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**[06/23/1998 - 06/25/1998]**

# Withdrawal/Redaction Sheet

## Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Minyon Moore to Elena Kagan and Bruce Reed re: WH Fellow (1 page)	06/25/1998	P6/b(6)

### COLLECTION:

Clinton Presidential Records  
Automated Records Management System (Email)  
WHO ([Kagan])  
OA/Box Number: 500000

### FOLDER TITLE:

[06/23/1998 - 06/25/1998)

2009-1006-F  
ds281

### RESTRICTION CODES

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

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

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

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

RR. Document will be reviewed upon request.

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

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Karen E. Skelton ( CN=Karen E. Skelton/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:23-JUN-1998 15:35:11.00

SUBJECT: Re: bilingual memo

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

TEXT:

Thanks, but nothing came with the e-mail, you technology queen!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Robert J. Pellicci ( CN=Robert J. Pellicci/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME:23-JUN-1998 13:46:56.00

SUBJECT: Senate Markup of S. 1645

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

TO: KAGAN\_E ( KAGAN\_E @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OPD)  
READ:UNKNOWN

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

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

TEXT:  
FYI --

On Thursday June 25th, the Senate Committee on the Judiciary is scheduled to markup S. 1645, the child custody/abortion bill. This bill is almost identical to HR 3682, which is currently being marked up in the House. Did a copy of the Chief-of-Staff's June 17th letter go to Senator Hatch? If not, are we planning to send the Senate Committee a letter prior to Thursday's markup? Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:23-JUN-1998 17:10:42.00

SUBJECT:

TO: ELENA (Pager) #KAGAN ( ELENA (Pager) #KAGAN [ UNKNOWN ] )  
READ:UNKNOWN

TEXT:

Reminder: Julie's mtg. w/ EEOC staff will be at 5:30 in room 211

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:23-JUN-1998 15:35:55.00

SUBJECT: HHS RELEASE

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

TO: Diana Fortuna ( CN=Diana Fortuna/OU=OPD/O=EOP [ OPD ] )  
READ:UNKNOWN

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

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

TO: Maria J. Hanratty ( CN=Maria J. Hanratty/OU=CEA/O=EOP @ EOP [ CEA ] )  
READ:UNKNOWN

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

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

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

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

TEXT:

HHS/ACF did background briefing this morning on the two reports referenced in release below. Michael Kharfen said it went well. Reporters attending were: Laura Meckler, AP; Judy Haveman, Post; Rich Wolf, USA Today; Ina Jaffe, NPR. Barry, I wouldn't think you'd get press questions, but if you want Q&As, let me know. We did a weekly item already on the MDRC study of Portland. I'll do one this week on Urban Institute 5-state study though it's primarily a snapshot, and not an impact evaluation.

----- Forwarded by Andrea Kane/OPD/EOP on 06/23/98 03:29 PM -----

mhennegh @ OS.DHHS.GOV

06/23/98 02:32:56 PM

Please respond to mhennegh@os.dhhs.gov

Record Type: Record

To: HHS PRESS @ LIST.NIH.GOV

cc:

Subject: HHS RELEASE

FOR IMMEDIATE RELEASE  
Tuesday, June 23, 1998

Contact: Michael Kharfen  
(202) 401-9215

#### REPORTS EXAMINE SUCCESSFUL WELFARE-TO-WORK EFFORTS

HHS Secretary Donna E. Shalala today released two reports that examine successful programs in five states and one city helping welfare recipients move into jobs.

"As states and localities develop their own welfare-to-work programs, they need to know how successful programs are achieving results," Secretary Shalala said. The efforts outlined in these reports are excellent examples of programs that work."

One of the studies, "Building an Employment Focused Welfare System," prepared by the Urban Institute, examines how welfare reform is being implemented by Indiana, Massachusetts, Oregon, Virginia and Wisconsin -- five states that have experienced caseload declines well above the national average.

The second report prepared by the Manpower Development Research Corporation, "Implementation, Participation Costs, and Two-Year Impacts of the Portland (Oregon) Welfare-to-Work Program," looks at Portland, Oregon's welfare-to-work program, which reduced welfare expenditures by 17 percent over a two-year period, while increasing recipients' earnings by 35 percent.

"I am encouraged that these programs report substantial numbers of welfare parents working, and significantly in jobs paying more than the minimum wage," said Olivia Golden, HHS Assistant Secretary for Children and Families. "Moving from welfare to work must mean opening new doors of opportunity for families."

The five-state study focuses specifically on experiences implementing "Work First," the philosophy that most welfare recipients are capable of obtaining employment, that any job is better than no job and that the best way to succeed in the labor market is to join it.

The five states studied in the Urban Institute report were already restructuring their welfare systems to emphasize work when Congress passed major federal welfare reform in 1996. That legislation eliminated traditional open-ended cash assistance provided by the Aid to Families with Dependent Children (AFDC) program and the Job Opportunities and Basic Skills Training (JOBS) program. Congress replaced these programs with the Temporary Assistance for Needy Families program, which provides block grants to individual states, and which requires work for welfare recipients.

"There has been a shift in welfare-to-work programs across the country, from relying on providing education and training as the major route to self-sufficiency, to programs which embrace a Work First philosophy," said Pamela A. Holcomb of the Urban Institute. "The point of this report is to show how states are accomplishing this shift."

Typical practices, the researchers report, included (1) making a job search the first and central activity, (2) limiting participation in education and training, (3) imposing stricter participation and work requirements, including greater use of unpaid work experience (4) enforcing stiffer penalties for noncompliance and (5) placing time limits on assistance.

While the Work First programs in all five states shared common features, each state combined elements to create its own unique version of welfare reform. For example:

ú Virginia provided recipients with the greatest opportunity to combine assistance with employment but also applied severe penalties for non-cooperation;

ú Both Virginia and Massachusetts imposed work requirements sooner than the other states and relied more extensively on community service programs to engage recipients in some form of work;

ú Oregon developed the most successful program for creating subsidized employment opportunities for welfare recipients.

By tracking a sample of recipients over a one year period, the five-state study found that 31-44 percent of the participants at the end of the year were still receiving cash assistance or back on welfare, with or without a job.

"The Portland results provide valuable lessons on how to not only get more people working, but also get them better jobs, and on how to succeed with those typically considered hard to place in jobs," said Gayle Hamilton of the MDRC. "The program emphasized getting a job quickly, but also used some education and training as tools to get there."

Portland, Oregon's efforts have been among the most effective among large-scale mandatory programs, according to the report prepared by the Manpower Demonstration Research Corporation. By the end of the study period, just 41 percent of program group members were receiving welfare, compared to 53 percent of control group members. The proportion of people working at full-time jobs increased by 13 percent, and the proportion with employer-provided health benefits increased by 10 percent.

The Portland program used a mixed-services strategy: most people participated in job search, but many also participated in short-term education, vocational training, work experience, and life skills training. Failure to participate resulted in welfare grant reductions.

- More -  
- 3 -

One important feature of the Portland program is that it increased job quality. Participants were encouraged to look for and take "good" jobs--full-time jobs, paying more than the minimum wage, with benefits and potential for advancement.

The studies suggest that states will need to adopt a greater range

and  
mix of services and strategies to help the least employable welfare  
recipients, Assistant Secretary Golden said.

###

Note: HHS press releases are available on the World Wide Web at:  
<http://www.hhs.gov>.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:23-JUN-1998 21:07:38.00

SUBJECT:

TO: ELENA (Pager) #KAGAN ( ELENA (Pager) #KAGAN [ UNKNOWN ] )  
READ:UNKNOWN

TEXT:

If possible call kevin re: backup memos. 6-6798

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:23-JUN-1998 19:58:46.00

SUBJECT: URGENT: POTUS Letter on Y2K Funding

TO: RUDMAN\_M@A1@CD@VAXGTWY ( RUDMAN\_M@A1@CD@VAXGTWY [ UNKNOWN ] ) (NSC)  
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

TO: William P. Marshall ( CN=William P. Marshall/OU=WHO/O=EOP@EOP [ WHO ] )  
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: Sylvia M. Mathews ( CN=Sylvia M. Mathews/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TEXT:

The House Defense bill could be up as early as 11:30am tomorrow.  
Therefore, we need to get this POTUS letter on Y2K funding signed & sent  
as soon as possible in the morning. Please provide comments/clearance no  
later than 10am. Many thanks.

The Honorable Newt Gingrich  
Speaker  
United States House of Representatives  
Washington, D.C. 20515

Dear Mr. Speaker:

The American people expect reliable service from their Government. They deserve the confidence that critical government functions dependent on computer and other electronic systems will be performed accurately and in a timely manner.

The Federal Government is continuing its intensive effort to make sure that these systems work in the year 2000. I have personally instructed my Cabinet to make the year 2000 problem (Y2K) a top priority, and my Council on Year 2000 Conversion is working hard to coordinate agency efforts not only to prepare their systems for the new millennium, but to increase awareness of the problem among public, private, and international organizations outside of the Government.

In the FY 1999 Budget, I requested more than \$1 billion for Y2K computer conversion. In addition, my budget anticipated that additional requirements would emerge, and included an allowance for emergencies and other unanticipated needs.

While, at this time, I believe that the resource levels included in my budget will fully address the Government's anticipated Y2K requirements, ensuring Government-wide compliance will require the flexibility to respond to unanticipated needs in a timely fashion as we learn more about the problem. Last week, the House Appropriations Committee took a step to provide such flexibility, and I understand the Senate Appropriations Committee will make a similar effort.

I am very concerned, however, that the House will soon consider proposals to eliminate this flexibility from the Defense and Treasury/General Government appropriations bills. This shortsighted action would only serve to create delay on an issue where time is one resource we cannot afford to waste.

