

NLWJC - KAGAN

EMAILS RECEIVED

ARMS - BOX 051 - FOLDER -004

[05/18/1999] [2]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-MAY-1999 14:20:58.00

SUBJECT: Re: NACARA Roll-out document

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

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

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

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

TEXT:

I'm uncomfortable with the sentence as written, especially "directed"---how about something like; " In keeping with the commitment president Clinton made when he visited Central America in the spring, the new program is as accessible and simple as the law permits."--edits welcomed

Irene Bueno
05/18/99 02:11:36 PM
Record Type: Record

To: Elena Kagan/OPD/EOP@EOP, Maria Echaveste/WHO/EOP@EOP, Scott Busby/NSC/EOP@EOP, Janet Murguia/WHO/EOP@EOP
cc: Leslie Bernstein/WHO/EOP@EOP, Laura Emmett/WHO/EOP@EOP, Erica R. Morris/WHO/EOP@EOP
Subject: NACARA Roll-out document

In my edits to the INS Press document on the NACARA reg, I suggest adding to the last paragraph on the first page some recognition of the President's role in this process and the sentence would therefore read:

"As President Clinton directed, this new program is the culmination of the Administration's efforts to create as accessible and simple a process as the law permits," says INS Commissioner Meissiner.

Please let me know if you have any concerns adding this reference to the President.

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Tanya E. Martin (CN=Tanya E. Martin/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:18-MAY-1999 15:28:24.00

SUBJECT: ESEA Release

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Education would like to release the ESEA Fact Sheet tomorrow. OMB staff said that the fact sheet normally accompanies the legislation -- which isn't going up until Friday.

OMB per Barbara is ok with letting the Dept release the Fact Sheet early -- if you are. Given that the Department will also release its 100-plus page prospectus/guide to ESEA tomorrow, there doesn't seem to be much harm in releasing the fact sheet.

Please let me know how you want to proceed and I will get back to OMB.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sandra Yamin (CN=Sandra Yamin/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:18-MAY-1999 15:52:11.00

SUBJECT: DRAFT DoL Letters for Clearance TODAY

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

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

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

TO: Brian V. Kennedy (CN=Brian V. Kennedy/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

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

CC: Laura Emmett (CN=Laura Emmett/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: Melissa G. Green (CN=Melissa G. Green/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:

ATTACHED BELOW ARE TWO LETTERS FOR YOUR CLEARANCE. I'VE PROVIDED A SUMMARY ON EACH.

WE AIM TO CLEAR THIS BY 5:00PM TODAY. PLEASE E-MAIL TO ME YOUR CONCURRENCE OR COMMENTS ASAP. THANKS

H.R. 987 -- Workplace Preservation Act, H.R. 1439 -- Safety and Health Audit Promotion and Whistleblower Improvement Act, and H.R. 1459 -- Models of Safety and Health Excellence Act, are scheduled for mark-up by the Subcommittee on Workforce Protections, Committee on Education and the Workforce, Wed., May 18 at 10:30AM.

H.R. 987 -- Workplace Preservation Act: Secretarial VETO recommendation.

H.R. 1439 -- Safety and Health Audit Promotion and Whistleblower Improvement Act: Strongly oppose.

H.R. 1459 -- Models of Safety and Health Excellence Act: Support

H.R. 1381 -- Rewarding Performance in Compensation Act is scheduled for mark-up by the Subcommittee on Workforce Protections, Committee on

Education and the Workforce, Wed., May 18 at 10:30AM. The draft letter contains a Secretarial Veto recommendation.

BACKGROUND: H.R. 1381, the "Rewarding Performance in Compensation Act", would amend the Fair Labor Standards Act (FLSA) to prevent incentive bonuses (e.g., commissions) from being included in an employee's "regular rate" of pay for the purposes of calculating overtime compensation.

Under current law, covered employees are guaranteed compensation for hours worked beyond the 40-hour workweek. Overtime compensation is defined as 1.5 times the "regular rate" of pay, and now includes payments such as performance bonuses and commissions. The sponsors of H.R. 1381 argue that current law deters employers from rewarding their FLSA-covered employees by complicating their accounting processes and increasing overtime costs.

Labor's argument (and the argument of organized labor) is that the bill could lead employers to reduce the hourly wages of their employees, paying a larger portion of their salary in the form of bonuses in order to avoid paying a higher overtime rate. It views the bill as diminishing employees' rights to just overtime compensation under the FLSA and as a threat to the 40-hour week. In particular, DOL argues that it allows employers to pay artificially low hourly wages with "excludable" bonus pay based on production or efficiency that would diminish workers' compensation for extra work.

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D4]ARMS20865605U.136 to ASCII,
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The Honorable Cass Ballenger
Chairman
Subcommittee on Workforce Protections
Committee on Education and the Workforce
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Ballenger:

I am writing to provide you with the views of the Department of Labor on H.R. 1381, the "Rewarding Performance in Compensation Act." This bill would amend the Fair Labor Standards Act (FLSA) to exclude from the definition of *regular rate* payments made to reward employees for meeting or exceeding productivity, quality, efficiency, or sales goals as specified in a gainsharing, incentive bonus, commission, or performance contingent bonus plan. The effect of this amendment would be to diminish employees' entitlements to overtime premium pay under the FLSA. The Department of Labor strongly opposes this bill.

This bill would substantially reverse the FLSA's long-standing overtime policy and drastically weaken existing protections for workers. It represents an assault on the 40-hour workweek and an employee's right to receive true time-and-a-half overtime premium pay. Moreover, this bill does nothing to guarantee to workers that they would ever share in their employers' gains that would come from their having to work excessive overtime hours.

The bill would allow an employer to pay artificially low hourly wages and structure a compensation scheme with "excludable" bonus pay that is based upon production or efficiency, enabling an employer to effectively transfer much of its risk to the workers. The bill would not guarantee workers the right to receive any incentive compensation, but it would guarantee employers the right to exclude any such pay from overtime. Workers' only rights if this bill became law would be overtime at time-and-a-half at their artificially decreased hourly wage, not their true regular rate. This will have the perverse effect of encouraging employers to work their employees for longer hours with no guaranteed compensation for their extra work, exactly the opposite of the original intent of the FLSA's overtime standards.

The Department strongly opposes this bill's attempt to undermine workers' rights and the 40-hour workweek. These requirements, which have been in place for over 60 years, provide vital worker protections that discourage employers from working employees excessively long hours and ensure fair compensation to employees for the burdens of working extended hours for their employer. Because it is contrary to the best interests of the Nation's workers who would be affected by it, if this bill were presented to the President, I would recommend that he veto it.

The Office of Management and Budget has advised that there is no objection to the presentation of this report and that enactment of H.R. 1381 would not be in accord with the Administration's program.

Sincerely,

Alexis M. Herman

The Honorable Cass Ballenger
Chairman
Subcommittee on Workforce Protections
Committee on Education and the Workforce
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Ballenger:

I am writing to inform you of the views of the Department of Labor regarding three bills the Subcommittee on Workforce Protections may mark up this week: H.R. 987, the "Workplace Preservation Act," H.R. 1439, the "Safety and Health Audit Promotion and Whistleblower Improvement Act of 1999," and H.R. 1459, the "Models of Safety and Health Excellence Act of 1999."

H.R. 987, "Workplace Preservation Act"

The Department is strongly opposed to H.R. 987, which is intended to delay the issuance of a protective standard on ergonomics until the National Academy of Sciences (NAS) has completed another study of the scientific literature regarding musculoskeletal disorders (MSDs) and ergonomics. Each year, over 600,000 American workers suffer disabling, work-related MSDs. It is time to act to prevent these injuries and reduce the toll of suffering and the enormous economic cost they entail. Employers currently spend more than \$15-20 billion a year just on the workers' compensation associated with MSDs; the total annual cost of our failure to address ergonomics may be as high as \$60 billion.

