we share Chris's interest in the potential of GSEs doing more to meet public policy objectives, the issues involving Fannie Mae, Freddie Mac, and the FHLBS are complex and delicate. In the end, we believe that our chances are far greater to get a sound New Markets Initiative passed by this Congress than a prudent new GSE.

However, the complexity and unlikelihood that Chris's proposal will pass Congress in a sensible form are not sufficient enough reasons to exclude it from a visionary statement. You should know, though, that experts within your Administration have significant problems with the proposal on substance grounds.

For example, there is much skepticism that political dynamics will allow us to add new public purpose obligations on the FHLBS -- the off-budget subsidies of which Chris writes -- and reduce arbitrage significantly at the same time. More likely, some fear, the mission will be expanded and the leakage of federal subsidy to private hands will *grow*. Treasury has thus far insisted that these "abuses" be stemmed before any -- even modest -- mission expansion can go forward.

If you would like to pursue this idea further, we can convene a process to evaluate this option and develop a pro/con memo to inform your decision on how to proceed.

Youth Jobs:

We share Chris's goal of "breaking the back of endemic hyper-unemployment in distressed communities." However, we must respectfully disagree with Chris's belief that your Youth Opportunities Initiative is not a good answer because it is too concentrated in a few areas and will serve "only" 60,000 poor children this year.

The overwhelming weight of the academic research shows that in order to truly help out-of-school youth we need to saturate small areas with a lot of resources so that we change the culture of joblessness and high unemployment. This is precisely what the Youth Opportunity

Initiative will do. It is important to note that serving 60,000 out-of-school youth nationwide is not a “drop in the swimming pool.” For example, last year, there were 280,000 unemployed African-American teenagers. Therefore, we are taking an significant first step toward addressing the problem.

Finally, it is important to note that Youth Opportunities Areas was only one piece of your agenda to help politically powerless disadvantaged youth. Besides the \$250 million in last year’s budget for the new Youth Opportunity Areas, you won \$120 million for GEAR-UP -- a program based on solid research on mentoring programs -- and \$70 million more to help minorities prepare for college and stay in college through the TRIO program. In sum, you won \$510 million more in FY99 than in FY98 -- an enormous one-year increase for investments in poor children.

If you include the doubling of GEAR-UP, a new \$50 million regional youth initiative, the new \$100 million Right-Track partnership, and the expansion of existing programs in your FY2000 budget, our investments in programs specifically targeted at poor children will be \$902 million higher than in 1998. (See attached table) In the face of a partisan Republican Congress, this is quite significant progress and will certainly purchase more than “a wrench and two screws.”

FUNDING FOR PROGRAMS THAT HELP DISADVANTAGED YOUTH					
	<u>Actual FY1998</u>	<u>Actual FY1999</u>	<u>Proposed FY2000</u>	<u>Increase from 1998-2000</u>	<u>5-Year Total</u>
Youth Opportunity Areas	--	\$250 million	\$250 million	\$250 million	\$1,250 million
GEAR-UP Mentoring Program	--	\$120 million	\$240 million	\$240 million	\$1,200 million
Right-Track Partnerships	--	--	\$100 million	\$100 million	\$500 million
Regional Youth Initiative	--	--	\$50 million	\$50 million	\$250 million
Rewarding Achievement in Youth	--	--	\$20 million	\$20 million	\$100 million
TRIO -- Helping Minorities Go to and Stay in College	\$530 million	\$600 million	\$630 million	\$100 million	\$500 million
YouthBuild	\$35 million	\$43 million	\$75 million	\$40 million	\$200 million
JobCorps	\$1,246 million	\$1,308 million	\$1,348 million	\$102 million	\$510 million
TOTAL				\$902 million	\$4,510 million

**21st Century Policing Initiative Event
January 14, 1999
Questions and Answers**

Q: Can you explain how the President's 21st Century Policing Initiative is different from the current COPS Program?

A: The Community Oriented Policing Services (COPS) program created in the 1994 Crime Act authorized \$8.8 billion over six years to help communities hire and redeploy 100,000 officers to our nation's streets and to promote community policing in other ways. To date, COPS has awarded over \$5.3 billion in grants to more than 11,300 state and local law enforcement agencies -- helping to fund more than 92,000 officers on the beat and train more than 21,000 officers and community residents. Under COPS, the number of police departments engaged in community policing has grown exponentially -- from several hundred to many thousands.

For the most part, however, the current COPS program has focused on hiring new officers and redeploying veteran officers to the streets. For instance, the COPS Universal Hiring Program provides three-year grants to help hire new officers, and the COPS MORE program provides grants for agencies to pay for technology, equipment, and civilian personnel that will free officers from their desks and redeploy them to the community and on the beat.

The initiative launched today builds on the success of the original COPS program, but it also takes a giant step forward by giving law enforcement the tools and partners it needs to keep crime coming down well into the 21st Century. First, the 21st Century Policing Initiative continues the Administration's commitment to keep the number of officers on the beat at an all-time high, by helping communities to hire, redeploy, and retain police officers. Second, the initiative provides significant new funds to give law enforcement access to the latest crime-fighting and crime-solving technologies -- improved police communications, crime mapping, laptop computers, crime lab improvements, and more. And third, the initiative makes an unprecedented commitment to engage the entire community in the hard work of preventing and fighting crime -- by funding new community-based prosecutors, and partnerships with probation and parole officers, school officials, and faith-based organizations.

Q: How many officers have been funded by the COPS Program and when do you think you will reach your 100,000 goal?

A: Through the COPS Program, more than 92,000 additional community policing officers have been funded to date. We expect the program to meet its goal of helping communities fund 100,000 more police officers by this summer -- under budget and ahead of schedule.

Q: How many officers are actually on the street?

A: According to the COPS Office most recent survey this summer, nearly 50,000 officers were already on the streets, and about another 25,000 were in the process of being recruited, screened, tested and trained. The COPS Office is in the process of completing another survey that should be ready in the upcoming weeks.

Q: How do you explain the discrepancy between the 92,000 officers number you use and the much smaller number on the street?

A: The remaining police officers are in the process of being recruited, screened, tested or trained -- a process that, on average, takes about 18 months. The funds to pay these officers are available to local police departments just as soon as they are ready to hire their new recruits.

The COPS office expects -- in fact, it demands -- that local law enforcement agencies stick to their normal rigorous recruiting and hiring procedures in filling all COPS-funded positions. Nothing could be more important than hiring qualified and fully screened police to entrust with the public's safety.

Q: There have been news reports that audits of COPS grants by the Office of Inspector General. The reports suggest that there is substantial misspending by police departments of COPS grants. How widespread is this and what are you doing about it?

A: The COPS Office and the Inspector General work together to monitor COPS grants to ensure that funds are being spent properly. Many of the audits reported in the news have already been certified as closed by the Inspector General. In every other case, the COPS Office is working with the local agency to resolve any outstanding issues and bring grantees into compliance. It is important to note, however, that the audit reports reported in the news represent less than one percent of all COPS grants.

Q: What happens when the three-year federal grant runs out? Are police departments allowed to lay off officers hired with these funds?

A: Every agency knows from the outset that it is expected to pick-up the long-term costs of a COPS officer when the federal grant expires. This is part of the commitment law enforcement agencies make in order to receive the federal COPS grant. More importantly, Justice Department monitoring and media stories confirm that the majority of grantees are fulfilling their responsibilities under COPS grants.

Nonetheless, we understand that there may be some unforeseen circumstances, fiscal emergencies, or natural disasters that may prevent a police department from retaining its COPS-funded officers. In these cases, the Attorney General has the authority to extend funding in special circumstances and for certain small communities (populations below 50,000). In addition, the President's new 21st Century Policing Initiative will provide even further relief for economically distressed communities that are having difficulties with the long term costs of retaining their officers.

Justice Department Crime Statistics

Q: What do the statistics released today show?

A: For the first part of 1998, crime continued to decline significantly. Notably, we expect serious violent crimes to fall below 3 million for the first time since the National Crime Victimization Survey began in 1973. By the end of 1998, both the overall violent and property crime rates will have fallen by well over 20 percent since 1993.

Q: How is the data you are releasing today different than the crime statistics that were recently released by the FBI?

A: Today's statistics are part of the National Crime Victimization Survey (NCVS) administered by the Justice Department's Bureau of Justice Statistics. The NCVS is a household survey that interviews about 80,000 persons age 12 and older in 43,000 households across the country twice a year. The survey measures the number and types of crimes as reported by the victims themselves, and therefore covers crimes that go unreported to the police. In contrast, the FBI's Uniform Crime Report (UCR) provides crime data on specified offenses as reported by the nation's state and local law enforcement agencies. Interestingly, while the UCR and the NCVS use different methods of data collection, the findings are the same: that serious violent crime is declining for the 7th year in a row.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 09:45:31.00

SUBJECT: NEC Edley memo

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

e-mail me the dpc version as well...i'll let you know what turns out
----- Forwarded by Phillip Caplan/WHO/EOP on 01/14/99
09:44 AM -----

Melissa G. Green
01/14/99 12:49:13 AM
Record Type: Record

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

Message Sent

To: _____
Elena Kagan/OPD/EOP
Bruce N. Reed/OPD/EOP
Cathy R. Mays/OPD/EOP
Laura Emmett/WHO/EOP
Phillip Caplan/WHO/EOP

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D33]MAIL43323841Y.036 to ASCII,
The following is a HEX DUMP:

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389F23E466AD549192BDF50CDA80064AE8D958C8D150E0642A68C3A1663E73A5921040EA94F08D

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TOTAL				\$902 million	\$4,510 million

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Heather M. Riley (CN=Heather M. Riley/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 10:32:10.00

SUBJECT: TV Meeting

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

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

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

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

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

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

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

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

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

TEXT:

Can we try for 12:00 for this TV Meeting--Joe's office

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 10:42:23.00

SUBJECT: Q and A on Tobacco Farmers

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

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

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

TEXT:

I used our farmer budget OMB paragraph but changed it: 1. to say we "strongly support" the current negotiations for farmer money instead of we are "monitoring" it and 2. said we looked forward to working with everyone, including Members of Congress, as this process continues.

Q. What steps is the Administration considering to protect farmers from the negative impact of an increase in tobacco taxes?

A. The Administration remains committed to protecting tobacco farmers and their communities, and strongly supports on-going efforts by state, farmer, and industry representatives to provide resources and purchase commitments to tobacco farmers. Farmers who never marketed cigarettes to children and worked hard to sell a legal crop should be protected. The Administration looks forward to working with all parties as this process continues, including Members of Congress, to ensure the financial well-being of tobacco farmers, their families, and their communities.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 11:13:29.00

SUBJECT: Two USDA regulatory moves Friday

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

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

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

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

TEXT:

Eric Olsen from USDA just called with what they call a "clarification for adulteration policy for E Coli 01577:H7 in beef." Since 1994, FSIS has considered raw ground beef contaminated with E Coli 01577:H7 adulterated unless it is processed in a manner to make it safe (e.g., fully cooked). In 1998, an advisory committee said this policy should apply to all raw beef that has been cut, injected, sectioned etc. (non-intact beef), not just hamburger. The notice, scheduled to be put on display tomorrow, will clarify FSIS's policy to state that all non-intact beef contaminated E Coli 01577:H7 is adulterated unless processed so as to be safe. The notice seeks input from the public about regulatory requirements that might be appropriate. Simultaneously, FSIS will publish a guidance in the Federal Register to beef grinders for minimizing the impact associated with food safety hazards in raw ground beef. The decision by FSIS took Eric by surprise, the Secretary recommends we don't try and hold FSIS back -- it probably will get some attention but be somewhat controversial and USDA fears a leak saying a valid safety move is being held up for political machinations.

Also Glickman wants to leak to the food reporter at the NYT today that they are going to let meat and poultry to be able to bear the certified organic label - - this will make the organic industry and some members of Congress happy. USDA is just letting companies make the label claim - they don't think it will get as much attention as the e-coli thing does.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 11:20:59.00

SUBJECT:

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

READ:UNKNOWN

TEXT:

Primarily because of timing, and also because of the length of Gene's memo, I'm sending your and Gene's memo separately packaged up with Edley's original memo with a very short note from me.