With only 555 days until January 1, 2000, it is important that agencies are provided funds to address known Y2K needs, and the flexibility to seek additional funding for unanticipated requirements. I urge the House to provide the necessary flexibility to address the year 2000 problem.

Sincerely,  
Bill Clinton  
Identical letter to the Honorable Richard Gephardt

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Ann F. Lewis ( CN=Ann F. Lewis/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:23-JUN-1998 14:59:02.00

SUBJECT: Child Custody

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

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

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

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

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

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

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

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

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

TO: lisa m. brown ( CN=lisa m. brown/O=ovp @ ovp [ UNKNOWN ] )  
READ:UNKNOWN

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

TEXT:

Did I just read that House Judiciary specifically refused to exempt Grandma ? I guess they don't want a bill. Peter, does that help with our legislative strategy ?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:23-JUN-1998 12:20:06.00

SUBJECT: URGENT: Senior Advisers Veto on Block Grants Bill (H.R. 3248)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TEXT:

Attached below is an Education letter regarding block grants legislation,  
H.R. 3248 - Dollars to Classroom Act.

Position: Senior Advisers Veto Recommendation  
Timing: Committee Markup tomorrow, Wednesday (6/24). Education aims to send the letter by 4pm today. Please provide comments/clearance by 3:30pm (5-4790). Thank you.

Honorable William Goodling  
Chairman  
Committee on Education and the Workforce  
United States House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

I am writing to express my strong objections to H.R. 3248, the "Dollars to the Classroom Act," both to the bill as originally introduced by Representative Pitts and to a substitute version that I understand you will propose. This legislation would convert a wide array of Federal education programs into a block grants grant. The President stated last fall that such a step is unacceptable, and that he would use his veto power to prevent this approach from becoming law. If H.R. 3248 were presented to the President, his senior advisers would recommend that he veto it.

The issue here is not about who controls public education -- we all agree that that responsibility rests at the local and State levels. At stake, rather, is whether the Federal Government will maintain its long-standing, bipartisan commitment to helping local communities strengthen accountability, raise standards, and improve student achievement, by providing assistance that focuses on our neediest children and schools and on activities in which national leadership can play a critical role.

The American people rightly look to the Federal Government to focus its efforts not on general aid to school districts, which H.R. 3248 would provide, but for leadership on national priorities. These include such as helping States and school districts raise educational standards and educational achievement for all students, improving the quality of teaching, bringing the benefits of technology to our Nation's students, and increasing the availability of after-school programs.

This Administration has worked diligently to eliminate unnecessary regulations and take other steps to promote State and local flexibility in carrying out these targeted efforts. During this Administration, ED has reduced the number of regulations by \_\_\_ percent. [Add this sentence if available.] At the same time, we have supported strong accountability mechanisms, such as the Government Performance and Results Act of 1993, that ensure program effectiveness and results that justify continued support by the taxpayers focus attention on program effectiveness. Block grants would replace these worthy efforts with general aid, providing no focus, no accountability for results, and no rationale for ongoing support.

I am also very concerned about language in the pending substitute that would provide broad authority to waive Federal requirements, now afforded to 12 States with comprehensive education reform plans, to all States. While I am a strong supporter of flexibility at the State and local levels, including expansion of the current "Ed-Flex" authority to additional States, this proposal lacks the essential ingredient of accountability, connected to high standards and high expectations for all children, that must go hand in hand with such a broad waiver authority.

The Office of Management and Budget advises that there is no objection to

the submission of this report from the standpoint of the Administration's program and that enactment of H.R. 3248 would not be in accord with the President's program.

Yours sincerely,

Richard W. Riley

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 17:44:34.00

SUBJECT: VERY URGENT: T/P FLOOR SAP

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

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

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

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

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

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

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

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

TO: William P. Marshall ( CN=William P. Marshall/OU=WHO/O=EOP@EOP [ WHO ] )  
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: Sylvia M. Mathews ( CN=Sylvia M. Mathews/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TO: Rahm I. Emanuel ( CN=Rahm I. Emanuel/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TEXT:

The Treasury/Postal FY99 bill is scheduled for action on the House Floor later today. The only changes from the T/P Rules SAP cleared and sent yesterday can be found in the FEHBP section, paragraph 3 on the Coburn amendment. Also, we have removed the Brady Act Dissemination of Public Information sections. We need your review immediately and provide comments/clearance no later than 6:15pm tonight. As always, thank you.

H.R. 4104 -- TREASURY AND GENERAL GOVERNMENT  
APPROPRIATIONS BILL, FY

1999

(Sponsors: Livingston (R), Louisiana; Kolbe (R), Arizona)

This Statement of Administration Policy provides the Administration's views on the Treasury and General Government

Appropriations Bill, FY 1999, as reported by the House Appropriations Committee. Your consideration of the Administration's views would be appreciated.

The Administration appreciates efforts by the Committee to accommodate the President's priorities within the 302(b) allocation. The President's FY 1999 Budget proposes levels of discretionary spending for FY 1999 that conform to the Bipartisan Budget Agreement by making savings in mandatory and other programs available to help finance this spending. In the recently enacted Transportation Equity Act, Congress -- on a broad, bipartisan basis -- took similar action in approving funding for surface transportation programs paid for with mandatory offsets. We encourage the Congress to take advantage of such additional offsets, or to reduce appropriations for programs or projects not requested by the President in order to fund requested levels for items discussed below.

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

#### Year 2000 Computer Conversion

The Administration appreciates the emphasis that the Committee has placed on year 2000 (Y2K) computer conversion activities. OMB will continue to assist all agencies in ensuring that adequate resources are available to address this critical issue. In the FY 1999 Budget, the President has requested more than \$1 billion for Y2K computer conversion. In addition, the budget anticipated that additional requirements would emerge over the course of the year and included an allowance for emergencies and other unanticipated needs.

As we learn more about how to address this problem, we expect that ensuring Government-wide compliance will require flexibility to respond to unanticipated requirements. To the extent such unanticipated requirements are identified, it will be essential to make that funding available quickly. It will truly be emergency funding. The emergency mechanism recently approved by the House Appropriations Committee provides such flexibility.

Yesterday, the Rules Committee approved the rule that would strip the emergency funding mechanism from both bills. This regrettable action will not help agencies move forward in addressing this problem. We note that the Committee bill allocates funds from the emergency reserve for Treasury and other agency Year 2000 (Y2K) needs. If the emergency reserve is not funded, the Congress will need to find other ways to fund Treasury's critical Y2K needs.

The value of the emergency mechanism approved by the House Appropriations Committee is the flexibility it provides in the event that we determine that additional resources are required. We have only 555 days until January 1, 2000. We want to solve this problem as soon as possible. Delaying approval of emergency funding and reopening the issue of the use of the emergency spending authority would create controversy and delay. We hope that the House will reconsider.

#### Exchange Stabilization Fund

The Administration has serious concerns that an amendment to restrict severely the use of the Exchange Stabilization Fund (ESF) may be considered as part of the bill. Such an amendment would constitute an

unacceptable limitation on the executive branch's ability to protect critical U.S. economic interests. The Secretary of Treasury would recommend a veto if the provision is included in the bill.

#### Federal Election Commission

The Administration strongly objects to language included in the bill that would limit the term of the Federal Election Commission's staff director and general counsel to four years and require a vote of four commissioners to reappoint them. This procedure is a departure from current practice, established in statute, whereby the Commission appoints a staff director and general counsel for an unlimited term. As with all Commission decisions under current practice, removal of the staff director and general counsel requires a vote of four commissioners. The Administration strongly urges the House to eliminate this unacceptable provision from the bill. Furthermore, because the provision effectively could remove the current occupants of the positions, it would raise serious constitutional questions under the separation of powers.

#### Executive Office of the President

The Administration is strongly concerned with a number of provisions related to the Executive Office of the President. It is our hope that any differences that exist concerning these provisions will be resolved as the bill moves through the process.

#### Internal Revenue Service

The Administration appreciates the Committee's efforts to fund the President's budget request for the IRS. However, if resources for Y2K are struck from the bill, IRS would be significantly underfunded. We look forward to working closely with the House to identify ways in which full funding of the President's request can be achieved.

The Administration appreciates congressional support for IRS information technology investments. However, tying obligation of funds to GAO review of expenditure plans is objectionable since the Administration has no control over the nature or timing of any prospective GAO review.

#### U.S. Customs Service

The Administration is concerned about the funding level for Customs, Automated Commercial Environment (ACE). Without major revisions to the existing system, Customs cannot keep up with increasing trade volumes nor can it be responsive to the requirements stated in the 1993 Modernization Act and the needs articulated by industry. The Committee has funded only \$8 million of the requested \$56 million level, which would cause the modernization effort to come virtually to a halt. To accommodate the full amount requested, the Administration has proposed funding the majority of ACE requirements through a user fee paid by those who stand to benefit most from this system, the trade community.

#### Bureau of Alcohol, Tobacco and Firearms

The Administration appreciates the efforts of the Committee to fully fund the President's Youth Crime Gun Interdiction Initiative (YCGII). This initiative is an important part of the Administration's overall strategy to curb youth gun violence. The Administration welcomes an opportunity to report on the performance of the YCGII.

The Administration requests reconsideration of the Violent Crime Coordinator initiative, as the U.S. Attorneys have requested additional ATF support for bringing cases involving violent criminals to the Department of Justice for prosecution.

We are pleased that the Committee shares the Administration's view that relocation of the Bureau of Alcohol, Tobacco and Firearms headquarters staff remains a key concern due to inadequate security at the present headquarters site. We hope that the Congress will continue to consider funding for this priority when the review process is completed.