During the negotiations on the FY 1999 Omnibus Appropriations Act, Congress and the Administration agreed that the Department would proceed with promulgating its ergonomics rule while the NAS conducted its study. H.R. 987 would undermine this agreement by forcing the Occupational Safety and Health Administration (OSHA) to wait another 18 months to two years before issuing a standard, allegedly in the expectation that the conclusions of a new NAS study will be different from those reached by (1) NAS just last year after a six month study commissioned by Congress; and (2) the National Institute for Occupational Safety and Health, which completed an exhaustive study in 1997. Both of those studies concluded that MSDs are caused by physical forces in the workplace and that ergonomic solutions can reduce those forces and reduce the incidence of MSDs.

Major public health organizations, medical societies and scientific groups, including the American College of Occupational and Environmental Medicine, the American Public Health Association, the American Nurses Association, and the American Academy of Orthopedic Surgeons oppose H.R. 987 and urge OSHA to move ahead with a protective standard. After more than ten years of experience with ergonomic programs in the red meat industry, exhaustive scientific study, and millions of unnecessary injuries, it is clearly time to move ahead.

I urge the Subcommittee to vote against H. R. 987. If H.R. 987 were presented to the President

for his signature in its current form , I would recommend that the President veto the legislation.

H.R. 1439, "Safety and Health Audit Promotion and Whistleblower Improvement Act of 1999"

A second bill to be marked up is the Chairman's bill, H.R. 1439, which addresses two important, but unrelated issues : OSHA's access to and use of employer records in enforcement proceedings, and the Occupational Safety and Health Act's outdated and inadequate protections against retaliation for employees who "blow the whistle" on safety violations or refuse to engage in unreasonably dangerous work. Although I appreciate the courtesy you have shown by sharing the draft bill with us and in soliciting suggestions for improvement, we cannot support H.R. 1439 in its current form. This bill fails to make adequate changes in the Act's protections for whistleblowers and hampers enforcement of the OSH Act through its treatment of employer self-audits

H.R. 1439 makes three positive changes in section 11(c) of the OSH Act, the provision of the Act that protects whistleblowers against retaliation: it lengthens the statute of limitations from 30 days to 60 days; it provides for an administrative remedy in the Occupational Safety and Health Review Commission instead of requiring the Secretary to pursue relief for employees in federal district court; and it allows the employee to pursue his or her own case if the Department of Labor moves too slowly or decides against pursuing the employee's case at all.

Nevertheless, each of those provisions is not as strong nor as effective as related provisions the Administration has forwarded to Congress in the Hazard Reporting Protection Act of 1999. We feel strongly that the statute of limitations under section 11(c) should be 180 days, rather than 60 days. We believe that Department of Labor's Administrative Law Judges would provide a faster and more reliable forum for trying whistleblower cases than the Review Commission, which often finds itself without a quorum or with only two members who cannot act to resolve a case, and which has no expertise in retaliation and employment discrimination cases. And while H.R. 1439 allows employees to pursue their own cases, it does not provide for interim relief, a critical remedy that can make it possible for employees with no source of income to pursue lengthy litigation to vindicate their rights.

Moreover, it appears that H.R. 1439 eliminates important remedies that are currently available under section 11(c), the right to recover compensatory and exemplary damages. While exemplary damages have rarely been awarded, they provide an important deterrent against employer misconduct, and compensatory damages are vital to assuring that whistleblowers who have suffered discrimination are made whole. The Administration's Hazard Reporting Protection Act of 1999 explicitly provides for compensatory and exemplary damages, and provides for the award of costs and attorney fees to the prevailing plaintiff.

As for the self-audit provisions of H.R. 1439, the Department is deeply concerned with the extraordinarily broad privileges for employer self-audit information that the bill would afford.

The bill would provide that virtually any employer evaluation of workplace conditions, practices, or operations could be withheld by the employer in any OSHA inspection or enforcement proceeding, with narrow exceptions. The bill protects **any** information obtained or prepared in connection with safety and health audits, and defines an audit as including **any** evaluation of workplace conditions, practices, processes, operations, or systems designed to identify and prevent potential or real workplace hazards. In short, even the smallest amount of knowledge an employer gains through a daily walkaround of a plant, or from a conversation about a particular process, is immune from disclosure to OSHA. In effect, this bill would immunize from disclosure all knowledge an employer has about safety or health in his workplace, or about his workplace's compliance with the OSH Act.

The key problem with the bill is that it would place off-limits to OSHA the very information it needs to determine whether there has been a violation of the Act, unless OSHA first establishes that a violation exists -- a greater impediment to OSHA enforcement would be hard to devise. In many cases, particularly those involving workplace accidents, employer records provide not only the best evidence but the only evidence. The bill's requirement that OSHA independently establish any violation before having access to employer-generated information would bar OSHA from access to the very information it needs to accurately assess conditions at the workplace, and would gravely impair the agency's ability to enforce the Act. The bill's supposed exception for cases where the Secretary proves employer bad faith amounts to requiring the agency to prove a willful violation before it is even granted access to the most basic health and safety data.

Conscientious employers know that there are many advantages to employer-sponsored workplace audits and evaluations. Employers who can demonstrate good faith efforts to identify and correct workplace hazards have learned they can benefit from sharing this information with OSHA. On the other hand, an employer who learns of hazardous conditions but who has taken no action to protect his employees, may have reason to conceal such audits from OSHA. The self-audit provisions of H.R. 1439 would primarily benefit such employers. Because these provisions would seriously impair OSHA's compliance program without contributing to employee health or safety, the Department strongly opposes H.R. 1439.

H.R. 1459, "Models of Safety and Health Excellence Act of 1999"

The Department is a strong supporter of the Voluntary Protection Program (VPP), which would be codified by H.R. 1459. I would like to thank the sponsors of the bill, Representative Petri and Representative Andrews, who shared drafts of H.R. 1459 with the Department and asked for our comments before introducing the bill. While we would like to work with you further on the employee participation requirement, we are pleased to say that we endorse your efforts to codify the program, and believe it will help raise the stature of the VPP, OSHA's oldest and most important recognition program for excellence in workplace safety and health management and cooperation.

The Office of Management and Budget has advised that there is no objection to the presentation

of this report from the standpoint of the Administration's program.

Sincerely,
Alexis M. Herman

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sandra Yamin (CN=Sandra Yamin/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:18-MAY-1999 17:00:42.00

SUBJECT: REVISED -- Treas/Education Veto Letter

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TEXT:

Attached is the revised Rubin/Riley letter that contains a veto threat on the unnumbered Senate bill scheduled for markup by the Senate Finance Committee as soon as tomorrow. The Senate bill contains objectionable

Education and Treasury agree on this version [5/18/99, 4:00 PM], subject to ED review of additional Treasury edits

Dear Mr. Chairman, [Dear Senator Moynihan]

We write to express our strong opposition to proposals for education tax incentives (Joint Committee on Taxation, "Description of Chairman's Mark of Proposals Relating to Education Incentives" (JCX-020-99), May 17, 1999), which we understand your committee will consider this week. In the summer of 1997, as Congress was in the final stages of consideration of the Taxpayer Relief Act of 1997, the President stated that he would veto the legislation if it contained a proposal relating to Education Savings Accounts that is similar to the education savings account proposal contained in the Chairman's mark. In 1998, we wrote to inform you that we would recommend to the President that he veto similar legislation, which, after consideration and approval by Congress, he did. If this proposal were to pass the Congress this year, we again would recommend to the President that he veto the bill.

Every American child deserves a high-quality elementary and secondary education. We believe that targeting our limited Federal resources to build stronger public schools will help ensure that all our children receive the education they need to be productive citizens. Public schools serve approximately 90 percent of students in grades K-12 and currently face record-breaking enrollments. By focusing resources on public schools, we can leverage community investment to help parents, teachers, and administrators meet the important educational challenges they face in serving the vast majority of our children: meeting high standards for learning and discipline; fixing school buildings; and providing a safe, drug-free environment for children. For this reason, the President's FY 2000 budget proposals include a school modernization bond initiative that would leverage \$25 billion to renovate and build up to 6,000 public schools. In contrast, the Chairman's mark diverts needed attention and resources from our public schools, and it falls far short of adequately addressing the overwhelming problems that States and local communities face in building and modernizing their schools.

The current bill disproportionately benefits the most affluent families and provides little benefit to lower- and middle-income families. Additionally, given the expansion of tax-preferred savings vehicles in the Taxpayer Relief Act of 1997, we do not believe that further increasing the contribution limits for Education IRAs will generate much additional savings. Instead, the Chairman's mark would reward families, particularly those with significant means, for what they would do in any case.