P will see Edley today on the way to NY and I think he'll be more inclined to look at it quickly that way.

If I had gotten everything earlier in the week, I think I would have made everything one memo.

So you win...sort of. ;)

(it's very hip to use these little symbols, you know.)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Heather M. Riley (CN=Heather M. Riley/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 11:34:30.00

SUBJECT: TV Meeting

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

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

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

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

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

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

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

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

TEXT:
canceled--sorry fo so much confusion

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: MaryEllen C. McGuire (CN=MaryEllen C. McGuire/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 11:43:54.00

SUBJECT: AmeriCorps Conference Call

TO: JGompert (JGompert @ cns.gov @ inet [UNKNOWN])

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: Anne E. McGuire (CN=Anne E. McGuire/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: 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: 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: twest (twest @ cns.gov @ inet [UNKNOWN])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Today's AmeriCorps Conference call has been rescheduled from 2:30 to 3:45.
If you are able to conference please call 757-2104 code 5564.

Withdrawal/Redaction Marker Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Christopher Edley, Jr. to Michael Cohen et al re: Social promotion debate focusing on TAAS' role [partial] (1 page)	01/14/1999	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[01/14/1999]

2009-1006-F
bm81

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

CREATION DATE/TIME:14-JAN-1999 11:56:38.00

SUBJECT: Fwd: Social promotion debate focusing on TAAS' role

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

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

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

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

TEXT:

[Redacted content box]

[001]

P6(b)(6)

Ciao.

>Date: Wed, 13 Jan 1999 22:05:48 -0500
>Subject: Social promotion debate focusing on TAAS' role
>Sender: mkennedy@sover.net
>From: mkennedy@sover.net
>To: haney@bc.edu,
> madaus@bc.edu,
> stemler@bc.edu,
> cawthorn@bc.edu,
> orfielga@hugsel.harvard.edu,
> edley@law.harvard.edu,
> khartkeft@aol.com,
> mneillft@aol.com,
> mhenzel@aol.com,
> jwkeenan@massed.net,
> dickasunya@aol.com,
> sartain@bc.edu,
> fierros@bc.edu,
> kornhaber@pz.harvard.edu,
> rlr@shore.net,
> Thomas_mela@ed.gov,
> ldh@leland.stanford.edu,

> oakes@ucla.edu,
 > kevinw@gse.upenn.edu
 >Reply-To: mkennedy@sover.net
 >
 ><http://www.expressnews.com/pantheon/news-bus/education/0701btla.shtml>
 >[Image] [Image] [Image] [Image] [Image]
 >
 >[Image]
 >Education [Image] [Education] [Image]
 > Social promotion debate focusing on TAAS'
 >Class role
 >Reunions
 >Forum By Anastasia Cisneros-Lunsford
 >Graduation Express-News Staff Writer
 >Homework Help
 >School Links The goals sound simple all have Texas
 > children reading by the third grade and
 >Search stop promoting students who can't read on
 >Site Map grade level.
 >-----
 >
 > Reaching those goals will require passing
 > a political and possibly legal test.
 >
 > Gov. George W. Bush's plan to end social
 > promotion in public schools would be
 > backed with a \$203 million proposal to
 > start early intervention programs and
 > retrain teachers on effective, intensive
 > reading strategies.
 >
 > Bush campaigned for re-election on this
 > promise and attached a not- so-simple,
 > controversial mandate.
 >
 > If a bill banning social promotion passes
 > in the Legislature this spring,
 > third-graders in the spring of the year
 > 2003 must pass the reading portion of the
 > TAAS to be promoted to the next grade.
 >
 > When they reach the fifth grade, these
 > students must pass TAAS reading and math
 > exams. As eighth-graders, they would have
 > to pass reading, writing and math before
 > moving on to high school.
 >
 > For millions of Texas schoolchildren,
 > passing grades in core courses and good
 > attendance wouldn't be the measuring
 > tools anymore. TAAS would be the academic
 > barometer for promotion.
 >
 > No one is saying they oppose an end to
 > social promotion. Rather, some say Bush's
 > idea is a bad one because a child's
 > educational future would rely on one
 > test.
 >
 > A leading civil rights organization says
 > the plan discriminates against

> minorities. Statistics show average TAAS
> scores among Hispanics and
> African-Americans are significantly lower
> than those of Anglo students.

> "We do not feel (the state) should use
> the TAAS as the one indicator," said Al
> Kauffman, regional counsel for the
> Mexican American Legal Defense and
> Educational Fund.

> Last year, MALDEF filed a class-action
> lawsuit against the state for making high
> school graduation contingent on the TAAS.

> Texas public school students must pass
> the 10th-grade version of the exam before
> they can graduate.

> Texas Education Commissioner Mike Moses
> has proposed expanding the exit-level
> test to include science and social
> studies and moving administration of the
> exam from the 10th grade to grade 11.

> Kauffman said third-graders shouldn't be
> held back if they have some competency to
> read.

> "It's better for the student if they put
> them in the fourth grade, maybe in a
> smaller class with a 12-to-1
> (teacher-student) ratio with a highly
> skilled teacher," he said.

> He said retention has a rippling effect
> on students.

> "The consequences are so great. A
> decision should be made (to retain) after
> evaluation and all possibilities have
> been considered toward moving them on."

> If it takes children reading all day,
> Bush has said he is determined to have
> Texas schoolchildren achieve. But that
> achievement depends heavily on their
> performance on the TAAS.

> "Holding back a child is absolutely the
> last resort," Bush spokeswoman Karen
> Hughes said.

> State Sen. Teel Bivins, R-Amarillo, will
> introduce the social promotion bill in
> the Senate this session. As chairman of
> the Senate Education Committee, Bivins'
> proposals have a better-than-average
> chance of getting through the
> Legislature.

>
> "There are a myriad of hypotheticals such
> as what about the child who moved here
> from Ohio, or Mexico," Bivins said.
> "There is a mechanical press relief valve
> so children don't become victims."

>
> For students not reading on grade level,
> intervention will be key in getting them
> the necessary basic reading skills.

>
> Intensive reading remediation, an
> instructional program designed by the
> local school district, tutoring,
> after-school and summer school
> instruction all are part of the support
> system outlined by the governor to
> achieve the mission.

>
> But before his bill becomes a statewide
> policy, Bivins said several things have
> to happen.

>
> First, TAAS scores would have to be made
> available to teachers earlier so they
> could devise an immediate intervention
> plan for the child who fails. Next is
> remediation.

>
> Also, TAAS would have to be administered
> multiple times during the school year and
> during summer school.

>
> Bivins said parents, teachers and
> principals would play a major role in
> evaluating a child's progress and
> deciding on promotion.

>
> The key here is not failing to pass a
> test but learning to read, said John
> Cole, president of the Texas Federation
> of Teachers, one of the state's largest
> teachers unions.

>
> "The governor is absolutely right on this
> issue," Cole said. "Students who haven't
> learned to master the material early on
> shouldn't be moved on. . . . Twenty
> percent of students haven't learned to
> read enough to pass the TAAS. Right now
> school districts continue to ignore the
> problem. It constitutes a sort of fraud."

>
> For officials at the Texas State Teachers
> Association, another giant teachers
> union, emphasizing the TAAS in a
> "one-size fits all" measurement is not
> acceptable.

>
> No matter how many times the failing

> student takes the TAAS, "it's the same
> test," said association President Ignacio
> Salinas Jr., a Democrat recently elected
> to the House.

> "I have not heard Bush's remedial
> strategies, but there has to be
> alternative ways."

> For three years, Somerset School District
> officials in southern Bexar County have
> shared Bush's philosophy. Somerset's
> retention and promotion policy requires
> students to read on grade level before
> moving on to the next grade. If they fail
> the TAAS during the regular school year,
> summer school is the likely outcome. The
> Waco School District also has a similar
> plan.

> In 1997, 46 Somerset students were
> retained after failing reading assessment
> tests during the extended-year, or summer
> school program. This year, 55 students
> were retained.

> "The numbers have plateaued,"
> Superintendent Ann Dixon said. "We are
> pleased with the program and its safety
> nets."

> Retained students are assigned to
> different teachers and attend one-on-one
> tutoring sessions. Their reading levels
> are reassessed every six to eight weeks.

> Wednesday, Jan 6, 1999

>-----
>Home / Business / Commentary / Community / Entertainment / News / SA Life

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>Back to Top

>Feedback - Online: Linda Ash. Print: Robert Rivard. Letters to editor,
>reactions to editorials: letters.

>

>) 1999 San Antonio Express-News

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 12:12:17.00

SUBJECT: Re:

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

READ:UNKNOWN

TEXT:

you're a gracious winner...not that you think in those terms, of course

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Fred DuVal (CN=Fred DuVal/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 12:51:48.00

SUBJECT:

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

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

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

TEXT:

Would it help if I got us a postponement on tobacco briefing till fri
afternoon or Tues am?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Fred DuVal (CN=Fred DuVal/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 13:21:32.00

SUBJECT:

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

TEXT:

I have taken the liberty of taking a postponement from NGA. Mickey and I are scheduled for 45 minutes Tues am at 10:30 to do an overall SOTU briefing. Want to add one of you to join us and do tobacco at that time? Gives us a little more time. What do you think?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Janet Murguia (CN=Janet Murguia/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 13:50:05.00

SUBJECT: Leg. Affairs SOTU Roll Out

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

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

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

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

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

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

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

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

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

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

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

CC: Jade L Riley (CN=Jade L Riley/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

CC: Dario J. Gomez (CN=Dario J. Gomez/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: Virginia N. Rustique (CN=Virginia N. Rustique/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

CC: Caroline R. Fredrickson (CN=Caroline R. Fredrickson/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

CC: Eli P. Joseph (CN=Eli P. Joseph/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

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

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

CC: Donald Goldberg (CN=Donald Goldberg/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

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

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

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

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

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

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

TEXT:

Following is the Legislative Affairs Schedule for SOTU Roll Out. There may be additions to this schedule. Please feel free to forward comments and suggestions.

Friday (1/15):

1:00pm -- Lewis, Kagan and Stein will brief the House Democratic Staff Directors in H-201.

Tuesday (1/19):

9:30 am - Lewis, Kagan and Stein to brief Senate Staff Directors in S-211, The Capitol.

11:00 am (or 1:00 pm if Senate is not in Session) -- Sperling, Reed and Stein will brief Senate Democratic AA's, LD's and key committee staff in room TBD.

2:00 pm -- Sperling, Reed and Stein will brief House Democratic AA's, LD's and key committee staff in The Gold Room (2168) of the Rayburn Building.

3:00 pm - Lockhart and Lewis will brief House and Senate press secretaries in SC-5, The Capitol.

3:00 pm - Sperling to brief House Democratic Caucus Members on Social Security, hosted by Rep. Matsui (B. Greenstein scheduled to attend).

3:30 pm - Podesta (T) and/or Lewis and Stein will brief the House Leadership in H-201.

Sub-briefs

Education - Dept. of Ed officials will brief key Senate and House committee staff on Tuesday (1/19) at 5:00pm.

Environment

Lands Legacy Initiative - Bipartisan Senate briefing will be held on Friday (1/15) at 11:00am.

House briefings are being scheduled.

Climate Change - Senate and House briefings are currently being scheduled.

Health Care

Long Term Care - Jennings and HHS briefed Democratic House and Senate leadership staff and key committee staff on 1/12.

Patients' Bill of Rights - Jennings and HHS briefed Democratic House and Senate leadership and key committee staff on 1/13.

Defense - House and Senate briefings are currently being scheduled for Tuesday (1/19).