#### Federal Employees Health Benefits Program

The Administration strongly opposes sections 514 and 515 of the bill. These provisions would restrict Federal Employees Health Benefits Program (FEHBP) coverage for abortions except in situations where the life of the mother is endangered or the pregnancy is the result of rape or incest. While the President believes that abortion should be safe, legal, and rare, the Administration does not believe that Federal employees and their families should be precluded from choosing to purchase health insurance that includes broader coverage. The Administration believes that the decision to cover abortion should be left to each health plan participating in the FEHBP. Thus, Federal employees who wish to purchase health coverage that does not include abortion services would have that choice. The provision in the Committee bill does not allow Federal employees and their families to make that choice.

The Administration supports the Committee reported provision which requires coverage of prescription contraceptives by health plans participating in the Federal Employees Health Benefits Program (FEHBP) and would oppose an amendment to strike it. We support improvements in basic health care coverage for women and the goal of the amendment -- to reduce unwanted pregnancies and the need for abortion. However, the Administration urges the Congress to give authority to the Office of Personnel and Management to waive the requirement for plans that are sponsored by organizations whose religious beliefs do not support artificial methods of contraception.

The rule under which the bill will be considered by the House makes in order an amendment that would restrict the definition of contraceptives to exclude any drug, device, or procedure "which has as one of its known effects the interference with the implantation of a fertilized human ovum or embryo." The Administration would strongly oppose such an amendment, which could result in the denial of safe and legal contraceptive options to Federal workers. Further, such an amendment would interfere with physician decision-making and communication with patients, as it may restrict the ability of physicians to discuss such treatment options with patients.

#### Pay Raises

The Administration shares the Committee's concern with the current system for setting and adjusting Federal pay. However, the potential costs and programmatic disruptions should section 644 of the Committee bill be enacted are significant. A Federal employee pay raise of about 15 percent would be automatically triggered in January 2000. Therefore, the Administration urges that this provision be dropped. Under the leadership of the Office of Personnel Management, the Administration is working expeditiously on a reform proposal and, as part of this process, will consult with appropriate stakeholders, including the Congress.

The Administration is disappointed that the bill includes a proposal to eliminate the 1999 pay raise for Federal judges and employees paid under the Executive Schedule. Failure to provide pay raises for senior executives is eroding the value of their pay, causing severe pay compression in the executive ranks. Pay adjustments have been made for such individuals only once in the last five years. If continued, this failure will affect the Government's ability to attract and retain the executive talent that it needs. We urge the House to restore the pay raise for Federal judges and the Executive Schedule.

#### Firefighter's Pay

The Administration commends the Committee for including a provision (section 639) in the bill to reform the overtime pay system for Federal firefighters. A more rational, understandable, and uniform system for calculating the overtime pay of Federal firefighters is long overdue. The Committee provision would accomplish this important and much-needed legislative change and reflects a consensus agreement among the various stakeholders, such as affected executive branch agencies and employee organizations.

#### United States Trade Representative

The Administration opposes the provision that would make the U.S. Trade Representative the United States representative to the Universal Postal Union. The U.S. Trade Representative lacks the resources and expertise in postal administration to take on this responsibility. In addition, this provision would repeal the authority of the Postal Service to establish international postage rates. We urge that this provision be dropped.

#### United States Postal Service

The Administration is concerned that the Committee bill would prohibit the Postal Service from initiating new non-postal commercial activities or pack and send services. An appropriations bill should not be used to legislate such restrictions on Postal Service operations.

#### Office of National Drug Control Policy (ONDCP)

The Administration appreciates the support the Committee has provided for drug control efforts in general, and for ONDCP in particular. The Administration encourages the House to provide the full amount requested for the Special Forfeiture Fund as anything less would adversely impact our ability to continue moving towards our mutual goal of reducing drug use. Failing to fully fund this request would negatively impact the National Drug Control Strategy and our efforts to meet the targets established in the Performance Measures of Effectiveness system. The House could fund this spending, in part, by reducing amounts earmarked by the Committee for an unrequested technology transfer program.

#### Federal Buildings Fund

The Committee has not provided \$14 million requested for the design of a new Department of Transportation (DOT) Headquarters. Instead, the Committee urges GSA to enter into a lease transaction, as authorized by the House Transportation and Infrastructure Committee and the Senate Environment and Public Works Committee. The Administration requests that

the House provide funding for the design of a new DOT Headquarters. Providing for a government-owned building would save taxpayers approximately \$190 million, in present value terms, compared to the cost of entering into a lease.

The Committee bill would delay the availability of funding until September 30, 1999, for the repair and alterations program (\$19 million) and building operations program (\$223 million). The Administration is concerned that a delay in obligations of this amount for buildings operations would impede GSA's ability to operate and maintain Federal facilities under its control.

The Administration is also concerned that the Committee bill has approved over \$500 million for 15 unrequested courthouse construction projects.

#### National Bioethics Advisory Commission

The Administration objects to section 628 of the Committee bill, which would prevent interagency funding of the National Bioethics Advisory Commission. The work of the Commission affects at least 15 Federal agencies. Access to interagency funding is essential for continued operations of this small, but important commission.

#### Potential Amendment Related to Peer Review

The Administration strongly opposes an amendment that may be offered mandating peer review of "scientific data" supporting final regulations. The Administration is committed to using the best possible science and peer review for rule-making. However, this amendment is unnecessary, inappropriate and wasteful. Peer review is currently incorporated in the Government-wide rule-making process where it is needed through extensive outreach, public comment, and scientific advisory boards. This amendment as drafted mandates a one-size-fits-all requirement that would serve only to delay important government action, in particular, rules designed to protect health safety and the environment. It would impose a costly additional step in the regulatory process and would cover a large heterogeneous set of rules, as diverse as meat and poultry inspection rules, airplane and automobile safety standards, FDA drug and device approvals, and rules to ensure safe drinking water and clean air. This would impose an undue burden on numerous final rules by requiring substantial personnel and other resources and could result in significant delays on important public health and safety rules.

#### Bureau of Engraving and Printing

The Administration objects to section 116 of the Committee bill, which would prevent the Bureau of Engraving and Printing from awarding a contract for currency paper under an ongoing competitive procurement without prior congressional approval. The Administration will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in *INS vs. Chadha*.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 15:46:07.00

SUBJECT: Weekly Education Strategy Meeting

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

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

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

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

TO: Vicky\_Stroud ( Vicky\_Stroud @ ed.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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

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

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

TEXT:

Tomorrow's 5:15 p.m. Education Strategy Meeting is cancelled.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Audrey T. Haynes ( CN=Audrey T. Haynes/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:24-JUN-1998 16:34:54.00

SUBJECT: RU 486

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

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

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

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

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

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

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

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

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

CC: Tania I. Lopez ( CN=Tania I. Lopez/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

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

TEXT:

Due to the House Vote, we thought we should try to get folks together to see about who should say something about this and exactly what should be said. Ann has offered up her office for 9:30am Thurs morning. If someone else besides you should be included, please pass this e-mail on. Let Tania or me know if this time does not work for you. thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 11:08:14.00

SUBJECT: POTUS Memo on Bilingual Ed -- edits

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

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

CC: Leslie S. Mustain ( CN=Leslie S. Mustain/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

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

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

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

TEXT:

I spoke to Jon Schnur regarding edits that Barbara Chow had for the POTUS memo on Bilingual Education. Most of Barbara's edits have already been incorporated, but Jon suggested that I forward to you the following that have not:

Page 2, Section II Congressional Dynamic, paragraph 2:

line 1

The House Labor-HHS-Education Appropriations Subcommittee will mark up marked up a bill this week and probably that included provisions from Riggs in it.

Page 3, Section III Legislative option 1, paragraph 1:

last line

The reference to the "Bilingual Act" should read the "Elementary and Secondary Education Act."

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 19:28:12.00

SUBJECT: Dingell food safety bill

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

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

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

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

TEXT:

Elena asked about the Dingell food safety bill and why he was offering a separate bill instead of the Administration bill, sponsored by Eschoo. One of the main reasons Dingell offered the bill was to provide a method for paying for the President's food safety initiative. Dingell has proposed authorizing FDA to collect a user fee on imported food which would raise approximately \$50 million. (Of the Administration's \$96 million food safety initiative for USDA and FDA, we received only \$16.8 million in the House full committee and only \$2.6 million in the Senate full committee. FDA received \$7 million in the House and nothing in the Senate.)

USTR is very adamant that because the user fees were only against imports and not domestic foods, they would violate the GATT. Therefore, OMB is not sending comments on the bill because of the trade problem. In the event that we actually do comment on the bill, OMB will circulate the comments.

Here are some of the main provisions of the bill:

1. Import Inspection User Fees. The Dingell bill authorizes FDA to collect a user fee of \$20 per line item of imported food.
2. Country of Origin Labeling. The Dingell bill mandates country-of-origin labeling of imported food subject to FDA regulation at the point such food is offered for retail sale.
3. Refusal of imports. One of the main differences between the Dingell bill and the Administration bill is that the Dingell bill mandates the refusal of imports if a country does not allow FDA inspections. Our bill ensures that FDA halts imports of fruits, vegetables, and other food products from any foreign country with food safety systems that do not provide the same level of protection required for U.S. products. Our bill only permits FDA to consider the refusal of inspections as one factor in deciding whether to halt imports.



RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 19:14:15.00

SUBJECT: INS reform

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

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

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

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

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

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

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

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

TEXT:

All:

Alan Ehrenbaum just returned from a meeting with Reyes, advocates (including MALDEF, La Raza, National Immigration Forum, and others), and Hill staff (including Gephardt, Watt, Berman, CHC, Gutierrez and Conyers staff) on INS reform. Essentially, they all communicated to Reyes that he had been working with the wrong team on this and that he should be working with the Administration. Apparently, Reyes got the same message yesterday in a meeting with Gutierrez and Becerra. At the end of today's meeting, Reyes handed out an organizational chart that reflected the latest version of his plan. According to Alan, it looks just like our plan, except the Commissioner is a Deputy Attorney General.

As soon as we can get our version of the reform legislation cleared (which should be in a couple of days at the most), we can start working with Reyes's staff on how he wants to proceed.

Julie

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 20:27:06.00

SUBJECT: Child Support Incentives Bill--Other provisions

TO: Diana Fortuna ( CN=Diana Fortuna/OU=OPD/O=EOP [ OPD ] )

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

This bill also includes changes related to Welfare-to-Work (as Diana's earlier note mentioned) and Access to Jobs. We're happy about the Welfare-to-Work changes and can live with the ATJ changes.

#### Welfare-to-Work Eligibility for Non Custodial Parents

The bill clarifies two issues to facilitate serving non-custodial parents under WTW.

1) As drafted, the BBA requires that in order for a non-custodial parent to be eligible for services, the custodial parent must meet 2 of the 3 'hard-to-serve' criteria (educational deficit, substance abuse, poor work history). The bill clarifies that either the custodial or non-custodial parent can meet these criteria, thereby ensuring that the individual being served is the one with the barriers to employment and addressing the concern that the organization serving the non-custodial parent would not necessarily have access to information about the custodial parent.

2) As drafted, the BBA requires that in order to serve a non-custodial parent, the custodial parent must be a long-term welfare recipient. The bill clarifies that either the custodial parent or the minor child of the noncustodial parent must be long-term recipients. This addresses child only cases.

DOL thought these amendments were needed, and we agreed. Ron Haskins was very supportive (as was Wendell), but Dennis Smith was not. The House prevailed.

#### Access to Jobs Match

As you know, Access to Jobs envisioned a fairly broad notion of match, including allowing other federal funds such as WTW and TANF to be used for match. Once W&M and Sen. Finance staff eventually started paying attention to ATJ, they raised a issues that were all over the map from concern about losing control of "their" TANF funds, to allowing states to transfer funds out of TANF to ATJ, to whether this might be a vehicle for states to use TANF funds to build roads. They considered a variety of amendments to TANF in the child support bill to address these concerns--some real, some perceived. HHS managed to persuade committee staff to drop some of the weirder fixes, so what we ended up with is definitely better than what could have been, but it's not perfect. The

provisions got pretty messy given multiple agencies and committee jurisdictions. There'll be an opportunity--and challenge--to work with HHS, DOL, and DOT to operationalize these provisions as DOT develops the criteria for Access to Jobs competitive grants.

What ended up in the child support bill:

1. TANF funds used as ATJ match must be used for new or expanded transportation services (and not for construction), and the preponderance of Access to Jobs funds (including TANF match) must be spent on current or former TANF recipients and noncustodial parents (ATJ has a somewhat broader eligibility criteria--current and former TANF recipients, or those up to 150% of poverty).

2. Any TANF funds used as ATJ match are subject to the 30% cap on transferability. In other words, even though there is no new authority for states to transfer funds out of TANF to ATJ, if they use TANF funds to match ATJ, this amount combined with any transfers to child care and SSBG cannot exceed 30%. We were not thrilled with the principle --if a state identifies transportation as a major need, why would we want to limit the amount they could use to leverage additional transportation resources?

But, this is not likely to pose a serious practical constraint since almost all states have plenty of room under their 30% cap and ATJ is so much smaller than TANF (ATJ = up to \$140 M/year while TANF = \$16 B)

3. If someone receives transportation "benefits" through Access to Jobs, but is not receiving any other TANF assistance, these transportation benefits are not considered TANF assistance. This allows someone who just needs help with transportation, either after they have moved from welfare to work or in lieu of getting on welfare, to be served through ATJ (including TANF match) without invoking the time limits, child support assignment, and other TANF requirements. While there is some slippery slope concern on the definition of assistance, it did not seem appropriate to fight this issue here after we'd been so vocal about the need for transportation.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 08:51:29.00

SUBJECT: NC7325: Update from Evan Wolfson

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

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

TEXT:

----- Forwarded by Richard Socarides/WHO/EOP on 06/24/98  
08:50 AM -----

rwockner @ netcom.com  
06/24/98 12:49:00 AM

Record Type: Record

To: Stuart D. Rosenstein, Richard Socarides  
cc:  
Subject: NC7325: Update from Evan Wolfson

UPDATE FROM EVAN WOLFSON

From: EWLLDEF@aol.com

aloha --

ny's legislature adjourned without taking up the anti-marriage bill. ohio and new jersey's bills are still pending, but seem unlikely to advance. once again we have beaten back more assaults this year than we have lost. we continue to hold a critical mass of states, even as we must fight the anti- marriage constitutional amendments coming november in hawaii and alaska.

now we must spend the next several weeks fostering public dialogue and building coalitions, which we will need as soon as the courts rule... whether it be this month, next month, or after the november votes in hawaii and alaska. the key is for local groups to identify target non-gay allies, clergy, organizations, etc. -- and ask for their support. use the marriage resolution or any other approach ("invitation to dialogue," chain letter, letters to editor) that you choose.

below is the current count as we head into the second half of 1998.

Evan Wolfson  
Director, The Marriage Project  
Lambda Legal Defense & Education Fund  
120 Wall Street, Suite 1500 New York, NY 10005  
212-809-8585 ext.205  
212-809-0055-fax  
E-mail: ewlldef@aol.com

Assistant (Brian Jacobson):  
212-809-8585 ext. 228  
E-mail: lldefmarry@aol.com

Websites: <http://www.freedomtomarry.org>, <http://www.lambdalegal.org>

SUMMARY 6/23

Anti-Marriage Measures Pending This Year: AK\*, HI\*, NJ, OH (4)

Anti-Marriage Measures Adopted This Year: AL, IA, KY, WA (4)

Anti-Marriage Measures Blocked This Year: CO, MD, NE, NM, NY, VT, WV, WI (8)

Pro-Marriage Measures Introduced This Year: MD, RI (2)

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

TEXT:

RFC-822-headers:

Received: from conversion.pmdf.eop.gov by PMDF.EOP.GOV (PMDF V5.1-9 #29131)  
id <01IYLGNH51S00MBW6@PMDF.EOP.GOV>; Wed, 24 Jun 1998 00:51:12 EDT

Received: from Storm.EOP.GOV by PMDF.EOP.GOV (PMDF V5.1-9 #29131)  
with ESMTTP id <01IYLGNDPTC00MBU9@PMDF.EOP.GOV>; Wed,  
24 Jun 1998 00:51:07 -0400 (EDT)

Received: from netcom3.netcom.com ([192.100.81.103])  
by STORM.EOP.GOV (PMDF V5.1-10 #29131)  
with ESMTTP id <01IYLG56520024LY@STORM.EOP.GOV>; Wed,  
24 Jun 1998 00:50:32 -0400 (EDT)

Received: (from rwockner@localhost)  
by netcom3.netcom.com (8.8.5-r-beta/8.8.5/(NETCOM v1.02)) id VAA22654; Tue,  
23 Jun 1998 21:49:14 -0700 (PDT)

=====  
END ATTACHMENT 1  
=====

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 14:51:48.00

SUBJECT: Possible tobacco announcement for tomorrow

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

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

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

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

TEXT:

Jim O'Hara called with an idea for a small tobacco announcement for tomorrow -- we could issue a paper statement from us or from HHS saying "Today the Administration announced it will make available to all 50 states new anti-teen smokings ads being released today in Massachusetts."

Here's what this means. Massachusetts is unveiling three t.v. ads tomorrow and is offering to make them available to the CDC, who will make them available to other states. Normally, states that use other state's ads must pay a "talent" fee. In this case, CDC would offer to pay the fee.

The ads are hard-hitting ads based on the tobacco documents. While visually they focus on teens, they all repeat a mantra "It's Time We Made Smoking History" which could leave us open to the charge that we want to ban all tobacco.

Ad #1: Shows a 15 year old girl smoking with the words "The 14- to 18-year old group is an increasing segment of the smoking population. RJR must soon establish a successful new brand in this market if our position is to be maintained in the long term" citing a 1976 RJR document.

Then it closes with the phrase: "They Knew. They Always Knew. It's Time We Made Smoking History."

Ad #2: Shows an 11 year old girl smoking with the words "Happily for the tobacco industry, nicotine is both habituating and unique in its variety of physiological actions" citing a 1972 RJR memo.

Then it closes with the phrase: "They Knew. They Always Knew. It's Time We Made Smoking History."

Ad #3: Shows a 14 year old walking down the street with copy "If a young person's desire to be daring is part of the inclination to start smoking, the warning label on the package may be a plus" citing a 1973 RJR memo.

Then it closes with the phrase: "They Knew. They Always Knew. It's Time We Made Smoking History."

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 16:18:44.00

SUBJECT: Naturalization

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

TEXT:

Elena/Maria:

FYI. Tomorrow morning, Steve Mertens and I are going to meet with budget folks from INS and DOJ to begin to get more specific budget information from them re: naturalization (how much money is generated for the exams-fees account; how is it spent; etc). We will also renew our request for them to develop the kind of outline for moving forward that Michael suggested (including performance measures, concrete steps, and a timeline).

julie

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 15:51:23.00

SUBJECT: Executive Order Ideas

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

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

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

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

TEXT:

This e-mail lists ideas for Executive Orders relating to tobacco which we are pursuing. (The attached chart describes agency policy on filming privileges on federal property, mentioned below.) Any feedback on these ideas would be greatly appreciated.