We are also concerned that the bill would create significant compliance problems. The legislation allows tax-free withdrawals from Education IRAs for, among other things, tuition, fees, academic tutoring, special needs services, books, supplies and equipment expenses incurred in connection with the child's enrollment or attendance at a public or private elementary or secondary school. Withdrawals would also be tax-free if used for room and board, uniforms, transportation or supplementary items or services required or provided by the school. Distinguishing between an appropriately tax-free withdrawal and one that should be subject to tax would lead to significant additional record-keeping burdens for families and schools, as well as disputes when discretionary purchases are made.

We, therefore, urge the Committee not to approve this legislation.

We understand that Senators Robb and Conrad intend to offer a substitute that would replace the education IRA proposals in this bill with school modernization/construction bond proposals similar to those in the President's budget for fiscal year 2000. We strongly prefer that proposal and other alternatives that devote Federal revenue to improving the public schools so that a high-quality education is available to every American child regardless of his or her family income. Therefore, we strongly support the Robb-Conrad substitute.

Sincerely,

Robert E. Rubin
Secretary of the Treasury

Richard W. Riley
Secretary of Education

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Tanya E. Martin (CN=Tanya E. Martin/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:18-MAY-1999 17:09:05.00

SUBJECT: Paper on ESEA

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

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

TEXT:
I never did catch up with Mike Cohen -- here is paper that summarizes key
points in the bill.===== ATTACHMENT 1 =====
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PRESIDENT CLINTON: EDUCATIONAL EXCELLENCE FOR ALL CHILDREN
May 19, 1999

Today, the President announced that he will transmit to Congress this week the "Educational Excellence for All Children Act of 1999", his proposal to reauthorize the Elementary and Secondary Education Act of 1965. This legislation authorizes the Federal government's single largest investment in elementary and secondary education and is its most significant effort to ensure that all children receive a quality education. This proposal will provide strengthened accountability measures, ensure teacher quality, provide safe, disciplined and drug-free schools as well as reauthorize programs such as Title I (aid to disadvantaged students), bilingual education, magnet schools, and programs that support technology in schools.

ACCOUNTABILITY FOR RESULTS. The President's ESEA proposal incorporates a package of accountability measures that he announced in his State of the Union Address and that are designed to ensure that school districts and states provide students with a high quality education by holding students, teachers and schools to high standards. Our emphasis on accountability in ESEA will build on, support, and encourage State and local efforts to develop and implement challenging standards for all children by requiring states to fix failing schools, issue report cards to parents on how schools are doing, and end the practice of social promotion by ensuring that students are meeting challenging standards on-time.

Identify and Turn Around Failing Schools. The President's proposal will require states and school districts to publicly identify the lowest-performing schools and intervene to turn them around. These interventions would include steps such as intensive teacher training, extended learning opportunities and the implementation of proven approaches to school reform. If there is no satisfactory improvement in student performance within two years, districts would be required to take corrective actions, such as permitting students to attend other public schools; reconstituting the school and making significant staff changes; or closing the school entirely and reopening it as a charter school. Nineteen states currently take similar actions to turn around low-performing schools, and experience demonstrates that when these interventions are carefully implemented and accompanied by the necessary resources, schools do improve and student achievement increases.

Issue Report Cards to Empower Parents. The President's proposal will require states and school districts to distribute to all parents annual report cards for each school and school districts, as well as for the state as a whole. These report cards will include information on student achievement, teacher qualifications, class size, school safety, and attendance and graduation rates. Where appropriate, the report cards will show academic achievement by demographic groups, to help focus on the need to close the achievement gap between disadvantaged students and their peers. Thirty-six states currently publish or require local school districts to publish school report cards, and five additional states will begin the practice in the next two years. A recent report by Public Agenda, however, shows that

only 31 percent of parents had seen these report cards. The President's proposal will help ensure that all parents have access to the information they need to evaluate the quality of their schools and identify the areas in which improvement is needed.

End Social Promotion and Help All Students Meet Challenging Standards. The President's proposal will require states and school districts to end social promotion --the practice of promoting students from grade to grade regardless of whether they have mastered the appropriate material and are academically prepared to do the work at the next level. Students will have to demonstrate that they meet standards at three key transition points, including graduation from high school. Students who are promoted without regard to their achievement fall even further behind their classmates, and are more likely to lack basic skills upon graduating from high school. Studies also show that students who are simply retained in grade with no additional intervention are at greater risk of dropping out.

Supporting Students Who Need Extra Help. To ensure that this requirement helps more students succeed and meet standards on-time, the President's proposal would hold states and school districts accountable for supporting students who need additional help to meet academic standards by: (1) requiring early identification and intervention for students who need extra help; (2) strengthening learning opportunities in the classroom; (3) creating smaller classes with well-prepared teachers; (4) encouraging high-quality professional development for teachers; and (5) providing extended learning time for students who need extra help, including after-school and summer school programs.

Smaller Classes. The President's proposal will authorize continuation of his Class-Size Reduction initiative -- which seeks to hire 100,000 teachers to reduce class size to a nationwide average of 18 in the early grades -- to give all students the individual attention they need to master the basics and meet challenging standards on time. Over seven years, this initiative would provide a total of \$12.6 billion to help communities across the nation support 100,000 well-prepared teachers. Studies show that smaller classes help teachers provide more personal attention to students and spend less time on discipline; as a result students learn more and get a stronger foundation in the basic skills.

Extended Learning Time: After-School and Summer School Programs. Giving children more time to learn in enriching after-school, weekend and summer school programs can be an effective tool in helping all students meet high academic standards and ending both social promotion and retention. The President's proposal will continue his administration's strong commitment to the 21st Century Community Learning Centers program which provides grants to public schools to offer additional learning opportunities for students and community members. In Chicago, which three years ago ended the practice of social promotion in a way that gives students who need it substantial extended learning time, citywide math and reading scores have gone up every year, with the largest gains among the most disadvantaged students.

ENSURING TEACHER QUALITY. According to the National Commission on Teaching

and America's Future, one of the most important factors in improving student achievement is the knowledge and skills teachers bring to the classroom. Yet every year, approximately 50,000 individuals teach on "emergency" certificates, which means they do not meet the standards the state has set for certification. In addition, numerous teachers teach subjects for which they lack adequate preparation, with fully one quarter of secondary school teachers lacking even a minor in their main teaching field. Students in schools with the highest concentrations of poverty --those who often need the most help from the best teachers --are most likely to be in classrooms with teachers who are not fully qualified: for example, in schools with the highest minority enrollment, students have a less than 50 percent chance of having a math or science teacher with a license and degree in the field.

Strengthen State Teacher Certification. The President's proposal will require states to adopt performance examinations for all new teachers, requiring them to demonstrate both subject-matter knowledge and teaching expertise. The proposal also will require states and school districts to phase out, over four years, the use of teachers with emergency certificates and the practice of assigning teachers to subjects for which they lack adequate preparation. States would have to ensure that within four years, at least 95% of their teachers are fully certified through regular or alternative routes, are in a program that leads to full certification within three years or are fully certified in another state and working toward meeting any State-specific requirements. To support these new teacher quality standards, the proposal will provide resources to help states strengthen teacher certification standards, test new teachers, provide training to current teachers, and offer incentives to recruit more highly qualified teachers.

Training to Help Teachers Teach to High Standards. The President's proposal would help schools and school districts give current teachers the tools and training they need to help students reach high standards by supporting states and local efforts to provide sustained and intensive training to teachers, mentor new teachers during their first three years in the classroom, help teachers and principals align instruction with State academic standards and ensure that all teachers are proficient in content knowledge and teaching skills. This proposal would also help teachers, particularly in high-poverty districts, use technology to teach students to challenging State standards, for instance by using distance learning to get challenging subject matter into all classrooms.

Expand Recruitment and Retention Efforts. To help meet the need for 2.2 million new teachers over the next decade, the President's proposal would support state and local efforts to recruit and retain high-quality teachers in high-need areas, including a national job bank and effort to increase portability of teaching licenses and pensions. His proposal would also preserve and build on the successful Troops to Teachers program, which has helped 3,000 retiring military personnel become teachers in public schools since 1994. This expanded initiative - Transition to Teaching - would provide scholarships and other support to help retiring military and other non-military mid-career professionals to become teachers, particularly in high-poverty schools and in high-need subject areas like math, science, or special education.