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 13:50:05.00

SUBJECT: Salmonella data

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

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

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

TEXT:

USDA has 9 months of preliminary data on salmonella compliance improving
-- showing HAACP is working which they'd like to release when Glickman
amplifies the SOTU on the 21st.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Karin Kullman (CN=Karin Kullman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 13:53:22.00

SUBJECT: Post-State of the Union Travel

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:

There will be a trip meeting this afternoon regarding the President, Vice President, and First Lady's travel to Buffalo, NY and Montgomery County, PA the day after the State of the Union. The scheduling desk for the trip called me to inquire about potential messages for the events at these stops. Do we have specific recommendations I can talk about at the meeting today for what policies we would like to have highlighted at these events?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: MaryEllen C. McGuire (CN=MaryEllen C. McGuire/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 13:56:25.00

SUBJECT: AmeriCorps Conference Call

TO: JGompert (JGompert @ cns.gov @ inet [UNKNOWN])
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: Anne E. McGuire (CN=Anne E. McGuire/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: 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: 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: TWest (TWest @ cns.gov @ inet [UNKNOWN])
READ:UNKNOWN

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

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

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

TEXT:

The AmeriCorps Conference Call that was changed to 3:45 today has now been changed to 3:15 today. To reiterate: AmeriCorps Conference Call today, Thursday, January 14th, at 3:15, 757-2100 code 4129

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 14:34:26.00

SUBJECT: FYI

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

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

TEXT:

Next Friday is Julie Fernandes' and Mike Cohen's last day.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 14:34:48.00

SUBJECT: LABOR Draft Bill on Child Labor Reform Act of 1999

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

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

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

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

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

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

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

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

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

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

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

TO: William H. White Jr. (CN=William H. White Jr./OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

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

TO: Sarah S. Lee (CN=Sarah S. Lee/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

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

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

TEXT:

The bill and section-by-section are attached following the LRM. Note: the Speaker letter (which Labor has not yet completed) will follow in a separate e-mail.

You will not receive a hard copy of this LRM. If you have problems downloading the attachments, please call me (5-7887) for a faxed or hand-delivered copy.

----- Forwarded by Melissa N. Benton/OMB/EOP on 01/14/99

02:03 PM -----

Total Pages: _____

LRM ID: MNB2
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

Thursday, January 14, 1999

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

FROM: Janet R. Forsgren (for) Assistant Director for Legislative Reference

OMB CONTACT: Melissa N. Benton
PHONE: (202)395-7887 FAX: (202)395-6148

SUBJECT: LABOR Draft Bill on Child Labor Reform Act of 1999

DEADLINE: COB Tuesday, January 19, 1999

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

COMMENTS:

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Barry White
Larry R. Matlack
Debra J. Bond
Sarah S. Lee
Sarah Rosen
Karen Tramontano
Robert G. Damus
William H. White Jr.
Stuart Shapiro
Daniel J. Chenok
Elena Kagan
Kate P. Donovan
Mark A. Weatherly

Janet R. Forsgren

James J. Jukes

LRM ID: MNB2 SUBJECT: LABOR Draft Bill on Child Labor Reform Act of 1999

RESPONSE TO
LEGISLATIVE REFERRAL
MEMORANDUM

If your response to this request for views is short (e.g., concur/no comment), we prefer that you respond by e-mail or by faxing us this response sheet. If the response is short and you prefer to call, please call the branch-wide line shown below (NOT the analyst's line) to leave a message with a legislative assistant.

You may also respond by:

- (1) calling the analyst/attorney's direct line (you will be connected to voice mail if the analyst does not answer); or
- (2) sending us a memo or letter

Please include the LRM number shown above, and the subject shown below.

TO: Melissa N. Benton Phone: 395-7887 Fax: 395-6148
Office of Management and Budget
Branch-Wide Line (to reach legislative assistant): 395-7362

FROM: _____ (Date)
 _____ (Name)
 _____ (Agency)
 _____ (Telephone)

The following is the response of our agency to your request for views on the above-captioned subject:

- _____ Concur
- _____ No Objection
- _____ No Comment
- _____ See proposed edits on pages _____
- _____ Other: _____
- _____ FAX RETURN of _____ pages, attached to this response sheet

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

TEXT:
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01/12/99 DRAFT

A BILL

To amend the Fair Labor Standards Act of 1938 to reform the provisions relating to child labor, and for other purposes.

SECTION 1. SHORT TITLE; REFERENCE.

(a) SHORT TITLE- This Act may be cited as the "Child Labor Reform Act of 1999".

(b) REFERENCE- Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

SEC. 2. AGRICULTURAL EMPLOYMENT.

Section 13(c) (29 U.S.C. 213(c)) is amended --

(1) by striking paragraph (1) and inserting the following:

"(1) The provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture, if such employee is employed by his or her parent or legal guardian, on a farm owned or operated by such parent or legal guardian.";

(2) by striking and reserving paragraph (2); and

(3) by striking paragraph (4) and inserting the following:

"(4) The Secretary is authorized to determine, by regulation, that children aged sixteen and seventeen may be employed in

agriculture in occupations found to be particularly hazardous for the employment of children between the ages of sixteen and eighteen, if such children are employed as vocational agriculture student-learners, have successfully completed a Federal Extension Service training program, or have successfully completed a vocational agriculture training program."

SEC. 3. PEDDLING BY CHILDREN.

(a) FAIR LABOR STANDARDS ACT COVERAGE-

(1) FINDING- The last sentence of section 2(a) (29 U.S.C. 202(a)) is amended by inserting after "households" the following: ", and the employment of employees under the age of 16 years in peddling,".

(2) DEFINITION- Section 3 (29 U.S.C. 203) is amended by adding at the end the following:

"(y) `Peddling by children' means employees under 16 years of age selling goods or services to customers at their residences, places of business, or public places such as street corners or public transportation stations. `Peddling by children' does not include the activities of persons who, as volunteers, sell goods or services on behalf of not-for-profit organizations."

(b) DEFINITION OF OPPRESSIVE CHILD LABOR- Section 3(1) (29 U.S.C. 203(1)) is amended by inserting in the first sentence after "occupation other than" and in the last sentence after "occupations other than" the following: "peddling by children,".

(c) PROHIBITION OF PEDDLING BY CHILDREN- Section 12(c) (29

U.S.C. 212(c)) is amended by inserting after "oppressive child labor in commerce or in the production of goods for commerce" the following: ", or peddling by children,".

SEC. 4. CIVIL AND CRIMINAL PENALTIES FOR CHILD LABOR VIOLATIONS.

(a) CIVIL MONEY PENALTIES- Section 16(e) (29 U.S.C. 216(e)) is amended in the first sentence to read as follows:

"Any person who violates the provisions of section 12 or section 13(c) (5), relating to child labor; or any regulation issued under section 12 or section 13(c) (5), shall be subject to a civil penalty of not less than \$500 and not more than \$15,000 for each employee who was the subject of such a violation, and such maximum penalty may be enhanced by a multiplier of five for a willful or repeat violation that results in or contributes to the fatality or permanent disability of a minor employee, or for a violation which is related to a condition which serves as the basis for a serious or willful violation of the Occupational Safety and Health Act.".

(b) CRIMINAL PENALTIES- Section 16(a) (29 U.S.C. 216(a)) is amended by adding at the end the following: "Any person who violates the provisions of section 15(a) (4), concerning oppressive child labor, shall on conviction be subject to a fine of not more than \$15,000, or to imprisonment for not more than 5 years, or both, in the case of a willful or repeat violation that results in or contributes to a fatality of a minor employee or a permanent disability of a minor employee, or a violation which is related

to a condition which serves as the basis for a criminal violation of any other provision of this Act or of any other Federal or State law."

(c) DEFINITIONS- Section 3 (29 U.S.C. 203) is amended by adding at the end the following:

"(z) 'Repeated violations'. An employer's violation of the Act shall be deemed to be 'repeated':

"(1) Where the employer has previously violated the Act, provided the employer has previously received notice, through a responsible official of the Wage and Hour Division or otherwise authoritatively, that the employer allegedly was in violation of the provisions of the Act; or

"(2) Where a court or other tribunal has made a finding that an employer has previously violated the Act, unless an appeal therefrom which has been timely filed is pending before a court or other tribunal with jurisdiction to hear the appeal, or unless the finding has been set aside or reversed by such appellate tribunal.

"(aa) 'Willful violations'. (1) An employer's violation of the Act shall be deemed to be 'willful' where the employer knew that its conduct was prohibited by the Act or showed reckless disregard for the requirements of the Act. All of the facts and circumstances surrounding the violation shall be taken into account in determining whether a violation was willful.

"(2) An employer's conduct shall be deemed knowing, among other

situations, if the employer received advice from a responsible official of the Wage and Hour Division to the effect that the conduct in question is not lawful.

"(3) An employer's conduct shall be deemed to be in reckless disregard of the requirements of the Act, among other situations, if the employer should have inquired further into whether its conduct was in compliance with the Act, and failed to make adequate further inquiry.".

SEC. 5. GOODS TAINTED BY OPPRESSIVE CHILD LABOR.

Section 12(a) (29 U.S.C. 212(a)) is amended by striking the period at the end and inserting the following: ": And provided further, that the Secretary shall determine the circumstances under which such goods may be allowed to be shipped or delivered for shipment in interstate commerce.".

SEC. 6. COORDINATION.

Section 4 (29 U.S.C. 204) is amended by adding at the end the following:

"(g) The Secretary shall encourage and establish closer working relationships with non-governmental organizations and with State and local government agencies having responsibility and authority for administering and enforcing labor and safety and health laws. Upon the request of the Secretary, and to the extent permissible under applicable law, State and local government agencies with information regarding injuries and deaths of employees shall submit

such information to the Secretary for use as appropriate in the enforcement of section 12 and in the promulgation and interpretation of the regulations and orders authorized by section 3(1). The Secretary may reimburse such State and local government agencies for such services."

SEC. 7. REGULATIONS AND MEMORANDUM OF UNDERSTANDING.

(a) REGULATIONS- The Secretary of Labor shall issue such regulations as are necessary to carry out this Act and the amendments made by this Act.

(b) MEMORANDUM OF UNDERSTANDING- The Secretary of Labor and the Secretary of Agriculture shall, not later than 180 days after the date of enactment of this Act, enter into a memorandum or understanding to coordinate the development and enforcement of standards to eliminate oppressive child labor.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Secretary of Labor such sums as may be necessary to carry out this Act and the amendments made by this Act.

01/12/99 DRAFT

**SECTION-BY-SECTION ANALYSIS OF THE
CHILD LABOR REFORM ACT OF 1999**

SECTION 1. SHORT TITLE; REFERENCE.

Section 1 provides the short title and provides that, whenever the Act references a section or other provision, the reference is to the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.)

SECTION 2. AGRICULTURAL EMPLOYMENT.

Current Law: Under the current statute and the Department's regulations, children of any age may work at any time in any occupation on farms owned or operated by their parents or legal guardians ("family farm" exemption). In addition, children aged 12 and older may work on a farm where their parent works ("parental co-employee") or with a parent's written consent ("parental consent") in any non-hazardous occupation outside of school hours; and children as young as 10 may work outside of school hours with parental consent in short season crop cultivation under very narrow waiver conditions established by the Secretary of Labor ("short season work" sometimes called "tiny tots" exemption). Hazardous occupations restrictions in agriculture apply to children under age 16, who may not work in any agricultural occupation which the Secretary has, by regulation, declared particularly hazardous.

Description of provision: Section 2 repeals certain exemptions from child labor prohibitions for agricultural employment (parental co-employee; parental consent; short season work); applies the same age restrictions to agricultural employment as to other forms of employment; and preserves the "family farm" exemption exactly as it operates under current law. This section raises from 16 to 18 years old the minimum age for engaging in hazardous agricultural employment, but also authorizes the Secretary to exempt from the hazardous occupations restrictions children aged 16 and 17 who either are employed as vocational agriculture student-learners, have successfully completed a Federal Extension Service training program, or have successfully completed a vocational agriculture training program.

SECTION 3. PEDDLING BY CHILDREN.

Current Law: There is no current statutory or regulatory prohibition on peddling by children. Activities of such peddlers are subject to the current statutory prohibition on employment of minors under age 14 in any non-agricultural employment (except if employed by parent or legal guardian), and to current regulations setting limits on hours during which younger teenagers may work (14- and 15-year-olds).