1) Applying the FDA Rule to Federal Property -- An Executive Order could apply the FDA rule to Federal property, by directing agencies that contract with entities operating on Federal land to include provisions in their contracts requiring compliance with the FDA rule. HHS likes this idea, and we plan to ask Justice to draft language for an Executive Order. We would also need to run this idea by Interior, DOD and other agencies that regulate federal property.

2) Prohibiting Underage Smoking on Federal Property -- DOJ is determining whether there is statutory authority to issue an Executive Order making underage smoking on federal property illegal. There would be no penalty for violations, other than confiscating the tobacco product. Justice likes this approach, but HHS is concerned about the way it would play in the press (they think the press would make fun of the idea). HHS also does not like anything that appears to punish minors because they believe it is ineffective in deterring youth smoking.

3) Smoking and Filming Privileges on Federal Property

(a) Prohibiting the Filming of Movies on Federal Property that Promote Smoking -- As you know, Senator McConnell said on the Senate floor that he would offer an amendment to the McCain legislation which would require federal agencies to prohibit the filming of movies on federal property which depict the use of tobacco or illegal drugs as healthy, desirable, or socially acceptable. He also said that the President could issue an Executive Order to this effect. McConnell does not target the portrayal of youth smoking, but smoking in general.

We met yesterday with the Justice Department and the various Federal agencies which allow filming on federal property (Departments of Defense, Transportation (Coast Guard), Interior (Park Service), and Agriculture (Forest Service)) to learn more about their policies and procedures for granting filming rights, and to elicit their views on the McConnell amendment. As you can see from the attached chart, their policies and procedures vary a great deal. For example, while the Park

Service is explicitly prohibited from examining content in granting filming rights (they only seek to protect park resources and visitors), the DOD and the Coast Guard look closely at content. While the process for granting filming rights is very centralized for some agencies, it is very decentralized for others (ie. operating on a park by park basis).

All of the agencies raised objections to the McConnell amendment. The Park Service said that McConnell would directly contradict their policy which prohibits them from examining content. A number of agencies expressed strong concern about this route being a slippery slope, that could result in prohibiting the portrayal of other behavior (gay relationships, etc.), down the road. The DOD asserted that if they started engaging in this type of censorship, production companies would go elsewhere and they would be out of business. Of course, some of the agencies are concerned about the administrative burden involved with reviewing thousands of scripts in this kind of detail.

The Justice Department's initial reaction is that McConnell's amendment raises First Amendment constitutional concerns because it is not viewpoint neutral. (They also privately expressed concern that current agency practice in granting filming privileges could be potentially unconstitutional as well.) They are in the process of researching the issue. They also want to explore whether we could regulate this type of speech because it results from a form of government subsidy (under Rust v. Sullivan), although they think this may be a stretch. They plan to give us an answer to these questions by the end of the week. The Supreme Court is expected to decide a case on Thursday or Friday on the National Endowment for the Arts which could shed some light on these questions, particularly in terms of free speech and government subsidies.

(b) Prohibiting the Filming of Movies on Federal Property that Portray Illegal Smoking - We have also asked the Justice Department to explore other alternatives to the McConnell amendment that would be viewpoint neutral, such as narrowing McConnell to prohibit the portrayal of illegal youth smoking. We will let you know what they say as soon as we hear from them.

4) Requiring OSHA to Issue a Standard on Environmental Tobacco Smoke -- OSHA has been working on a standard for almost a decade which would regulate indoor air quality, including ETS, Legionnaire's disease, etc. The standard is still several years away from completion. The President could issue an Executive Order directing OSHA to issue the ETS standard separately. OSHA believes that it would take two years to issue the ETS standard -- less time than completing the indoor air quality standard. OSHA is writing a memo providing us with the pros and cons of this approach. (A BNA reporter called OSHA about this today, because ASH is pushing the idea. OSHA had no comment.)===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

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The following is a HEX DUMP:

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```

[INTERNAL WORKING DRAFT]

Filming for Entertainment Purposes on Federal Property --  
 Agency Policy  
 June 23, 1998

Agency	Is there a Written Policy?	Does Agency Issue Permits?	Does Agency Review Script?	Does Agency Oversee Filming?	Does Agency Review Content?/ What is Content Policy?
<b>Agriculture (Forest Service)</b>	Forest Service generally uses guidelines adopted by Southern California forest service. <sup>1</sup>	Yes. There is a fee schedule. Process for granting permits is decentralized.	Agency may request story boards in order to determine if activities are incompatible with Forest policy.	A Forest Service Officer may monitor filming to protect park resources and guard against fires.	Yes. Concerned only with scenes set on park land. Ensures that content does not depict practices that are prohibited on National Forest land; content also should not encourage unauthorized uses of National Forest land (ie. unauthorized vehicle use, littering, etc.) Also looks at depiction of Forest Service employees. They also have the discretion to consider nudity/profanity.
<b>Interior (Park Service)</b>	Yes -- Draft guidelines. These are explicit that Park Service should not regulate content.	Yes. Process for granting permits is decentralized.	No.	No.	No. Park Services issues permits to protect park resources and the public's enjoyment of the park.
<b>GSA</b>	N/A. Rules of occupying agency apply for each property. Smoking is not allowed on GSA property.	N/A.	N/A.	N/A.	N/A.

<sup>1</sup> Smoking by film crews is prohibited in order to prevent forest fires.

Agency	Is there a Written Policy?	Does Agency Issue Permits?	Does Agency Review Script?	Does Agency Oversee Filming?	Does Agency Review Content?/ What is Content Policy?
Defense	Yes.	No. DOD enters into license agreements with production company -- there is no fee. Process is very centralized.	Yes.	Yes. Project officer monitors compliance with script.	Yes. DOD is concerned with how military personnel are depicted. Looks for illegal and improper activity committed by military personnel (murder, treason, drug use). <sup>2</sup> Tries not to be arbiter of morality when it comes to violence/nudity/smoking. Will determine whether portrayal of smoking in a given setting is realistic (ie., on a submarine).
Transportation (Coast Guard)	No. Bases its policy on DOD.	No. Coast Guard enters into licensing agreement with production company.	Yes.	Yes. A technical advisor ensures compliance with script.	Coast Guard reviews scripts for accurate portrayal of Coast Guard personnel. It is concerned about portraying the Coast Guard in a negative light. It will also look at the overall context of the project in terms of violence, nudity and levels of profanity.

<sup>2</sup> DOD guidance also says, "The production should not appear to condone or endorse activities by private citizens or organizations when such activities are contrary to US Government policy".

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Diana Fortuna ( CN=Diana Fortuna/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:24-JUN-1998 13:09:14.00

SUBJECT: House may pass Child Support Incentives bill today

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

It looks like the House and Senate are at or close to a pretty reasonable deal on the child support incentives bill. The House may pass the compromise today. Here are some highlights:

On penalties for failure to have a certified child support computer system, they found a middle ground. Penalties would be 4%, 8%, 16%, 25%, and 30% for years 1-5, respectively, beginning in FY98.

There are two breaks on penalties. First, if a state cleans up its act and gets certified during a fiscal year, it would have 90% of that year's penalty forgiven. Second, there is a special break for FY98 penalties: if a state asks HHS to review its computer system by August 1, 1998 and then gets certified as a result of that review, it would have no penalty for FY98.

No special help or relief for LA County.

The Cardin amendment will probably get jettisoned. The Senate doesn't like it. Cardin is trying to save it, but the House is prepared to proceed without it if he fails. (The Cardin amendment would require the INS to check for particularly egregious child support scofflaws who are legal immigrants at the border.)

They reached a deal a while back on making it easier to establish medical support orders.

Andrea will tell us more about the two welfare to work technical changes DOL is seeking.

The Senate is unlikely to take this up until after the recess, so that may give LA County some time to try to gin up support in the Senate over the break. (Procedurally, instead of a conference report, the House will take up the Senate bill, amend it, and send it to the Senate.)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Essence P. Washington ( CN=Essence P. Washington/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:24-JUN-1998 09:22:30.00

SUBJECT: Weekly Crime Meeting (CORRECTION)

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

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

TO: Satish Narayanan ( CN=Satish Narayanan/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

TO: GALLEGOS\_S ( GALLEGOS\_S @ A1 @ CD @ VAXGTWY [ UNKNOWN ] )  
READ:UNKNOWN

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

TO: Jennifer Brown ( CN=Jennifer Brown/OU=ONDCP/O=EOP @ EOP [ ONDCP ] )  
READ:UNKNOWN

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

TO: Neera Tanden ( CN=Neera Tanden/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

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

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

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

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

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

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

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

READ:UNKNOWN

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

TO: Lisa M. Brown ( CN=Lisa M. Brown/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

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

TO: NELSON\_J ( NELSON\_J @ A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

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

TO: Teresa L. Collins ( CN=Teresa L. Collins/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

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

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

TEXT:  
MEMORANDUM TO DISTRIBUTION LIST

FROM: Bruce Reed  
Assistant to the President for Domestic Policy

SUBJECT: June 25, 1998 CRIME MEETING

On Thursday, June 25, at 12:00 noon in Room 211 of the Old Executive Office Building, we will hold the weekly crime meeting.