Certification for Teachers in High-Poverty Schools. In order to help ensure that students in the most need are being taught by qualified teachers, the President's proposal would require all new teachers in programs supported with Title I funds to be fully certified in the subject that they teach. And, within two years, teacher aides in Title I schools with less than two years of college would be limited to non-instructional duties, while those with two years or more of college could provide instructional support and tutoring only under the supervision of a certified teacher.

SAFE, DISCIPLINED AND DRUG-FREE LEARNING ENVIRONMENTS. President Clinton has challenged states, communities, and schools to take a number of steps to restore order and safety, such as adopting school uniforms, enforcing truancy laws, and imposing curfews. This proposal would take additional steps to help ensure that each school is a safe, healthy, disciplined, and drug-free learning environment that allows teachers to teach and students to learn.

Adopt and enforce, clear and fair discipline policies. In many schools, the breakdown of classroom discipline remains one of the biggest obstacles to learning and one of the greatest concerns for teachers, students, and parents alike. The President's proposal will require states and school districts to adopt fair and consistently-implemented discipline policies that are developed with the participation of the school community. In the case of students who are suspended or expelled from school, schools must provide appropriate supervision, counseling, and educational services. To better inform parents, schools will be required to provide information about school violence and drug use, as well as the number of guns brought to school, in the annual report cards provided to parents.

Counseling for Students Bringing Guns to School. Under current law, schools are generally required to expel any student who brings a gun or explosive device to school, as well as to report that student to local law enforcement officials and juvenile justice authorities. During the 1996-97 school year, this national policy of "zero tolerance" for guns resulted in more than 6,000 students being expelled from school. The President's new proposal requires an assessment of any student who brings a firearm to school to determine if the student poses an imminent threat of harm to himself or others -- in which case the student must receive appropriate treatment before returning to school.

Strengthened Safe, Disciplined and Drug-Free Schools Program. The Safe and Drug-Free Schools and Communities Program represents the federal government's largest effort to prevent youth drug use and school violence. At the White House Conference on School Safety, the President proposed overhauling the program to provide more effective prevention programs for the reduction of drugs and violence in schools, more accountability for results, and better targeting to those schools that need the most assistance. Under the President's reauthorization proposal, school districts would be expected to develop comprehensive plans that, among other things, use proven anti-drug and violence prevention programs, collect and report relevant data, intervene with troubled youth, and establish security procedures for schools. This proposal would also support programs that educate students about the risks associated with guns; promote alternative schools and "second chance" programs for students who constantly disrupt classes; and expand character education programs that help instill common sense values in our children.

Emergency Response to Violence. The President's reauthorization proposal also contains his Project SERV initiative --developed with the help of the communities impacted by recent schools shootings --to provide immediate assistance as soon as a school-related violent or traumatic incident occurs, through: an Emergency Response Fund to help communities meet urgent and unplanned needs, such as additional security personnel, emergency mental health crisis counseling, and longer-term counseling to students, faculty, and their families; and Crisis response experts identified and funded by the Departments of Education, Justice, Health and Human Services, and FEMA, who can help local officials identify and respond to community needs. Officials from those federal agencies worked together to help schools impacted by last year's shootings. These agencies will continue to work together as part of Project SERV, and improve ongoing federal crisis response efforts.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-MAY-1999 17:22:06.00

SUBJECT: Statement -- Take One

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

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

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

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

TEXT:

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

TEXT:

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Statement of the President

I want to commend the Senate for reversing its position of last year and voting overwhelmingly today to require that child safety locks be provided with every gun sold. This was a common sense yet courageous vote by the Senate that is sure to prevent tragic shootings and gun-related accidents in the future. I also want to thank Speaker Hastert for coming out in support of our proposals to close the gun show loophole and to raise the age of handgun ownership to 21 years of age. The Senate should likewise put progress over politics and give their strong backing to these reasonable measures to keep guns out of the hands of kids and criminals.

“Educational Excellence for All Children Act of 1999”

FACT SHEET

The President announced that he would shortly send to the Congress the “Educational Excellence for All Children Act of 1999,” his proposal to reauthorize the Elementary and Secondary Education Act of 1965 (ESEA). This legislation reaffirms the critical role of the Federal Government in working with schools, school districts, and States to promote educational excellence for all children. Every child, parent, grandparent, and taxpayer deserves high quality public schools in their communities.

More specifically, the proposal would build on the 1994 ESEA reauthorization, which established the core principle that disadvantaged children should achieve to the same challenging academic standards as their more fortunate peers, by helping States, districts, schools, and teachers use these standards to guide classroom instruction and assessment for all students.

Background

In 1994, the Clinton Administration and the Congress began the transformation of the Federal role in education by passing the Improving America’s Schools Act, which reauthorized the ESEA, and the Goals 2000: Educate America Act, which supported State and local school reform efforts based on challenging academic standards and assessments linked to those standards. Prior to 1994, our education system had for too long condoned low expectations and low standards for disadvantaged children, and Federal programs often reflected those expectations. The 1994 laws established the clear expectation that all children can and should reach high standards.

The two laws were built on the principle that students and schools rise to the expectations and standards we set for them. Therefore, Federal resources were focused on helping States to develop and implement challenging State standards for all children and to use those standards to improve learning through a coherent and aligned system of curricula and assessments.

The 1994 laws complemented and accelerated reforms already underway in many States and school districts, while providing a catalyst for change in States that had not yet begun setting high academic standards. In fact, in a recent study by the General Accounting Office, many States reported that Goals 2000 has been a significant factor in promoting their education reform efforts. Similarly, according to the National Assessment of Title I, about half of poor school districts across the Nation report that Title I is “driving standards-based reform in the district as a whole.” With 48 States, Puerto Rico, and the District of Columbia having completed the development of State content standards for all children, it is clear that higher standards are taking hold nationwide.

More importantly, there is strong evidence that where States have implemented standards-based reform over a period of time—together with accountability mechanisms linked to those standards—students have benefited. For example, North Carolina and Texas made greater gains in math and reading on the National Assessment of Educational Progress (NAEP) than any other

State between 1992 and 1996. Texas also showed significant progress in closing the achievement gap between minority and white students. A recent study by RAND researchers concluded that the most plausible explanation for these gains included the effort by both States to align their systems of standards, curriculum, and assessments, and to hold schools accountable for the improvement of all students.

In developing its 1999 ESEA reauthorization proposal, the Administration drew on the experience of implementing the 1994 Act, efforts to measure program performance under the Government Performance and Results Act, and a review of Congressionally mandated evaluations of Title I and other programs. These efforts also were informed and enriched by conversations with hundreds of teachers, principals, parents, community activists, and State and local officials nationwide. Four themes emerged again and again during this process, and these same themes are found throughout the Educational Excellence for All Children Act of 1999: (1) firmly committing to high standards in every classroom, (2) improving teacher and principal quality to ensure quality instruction for all children, (3) strengthening accountability for results coupled with flexibility, and (4) ensuring safe, healthy, disciplined, and drug-free school environments where all children feel connected, motivated, and challenged to learn and where parents are welcomed and involved. To ensure that States adopt policies and practices that promote high quality education for all children, ESEA requires States receiving grants under the Act to adopt policies and programs incorporating these important themes.

High Standards in Every Classroom

The next step in education improvement is to take the high standards set at the Statehouse and move them to schools and classrooms. The Educational Excellence for All Children Act of 1999 renews the Federal commitment to high standards for all children and promotes this next stage of standards-based reform by helping States, districts, schools, and teachers use challenging State standards to guide classroom instruction and student assessment. The bill also supports high standards by helping children to read well and by providing extra resources to help all students succeed. The proposal would:

- Raise student performance by increasing academic standards. The proposal would support implementation of challenging standards and aligned assessments in every State. Title I of the ESEA would continue to focus on high expectations for all children, retaining the current statutory requirement that States establish content standards, student performance standards, and assessments aligned with the standards by the 2000-01 school year. Title II includes a specific authorization to help States and school districts align instruction, curriculum, assessments, and professional development to challenging academic standards.
- Implement continuous improvement and accountability based on challenging standards. States will hold all school districts accountable, and school districts will hold schools accountable, for continuous and substantial gains in overall student performance and in the performance of the lowest-performing students.
- Provide teachers with up-to-date training and support through a new Teaching to High Standards initiative. States have made great strides in developing standards, but only

36 percent of teachers report that they feel very well prepared to teach to high standards. The Title II Teaching to High Standards initiative would help schools and school districts give teachers the tools and training they need to help students reach high standards.