Description of Provision: Section 3 amends the definition of the term "oppressive child labor" to include "peddling by children", and prohibits the employment of individuals under age 16 in "peddling". However, section 3 excludes from the definition of peddling by children volunteer selling of goods or services on behalf of not-for-profit organizations. Except for such volunteer activities, this section makes peddling by children under age 16 subject to the Fair Labor Standards Act.

SECTION 4. CIVIL AND CRIMINAL PENALTIES FOR CHILD LABOR VIOLATIONS.

Current Law: The maximum civil money penalty is \$10,000 per child, per violation. In criminal prosecution, a person convicted of a willful violation of child labor rules is subject to a fine of not more than \$10,000, or to imprisonment for not more than six months, or both. However, imprisonment is available only upon the person's second conviction for a willful child labor violation.

Description of Provision: Section 4 increases civil and criminal penalties for child labor violations. The maximum civil money penalty would be \$15,000, and this maximum penalty could be increased by a factor of five for: (1) a willful or repeat violation that results in or contributes to a fatality or permanent disability of a minor employee, or (2) a violation that is concurrent with a serious or willful violation of the Occupational Safety and Health Act.

Additional criminal penalties would be available in certain types of serious cases: \$15,000 maximum fine, or imprisonment for up to 5 years (without a previous conviction), or both, for a willful or repeat violation that results in or contributes to a fatality or permanent disability of a minor employee, or a violation which is concurrent with a criminal violation of any other FLSA provision or any other Federal or State law. In addition, Section 4 defines "repeated violations" and "willful violations"; these definitions would apply to civil and criminal money penalties, and to the statute of limitations, under the FLSA.

SECTION 5. GOODS TAINTED BY OPPRESSIVE CHILD LABOR.

Current Law: Current law prohibits shipment or delivery for shipment in interstate commerce of any goods produced in an establishment where illegal child labor occurred in the thirty days prior to the removal of the goods. Where such goods are removed, they are "hot" and their movement may be enjoined. Current law does not identify any means by which child labor "hot" goods may be returned to commerce; the Department deals with this issue on a case-by-case basis.

Description of Provision: Section 5 authorizes the Secretary to determine the circumstances under which goods tainted by oppressive child labor may be allowed to be shipped or delivered for shipment in interstate commerce.

SECTION 6. COORDINATION.

Current Law: Under current law, the Secretary may, with the consent and cooperation of State agencies, "utilize the services of State and local agencies and their employees" for carrying out the Secretary's functions and duties. The Secretary may reimburse these agencies for services rendered. The Department interprets this provision to authorize the use of State officials in investigations and other similar activities, under memoranda of understanding.

Description of Provision: Section 6 directs the Secretary to establish closer working relationships with non-governmental organizations and with State and local government agencies having responsibility and authority for administering and enforcing labor and safety and health laws; requires State and local government agencies to submit information to the Department on the Department's request (to the extent permissible under applicable law) regarding injuries and deaths of employees; and authorizes the Secretary to reimburse such agencies for such services.

SECTION 7. REGULATIONS AND MEMORANDUM OF UNDERSTANDING.

Current Law: There is currently no requirement for a memorandum of understanding between the Secretaries of Labor and Agriculture to coordinate the development and enforcement of standards to eliminate

oppressive child labor. The FLSA currently authorizes the Secretary to promulgate regulations for various purposes in child labor.

Description of Provision: Section 7 authorizes the Secretary to issue "such regulations as are necessary to carry out this Act and the amendments made by this Act." The provision also directs the Secretaries of Labor and Agriculture to enter into a memorandum of understanding to coordinate the development and enforcement of standards to eliminate oppressive child labor.

SECTION 8. AUTHORIZATION OF APPROPRIATIONS.

Section 8 authorizes appropriations to carry out this Act and the amendments made by this Act.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Karin Kullman (CN=Karin Kullman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 14:39:00.00

SUBJECT: Children's Health Event

TO: Devorah R. Adler (CN=Devorah R. Adler/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/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

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

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

TEXT:

FYI -- Looks like we got some help from the First Lady's office in trying to get a date for this. It's not totally confirmed, but we have at least a tentative date.

Chris -- Please let me know if you think there will be any problems with this date. Note that this is the day after the end of the NGA conference here in DC.

----- Forwarded by Karin Kullman/WHO/EOP on 01/14/99
02:37 PM -----

Karin Kullman
01/14/99 02:35:09 PM
Record Type: Record

To: Ann F. Lewis/WHO/EOP, Stacie Spector/WHO/EOP
cc: Patricia Solis-Doyle/WHO/EOP, Stephanie S. Streett/WHO/EOP, Lisa A. Berg/OVP @ OVP, Jeffrey A. Forbes/WHO/EOP
Subject: Children's Health Event

Per a phone conversation between Stephanie and Patti Solis-Doyle, we are tentatively holding Tuesday, February 23rd for the long awaited CHIP announcement. This is one of the only days that is still open and that both the President and First Lady are both here.

We will bring this up at the next message meeting.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 15:05:28.00

SUBJECT: Update of Pre-SOTU Annoucments

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

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

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

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

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

TO: Julie B. Goldberg (CN=Julie B. Goldberg/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: Jason H. Schechter (CN=Jason H. Schechter/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: Nanda Chitre (CN=Nanda Chitre/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: CROWLEY_P (CROWLEY_P @ A1@CD@LNGTWY [UNKNOWN]) (NSC)
READ:UNKNOWN

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

TO: WOZNIAK_N (WOZNIAK_N @ A1@CD@LNGTWY [UNKNOWN]) (NSC)
READ:UNKNOWN

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

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

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

READ:UNKNOWN

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

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

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

TO: David C. Leavy (CN=David C. Leavy/OU=NSC/O=EOP @ EOP [NSC])
READ:UNKNOWN

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

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

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

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

TO: Julianne B. Corbett (CN=Julianne B. Corbett/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: Megan C. Moloney (CN=Megan C. Moloney/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

TEXT:

FYI -- attached is an update of the stories we hope to advance between now and SOTU.

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

TEXT:

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PRE-STATE OF THE UNION ANNOUNCEMENTS

For Thursday, January 14

COPS Announcement (USA Today, AP)
Civil Service Reform (VP leak to Washington Post; VP Speech to REGO Conference)
Mental Health (MEG leak to New York Times, Boston Globe; MEG event in NH 1/14)
Weatherization Grants (MEG announce in NH 1/14)
CNN Interview on Accomplishments/SOTU with Podesta

For Friday, January 15

Wall Street Project Announcement (Wall Street Journal) (T)
Foreign Policy Vision (Berger Interview with Lichtman of Post) (T)
NPR Interview with Podesta/Echaveste on SOTU

For Saturday, January 16

MLK Radio Address
Abortion Clinic Safety (New York Times)
Promising Practices Report (Knight-Ridder) (T)

For Sunday, January 17

Child Care (Washington Post)
Photos of SOTU Prep

Monday, January 18

USA Today article on SOTU
Education Initiative (New York Times - Pear)
Community Health Centers (Washington Post - Goldstein)
Speech Structure/Color/Thematics (T)
First Lady's Box (T)

Tuesday, January 19

SOTU Scenesetters

Between State of the Union and Budget Release

Transportation and Housing for Elderly (VP in FL, 1/21?)
Family Planning (HRC/VP events on 1/22 -- leak for Friday, 1/22?)
Community Tech Centers (VP in CA 1/23-1/25)
Information Technology (VP in CA 1/23-1/25)
Asthma (VP/HRC interested in event week of 1/25)
Welfare/Immigration (VP leak for Monday, 1/25, POTUS/VP events
on 1/25)
Re-Employment (POTUS event 1/27 (t))
Housing Discrimination Budget (announced with homeownership #'son 1/27)
Youth Employment (POTUS/Mayors event on 1/29)
Abandon Buildings (POTUS/Mayors event on 1/29)
Equal Pay (VP/HRC interested in event)
Foster Care (VP/HRC interested in event)
Adult Literacy
Pensions
Child Labor (event with Herman, Sperling, Harkin)
Climate Change
Head Start

After Budget Release (2/1)

Microenterprise Development (POTUS event with HRC week of 2/1)
Consumer Financial Bill of Rights (week of 2/1)
Microenterprise Development (POTUS event with HRC week of 2/1)
Consumer Financial Bill of Rights (week of 2/1)
Embassy Security (leak for Friday, 2/5 (Crowe report on 2/5))
FMLA Small Business Expansion (post-budget, FMLA anniversary is 2/5)
Gun Show
Threat Reduction
Digital Library
Housing Discrimination
Native American
Children's Health Initiative (February)
Low-Income Housing Tax Credit
Individual Development Accounts
Trade Announcements
Stay in College

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Todd A. Summers (CN=Todd A. Summers/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:14-JAN-1999 15:05:32.00

SUBJECT: International AIDS Funding.

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

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

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

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

TEXT:

During his meeting with the AIDS Council, they expressed concern about the level of US support for international AIDS activities through USAID. In response, the President said that he would "put some money in there" (see relevant dialogue from transcript at end).

We had requested that OMB respond to this commitment; unfortunately, to our knowledge, USAID is being level-funded for FY2000. Moreover, OMB tells us that USAID may cut AIDS funding by \$3-4 million if they receive no new money overall (allocations to AIDS programs are at the USAID Administrator's discretion and are not typically earmarked here or in Congress). We are concerned that the President's commitment to the Council will be unfulfilled, and that funding may in fact be cut instead of increased.

Another issue is the AIDS orphan funding announced by the President on December 1, This \$10 million was part of a \$50 million emergency plus-up for child welfare at USAID (Rep. Callahan pushed it, Rep. Pelosi got the AIDS orphan cut). The fact that this money was "one time only" was also raised by the Council. Sandy is about to set off for a trip to Africa to prepare for the larger visit requested by the President. USA Today is accompanying Sandy on the trip, and is expected to do a major piece on the issue. Our ability to provide some kind of responsive funding would be very helpful; conversely, with PM Blair just announcing a \$185 million increase in their AIDS support to southern Africa, the lack of increased US support will be a vulnerability.

Our suggestions

Given that the budget numbers are locked down, we suggest that USAID be asked to provide a modest (+/- \$5 million) increase for FY2000 in its AIDS budget, and that we commit to work with them to obtain additional appropriations in Congress.

An effort should be made during Congressional negotiations to support a \$50 million increase in the child-survival funding at USAID, with a portion allocated to AIDS orphan relief.

Relevant Sections from Transcript of AIDS Council Meeting (12/18/98)

MR. ISBELL: Mr. President, six million people become infected with HIV each year around the world, half of them under the age of 25. More than 90 percent of the infections in the world happen in the

developing world where there is little or no access to the drugs that have made such a big difference to people in this country.

We were extremely impressed and heartened by your use of World AIDS Day to highlight the need for American leadership in the global fight against HIV. We strongly support the \$10 million program that you announced to address the needs of women and orphans of AIDS. And we would strongly support you making this one-time funding a permanent part of USAID. Despite this initiative, Mr. President, U.S. funding for global

AIDS activities has declined in real dollar terms since 1993. Just last year the administration proposed a 10 percent cut in federal support for funding for infectious disease programs throughout the world. We believe that we cannot turn the tide against HIV throughout the world without the aggressive, bold, energetic leadership of the United States. And we would strongly encourage in your next budget, Mr. President, that you're about to send to the Hill, that you include substantial increases for international AIDS programs at USAID and the CDC.

Just also to close, we'd also strongly support an improved coordination of the many federal programs that happen all across the government that have a role to play in the international AIDS efforts. Secretary Albright has announced, as you know, a plan to draft a U.S. international AIDS strategy, and we would hope that you would look to this as a first step toward making sure that all the federal agencies are reading off the same page and that they're part of the same team -- because it's an urgent problem and it requires an urgency of the entire U.S. government.

THE PRESIDENT: Well, in general, let me say I think the budget should reflect better attention both to prevention at home and to the communities of color. And I've been trying to get more money for the USAID mission and we'll put some more money in there. I think I'd like to make two points.