Thank You.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 12:17:43.00

SUBJECT: tomorrow's crime meeting agenda

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

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

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

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

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

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

TEXT:

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

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D20]MAIL47512157L.126 to ASCII,  
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## **Crime Meeting Agenda June 25, 1998**

### **Upcoming Events**

- \* 7/9 Anti-drug media campaign national roll out, Atlanta
- \* Separate Drug Courts event -- DUF/ADAM arrestee data release
- \* 6/26 Riley speech on school violence; 6/25 McCaffrey release of Pulse Check

### **Pending Items**

- \* School safety
- \* 7/28 Drug Strike Force VP announcement, Chicago
- \* Youth handgun signs -- ready
- \* Meth COPS grants -- school COPS grants
- \* Faith-based anti-gang grants
- \* Teen drug testing/driver's licenses pilot

### **Legislative**

- \* Juvenile crime
- \* Appropriations
  - CJS
  - Treasury-Postal
  - Labor/HHS
- \* Drugs

### **Miscellaneous**

- \* Other releases, DOJ reports, upcoming Supreme Ct. decisions/briefs
- \* Law enforcement groups

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 17:22:10.00

SUBJECT: Talking points for a Rubin call to Bible

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

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

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

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

TEXT:

Treasury prepared these talking points for a Rubin return call to Bible. I think they're fine -- please let me know by tomorrow morning if you want to review them (otherwise I'll give Gruber the go ahead.)

The talking points reiterate our publicly stated position on price estimates, in response to a June 11th fax Geoffrey Bible sent Rubin of two "independent" analyses of the Treasury analysis of McCain (sent to Hatch). ===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D6]MAIL495891674.126 to ASCII,  
The following is a HEX DUMP:

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256C34A9D9B3B47AA3CF3186E9B0E2B90C20C510C3882C0B9272E5A451F2FE9A33C978A17A15E1

June 23, 1998

**MEMORANDUM TO:** SECRETARY RUBIN  
**FROM:** JONATHAN GRUBER  
**RE:** Call to Geoffrey Bible

Action Forcing Event

Phillip Morris CEO Geoffrey Bible sent you a letter containing two critiques of the Administration's analysis of S.1415, the McCain bill. The analysis to which he refers was provided to the Senate Judiciary Committee on May 11, in response to a request from Chairman Hatch to Deputy Secretary Summers. In your return call, you reiterate the broad position that we presented in that analysis, while recognizing the uncertainties that underlie the study of this difficult topic.

Background

At his testimony before the Senate Judiciary Committee on April 30, Deputy Secretary Summers was directly challenged by Chairman Hatch to justify in detail the Administration's conclusions that the McCain bill would raise the price of cigarettes by \$1.10 per pack (in real terms) in 2003.

- Tax Policy and Economic Policy worked together to produce this analysis over the next 10 days, and it is attached as **Tab C**
- Subsequent to our analysis, the Joint Tax Committee issued an analysis which found that the price of cigarettes would actually rise by \$1.68 (constant 1998 dollars) in 2003. This difference was largely based on different assumptions about the baseline quantity of cigarettes consumed, the amount of smuggling that would arise from this legislation, the response of state taxes to this federally mandated price increase, and retail and wholesale mark-ups.
- In the wake of this news, the McCain bill was augmented by adding a "volume adjustment" which would lower the government receipts as cigarette volumes declined, to guarantee that the price would not rise by more than \$1.10 in 2003.

The letter that you received (attached as **Tab B**) contains two "independent" re-analyses of the letter that was sent to the Judiciary Committee.

- The letters contain a large amount of sharp rhetoric, but the cover note from Mr. Bible asks you to ignore this and focus on the analysis.

- Their analysis is fundamentally flawed or confused in some areas, and in others areas differ from Administration analysis because of honest scientific uncertainty. On some topics where there is some uncertainty, the administration has staked out a clear position.
- An example of the fundamental flaws in the analysis is the consideration of youth smoking. There is a clear scientific consensus that youth smoking is highly responsive to price, but this is ignored by both reviewers.
- An example of a confused point is the first reviewer's criticism of the Treasury price analysis. He argues that the analysis assumes the price elasticity falls as price rises, when the opposite is true. The price differences he attributes to differences in behavioral assumptions are actually due to his confusion between real and nominal prices.
- An example of the honest uncertainty is analyses of how the price responsiveness of smoking will change as the price rises by a large amount.
- An example of the last category is smuggling. There is some legitimate uncertainty about the impact of the McCain bill on smuggling. But we believe strongly, and have stated repeatedly in testimony, that smuggling will not be a significant problem given the impressive new enforcement regime that we are putting into place.

I attach as **Tab A** talking points for your call to Mr. Bible.

Recommendation

That you call Mr. Bible, relying on the attached talking points.

Yes       No       Let's Discuss

### Talking Points for Call to Geoffrey Bible

- Measuring the effect of comprehensive tobacco legislation on the price of cigarettes in the U.S. is an analytically difficult task that incorporates a large number of uncertainties. It is impossible to measure the effect of such legislation without making a number of assumptions and projections about an environment that is without historical parallel in the U.S.
- These types of scientific uncertainties lead to a number of the disagreements that your reviewers had with our analysis. On questions such as whether smokers are more or less responsive to small versus large price changes, there is no clear right answer. But in every such case we chose an assumption which was completely consistent with the extant scientific literature.
- In other important areas, we disagree quite strongly with your reviewers. Two such areas are the responsiveness of youth smoking to price, and the extent of smuggling that will arise from a comprehensive tobacco settlement such as the McCain bill.
- On the former, there is a clear scientific consensus that youths are very responsive to the price of cigarettes. This is confirmed by international evidence from Canada during the 1980s, where the price of cigarettes rose by 90% and youth smoking fell in half. Indeed, it is confirmed by analysis contained in internal documents from Phillip Morris and the other tobacco companies.
- On the latter, we believe quite strongly that the creation of a sound regulatory system – one that will close the distribution chain for tobacco products – will ensure that the diversion and smuggling of tobacco can be effectively controlled and will not defeat the purposes of comprehensive tobacco legislation.
- Thus, while we recognize the uncertainty that underlies this exercise, we stand by our analysis, and we would apply the same basic methodology to analyzing future bills on this topic that emerge from the Congress.
- We hope that we can work with you in trying to pass comprehensive tobacco legislation this year.

#### Background - Specific Topics

Volume Adjustment: In the wake of an unfavorable score of the price per pack effects of the McCain bill by JCT, the bill was augmented by adding a “volume adjustment” which would lower the government receipts as cigarette volumes declined, to guarantee that the cost per pack to the manufacturer would not rise by more than \$1.10 (1998 dollars) in 2003. This volume adjustment takes as its base 80% of 1997 volumes, which is criticized by Mr. Bible.

But the reason for this is quite simple: the payment stream included in the McCain bill already

had an “implicit” volume adjustment built in, which had the payments decline over time to reflect the fact that we expected a fall in volume. The 80% adjustment was simply picked so that, given our assumptions on volume decline, we would guarantee cost per pack increase of \$1.10 real. This is indeed the cost per pack increase “score” provided by JCT on the revised bill.

The key point is that **with this volume adjustment, the manufacturer per pack cost increment due to the base payments in the bill is guaranteed to be no greater than \$1.10 real.** This seems to be misunderstood by both the reviewers and by Bible.

The Evolution of Price Responsiveness: Contrary to the statement by the first reviewer, our model assumes that the price responsiveness of smokers rises as the price rises. But because the model is slightly non-linear, it takes larger and larger absolute price increases to generate the same quantity reduction. It is in this sense that the model is consistent with the intuition that as the price rises, the market is composed of more and more committed smokers. Our model, moreover, is consistent with several influential empirical studies. The criticism of it offered by the first reviewer is without empirical or theoretical basis.

Smuggling: The regulatory regime we envision has three essential elements. First, all entities in the distribution chain for tobacco products – manufacturers, wholesalers, exporters, importers, distributors and retailers – should be required to hold a license or a permit. Licensing of retailers could be done at the state level. Licenses would be issued based on certain clearly specified criteria and could be revoked or suspended for certain specified violations. Those conducting business without a license would be subject to penalties. Licensed entities should only be authorized to sell tobacco products to other licensed entities. Second, legislation should require the marking, branding and identification of packages of tobacco products intended for domestic distribution and for export so that they may not be diverted or smuggled in circumvention of the legitimate channels of distribution. Third, any regulatory proposal should include penalty and administrative provisions that will allow for effective, efficient and uniform enforcement of controls over distribution.

With the necessary regulatory provisions in place to deal with potential smuggling, we assume there will not be an increase in smuggling for several reasons. First, the Aclosed@ distribution scheme would limit drastically smugglers’ ability to enter products into a legitimate distribution channel. Potential black marketeers will not be able to move products through legitimate wholesalers or distributors. Nor will they be able to sell products to retail consumers at the local convenience stores or other licensed retail outlets. Instead, without a way to place contraband products in the market legally, smugglers would have to sell cigarettes outside channels of legitimate distribution. This would be a risky proposition and one we do not believe will represent a significant problem. Second, U.S. cigarette manufacturers would have great incentives not to become complicit in any smuggling operation, as they would encounter enormous legal risks (such as the possibility of losing their license or, as the McCain bill provides, losing their cap on liability risk) and public opprobrium. Indeed, it is hard to imagine that large scale smuggling could occur without the manufacturers’ knowledge. Third, the U.S.

Customs Service has the expertise and the experience to deal with imported contraband products and has already made a substantial investment in the currently planned introduction of non-intrusive inspection systems and other equipment needed to detect smuggling of contraband.

The organic nature of tobacco and the distinctive shape of cigarettes makes them readily detectable by equipment that Customs currently has in place.