- Put useful technology into schools and classrooms to help teachers teach to high standards. The Technology for Education initiative would help teachers, particularly in high-poverty districts, use technology to teach students to challenging State standards, for instance by using distance learning to get challenging subject matter into all classrooms.
- Strengthen the teaching of reading and reduce class size. The bill would continue the Class-Size Reduction initiative, which seeks to reduce class size in the first through third grades to a nationwide average of 18 students, to ensure that all students receive the individual attention they need to read well and independently by the end of the third grade. It would continue the Reading Excellence Act, which focuses on professional development, extended learning time, and family literacy. Improvements in the Even Start family literacy program would increase the intensity and quality of family literacy services, while a new initiative in Title II would provide professional development for early childhood educators.
- Emphasize math and science education by earmarking the first \$300 million of the Teaching to High Standards grants under Title II for professional development in those subjects. In particular, these funds would help States and school districts take full advantage of new research and curricular materials aimed at improving the teaching and learning of mathematics. The bill also would reauthorize the Eisenhower National Clearinghouse for Mathematics and Science Education and the Eisenhower Regional Mathematics and Science Education Consortia.
- Improve foreign language instruction by setting a national goal that 25 percent of all public elementary schools offer high-quality, standards-based foreign language programs by the year 2005, rising to 50 percent by 2010. The bill would help States and districts meet this goal by supporting the development of foreign language standards and assessments, expanding the pool of elementary school foreign language teachers through improved recruitment and professional development efforts, and encouraging the use of educational technology in foreign language instruction.
- Focus on promoting equity, excellence, and public school choice options for all students. Recognizing that no one school or program can meet the unique needs of every student, public school choice provides students with the flexibility to choose among public schools and programs that differ with respect to educational settings, pedagogy, and academic emphasis. Title V will support programs that can enhance options for students and parents, including the Magnet Schools Program, the Public Charter Schools Program, and a new authority that will fund innovative options for public school choice.
- Continue to target education resources on areas of need. The bill also would continue to target Federal elementary and secondary education resources on those students furthest from meeting State and local standards, with a particular emphasis on narrowing the gap in achievement between disadvantaged students and their more fortunate peers. In this regard,

the bill would also phase in equal treatment of Puerto Rico in ESEA funding formulas, so that poor children in Puerto Rico are treated the same as those in the rest of the country for the purpose of formula allocations.

Strengthen Teacher and Principal Quality

Qualified teachers are critical to improving student achievement, yet too many teachers are not provided with on-going, high-quality professional development to help them improve and build on their teaching skills. In addition, many teachers leave the profession in their first three years, and far too many teachers are teaching in a field in which they were not trained. In Title I schools, an increasing number of unqualified teacher aides are providing direct instruction without supervision by a certified teacher. To address these problems and help ensure that every child in America has a talented and dedicated teacher who is prepared to help all children reach high standards, the President's bill would:

- Help teachers teach to high standards. The Title II Teaching to High Standards initiative would support State and local efforts to: (1) help teachers and principals align curricula and assessments with challenging State and local content standards; (2) provide teachers with sustained and intensive high-quality professional development in core academic content areas; (3) support new teachers during their first three years in the classroom; and, (4) help ensure that all teachers are proficient in content knowledge and teaching skills. This new initiative takes the place of, and incorporates the most successful elements of, three current State grant programs: Goals 2000, Eisenhower Professional Development, and ESEA Title VI Innovative Education Program Strategies.
- Support a national effort to recruit talented individuals to become principals and support their professional development to become effective instructional leaders. The Teaching to High standards initiative would authorize support for new and continuing principal development and leadership.
- Expand recruitment and retention efforts to help meet the need for 2.2 million new teachers over the next decade. The Teaching to High Standards initiative would support State and local efforts to recruit and retain high-quality teachers in high-need areas. These efforts would include, for example, the creation of a national job bank and encouraging portability of licensure and other teaching credentials. The Teaching to High Standards initiative also would include a priority for school districts that support teachers in their first three years of teaching, a period when many good teachers leave the classroom. The Transition to Teaching initiative would expand the existing Troops to Teachers program to help non-military (as well as military) mid-career professionals become teachers, particularly in high-poverty school districts and high-need subject areas.
- Require certification for new teachers in Title I schools. Our proposal would require all new teachers in programs supported with Title I funds to be fully certified in the subject they teach. By July 1, 2002, paraprofessionals with less than two years of college would be limited to non-instructional duties, while those with two or more years of college could

provide instructional support and tutoring only under the supervision of a certified teacher. A new set-aside for professional development in Title I would help create a career-long professional learning environment for teachers in Title I schools.

- Strengthen the State teacher certification process. States would be required to ensure that, within four years, at least 95 percent of their teachers are either (1) fully certified, (2) working toward full certification through an alternative route, or (3) fully certified in another State and working toward meeting any State-specific requirements. States will also be required to ensure that at least 95 percent of secondary school teachers have academic training or demonstrated competence in the subject area in which they teach.
- Help future teachers use advanced technology to improve classroom instruction. The Technology Literacy Challenge Fund would support sustained and intensive high quality professional development in school districts to increase teacher capacity to create improved learning environments through the integration of technology into instruction. The Preparing Tomorrow's Teachers to Use Technology initiative would support consortia of public and private entities to train new teachers to use technology to prepare students to achieve to challenging State and local standards.
- Train early childhood educators to prepare disadvantaged students for school. This Title II proposal would provide grants to partnerships of professional development providers, community-based early childhood programs, and school districts to provide high-quality professional development to early childhood providers. The emphasis would be on research-based approaches to professional development in language acquisition, literacy, and reading development.
- Train classroom teachers to teach students with limited English proficiency (LEP). Because LEP students are found in more and more classrooms, the proposed amended Title VII Bilingual Education program would support teacher education programs that develop the ability of regular classroom teachers to teach LEP students.

Strengthen Accountability for Student Performance

The 1994 laws provided States and districts with increased flexibility to coordinate, modify, and combine program funding and activities in exchange for greater accountability for improved educational achievement. States, districts, and schools have begun to take advantage of this increased flexibility, but too often without the necessary implementation of effective accountability mechanisms. Early research suggests, however, that it is precisely those States with the most comprehensive and effective accountability systems that are making the most progress in increasing expectations and standards for students and schools and improving student achievement.

The President's reauthorization proposal would retain the ESEA flexibility provisions included in the 1994 law, including the expansion of schoolwide programs, consolidation of administrative funds, and waiver procedures for regulatory and statutory provisions that stand in the way of innovative reform efforts. The bill also would retain and update the provisions of the

Education Flexibility Partnership Act of 1999, which expanded eligibility for ED-Flex authority to all States.