One is that this budget year will be more difficult than the last one because we got such big increases in everything last time and because of the global economy kind of slowing down, we don't expect the same amount of revenues to come in this time. And we have to fund all the big increases we got last time again. But we'll do the best we can.

The second thing I would like to say is I think that it would be very helpful to have all of you using your, whatever influence you have, with members of Congress in both parties to support more global efforts, because eventually all this is going to a menace to the United States. So it's not only a moral imperative, it's also very practical over the long run.

One of the things that has kind of bothered me is that in the aftermath of the Cold War we were able for several years to reduce our defense budget, and that was a good thing and everyone --and even the Pentagon wanted to do it. There reduced like by about 300,000 the number of civilian employees. And they plan for further reductions there.

But during that time, we actually needed to make a larger commitment on the diplomatic front or in the non-defense security areas, if you will. And with the exception of the special efforts we made in the former Soviet Union to dismantle and destroy nuclear weapons, basically there's been a wholesale effort to cut back on our diplomatic budget, even though, contrary to popular wisdom, the United States spends a smaller percentage of our income on international affairs than any other major country.

And one of the things that I have seen -- almost no one knows this, but it's true -- one of the things that I have -- now, to be fair, we also spend more on defense and a lot of our defense goes to protect other countries, as you see in the last couple of days. But, still, for the numbers -- are so much more modest, not only for -- if you just look

at the USAID program, the health programs, the empowerment of women and children, especially young girls, initiative, the small scale microeconomic development -- all that stuff that doesn't cost much money and it has a huge impact. And especially a lot of the things we can do in public health.

And, interestingly enough, a lot of the preventive activities that we would engage in with regard to AIDS, for example, would go quite well with other things we need to be doing out there with these large populations anyway in a lot of countries that have severe public health problems.

So we've been sitting here meeting in our -- I've been having each of the last three or four days rather long, detailed budget sessions, trying to figure out how to get more blood out of that turnip. And one of the things that I'm trying to do is to figure out how to make the case to the Congress in an effective way that the United States has enormous interest, as well as obligations, in making these kinds of investments beyond our borders.

And I think anything you can do to help that, I would appreciate it. I mean, there is this sort of general awareness in Congress that the world is becoming more interdependent. There's a much more sophisticated understanding of the economics, for example. But it's not just economics. It's the environment, it's the public health, it's all these other things where we are becoming more and more caught up with each other.

Our major military mission in the last six months, before the operation in Iran, has been to send several thousand of our uniformed personnel to Central America to help them rebuild after Hurricane Mitch. It's not only the right thing to do from a humanitarian point of view, it is in our national interest. Because if those countries don't rebuild they will become highly vulnerable to all the drug traffickers. And if they don't rebuild then all their people will have to come here. And if they can't get here legally will try to come illegally. So there's all these things that we need to begin to see our relationships beyond our borders, as more of an extension of our relationships with one another, rather than as something totally different and apart from our relations with one another.

And, anyway, I don't mean to give you a speech on that; I know you believe that. But the point I want to make is, most people who run for Congress never have to think about these things unless they have a large immigrant population within their district from a particular place. So it doesn't -- this kind of discussion we're having, because you understand the HIV/AIDS issue -- I'm preaching to the choir here. But anything you can do to sort of just sit down and walk through this with congressional delegations, or their chiefs of staff, or whoever the appropriate people are from around the country, I would really appreciate.

Because I think there is a lot of support. For example, you can always get good support in Congress, bipartisan, for a big increase in the Ryan White Act. And now, we've finally got pretty good support in Congress, this whopping increase we had to help people purchase the drugs, the medicines. But it drops off markedly when you try to talk about the connection between what we're doing here at home and beyond our borders. And I really think you could help, because this is one example of a more general challenge the country will have to face -- more every year for the next 20 years. Maybe forever, but certainly for the next 20 years.

Office of the Press Secretary

For Immediate Release

December 18, 1998

REMARKS OF THE PRESIDENT
IN HIV-AIDS ADVISORY COUNCIL MEETING

The Cabinet Room

5:45 P.M. EST

MS. THURMAN: Good afternoon, everybody. I want to thank you all for joining us this afternoon. Those of us who are gathered in this room today are partners in a battle that, while we've had significant successes in recent years, has no end in sight. Our victory over AIDS will require incredible resolve, persistence, and steadfast leadership.

This is a struggle which we all know has had all too few national leaders, but has always had the support of this leader. It is my distinct honor to present to you our leader, the President.

THE PRESIDENT: I want to get right to the subject of listening to all of you, but I would like to say that, as all of you know, we had a very good couple of days when we finally made the budget last year -- we've had a lot of good increases, a lot of things that I know you care so much about. But we've got a lot of work to do, especially in prevention and in the vaccine development I think we're going to -- (inaudible) -- pretty soon.

I would prefer, I think, because we've met before and I'm trying to stay familiar with your concerns -- I think we've done a good job of getting the money into the programs this time, but there's a lot more we can do -- (inaudible.) However you organized this -- (Laughter.)

DR. HITT: Okay, we want to start off by having Reverend Mother Altagracia Perez lead us in a short prayer.

REVEREND PEREZ: Thank you. Thank you, Mr. President, for this moment where we can gather our thoughts and especially bring to mind all those who today are in need of courage and strength, so if we could have a moment of silence.

Spirit of life and justice and power, we welcome you in our midst. We've been brought together by a desire to improve the quality of life for all the people that we serve and represent. We're especially conscious at this moment of the men and women, that right now, are in harm's way. Our thoughts are with them and their families, as we await their safe return.

We're also ever-mindful of those who are gathered here with us and, through us, all those who struggle daily with a virus that has no cure and is hard to live with. They are here with us; the people who called us to this work; those who have gone and who have left us their legacy of courage and perseverance.

We especially gather in a spirit of gratitude for our President. We remember all too well those dark years, when a meeting like this would have never happened. We are grateful for his life and for his leadership, and we pray that you sustain him through the power of your spirit. Give him strength and courage, and stamina, and wisdom, as he continues to lead us through this dark time.

There's still so much that we have to do. Let us especially remember our communities of color and those most vulnerable throughout the world who today, and every day, are living in a state of emergency. May each of us leave this encounter with our vision of what we can do together restored, and our strength renewed, to go forward and face the challenges that await us. In the name of the One who came with hope and brought us light, we pray. Amen.

DR. HITT: Mr. President, on behalf of the Council I want to thank you for meeting with us, especially so close to your recent high profile events regarding the Congressional Black Caucus HIV Initiative for communities of color and World AIDS Day spotlight on international crisis.

Six and a half years ago I was very honored to stand with you on the stage of the Palace Theater in Los Angeles, where you outlined your commitment and genuine care and concern for those living with HIV and a really good vision of how -- (inaudible.) In light of the efforts you made in securing unprecedented funding, for starting the Office of AIDS Research, Office of National AIDS Policy, convening the White House Conference on AIDS, establishing a goal of a vaccine -- which are all landmarks I think you can be very proud of -- I am just as honored to be with you here today.

THE PRESIDENT: Thank you.

DR. HITT: In addition, I want to thank you for the humbling honor of serving this Council of incredibly dedicated and committed individuals as its chair, and to tell you on behalf of all of us how honored we are to serve your administration.

Continuing with our task of offering advice to you, we recently adopted our priorities, which reflect the community realities, especially the urgent need for action in the racial and ethnic communities, and in the youth of our country. This epidemic has been full of changes and challenges and we're really at a crossroads in this epidemic. The media all the time tells us about how people are living longer and this is a chronic, manageable disease and less people are dying overall of AIDS.

What they often fail to mention is that curb-prevention efforts are not reaching the American public. Three hundred thousand Americans don't even know they're HIV positive. And contrary to your own stated goals, we are not decreasing the numbers of new people infected. And, in fact, in many communities the numbers are increasing.

In addition, thousands of HIV individuals cannot get the early treatment the public health service guidelines tell them that they should get, but, rather, they have to wait until they become disabled from the disease before becoming eligible for treatment.

Out of all our recommendations to date, there are a few items we would like to discuss with you today that need your specific presidential intervention now if we are going to achieve these goals. Before we give you these few suggestions I want to emphasize to you that none of what we're recommending to you today would be possible without the tireless efforts of several people who serve you, this Council and the people living with HIV and AIDS -- especially in the White House and across administration. It's because of them that you've had so many successes -- namely your own NAP Director, Sandy Thurman -- (applause) -- who made real your vision of a White House office that leads the national response to this epidemic, along with the Deputy Director Todd Summers and the Council's Executive Director, Dan Montoya. And we appreciate the efforts very much.

The Rabbi has a few words.

RABBI EDELHEIT: Mr. President, we're honored to be with you today, especially so soon after your recent trip to the Mideast, where you courageously engaged in the making of peace, where you brought the gift of hope to the land of the Bible.

During this week of Hanukkah, on the eve of Ramadan and one week before Christmas, we are all reminded that all these religious holidays promise us light in the darkest time of the year. As your Advisory Council, we want to help you fulfill your vision to bring the light of hope to those living with HIV/AIDS.

HIV/AIDS still darkens the path to that bridge that crosses into the 21st century to which you have prophetically led us. We want to help you illumine the darkness that still covers the path to that bridge. We must warn you that there are some Americans who are in danger of being unable to cross when you lead our nation to that bridge into the 21st century.

How can we be sure that the African American who has no access to clean needles, nor the newest combination of drug therapies will get to the other side? What do we need to do to make sure that the Latino youth who is not eligible for Medicaid will have access to primary care and still be able to work that he, too, can cross the bridge with other Americans?

Here is a gift, Mr. President, from my four children. It is a dreidel -- that's right. I'm impressed. (Laughter.) It is the traditional spinning top we play -- and the four letters on it, Mr. President, stand for "a great miracle happened there." But, Mr. President, we know that there will be no one great miracle that ends HIV-AIDS. So we are here to help revive your vision of zero rate of transmission and an equitable access of care to all persons battling HIV disease.

We are here with you today, Mr. President, when a terrible political darkness has fallen over this land, because we want you to know that we will do whatever it takes to cross that bridge with you into the 21st century.

DR. HITT: As I said, we fought through a lot of recommendations and tried to come up with some specific new initiatives that we wanted to bring to your attention. And to start that off, I'm going to have Mr. Tom Henderson lead with one of the

new initiatives.

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MR. HENDERSON: Mr. President, when I stood, with many others during the stirring speeches of Bob Latoy (phonetic) and Elizabeth Glaser at the 1992 Democratic National Convention, I truly believed it would be my last national convention. But because of the remarkable progress we've made under your leadership in fighting this disease, I'm still here today, alive and well.

That's primarily because I'm fortunate enough to be employed and adequately insured and, therefore, able to enjoy the benefits of the new combination drug therapies. For those who must rely on Medicaid, however, for their health care, the story is often much different.

On one hand, we have new public health service standard-of-care guidelines that call for early treatment of HIV prior to disability. But on the other hand, in many cases, accessing Medicaid requires individuals to be already disabled. Instead of being able to enjoy the benefits of living longer and better lives, many are still forced to wait until they're sick and unable to work before they can even begin treatment.

Not only is that inhumane, Mr. President, it's costly as well. Access to quality medical care for those living with HIV who are incarcerated is also a major problem. In most cases, there is no preparation for connecting those individuals to medical care, once they are released back into the community.

In April of 1997, the Vice President asked HCFA to evaluate the possibility of expanding access to Medicaid for poor HIV-positive individuals, prior to becoming disabled. HCFA/HHS has concluded that can't be done in a budget-neutral manner. Now, some would suggest that the only near-term solution is to rely on the demonstration programs called for in the Jeffords/Kennedy legislation. Mr. President, we reject those conclusions. We believe there are two things that can be done now, without legislation, to solve this problem. First, OMB currently requires finding offset cost savings within Medicaid only to determine budget neutrality. Any savings generated within other federal programs can't be considered to determine budget neutrality.

Also, current policy only allows looking at a five-year budget window. We believe those hurdles can be overcome, but only if you make the decision to include a broader look at cost savings, and a longer budget window, and then direct the Secretary of HHS, and the Director of the OMB, to modify current policy to account for any resulting savings.