Pass-Through to Price: The second reviewer disputes our assumption that these payments will be passed-through to prices. But this assumption is supported by a large empirical literature, and is commonly employed in outside analyses of this legislation, including those by CBO and JCT.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 17:54:35.00

SUBJECT: Women's Mtg

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

TO: Rebecca M. Blank ( CN=Rebecca M. Blank/OU=CEA/O=EOP @ EOP [ CEA ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

TO: Lucia F. Gilliland ( CN=Lucia F. Gilliland/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

TO: Judith A. Winston ( CN=Judith A. Winston/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ:UNKNOWN

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

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

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

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

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

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

READ:UNKNOWN

TO: Susan M. Liss ( CN=Susan M. Liss/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

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

CC: Tania I. Lopez ( CN=Tania I. Lopez/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

CC: Marjorie A. Black ( CN=Marjorie A. Black/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ:UNKNOWN

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

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

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

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

TEXT:

There will be a Women's Mtg on Thursday at 9am in rm 100. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Karen E. Skelton ( CN=Karen E. Skelton/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:24-JUN-1998 10:26:03.00

SUBJECT: Re:

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

TEXT:

you are technologically challenged. No message came.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Diana Fortuna ( CN=Diana Fortuna/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:24-JUN-1998 17:45:42.00

SUBJECT: Latest on that other child support bill

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

The House will probably pass the child support incentives bill tomorrow morning, and the Senate may pass it Friday. (Another signing?)

In case we get asked what we think of it, we've drafted the following positive but vague response (we haven't actually seen the compromise yet, so we should be a bit careful). Laura, can you ask Elena to clear this?

While we have not yet had a chance to review the legislation just passed by the House, we are pleased that Congress appears to be moving toward passage of such a bill. We strongly support the bill's provisions to reward states based on their performance on key child support enforcement goals -- provisions that are based on an Administration proposal. We also support the bill's concept of an alternative penalty structure to guarantee that states face automatic and escalating penalties if they fail to automate their child support enforcement systems on time. We look forward to enactment of a bill that would accomplish these important goals.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Donna L. Geisbert ( CN=Donna L. Geisbert/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 24-JUN-1998 13:19:21.00

SUBJECT: Weekly Tobacco Strategy Meetings

TO: marti.thomas ( marti.thomas @ ms01.do.treas.sprint.com @ inet [ UNKNOWN ] )  
READ: UNKNOWN

TO: Grundman-Stacey ( Grundman-Stacey @ dol.gov @ inet [ UNKNOWN ] )  
READ: UNKNOWN

TO: sheketoff-emily ( sheketoff-emily @ dol.gov @ inet [ UNKNOWN ] )  
READ: UNKNOWN

TO: kburkel ( kburkel @ os.dhhs.gov @ inet [ UNKNOWN ] )  
READ: UNKNOWN

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

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

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

TO: DAILARD\_C ( DAILARD\_C @ A1 @ CD @ VAXGTWY [ UNKNOWN ] ) (OPD)  
READ: UNKNOWN

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

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

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

TO: Toby Donenfeld ( CN=Toby Donenfeld/O=OVP @ OVP [ UNKNOWN ] )  
READ: UNKNOWN

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

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

TO: JONATHAN.GRUBER ( JONATHAN.GRUBER @ MS01.DO.treas.sprint.com @ inet [ UNKNOWN ] )  
READ: UNKNOWN

TO: Jennifer.moore ( Jennifer.moore @ justice.usdoj.gov @ inet [ UNKNOWN ] )  
READ: UNKNOWN

TO: guzy.gary ( guzy.gary @ epamail.epa.gov @ inet [ UNKNOWN ] )  
READ: UNKNOWN

TO: johara ( johara @ osophs.dhhs.gov @ inet [ UNKNOWN ] )

READ:UNKNOWN

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

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

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

TO: MARR\_C ( MARR\_C @ A1 @ CD @ VAXGTWY [ UNKNOWN ] ) (OPD)  
READ:UNKNOWN

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

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

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

TO: Jerold R. Mande ( CN=Jerold R. Mande/OU=OSTP/O=EOP @ EOP [ OSTP ] )  
READ:UNKNOWN

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

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

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

CC: haverkamp\_jennifer ( haverkamp\_jennifer @ ustr.gov @ INET @ VAXGTWY [ UNKNOWN ] )  
READ:UNKNOWN

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

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

CC: MURRAY\_MM ( MURRAY\_MM @ A1 @ CD @ VAXGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

CC: Satish Narayanan ( CN=Satish Narayanan/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

CC: Dan J. Taylor ( CN=Dan J. Taylor/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

TEXT:

The Weekly Tobacco Strategy Meetings scheduled every Thursday at 2:45 in the OEOB will be suspended until further notice

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 16:55:20.00

SUBJECT: EEOC -- Hill meetings + mark-up results

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

TO: Maria Echaveste ( CN=Maria Echaveste/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

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

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

TEXT:

FYI. Broderick is trying to set up meetings with Hill staff for tomorrow afternoon (after 5:30pm). The group will likely include a mix of Democratic authorizers and appropriators (both within and without the CBC) and Cassandra from Gephardt's staff. Martha is still a bit worried that we will be talking to the staff before we have fully resolved all of the five remaining issues (particularly the one about allocation of lawyers' time between litigation and charge processing). However, she agrees that we have to talk to them soon to get them to understand where we are.

EK -- I am checking with Laura re: your availability.

Also, I just got word from Martha that the EEOC got \$18.5 million in the subcommittee mark-up. This is half of the President's request of \$37 million. There was no report or bill language and nothing in the mark-up notes. Also, there was very little discussion during the mark-up on this. Mollohan stated that he didn't know how the EEOC could address the backlog without the full amount requested and that he will work on this (getting more money) as the process continues. Dixon said that he wanted to work with the Chairman on report language (for the full committee's report).

julie

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Audrey T. Haynes ( CN=Audrey T. Haynes/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:24-JUN-1998 18:13:37.00

SUBJECT: Final for use by WH press office.

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Tania I. Lopez ( CN=Tania I. Lopez/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: June G. Turner ( CN=June G. Turner/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Due to Press inquiries this afternoon, we got a statement together. No need to meet at 9:30 in Ann's office on Thurs.....I'll circulate the statement to the groups tomorrow. thanks

----- Forwarded by Audrey T. Haynes/WHO/EOP on 06/24/98

06:10 PM -----

LINDA RICCI

06/24/98 06:07:47 PM

Record Type: Record

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

cc:

Subject: Final for use by WH press office.

It is appalling that Congress would decide to intervene in the drug safety practices of the Food and Drug Administration. For years, the FDA has

used rigorous testing and the highest of scientific standards to protect public health. Now, this Congressional action would substitute political ideology for sound science, and that is a serious mistake. And it would restrict scientific research that can protect women's health and offer safe medical choices.

Q: Will the President veto this measure?

Since the provision was just added in one House, it's too early to say.

Message Sent

To: \_\_\_\_\_

Ann F. Lewis/WHO/EOP

Audrey T. Haynes/WHO/EOP

Christopher C. Jennings/OPD/EOP

Cynthia Dailard/OPD/EOP

Jennifer L. Klein/OPD/EOP

Joshua Gotbaum/OMB/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:25-JUN-1998 11:06:08.00

SUBJECT: Outline for food safety

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Mary and I are working on deliverables for the food safety radio address. The final juice rule looks to be the most promising at this point. Here is what an outline of address might look like.

Elements for Food Safety Radio Address:

\* We have made important strides in putting in place an effective, modern system to protect food safety

\* On Monday, we will finalize the rule requiring labels on unpasteurized fruit juices so parents can know what their children are drinking. This is important for children, and all consumers. (or other announcement).

\* But we have much to do.

\* Summer is the most dangerous time for food safety.

\* We have had serious outbreaks already this summer. In Georgia and the midwest many people have gotten sick from e-coli and salmonella.

\* We urgently need to take the next steps in modernizing our food safety system. Especially we need to work to guarantee the safety of imported foods.

\* Unfortunately, the House took a step backward this week when it failed to appropriate funds for a comprehensive food safety plan, including funds for increased inspection of imported foods.

\* This should not be a Republican or Democratic issue. It is a matter of protecting the safety of the food our families eat.

\* When the Senate takes this issue up later this month, I urge them to do the right thing and invest in improving our food safety system.

Other.

We'll forward a list of other options for announcements. In addition to the budget, we could also push for passage of a bill to give USDA the authority to recall tainted meat.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:25-JUN-1998 11:55:56.00

SUBJECT:

TO: ELENA (Pager) #KAGAN ( ELENA (Pager) #KAGAN [ UNKNOWN ] )

READ:UNKNOWN

TEXT:

Stop by Cynthia's office on way to Crime mtg- for teen pregnancy Q&A

# Withdrawal/Redaction Marker

## Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Minyon Moore to Elena Kagan and Bruce Reed re: WH Fellow (1 page)	06/25/1998	P6/b(6)

### COLLECTION:

Clinton Presidential Records  
Automated Records Management System (Email)  
WHO ([Kagan])  
OA/Box Number: 500000

### FOLDER TITLE:

[06/23/1998 - 06/25/1998)

2009-1006-F  
ds281

### RESTRICTION CODES

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

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

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

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

RR. Document will be reviewed upon request.

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

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:25-JUN-1998 13:56:18.00

SUBJECT: H1B -- leg. update

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:

Elena,

As you know, yesterday Abraham, Smith, Arney, Phil Graham and Hyde met to discuss how to resolve the conflict between the House and Sen. Reps. on H1B legislation. Peter had some preliminary discussions with Smith's staffer (George Fishman) earlier this week and outlined a few options for compromise that we could agree to (these were agreed to after discussions with Labor, OMB and Commerce). These options included (1) the reforms being implemented for a period of years, to be evaluated at the end to determine whether to continue with them (a bit looser than a straight pilot); (2) having the recruit and retain attestation only apply to positions that pay < \$75K (according to DOL, only 7% of computer programmers are paid >\$75K; calls industry's bluff re: their shortage of really highly skilled and desirable workers); and (3) excluding truly casual users from the recruit and retain attestation (those who have hired fewer than 10 H1Bs over the last three years). According to Smith's staffer, there has been no movement between the two sides. However, they are meeting again this afternoon at 5pm.