To help ensure that this enhanced flexibility leads to improved student achievement, the President is proposing several new accountability measures:

- Strengthen accountability for districts and schools. Our proposal would encourage States to develop one rigorous accountability system that holds all schools, including Title I schools, accountable for making continuous and substantial gains in student performance. States will have the flexibility to use either the model outlined in the statute or an alternative that is at least as rigorous and effective. States without a single State-wide accountability system would be required to develop one for their Title I schools.
- Increase accountability to parents and the public through school report cards. States and school districts receiving ESEA funds would be required to produce and distribute annual report cards for each school, the school district, and the State. The report cards would include information on student achievement, teacher qualifications, class size, school safety, attendance, and graduation rates. Where appropriate, student achievement data would be broken out by demographic groups to identify any gaps between disadvantaged students and their peers.
- End the traditional practices of social promotion and retention, after a four-year transition period during which States would put into place educational practices targeting students who need additional help to meet State promotion standards. Such practices include early identification and intervention strategies, smaller classes with well-prepared teachers, high-quality professional development, greater family involvement, and extended learning time. Following the transition period, States and districts would require students to meet academic performance standards before being promoted at key transition points (e.g., fourth and eighth grade) or graduating from high school. State policies would use multiple measures, including an assessment valid for these purposes, to determine if a student has met the standards.
- Turn around low-performing schools. School districts would be required to identify publicly the lowest-performing schools that have not improved over two years and to implement interventions and provide technical assistance in these schools. Initial interventions could include implementing extended learning opportunities, proven school reform models, and extensive teacher training. If there is no satisfactory improvement in student performance within three years of the initial identification, districts would be required to take corrective actions, such as reconstituting the school by making wholesale staff changes or closing the school entirely and reopening it with new staff or as a charter school. States would be required to reserve 2.5 percent of their Title I LEA Grant funds (increasing to 3.5 percent in fiscal year 2003) to support interventions in failing schools, and would provide 70 percent of these funds to school districts to help them turn around low-performing schools.

Support Safe, Healthy, Disciplined, and Drug-Free Learning Environments

A critical prerequisite for achieving quality and excellence in education is a safe, healthy, disciplined, and drug-free learning environment that provides ample opportunities for each student to make connections with caring adults that support learning and personal development. Notwithstanding the recent tragedy at Columbine High School in Littleton, Colorado, survey data show that schools continue to be safe places in America's communities. Similar survey data, however, show that drug and alcohol use remain disturbingly high in middle and high schools, discipline appears to be a growing problem, and more and more children are leading lifestyles involving little or no physical exercise.

Parents play a critical role in creating and maintaining a healthy learning environment, and the Educational Excellence for all Children Act of 1999 would retain and strengthen the emphasis on parental involvement first established by the 1994 Act.

The following provisions would support State and local efforts to create safe, healthy, disciplined, and drug-free learning environments in all of our schools:

- Help support and expand the connections between adults and students that are necessary for effective learning and healthy personal development through a High School Reform initiative. This new initiative would provide resources to help transform 5,000 high schools into places where students receive individual attention, are motivated to learn, are provided with challenging courses, and are encouraged to develop and pursue long-term higher education and career goals. Participating schools would serve as models to guide reform in all secondary schools.
- Require every school district and school to have a sound discipline policy. Our proposal will require States to hold school districts and schools accountable for having discipline policies that focus on prevention, are consistent and fair, and are developed with the participation of the school community.
- Emphasize parent involvement policies at the school and district levels and continue implementation of Title I parent-school compacts.
- Improve the Parent Information and Resource Centers by focusing on high-poverty communities, encouraging the use of research-based models for increasing parent involvement, and emphasizing early literacy development.
- Expand access to information through technology by supporting community technology centers that make online education and training resources available to parents and other community members in high-poverty areas.
- Strengthen the Safe and Drug-Free Schools and Communities Act by concentrating funds on districts that have a significant need for drug- and violence-prevention and that are developing and implementing research-based prevention programs of proven effectiveness.

- Create a new School Emergency Response to Violence program (Project SERV) that would provide rapid assistance to school districts that have experienced violence or other trauma that disrupts the learning environment.
- Modify the Gun-Free Schools Act to require an assessment of any student who brings a firearm to school to determine if the student poses an imminent threat of harm and, in the case of students who are suspended or expelled from school, provide for appropriate supervision, counseling, and educational services.
- Promote physical fitness and lifelong healthy habits through demonstration projects. Exemplary physical education programs can promote life-long healthy habits, provide opportunities for students to connect to school, and become an important component of after-school programs.

Educational Excellence for All Children

The 1994 ESEA reauthorization marked a fundamental change in the Federal role in education by establishing the clear expectation that all children can and should reach high standards. Early results suggest that standards-based reform is a powerful tool for raising student achievement and for closing the achievement gap between economically disadvantaged students in high poverty schools and their more fortunate peers. The Educational Excellence for All Children Act of 1999 would build on this early success by reinforcing State and local efforts in key areas like bringing high standards into every classroom, strengthening teacher and principal quality, increasing accountability for student performance, and supporting safe, healthy, disciplined, and drug-free learning environments. The bill provides the Congress a tremendous opportunity to support the changes needed to help all of our children reach high academic standards and to keep America strong and prosperous in the 21st century.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-MAY-1999 17:31:27.00

SUBJECT: Clinton Adviser Wants Andro Probe

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

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

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

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

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

TEXT:

Clinton Adviser Wants Andro Probe

By SONYA ROSS Associated Press Writer

WASHINGTON (AP) -- President Clinton's drug
policy
investigate the health
product used
adviser wants the federal government to
effects of androstenedione, the over-the-counter
by baseball slugger Mark McGwire, who broke the
single-season home-run record last year.

Barry McCaffrey wrote to the Drug Enforcement
Administration and the Federal Trade Commission
urging that
laboratory analyses of
they study recent Canadian and Swedish
the product, known as andro.

Androstenedione is classified as a dietary
supplement that the
considered a
the NFL,
not banned by
body metabolizes into testosterone, which is
steroid. It is banned by the Olympics, the NCAA,
and the men's and women's tennis tours, but is
baseball.

McGwire revealed he
prior to last season,
experts warn there
Andro soared in popularity last fall after
used it to enhance his weightlifting regimen
when he hit a record 70 home runs. Steroid

teen-agers who take

the Swedish
Lab,
significant
label.

Americans who are
themselves in

Swedish findings,
anabolic

precursor, which

Given the
and the mere
consequences, it

people are
a practice
side effects
heightened

vulnerable to

could be serious health consequences for
it to emulate McGwire.

McCaffrey asked the agencies to confirm tests by
Board of Customs and the Canadian Doping Control
which found some andro products contained
quantities of testosterone not mentioned on the

"If this is the case, a large number of
taking these products are unwittingly placing
serious jeopardy," McCaffrey wrote.

If their review backs up the Canadian and
McCaffrey urged that andro be reclassified as an
steroid under the Controlled Substances Act.

"We know this substance serves as a steroid
alone is grounds for caution," McCaffrey said.
dramatic increases in youth use rates of andro,
potential that such use may have severe health
is important that we act swiftly."

He cited anecdotal information indicating young
taking 200 to 300 times the recommended dosage,
known as "stacking," and some are exhibiting
"similar to those found with steroids, such as
aggressiveness and problem acne."

Its wide availability over the Internet makes it
misuse, he noted.

□#AP-NY-05-18-99 1645EDT

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-MAY-1999 17:42:06.00

SUBJECT: Youth Violence

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CC: Aprill N. Springfield (CN=Aprill N. Springfield/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

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

TEXT:

You are invited to a Youth Violence Followup Meeting at 1:00 p.m. tomorrow, May 19, in Bruce Reed's office, 2 Floor/West Wing.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan H. Schnur (CN=Jonathan H. Schnur/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:18-MAY-1999 17:50:31.00

SUBJECT: ESEA press paper

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

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

TEXT:

Elena -- One other request -- could we add and "Vice President Gore" after "President Clinton" at the top of this document. We normally do this, but didn't today. thanks a lot!!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-MAY-1999 18:50:00.00

SUBJECT: guns ap

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

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

TEXT:

Hastert Getting Tough on Gun Control

By David Espo
Associated Press Writer
Tuesday, May 18, 1999; 6:47 p.m. EDT

WASHINGTON (AP) -- Entering the fierce debate over gun control, House Speaker Dennis Hastert suggested Tuesday raising the age of possession from 18 to 21 for handguns and requiring background checks for all sales at gun shows.

"I think there needs to be uniformity in what they do at gun shows and what they do in a retail business," Hastert, R-Ill., said in an interview in his Capitol office a month after a shooting at a Colorado high school shocked the nation.

Similarly, he said, "I'm just saying 21 is basically a standard of adulthood, and there's probably a uniformity that fits there." President Clinton hailed the speaker's remarks.

Hastert made his comments shortly before the Republican-controlled Senate voted, 78-20, to require the sale of "secure gun storage or safety devices" with handguns. The provision also provides liability protections for a gun owner who uses a safety lock and whose gun is stolen and used in a crime.