Second is the issue of drug cost. Mr. President, the time to deal with crucial drug cost issues is while we're also dealing with expanding access to those drugs. The vastly increased market for HIV drugs that would result from early access makes simultaneously negotiating drug cost reductions both reasonable and possible. We believe that asking the Vice President to include such drug cost issues in his ongoing discussions with the pharmaceutical industry could offer substantial potential for progress. Breaking the current gridlock, Mr. President, surrounding these issues will require your personal intervention. With that intervention, however,

providing Medicaid access to early intervention therapies can be accomplished.

THE PRESIDENT: Well, I'll see what I can do about that. You know, generally, this whole medical coverage problem is getting worse in America. It reminds me of that joke that the Republicans used to tell on us -- they told me if I voted for Barry Goldwater we'd get involved in Vietnam too much. And I did, and sure enough, it happened. (Laughter.) And they said when they attacked Hillary and me for our health care plan, they said that if people supported it, things would get worse. And sure enough, they did. (Laughter.)

□,

We've had -- these coverage problems have gotten quite profound, and as a consequence, with fewer and fewer people getting medical coverage at work, what you've got is more and more people trying to find a way to get into Medicaid.

One of the things, for example, that I want to look at as a result of this is something we're doing with disabled people who get back into the workplace. I just started an initiative not very long ago to try and have people who have disabilities, including some people with HIV and AIDS when they get better -- if you have disabilities and you go back to work, it used to be automatically you lose your Medicaid. And now more and more people are working in small businesses where they don't have employer-based health insurance or they have small pools and they can't afford to take somebody with a preexisting conditions.

So we're trying to modify the rules so that when people are on disability, then they get off of it and they go back into the work force, they can keep their Medicaid for some period of time. And I want to go back and see exactly how we did that and what else we can do here.

Tom, I want to make sure what you said. You believe that there are savings in non-Medicaid areas that would come from keeping people off -- giving people the drugs before they get sick in the first place.

MR. HENDERSON: As you know, the process right now is for states to seek waivers. We've been working closely with a number of states who have been working on those waivers for submission at the present time. They believe there are significant savings in SSI and SSDI, in other areas, that would result --

THE PRESIDENT: -- all would be counted.

Q Yes, sir. And current rules don't allow that.

THE PRESIDENT: I've got to go back and look at that. Part of it is the way the law disaggregates money into mandatory and non-mandatory spending. I'll look at it and see if we can do something about that. I know it's very important.

I presume you still -- hello, Bob.

HATTOY: Hello, Mr. President. (Laughter.) Sorry I'm late.

THE PRESIDENT: I'm glad you're here. (Laughter.)

MR. HATTOY: I'm glad you're here. (Laughter and applause.)

THE PRESIDENT: --- notwithstanding what you said, you still think we ought to pass the Kennedy-Jeffords bill. It's a good bill.

MR. HENDERSON: Absolutely. We just think that there are some things that can be done in the near-term, though, within the administration that do not require legislation, that they would move this problem forward.

THE PRESIDENT: I'll do some work on it -- what you said.

MR. ROBINSON: Mr. President, as you said in your opening statement, prevention of new infections is an area where, although we've made some progress, we still have a great deal to do. In fact, this Council, the community at large, and your administration, has struggled with the challenge of preventing new infections.

Today we want to raise two issues related to prevention with you. First, as you know, this Council supported making federal funding available for needle-exchange programs. Today, we again want to ask you for your support in this area. We've made a request of Secretary Shalala and HHS to provide us -- the Council, the Office of National AIDS Policy, and other federal agencies -- with a summary of the scientific information that supports needle-exchange programs to prevent new infections. We believe that this would be an important first step in fulfilling the administration's commitment to assisting communities that chose to use these life-saving programs.

Second, we want to recommend to you that the White House Office of National AIDS Policy be directed to undertake a bold, national media campaign to promote voluntary HIV testing. Without a cure, preventing new infections is our best strategy. This is especially true for African-Americans and other people of color, where the severe and ongoing health crisis has created a public health emergency.

One reason why stemming the tide of new infections has been so elusive is the fact that so many people don't know that they're infected. As a person who has thrived for the past 17 years, despite the fact that I'm living with HIV, I understand the importance of knowing one's -- status. It has offered me an opportunity to seek treatment for my HIV, and made me more aware of the need of protecting myself and others from infection.

Some members of Congress and others in the community have called for misguided measures, such as mandatory HIV testing, mandatory contact tracing, and mandatory partner notification -- measures that we believe will not be effective. However, like us, they are concerned that too many people living with HIV don't know it and, therefore, risk infecting others.

We believe that this campaign would demonstrate your

administration's sound public health approach to this challenge. Modeled on ONDCP's national youth anti-drug media campaign, this voluntary HIV testing campaign would raise awareness about the continuing threat of HIV while lessening the stigma of HIV testing. Working with the CDC, national advertisers and other media concerns, ONAP would develop this campaign as a public/private partnership, which we believe would build on your legacy of an activist government and enhance your efforts to end racial and ethnic health disparities.

Mr. President, we hope you seriously consider undertaking this campaign of voluntary HIV testing, because we believe it is essential to our efforts of preventing infection.

THE PRESIDENT: It sounds like a good idea. I think Sandy is going to come up with a proposal of what we should do, but I think it's a good idea.

MS. THURMAN: We'll work with you and get one done.

THE PRESIDENT: And it offers the promise of sort of getting by the divisive arguments of the past and actually doing something. I like it.

Q Proactive.

MS. MIRAMONTES: Mr. President, I came here today as a mother with a son living with AIDS, to talk to you about vaccines. But before I speak to you about the vaccine issue, I want you to know that combination therapies, although valuable for many, are also failing some people -- some in this room -- as well as my son. So, therefore, I really want to stress the need for continuing research, both in vaccines and in therapeutics, is as important today as it ever was.

First, I want to thank you for what you have accomplished in moving the agenda on the AIDS vaccine issue and establishing the 10-year goal. But there are several critical issues that only you can address if your goal is to be reached. And I have two examples I want to give you.

The first one, it has been 19 months to the day since your announcement of the vaccine goal, and a director of the vaccine center at NIH has not yet been appointed. We know that even though the center is only about 10 or 15 percent of the funding, this appointment really is important to be made and should be made as soon as possible.

Secondly, a preliminary vaccine meeting was held more than six months ago and, to date, there has been no follow-up meeting. When President Kennedy announced that we were going to put a man on the moon, he appointed a person within the White House to oversee this endeavor. After hearing almost 100 hours of testimony, we recommended a coordinator be placed within your Office of National AIDS Policy, with adequate resources -- and I need to really stress that -- with adequate resources to coordinate the vaccine effort. This is not that we want to tell any one agency what they are to do, but rather to coordinate vaccine activities across all relevant federal agencies. And I think the next piece is especially important: developing true partnerships with the international community and the private industry.

We also recommended that a comprehensive plan be developed and implemented, and this hasn't happened, either. I think we all need to remember that the person most at risk, worldwide, is a young person of color, and that the most effective strategy for stopping this pandemic is an effective vaccine.

So what I'm asking you, Mr. President, if you're willing to use your position to really address these critical issues.

THE PRESIDENT: Well, let me make a couple comments. First of all, I think the vaccine director is about to be appointed -- (inaudible.)

Secondly, I do think that -- the new Director of the Office of AIDS Research has been doing quite a good job. We got about a 33 percent increase in funds for vaccine research in the last budget, so that's good. And we're going to try to -- I just had a brief meeting, before I came in here, with our folks, talking about how we can expand Sandy's -- this kind of work and kind of ride herd on this thing -- (Applause.) I think that's important. It does make a difference just to have a sort of sustained White House involvement on any kind of project to keep cutting through the resistance.

MR. ROBINSON: Thank you very much.

MS. ARAGAN: Mr. President, the next issue we would like to discuss is the need for your FY 2000 budget to include meaningful and substantial increases in HIV funding. The Council is very grateful to you for your strong and public support for the record increases in funding in FY 1999. At the local level, these increases will really make a difference in the real lives of the people who are struggling to live with this disease, and those who are at risk for infection.

In particular, we want to thank you for the active role that you and your staff played in successful efforts to secure \$156 million for the Congressional Black Caucus Initiative. As you know, that initiative is designed to address the severe and ongoing health crisis affecting African Americans, Latinos and other communities of color in the United States.

But as you know, Mr. President, the emergency conditions that led to the need for the CBC Initiative require a sustained and expanded federal response. As you finalize your FY 2000 budget, we ask that you use this opportunity to build upon the momentum of FY'99. Specifically, we are asking that full funding for the CBC initiative be included in your base budget. As you know, some of it was one-time funded -- and that this funding be expanded in FY 2000. It is also critical that the distribution of these new funds be expedited, to reflect the fact that this is a response to a crisis situation.

As my colleagues have discussed, we are also requesting that you propose a bold funding for a bold national testing awareness media campaign, and that access to HIV treatments be expanded both through the Ryan White CARE Act and through Medicaid.

Finally, Mr. President, we ask that your budget reflect the leadership role the U.S. must play in efforts to address the global pandemic, and my colleague, Mike Isbell, will say a little bit more about that in a minute. This Council certainly understands the

political dynamics of the budget process, in which you must consider what the Congress itself will fund in setting your own numbers. But the reality is that your budget really sets the stage for all future deliberations in FY 2000. We really need your initial budget request to include these AIDS funding increases so that congressional action can build upon the strongest base possible. In short, we need you to raise the bar.

Thank you.

MR. ISBELL: Mr. President, six million people become infected with HIV each year around the world, half of them under the age of 25. More than 90 percent of the infections in the world happen in the developing world where there is little or no access to the drugs that have made such a big difference to people in this country.

We were extremely impressed and heartened by your use of World AIDS Day to highlight the need for American leadership in the global fight against HIV. We strongly support the \$10 million program that you announced to address the needs of women and orphans of AIDS. And we would strongly support you making this one-time funding a permanent part of USAID.

Despite this initiative, Mr. President, U.S. funding for global AIDS activities has declined in real dollar terms since 1993. Just last year the administration proposed a 10 percent cut in federal support for funding for infectious disease programs throughout the world. We believe that we cannot turn the tide against HIV throughout the world without the aggressive, bold, energetic leadership of the United States. And we would strongly encourage in your next budget, Mr. President, that you're about to send to the Hill, that you include substantial increases for international AIDS programs at USAID and the CDC.

Just also to close, we'd also strongly support an improved coordination of the many federal programs that happen all across the government that have a role to play in the international AIDS efforts. Secretary Albright has announced, as you know, a plan to draft a U.S. international AIDS strategy, and we would hope that you would look to this as a first step toward making sure that all the federal agencies are reading off the same page and that they're part of the same team -- because it's an urgent problem and it requires an urgency of the entire U.S. government.

THE PRESIDENT: Well, in general, let me say I think the budget should reflect better attention both to prevention at home and to the communities of color. And I've been trying to get more money for the USAID mission and we'll put some more money in there. I think I'd like to make two points.

One is that this budget year will be more difficult than the last one because we got such big increases in everything last time and because of the global economy kind of slowing down, we don't expect the same amount of revenues to come in this time. And we have to fund all the big increases we got last time again. But we'll do the best we can.

The second thing I would like to say is I think that it would be very helpful to have all of you using your, whatever

influence you have, with members of Congress in both parties to support more global efforts, because eventually all this is going to a menace to the United States. So it's not only a moral imperative, it's also very practical over the long run.

One of the things that has kind of bothered me is that in the aftermath of the Cold War we were able for several years to reduce our defense budget, and that was a good thing and everyone --and even the Pentagon wanted to do it. There reduced like by about 300,000 the number of civilian employees. And they plan for further reductions there.

But during that time, we actually needed to make a larger commitment on the diplomatic front or in the non-defense security areas, if you will. And with the exception of the special efforts we made in the former Soviet Union to dismantle and destroy nuclear weapons, basically there's been a wholesale effort to cut back on our diplomatic budget, even though, contrary to popular wisdom, the United States spends a smaller percentage of our income on international affairs than any other major country.

And one of the things that I have seen -- almost no one knows this, but it's true -- one of the things that I have -- now, to be fair, we also spend more on defense and a lot of our defense goes to protect other countries, as you see in the last couple of days. But, still, for the numbers -- are so much more modest, not only for -- if you just look at the USAID program, the health programs, the empowerment of women and children, especially young girls, initiative, the small scale microeconomic development -- all that stuff that doesn't cost much money and it has a huge impact. And especially a lot of the things we can do in public health.

And, interestingly enough, a lot of the preventive activities that we would engage in with regard to AIDS, for example, would go quite well with other things we need to be doing out there with these large populations anyway in a lot of countries that have severe public health problems.

So we've been sitting here meeting in our -- I've been having each of the last three or four days rather long, detailed budget sessions, trying to figure out how to get more blood out of that turnip. And one of the things that I'm trying to do is to figure out how to make the case to the Congress in an effective way that the United States has enormous interest, as well as obligations, in making these kinds of investments beyond our borders.

And I think anything you can do to help that, I would appreciate it. I mean, there is this sort of general awareness in Congress that the world is becoming more interdependent. There's a much more sophisticated understanding of the economics, for example. But it's not just economics. It's the environment, it's the public health, it's all these other things where we are becoming more and more caught up with each other.

Our major military mission in the last six months, before the operation in Iran, has been to send several thousand of our uniformed personnel to Central America to help them rebuild after Hurricane Mitch. It's not only the right thing to do from a humanitarian point of view, it is in our national interest. Because if those countries don't rebuild they will become highly vulnerable

to all the drug traffickers. And if they don't rebuild then all their people will have to come here. And if they can't get here legally will try to come illegally. So there's all these things that we need to begin to see our relationships beyond our borders, as more of an extension of our relationships with one another, rather than as something totally different and apart from our relations with one another.

And, anyway, I don't mean to give you a speech on that; I know you believe that. But the point I want to make is, most people who run for Congress never have to think about these things unless they have a large immigrant population within their district from a particular place. So it doesn't -- this kind of discussion we're having, because you understand the HIV/AIDS issue -- I'm preaching to the choir here. But anything you can do to sort of just sit down and walk through this with congressional delegations, or their chiefs of staff, or whoever the appropriate people are from around the country, I would really appreciate.

Because I think there is a lot of support. For example, you can always get good support in Congress, bipartisan, for a big increase in the Ryan White Act. And now, we've finally got pretty good support in Congress, this whopping increase we had to help people purchase the drugs, the medicines. But it drops off markedly when you try to talk about the connection between what we're doing here at home and beyond our borders. And I really think you could help, because this is one example of a more general challenge the country will have to face -- more every year for the next 20 years. Maybe forever, but certainly for the next 20 years.

DR. HITT: Mr. President, we really have made -- probably hundreds of recommendations in the past few years, I mean -- (Laughter.) We've tried our best to narrow down --

THE PRESIDENT: This is the most energetic -- (Laughter.)

DR. HITT: But we have narrowed down a few specific initiatives we brought to your attention today and the reason is clear, that we've talked to many administration officials and this is where we feel that there's a logjam that you can really help and get involved in, and take it to heart.

THE PRESIDENT: I will.

DR. HITT: And thank you, again, for meeting with us.

THE PRESIDENT: Thank you for the dreidel, the book, the letters. Thank you very much. (Applause.)

END

6:40 P.M. EST

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lisa M. Kountoupès (CN=Lisa M. Kountoupes/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 15:08:54.00

SUBJECT: tobacco farmers in the sotu

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

READ:UNKNOWN

CC: Thomas L. Freedman (CN=Thomas L. Freedman/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:

In the course of the calls last night, it was suggested to me by hill offices that the potus say something in the sotu, as he did last year, favorable about the tobacco farmers. (especially since we are not including funding for them in the budget this year) this may already be in there, but wanted to make a plut for it. it apparetly went a long way last year with the tobacco farmers.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 15:25:33.00

SUBJECT: Gun Shows

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

TEXT:
BR/EK:

Spoke w/Amy and Stacie -- as well as w/Treasury and DOJ -- we have clarity on holding the gun shows report. However, Reno and Rubin may be ready to transmit it as soon as COB tomorrow...do we want it officially transmitted and then held...or should we have them hold the transmittal a few more days?

Jose'

Withdrawal/Redaction Marker Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. email	Karin Kullman to Elena Kagan and Bruce Reed re: First Lady's Box (1 page)	01/14/1999	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[01/14/1999]

2009-1006-F
bm81

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]

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RR. Document will be reviewed upon request.

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

CREATION DATE/TIME:14-JAN-1999 16:29:15.00

SUBJECT: Broder and Bennet for Education

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

READ:UNKNOWN

CC: Amy Weiss (CN=Amy Weiss/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Joe told me that John Broder was doing a set up piece for Monday on the SOTU and is looking for a policy nugget. Joe would like to see if there's a way to link up Broder into the education piece.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Daniel N. Mendelson (CN=Daniel N. Mendelson/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:14-JAN-1999 18:04:24.00

SUBJECT: Needle exchange language

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

We need to discuss this. I continue to think that the language represents a good compromise. Janet is currently meeting with McCaffrey on this issue. Dan.

----- Forwarded by Daniel N. Mendelson/OMB/EOP on
01/14/99 05:59 PM -----

Janet L. Crist

01/14/99 05:05:10 PM

Record Type: Record

To: Daniel N. Mendelson/OMB/EOP@EOP

cc: Gina C. Mooers/OMB/EOP@EOP

Subject: Needle exchange language

Dan -- Thanks for the opportunity to comment on the proposed language --
Have not yet taken this to Barry McCaffrey but but in our view the new
language is contrary to Administration policy. It would appear to put the
President and BRM out on a limb. Understand that HHS has some concerns,
but have to ask if we really want to reopen this door now? Janet

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 18:34:02.00

SUBJECT: Note from Shalala to Bruce on SOU and tobacco

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

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

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

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

TEXT:

I understand a note with suggested language on SOU and tobacco was sent from the Secretary to Bruce yesterday. I just wanted to flag to make sure it made it over.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-JAN-1999 18:54:05.00

SUBJECT: Tobacco AP story

TO: J. Eric Gould (CN=J. Eric Gould/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

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

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

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

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

TEXT:

O'Hara called to complain that we hadn't given a "we're doing it for kids" quote.

Clinton Proposes Cigarette Tax Hike

By Laura Meckler
Associated Press Writer
Thursday, January 14, 1999; 5:56 p.m. EST

WASHINGTON (AP) -- President Clinton, who has been rolling out a series of spending initiatives, will propose paying for them with a new 55-cent-a-pack cigarette tax, an administration official said Thursday.

The cigarette tax, which will surely be opposed by Republicans in Congress, would raise some \$8 billion for the domestic spending initiatives, according to the official, who spoke on condition of anonymity.

The Clinton administration also will insist that states turn over some of the money they will get from a giant settlement with tobacco companies, but not this year. Clinton's plan doesn't count on that money until 2001, meaning he does not need it for the fiscal 2000 budget he will submit to Congress next month.

In recent weeks, Clinton has touted a number of new ideas but avoided discussing how he would pay for them. Still, he has

promised his budget will be balanced without reaching into the budget surplus -- making it nearly impossible to pay for new spending without new taxes.

On almost a daily basis, Clinton has put forward spending proposals, including more money for after-school programs, new defense spending, tax incentives for long-term care and money to help people with disabilities go to work. The plans announced Thursday were for more money to fight crime and to aid people with mental illnesses.

But congressional Republicans have consistently warned Clinton against paying for his plans with increased taxes, including cigarette taxes.

"Raising taxes has never been the answer to our nation's problems," Rep. Bill Archer, R-Texas, chairman of the House Ways and Means Committee, wrote the president last week.

Archer's spokesman, Ari Fleischer, said Thursday Republicans are concerned that other tax increases may be in the offing: "This (cigarette) tax hike is not enough to pay for all the president's new spending programs, not even close," Fleischer said.

Last year, Clinton proposed paying for new domestic spending with a massive fine on the tobacco industry, envisioned as part of sweeping tobacco legislation. But that legislation fell apart under criticism that it was too hard on the industry.

The states responded by settling lawsuits with tobacco companies on their own. Cigarette makers agreed to pay 46 states \$206 billion over 25 years, raising prices by 45 cents a pack. That contributed to a 30 percent jump in cigarette prices in December, the government reported. Four other states previously had settled their suits independently.

State lawmakers and governors are already debating how to spend the money, but the federal government has long held that it has a right to much of it. Many state lawsuits had sought to recover money

spent by Medicaid on sick smokers, and the federal government pays for at least half of Medicaid costs in every state.

For a while, it seemed a deal was possible. Administration officials indicated they might let states keep the money if they agreed to spend it on certain public health, anti-smoking programs. But now Clinton envisions using some of the money for the federal budget, beginning in 2001.

The White House still wants federal legislation imposing new restrictions on the tobacco industry, while also giving the federal government a financial settlement of its own. But that requires congressional action. The administration hopes states will press Congress for such legislation if their settlement money is on the line.

"It's an attempt to create an environment and pressure for a bipartisan agreement on tobacco," an administration official explained.

The states aren't pleased. They argue that some of the suits were based on consumer fraud claims, not Medicaid. They say the federal government should file its own lawsuit if it wants money.

Washington state Attorney General Christine Gregoire was told about the administration's plans and spread the word to other states Wednesday night. "The federal government didn't assist us in any way," Gregoire said Thursday. "Our taxpayers took the risk. We assumed all of the work."

1000 New Teachers for Native American Students

Only two-thirds of Native Americans successfully complete high school, a figure much lower than for the rest of the population. Recognizing this need, the President has included in his budget a proposal to train 1000 new Native American teachers who will teach in areas that will benefit Native Americans. The President's goal is to both increase the number of American Indians entering the teaching field and to enhance the skills of those already in the pipeline. This \$10 million proposal has three parts: (1) a program that will support the training of 1000 new American Indian and Alaska Native teachers over 5 years by providing for their expenses while attending school, including child care; (2) funding for 20 grants to educational institutions, with priorities for those institutions that partner with tribal colleges or consortia including tribal colleges, to create teacher training programs in Native American communities; and (3) funding for five of the 20 grantees to create professional development centers to provide continuing education for in-service teacher training to improve the quality of teaching in Native American communities.

Providing Basic Health Care for Native Americans

The President's budget proposes an increase for the Indian Health Service (IHS) of \$170 million or 8 percent over the FY 1999 level. This increase would enable IHS to continue expanding accessible and high-quality health care to its 1.4 million Native American service users. The budget enables IHS to further enhance current levels of direct health care services, including providing 34,000 breast cancer screening mammographies to Native American women between ages 50-69; creating 44 new dental unit teams to provide an additional 25,000 dental visits; reducing the incidence of complications related to chronic diseases such as diabetes through clinical monitoring and health promotion on life style changes; and enabling approximately 130 new community-based public health nurses to provide outreach activities, including home visitations, well-child examinations, immunizations, prenatal care, health fairs, follow-up visits, and missed clinical appointments. Within the overall IHS increase, the budget continues to support Tribal self-determination by proposing a \$35 million (+17%) increase for contract support costs, to cover the costs of existing tribal contracts and compacts.

The President will also continue his efforts to elevate the Director of IHS to the position of Assistant Secretary.

Improving Food Safety with Increased Inspections and Surveillance

President Clinton will recommend increasing funds by \$105 million -- or 12 percent -- in his budget proposal to ensure food safety by improving inspections for both domestic and imported food and by enhancing surveillance efforts. The President's proposal would significantly expand inspections of domestic food products by enabling the Food and Drug Administration (FDA), to use more than 60 new inspectors to inspect, at least once each year, every domestic manufacturer of high-risk food products (generally, products that are not cooked by consumers) from the current level of every 3 to 4 years. Additional funds for USDA would permit the broad

expansion of its science-based, prevention-oriented meat and poultry inspection system, called Hazard Analysis Critical Control Point (HACCP). The President's budget would also increase scrutiny of imported food products by permitting the FDA to more than double the number of inspections conducted of foreign food processors. The President's budget also includes a significant component for surveillance and research activities. To help officials track pathogens back to their source and prevent outbreaks of foodborne illnesses from spreading, the Centers for Disease Control (CDC) will use new funds to almost double the number of laboratories that do "DNA fingerprinting" of foodborne pathogens.