Hastert emphasized that he was speaking for himself and not attempting to dictate the provisions of legislation. In fact, he said, the entire issue of gun control will have to be vetted thoroughly within the GOP rank and file.

Still, the comments by the top Republican in the House,

a foe of previous gun control legislation, coupled with a recent series of votes in the GOP-controlled Senate, underscored how the political ground has shifted in the month since two student-gunmen at Columbine High School in Littleton, Colo., killed 12 students and a teacher before turning their guns on themselves.

In a statement, Clinton praised the Senate vote, and thanked Hastert ``for agreeing that we should close the gun show loophole and raise the age of handgun ownership from 18 to 21.'' Clinton said the Senate ``should likewise put progress over politics and give its strong backing to these reasonable measures to keep guns out of the hands of children and criminals.''

Hastert said he and House Democratic leader Dick Gephardt of Missouri had agreed to see whether the two parties could work together on the outlines of a response to the Littleton shootings, including a look at the cultural issues involved in teen violence.

Hastert didn't provide any additional specifics. Laura Nichols, an aide to Gephardt, said, ``We're going to propose it include everything, that it include guns as well as issues related to school violence.''

Hastert, who represents a district outside Chicago, voted against the so-called Brady law in 1993, which instituted a three-day waiting period for handgun purchasers and established the system of instant background checks that supplanted it. He also voted against 1994 legislation to ban certain types of assault weapons.

This year, he said, he expects gun control to reach the House floor eventually as part of legislation to stiffen prosecution of juvenile offenders, just as a bill pending in the Senate.

There, Republicans and Democrats spent the day struggling over gun control issues as part of a debate on legislation to stiffen prosecution of juvenile offenders.

The gun lock proposal was crafted by Sens. Orrin Hatch, R-Utah, and Herb

control advocacy Kohl, D-Wis., and embraced by Handgun Control, a gun organization.

stiffen penalties for In other votes, the Senate agreed to provisions to offenses committed by gang members, and for crimes committed by offenders wearing body armor.

refusing to agree to an Majority Leader Trent Lott criticized Democrats for expedited plan for a final vote. ``I want this ... bill done,'' the Mississippi Republican said.

usher the bill into Democrats countered that Republicans were attempting to oblivion without accepting blame for scuttling a gun control bill in the aftermath of the shooting in Littleton.

without a roar or a ``The majority leader wants this bill to fade away whimper and without any Republican blame,'' said Sen. Patrick Leahy of Vermont, senior Democrat on the Judiciary Committee.

for voluntary Senate Republicans last week first approved a provision background checks in certain instances at gun shows. They then backtracked and muscled through a proposal they said would require checks for all sales.

though, and additional Democrats said the plan was riddled with loopholes, votes were expected on the politically charged issue.

Republicans, GOP aides The result has been a public relations nightmare for concede, with lawmakers reversing course while Democrats accuse them of doing the bidding of the National Rifle Association.

during the Senate Gun shows, in particular, have emerged as a flashpoint gun debate. Current law requires all federally licensed dealers to conduct background checks, just as they are required to do in their retail outlets. But other, private dealers may sell guns without verifying the background of their customers.

seemed to track the In his comments, Hastert offered a suggestion that Democratic proposal in the Senate.

His own view, he said, is ``some ... parallel with what we do in stores and what we do in gun shows as far as waiting periods and those types of things.'' The waiting period has given way to an instant background check in current law.

As for the age of possession of handguns, Hastert said, ``I think also the situation where you have kids who can't buy alcohol till they're 21 years of age but they can go out and buy a handgun, and I believe there needs to be some conformity to those types of things.''

States currently regulate liquor possession, but Hastert said he wasn't suggesting 50 different laws for handgun possession.

``I'm just saying 21 is basically a standard of adulthood and saying there's probably a uniformity that fits here'' in the gun debate, he said.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-MAY-1999 18:55:46.00

SUBJECT: ftc

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Tony P said he didn't think our FTC study would cause a big fuss, but he suggested we give Valenti a heads up before we announce it, which seems like a good idea. Remind me to do that.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sandra Yamin (CN=Sandra Yamin/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:18-MAY-1999 19:03:32.00

SUBJECT: URGENT DEADLINE -- Ag Committee Letter for House Full Committee Mark-up

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

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

TO: George T. Frampton (CN=George T. Frampton/OU=CEQ/O=EOP@EOP [CEQ])
READ:UNKNOWN

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

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

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

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

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

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

TO: Lynn G. Cutler (CN=Lynn G. Cutler/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: Miles M. Lackey (CN=Miles M. Lackey/OU=NSC/O=EOP@EOP [NSC])
READ:UNKNOWN

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

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

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

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

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

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

READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CC: Leslie Bernstein (CN=Leslie Bernstein/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: Mark J. Tavlarides (CN=Mark J. Tavlarides/OU=NSC/O=EOP@EOP [NSC])
READ:UNKNOWN

CC: Ingrid M. Schroeder (CN=Ingrid M. Schroeder/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

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

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

READ:UNKNOWN

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

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

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

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

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

TEXT:

Attached for clearance is a draft letter for the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2000, House Full Committee mark-up scheduled for Wed., May 19 at 9:30AM. We aim to have this letter cleared and signed tonight. Please provide to me your sign-off as soon as possible. Thank you.

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D27]ARMS20422015R.136 to ASCII,
The following is a HEX DUMP:

FF5750438C0E0000010A02010000000205000000DE5200000002000003539B0F3A6E8929D100DE8
0B6DF4D8F6E57617F814BC54FD81AED71A136179D5DEC0889DC13987269162F7A2EC294CEE3BDA
73FF4E5C90252277989543C9F90A818917B0EA3113A578C98B244ADA51A5D40BD5AF979EFD2962
5894CE55EA880A90E2E6AE0F3F1DFB35091AD4BCBB0BE5A76E0F922C5FD078D1DF50B69E68577B
D655B987821D8B4B2B191BE5CEBE334F45C248F77D8B7B7FB5681046C1C642C26A72A5CB24DF64

The Honorable C. W. Bill Young
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The purpose of this letter is to provide the Administration's views on the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2000, as reported by the House Subcommittee. As the Committee develops its version of the bill, your consideration of the Administration's views would be appreciated.

The allocation of discretionary resources available to the Committee under the Congressional Budget Resolution is simply inadequate to make the necessary investments that our citizens need and expect. The President's FY 2000 Budget proposes levels of discretionary spending that meets such needs while conforming to the Bipartisan Budget Agreement by making savings proposals in mandatory and other programs available to help finance this spending. The Administration urges the Congress to consider such proposals.

The Administration appreciates efforts by the Subcommittee to accommodate certain of the President's priorities within the 302(b) allocation. However, the Subcommittee bill is nearly \$600 million, or four percent, below the program level requested by the President. The FY 2000 Budget would increase spending within the discretionary caps for agriculture and other programs in the bill by 3.6 percent over comparable FY 1999 spending. We urge the Committee to consider the over \$600 million in user fees proposed in the budget in order to fund high-priority programs. Given the current period of financial stress in the agricultural sector, now is not the time to reduce assistance to farmers, ranchers, and rural residents.

Below is a discussion of our specific concerns with the Subcommittee bill. We look forward to working with you to resolve these concerns as the bill moves forward.

Common Computing Environment

The Administration is extremely concerned by the elimination of funds for the Common Computing Environment. The Congress has criticized the Department of Agriculture (USDA) this year for delays in providing the crop loss assistance funds to farmers that were provided in P. L. 105-277, the FY 1999 Omnibus Consolidated and Emergency Supplemental Appropriations Act. Yet this bill would not provide the funds needed to address the very problems that have contributed to the delay. At a time when the farm community is under financial stress and the

demand for farm credit and other programs is soaring, the need for timely and efficient service to producers and rural residents has never been greater. Without the proposed \$74 million in funding, progress to modernize the technology in USDA's local field offices, create "one-stop shopping" for rural customers, and promptly deliver the programs that Congress enacts with available staffing levels will not be possible.

Conservation

The Subcommittee bill would cut spending on key USDA conservation programs by over \$200 million from the President's request. The \$26 million reduction in the Environmental Quality Incentives Program (EQIP) would mean 13,000 farmers and ranchers not receiving needed financial and technical assistance to stop soil erosion, improve waste treatment in animal feeding operations, and implement other conservation measures whose value is reflected in the significant backlog of applications for this program. For these reasons, the Administration requested a \$100 million increase in the EQIP program.