Ensuring Equal Pay

According to the Department of Labor, the average woman who works full-time earns just 74 cents for each dollar that an average man earns. For women of color, the gap is even wider. This gap is, in part, attributable to differing levels of experience, education, and skill. However, even after accounting for these factors, a significant pay gap still remains between men and women in similar jobs. Recognizing this wage disparity, the President proposes a \$14 million equal pay initiative for the Equal Employment Opportunity Commission (EEOC) and the Department of Labor. This funding would allow the EEOC to advance outreach to businesses and employees to educate them about the legal requirements for paying equal wages, provide technical assistance, improve training for EEOC employees to better identify wage discrimination issues, and launch a public service announcement campaign to highlight the wage gap. The Department of Labor will continue monitoring pay equity to reduce occupational segregation; provide enhanced technical assistance through the Internet such as providing descriptions of industry best practices; increase outreach and education; and provide a focused effort on women in non-traditional jobs by identifying best practices and assisting contractors in recruiting and developing qualified individuals in non-traditional occupations. The President also will continue to call on Congress to pass the Paycheck Fairness Act which improves the enforcement of wage discrimination laws and provides for research, education, training of EEOC staff, and outreach on this important subject.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Maria Echaveste (CN=Maria Echaveste/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JAN-1999 20:19:59.00

SUBJECT: Mrs. Gore's MLK Day Speech

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

READ:UNKNOWN

TO: Melissa G. Green (CN=Melissa G. Green/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: Trooper Sanders (CN=Trooper Sanders/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

Ron Klain (CN=Ron Klain/O=OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

I think it's a fabulous idea and it's right before the sotu, so why not give it to Mrs. Gore--what is the VP going to be saying? Gene and Elena--do you have any thoughts?

----- Forwarded by Maria Echaveste/WHO/EOP on 01/14/99
08:17 PM -----

Trooper Sanders @ OVP

01/14/99 06:01:57 PM

Record Type: Record

To: Maria Echaveste/WHO/EOP

cc:

Subject: Mrs. Gore's MLK Day Speech

Maria --

I understand the Administration will seek a 100% increase in GEAR-UP funding for FY 2000. Mrs. Gore's MLK speech will center around young people and developing their ability to build One America. In addition, she is speaking in Philadelphia and Rep. Chaka Fattah is attending. This would be the ideal budget preview announcement for Mrs. Gore to make. I am checking on the specifics with Josh, however, is this something you all are holding for the President to preview? If you are not, we would be VERY interested in doing this. Thank you.

P.S. Our team is snowed in New Hampshire this evening, however, I am hoping to have a draft speech ready for circulation by early afternoon. I would appreciate any comments or suggestions.

STRENGTHENING ACCOUNTABILITY FOR RESULTS IN ESEA

The 1994 enactment of Goals 2000 and reauthorization of ESEA marked a sea-change in federal education policy by insisting that states set high standards for all students, measure student and school progress toward reaching the standards, and by taking the first steps to focus accountability on achieving results rather than complying with regulations. Our 1999 ESEA reauthorization proposal will complete this process by establishing a basic framework for holding states and school districts, schools and teachers, and students accountable for results. It does this by building on and strengthening provisions already in law and adding new provisions.

I. STRENGTHENING ACCOUNTABILITY: REQUIREMENTS FOR PARTICIPATION IN ESEA

Our approach to strengthening accountability for results would require states to:

Establish High Standards and Aligned Assessments. We would retain provisions of current law, which require states to establish content and student performance standards and assessments aligned to the standards by 2000-01 school year. States must also define adequate yearly progress — increases in the percentage of students meeting state performance standards -- for Title 1 schools and local school districts in a manner that would result in continuous and substantial progress toward meeting state standards within a reasonable time frame.

Produce and Disseminate School, District and State Report Cards that Focus on Results. As a condition of receiving ESEA funds, we would require states and school districts to produce annual report cards, easily understood by and widely distributed to parents and the public, for each school, school district and the state as a whole. The report cards would include information on student achievement, teacher professional qualifications, class size, school safety, attendance, and graduation rates. Where appropriate the student achievement data would be disaggregated by demographic subgroups, to allow a greater focus on the gaps between minority and majority, low-income and more advantaged students. In addition, states would be required to publicly identify the lowest performing schools, so that parents and community members are aware of the need for improvement, and so local school boards and school administrators are under immediate pressure to address the situation.

Title 1 currently requires school and school district profiles, including disaggregated achievement data, after States have their final assessments in place. Our proposal strengthens this provision by requiring report cards for all schools, not just those participating in Title 1, expanding the data to be reported, requiring the report cards to be widely disseminated, and requiring state level report cards as well.

Take Immediate Corrective Actions to Turn Around the Lowest Performing Schools. States would be required to identify the lowest performing schools that are not making improvement, and make the identification public. These should be the schools with the lowest

levels of student performance which have made little or no improvement over the previous 3 years. States should identify a reasonable number of low-performing schools in order to be able to provide appropriate assistance to each. States must take corrective actions in these schools, based on an external audit and which address fundamental staffing and curricular issues that are fundamental for improved student performance. Initially, corrective actions will include multiple supports such as provision of extended learning opportunities, implementation of proven school reform models, and extensive teacher training. If these actions do not result in satisfactory improvements in student performance within 2 years, corrective actions must then include steps to replace adults in the school, either by reconstituting the school and making wholesale staff changes, or by closing the school down entirely and reopening it with new staff or as a charter school. These steps must be accompanied by due process for staff, and must include a clear plan for improving the school. Even after these steps have been taken, the State continues to have responsibility for ensuring that student achievement improves in the school. The Secretary will also have the authority to withhold ESEA funds provided for state administration if the state fails to fulfill its responsibilities. This approach will penalize state officials without taking funds away from services to students.

Our ESEA reauthorization proposal would set aside 2.5% of Title 1 funds to fund the requirement for states to intervene in failing schools. The FY2000 budget requests \$200 million to jump start this process by requiring states to begin interventions in the lowest performing schools immediately.

End Social Promotion. States would be required to end social promotion by adopting (or requiring local school districts to adopt) policies that (1) require students to meet academic performance standards at key transition points (e.g., 4th and 8th grade, prior to high school graduation) before being promoted; (2) use multiple measures, including an assessment valid for these purposes as the primary tool to determine if a student has met the standards; (3) permit other factors such as teacher evaluation to enter into a final determination as to whether the student has met the standards and should be promoted.

While requiring students to meet standards sends them an important message that “performance counts”, the more important message in this policy is that schools and school systems must devise and implement strategies for helping students meet the standards — on time. States and school districts would be required to show how they will help students meet promotion standards on time by (1) strengthening learning opportunities in the classroom with clear standards, small classes with well-prepared teachers, high quality professional development, use of proven instructional practices, and early identification and intervention for students who need extra help; (2) providing extended learning time for students who need extra help, including after-school and summer school; and (4) providing appropriate programs for students who still do not meet the standards, rather than simply having them repeat an entire grade.

States would be given four years to phase in this requirement, in order to provide the time

necessary to ensure that adequate learning opportunities are available for all students, and especially for those in low performing schools and school systems. However, states would have to commit to this policy, provide a detailed plan for its implementation, and identify annual implementation milestones in order to receive funding at the beginning of the *five* year period. The plan, due within six months of the passage of the Act, would require the approval of the Secretary of Education, who could withhold funding if the state failed to follow through with its implementation plan.

Assume Greater Responsibility for Teacher Quality — and Hold Teachers Accountable for Performance. As a condition of receiving funding under ESEA, states would be required to:

- ***Implement performance-based assessments for initial licensing.*** States would be required to develop and implement performance-based assessments for the initial licensing of teachers, aligned with student content and performance standards. These assessments would include written exams of content and teaching knowledge as well as an evaluation of teaching performance. The assessment of teaching performance could take place during a traditional teacher education program or during the first year of teaching for those who enter the classroom through alternative routes.
- ***End the use of unqualified teachers.*** States would be required to phase out the use of (1) teachers with emergency rather than full certification, (2) teachers teaching “out of field”, and (3) the use of teacher’s aides as primary instructors. These practices are particularly prevalent in high poverty, low-performing schools, and it will be essential to end them if we are to close achievement gaps, turn around failing schools, and help students meet promotion and graduation standards.
- ***Provide support for new teachers.*** States, working with their local school districts, would be required to develop and implement comprehensive support programs for teachers during their first three years in the classroom. Such programs could include year-long mentoring and coaching by trained mentor teachers, team teaching with veteran teachers, time for observation of and consultation with veteran teachers, assignment of fewer course preparations, and provision of additional time for course preparation.
- ***Provide effective, ongoing professional development.*** States must require that school districts provide time for sustained, high quality professional development, and develop districtwide professional development plans. These plans must be based on assessment of student needs and formulated with the active participation of classroom teachers in the district.
- ***Hold teachers accountable by their colleagues through peer review.*** States must require local school districts to evaluate and hold teachers accountable for performance. School districts would be required to implement a peer review processes, in cooperation with their local teacher's union, to raise the standards of teaching within the district and to

identify, assist and if necessary quickly but fairly remove teachers who fail to perform at adequate levels. Teachers' classroom performance and effectiveness would be judged by other teachers who are trained evaluators. This process would strengthen accountability within the profession, and allow teacher to help each other improve their teaching methods.

II. REWARDING SUCCESS: THE EDUCATION EXCELLENCE FUND

The overriding goal of our ESEA proposal is to help all students reach challenging academic standards and to close the racial, ethnic and socioeconomic gaps in student achievement at the same time. The accountability provisions, funding programs and targeting provisions in ESEA are all designed to work together to accomplish this purpose. We propose an Education Excellence Fund to reward those states, school districts and schools that make significant progress toward that goal.

Rewarding States and Cities that Raise Student Achievement and Close Achievement Gaps.

Based on the policy and resource allocation decisions they make, states and large local school systems have the capacity to improve student achievement on a large scale and for all students. The Education Excellence Fund will provide financial rewards to any state, and any of the 100 largest urban school districts, that make significant gains, sustained over three years, in increasing student achievement overall, and in reducing disparities in student achievement on the basis of race, ethnicity and socioeconomic background. In order to determine which states and cities will receive rewards, the Secretary will set improvement targets each state must meet. These targets will be based on state assessments in reading and math, and may include other indicators such as improvements in other academic subjects, drop-out rates, student attendance or other areas of performance as agreed to by the Secretary and each state or large school district. Each state and each of the eligible school districts will be able to receive an award if it meets its improvement targets. The improvement targets every city will be able to win, if they meet performance goals.

\$1 Billion Over 5 Years. The fund will provide a billion dollars over 5 years in rewards to states, school districts and schools. Rewards will be provided for the first time in FY2000?, three years after ESEA is expected to pass. This will allow time for each state to adopt new assessments and for the Secretary of Education to establish improvement targets for each state and large district. Half of the funds will be reserved for states, and half for the largest urban school districts. Funds will be allocated to states and school districts on the basis of the Title 1 formula, so that each receives the same share of these funds that it would receive under Title 1. Funds allocated to states and school districts that do not make enough improvement to qualify for the reward will be reallocated to the states and school districts that do.

Rewarding Schools that Make Outstanding Improvements. States and large urban school districts will be required to distribute 90% of the funds to the schools in each jurisdiction that

have made the greatest gains in student achievement overall, especially with disadvantaged students. The Excellence Fund will support awards of \$40,000 to \$50,000 per school for between 3,600 and 4,500 schools, between 4-5% of all public schools. Each school that receives the awards will be able to use the funds for any activities it determines can help further its efforts to improve student achievement. Similarly, each state and school district will be able to retain up to 10% of the funds, for any activities it determines will help improve student achievement in its jurisdiction.