Lands Legacy Initiative

The Subcommittee has failed to fund the \$78 million request for the Farmland Protection Program, which is part of the Administration's Lands Legacy Initiative. These funds are needed to help keep farmers on their land by permanently protecting 130,000 acres of prime farmland from development through easement purchases. We urge the Committee to provide the \$50 million in discretionary funds requested for the program and to redirect savings from the Conservation Farm Option to this program, as well as to the Wildlife Habitat Incentives Program to assist over 3,000 farmers in protecting and restoring wildlife habitat.

Environment

Several valuable environmental programs would be severely underfunded by the Subcommittee bill, and we urge the Committee to restore funding for them. For example, the bill would limit enrollment in the Wetlands Reserve Program to 120,000 acres, 80,000 acres less than assumed in the budget. This limitation would mean that over 400 farmers would not receive assistance they desire to restore and protect high-value wetlands on their property. In addition the Subcommittee has not provided \$12 million requested within the Conservation Operations program, which would be used to assess soil management's effects on carbon sequestration, and \$5 million for the Community/Federal Information Partnership, which would help communities make use of geospatial data to make more informed land use decisions and promote smart growth.

Outreach For Socially Disadvantaged Farmers

The Subcommittee bill does not provide the requested \$7 million increase for the Outreach for Socially Disadvantaged Farmers program. This program has proven effective in mitigating the decline in the number of minority farmers by increasing their participation in agricultural programs, assisting them in marketing and production, and improving the profitability of their farming operations. USDA loan default rates have also improved in areas where this program operates. The requested increase is needed to expand this program beyond the limited areas it now operates, to further these farmers' equal access and opportunity for success.

Rural Development

The Administration appreciates the increases provided for various rural development programs, such as for single-family housing loans and water and wastewater loans and grants. However, several priority programs have been underfunded, which would have a severe impact on low-income rural residents and on progress in diversifying the rural economy. For example, the \$57 million reduction in the Rental Assistance Program would mean that over 1,300 expiring rental assistance contracts would not be renewed. This would leave over 1,300 very-low and low-income residents, most of whom are elderly women or single mothers, to face a very difficult search for affordable shelter. In addition, no funds are provided for rental assistance in newly-constructed farm labor and other rental housing, which would dramatically diminish the ability of newly constructed units to target those most in need of housing.

The Subcommittee bill would also slash guaranteed loans under the Business and Industry program from the enacted and requested guarantee level of \$1 billion to \$482 million, resulting in 20,000 fewer jobs created or saved in rural America through the program. In addition, the Subcommittee has blocked spending from the Fund for Rural America, which would cause further reductions in high-priority rural development and research projects.

Agricultural Research

The Administration objects to the deep cuts in competitive research grants and the large number of earmarked, lower-priority research projects funded by the bill. The Subcommittee bill would reduce competitive grants funded through the National Research Initiative by \$14 million from the FY 1999 enacted level and by \$95 million from the request. When coupled with the Subcommittee's elimination of the \$120 million in mandatory research funding and other competitive grant funding, the bill would reduce competitive research grants by over \$275 million, or 66 percent, from the requested level. These programs fund much of the most important research needed to keep American agriculture competitive into the 21st century and to improve the quality of life for all Americans, such as research on food safety, new uses for agricultural products, developing new markets for agricultural trade, and improving the environment through efforts such as finding alternatives to methyl bromide. We urge the Committee to increase funds for competitive research and to reduce earmarks for lower-priority programs.

Women, Infants, and Children Program

The Subcommittee bill would provide \$4 billion for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), \$100 million below the President's request of \$4.1 billion. The Subcommittee's mark would support a participation level of 7.3 million women, infants and children. Based on FY 1999 year-end projections, this would mean cutting between 100,000 and 200,000 needy participants off the program. The President's FY 2000 Budget would maintain participation at the 7.5 million level, fulfilling the bipartisan commitment to fully fund WIC. The Administration strongly urges the Committee to fund WIC at the President's requested level.

FNS Research/Other

The Administration strongly objects to the provision of the Subcommittee bill that would provide funding for research on nutrition programs only within the Economic Research Service. To address program integrity and performance issues properly, it is crucial that research on nutrition programs also occur in the context of the program's administration. We urge the Committee to provide funding for these activities within the Food and Nutrition Service.

The Administration also objects to the Subcommittee not including the President's request to provide funding for the school breakfast demonstration programs and for Nutrition Education and Training (NET).

Food Safety Initiative

The Administration appreciates the Subcommittee's support for the President's Food Safety Initiative through increases provided in the Food Safety and Inspection Service and the Food and Drug Administration (FDA). However we are concerned that the Subcommittee has provided only \$36 million of the \$62 million increase over FY 1999 levels requested in this bill for the Initiative. American consumers enjoy the world's safest food supply, but still too many Americans get sick, and in some cases die, from preventable food-borne diseases. The President's requested increase would provide critical resources to expand USDA's food safety research and risk assessment capabilities. We urge the Committee to provide full funding at the requested levels for these activities.

Food and Drug Administration

While the Administration is very pleased that the Subcommittee has provided the largest single-year budget increase in the history of the FDA, we are disappointed that the Subcommittee has not funded the full amount for tobacco programs and the seafood inspection program transfer.

The Administration is committed to Youth Tobacco Prevention activities and urges the Committee to provide the requested increase of \$34 million for these programs. Every day, three thousand young people become regular smokers. Reducing young people's tobacco use would improve public health for generations to come.

The Administration urges the Committee to approve the proposal to consolidate Federal seafood inspection activities. The Committee is encouraged to fully fund the requested \$3 million for training, education, and other costs associated with the program's transfer.

We urge the Committee to approve the collection of \$17 million in additive user fees targeted to support the FDA's Pre-market Application Review efforts for new medical devices, food and color additives, and food contact substances. The proposed user fees would allow the FDA to work with its regulated industries to reduce total product development time and meet statutory review requirements. Delays in getting new products to the market can postpone new technologies that have the potential to save lives and save billions of dollars in health care costs. The Administration would like to work with Congress to make this proposal a reality.

Kyoto Protocol

The Subcommittee has included a general provision that would prevent funds provided in the bill from being used to implement the Kyoto Protocol that was adopted in December 1997. As the Administration has no intention of implementing the protocol prior to ratification, we believe this language is necessary. In addition, the language is flawed because it would prevent implementation even if the protocol was ratified by the Senate.

We look forward to working with the Committee to address our mutual concerns.

Sincerely,

Jacob J. Lew
Director

Identical Letter Sent to The Honorable C. W. Young,
The Honorable David R. Obey, The Honorable Joseph Skeen,

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-MAY-1999 19:23:12.00

SUBJECT: Re: Hastert Getting Tough on Gun Control (with POTUS)

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

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

TEXT:

We shouldn't tell the press, but you should know that the President placed a call to Hastert to commend him -- but Hastert wasn't there so they haven't spoken yet.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-MAY-1999 19:52:54.00

SUBJECT: Collins announcement cancelled for tomorrow

TO: Matthew P. Schaefer (CN=Matthew P. Schaefer/OU=NSC/O=EOP @ EOP [NSC])
READ:UNKNOWN

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

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

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

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

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

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

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

TEXT:

They have cancelled the announcement of the food import bill for tomorrow. The official reason is too many votes. It sounds like the members didn't know exactly what is in the bill and now want to litigate some of the provisions.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Irene Bueno (CN=Irene Bueno/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:18-MAY-1999 20:21:59.00

SUBJECT: INS Naturalization Roll-out Plan and Documents

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

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

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

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

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

CC: Steven M. Mertens (CN=Steven M. Mertens/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

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

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

TEXT:

Just a reminder - please send me your comments on the INS naturalization roll-out documents Wednesday morning, 5/19.

As I mentioned in my previous e-mail, INS plans to brief the Hispanic Caucus on the INS naturalization plan on Friday, 5/21 and has tentatively scheduled a briefing unless of course, there are major problems with the INS naturalization plan.

Thanks.