I would like to propose to him that the recruit and retain attestation only apply to employers whose workforce is more than 5% H1B (including the requested H1B workers). The theory here is that an employer with a 95% U.S. workforce is likely doing a sufficient job of recruitment and thus should not be scrutinized on this by DOL. However, we anticipate (based on some preliminary discussions with DOL) that they may not agree to pitch this. Sally may want to pull together a quick meeting this afternoon (with DOL, OMB, Commerce and us) to try to get this resolved before the Reps. meet again.

julie

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:25-JUN-1998 13:56:28.00

SUBJECT: Revised Talking Points on Coburn RU-486 Amendment

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

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

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

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

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

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

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

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

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

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

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

TEXT:

It is appalling that Congress would decide to intervene in the drug safety practices of the Food and Drug Administration. For years the FDA has used vigorous testing and the highest of scientific standards to protect public health. This unprecedented Congressional action substitutes political ideology for sound science. It would restrict scientific research that can protect women's lives and offer them safe medical choices. It shows the extremism of those whose real agenda is to deny completely the ability of women to make their own reproductive choices.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Karen Tramontano ( CN=Karen Tramontano/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:25-JUN-1998 12:21:14.00

SUBJECT: Health Care Bill of Rights

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

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

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

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

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

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

TEXT:

I know several of us talked this morning about how to drive home the difference between the R's HMO Bill of Rights and Ours --- one thought: i doubt the R's have the whistle blower protections in their bill -- and we have --thus far -- leaned away from this provision --- if we were to lean in to this provision we would have a natural constituency--the issue could be framed as a way to ensure quality --by health care workers who are the direct service providers

one last note to Chris -- the afl-cio has been in conversation w/ Kennedy and Daschle's folks about the remedy section of the bill --- the mutli-employer plans have concerns w/ the state court enforcement remedy section -- they are vetting a federal court enforcement --- I understand that one of the differences between the R's bill and ours is the remedy section -- I asked Gerry Shea to call you ASAP to discuss this -- my obvious concern is that we ramp up the differences on the remedy section and one of our strongest constituencies for the bill is trying to modify that section as you are writing --- gerry can be reached at 637-5237--because it's an issue for the multi-employer plans this is a labor/employer issue not just a labor one --

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:25-JUN-1998 10:44:34.00

SUBJECT: NEED CLEARANCE: C/J/S APPROPS LETTER

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

READ:UNKNOWN

TO: Kerri A. Jones ( CN=Kerri A. Jones/OU=OSTP/O=EOP@EOP [ OSTP ] )

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: RUDMAN\_M@A1@CD@VAXGTWY ( RUDMAN\_M@A1@CD@VAXGTWY [ UNKNOWN ] ) (NSC)

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

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

READ:UNKNOWN

TO: Rahm I. Emanuel ( CN=Rahm I. Emanuel/OU=WHO/O=EOP@EOP [ WHO ] )

READ:UNKNOWN

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

READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TEXT:

The Senate Full Committee is scheduled to markup the C/J/S Appropriations bill today at 2pm. Therefore, we need comments/clearance on the attached committee letter no later than Noon. Thanks.

The Honorable Ted Stevens  
Chairman

Committee of Appropriations  
United States Senate  
Washington, D.C. 20510

Dear Mr. Chairman:

The purpose of this letter is to provide the Administration's views on the Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Bill, FY 1999, as approved by the Senate Subcommittee. As the Committee develops its version of the bill, your consideration of the Administration's views would be appreciated. These views are based on incomplete information and are, therefore, necessarily preliminary.

The Administration appreciates efforts by the Subcommittee to accommodate certain of the President's priorities within the 302(b) allocation. However, the allocation is simply insufficient to make the necessary investments in programs funded by this bill. As a result, critical programs are not funded or are underfunded.

The only way to achieve the appropriate investment level is to offset discretionary spending by using savings in other areas. The President's FY 1999 Budget proposes levels of discretionary spending for FY 1999 that conform to the Bipartisan Budget Agreement by making savings in mandatory and other programs available to help finance this spending. In the recently enacted Transportation Equity Act, Congress -- on a broad, bipartisan basis -- took similar action in approving funding for surface transportation programs paid for with mandatory offsets. We want to work with the Congress on mutually agreeable mandatory and other offsets that would be used to increase high-priority discretionary programs, including those funded by this bill. In addition, we hope that the Committee will reduce funding for lower priority and unrequested discretionary programs, such as the Local Law Enforcement Block Grant, and redirect funding to programs of higher priority.

Within the limited resources available, the Administration believes that the Subcommittee has produced a balanced, responsible bill. For example, we appreciate the Subcommittee's funding of law enforcement programs in general and the COPS program in particular. Funding COPS at the requested level of \$1.4 billion is consistent with the Balanced Budget Agreement and would enable us to achieve the goal of hiring 100,000 additional police officers by the year 2000. However, as the bill moves through the process, we urge the Congress to consider additional sources of mandatory savings that could be used to provide resources for other priority discretionary programs.

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.

Department of Commerce

Statistics. It is vitally important that Congress provide required funding to upgrade the Nation's core statistical infrastructure. The Administration appreciates the Subcommittee's full funding of the President's request for the Decennial Census, the Nation's single largest statistical operation and notes that the Subcommittee bill also includes funding for a non-sampling plan through March 1, 1999. We urge the Committee to provide additional funds to improve our current measurements of the Gross Domestic Product and Poverty Rate, fundamental economic

indicators crucial to sound private and public sector decision-making. Increased funding also is vitally important to maintain the full development of the Continuous Measurement program. This program will provide critical demographic data about the Nations's communities every year, rather than once every 10 years, and enable the Census Bureau to eliminate the long form from the 2010 Decennial Census.

National Institute of Standards and Technology. The Administration is disappointed that the Subcommittee has provided a flat funding level -- \$193 million -- for the Advanced Technology Program. This would result in a 40-percent cut below the requested new award grant level, thus reducing support for cutting-edge research proposals to only \$55 million. Finally, the Administration is concerned that the Subcommittee bill may allocate funds to non-competitive, unevaluated projects and that full funding for the new Advanced Measurement Laboratory is not provided. Absent full funding, NIST will not have sufficient funds to build this facility.

National Information Infrastructure Grants Program. The Administration urges the Committee to provide the full request for the National Information Infrastructure program (NII), and to exclude language limiting award eligibility. The NII program is meritorious, providing seed money for innovative projects that deploy, use, and evaluate advanced information technology. The program has generated over \$200 million in matching funds and continues to be in demand, as is evidenced by its 18 to 1 application-to-award ratio.

National Oceanic and Atmospheric Administration. While the Administration appreciates the Subcommittee's support for the National Oceanic and Atmospheric Administration (NOAA), we are concerned about reductions to the Clean Water and Polar Convergence initiatives and the substantial amount of funding for unrequested items. The Clean Water initiative will provide coastal States with technical support to address the critical environmental challenge of non-point source pollution and implement on-the-ground management measures to control polluted runoff in coastal areas. Convergence of the Departments of Commerce and Defense polar orbiting satellites will generate significant taxpayer savings, while improving weather warnings and forecasts. The Subcommittee's reduction would lead to contract delays and cutbacks in risk reduction activities, and may necessitate a restructuring of a complex and carefully negotiated multi-agency system. In total, the Subcommittee has provided a \$159 million more for NOAA than requested by the President, much of it earmarked for unrequested programs. We urge the Committee to reallocate these funds to priority programs within NOAA and elsewhere in the Department.

Economic Development Administration. We urge the Committee to restore funding for the Economic Development Administration (EDA) to a level closer to the Administration's request of \$398 million. A recent study of EDA's Public Works program indicates that EDA has achieved impressive results in creating jobs, leveraging private sector dollars, and increasing local tax bases. A reduction to EDA's Title IX (emergency relief) and defense conversion programs would adversely affect EDA's ability to help distressed communities deal with the burdens imposed by industry downsizing and international trade agreements.

Department of Justice

Drug Courts and Drug Testing and Intervention. While the Administration appreciates the \$40 million provided for drug courts, \$10 million over the request, we are disappointed by the Subcommittee's failure to provide any

of the \$85 million requested for the drug testing and intervention program. Systematic-drug testing is a proven, cost-effective means of using the coercive power of the criminal justice system to move non-violent offenders into drug treatment programs.

Immigration and Naturalization Service. The Administration's bipartisan border management and enforcement strategy is built upon incremental growth in the Immigration and Naturalization Service's (INS') enforcement and support personnel and infrastructure. The Subcommittee mark of \$2.4 billion -- \$350 million below the Administration's request -- is insufficient to support the managed growth of INS and may jeopardize the Administration's five-year border enforcement strategy. This level would not fund the annualization costs for the 1,000 Border Patrol agents and detention and investigative personnel that INS has hired in FY 1998 and would not allow INS to add the requested 1,000 new Border Patrol agents in FY 1999. In addition, the Subcommittee's funding level would prevent INS from increasing detention bed space to house apprehended illegal aliens pending deportation and from enhancing physical barriers and inspection technology along our borders.

The Administration is very concerned that the Subcommittee bill underfunds certain authorized discretionary programs -- such as the Executive Office of Immigration Review -- and uses mandatory funds from the immigration examination fee to support these discretionary programs. The Subcommittee's action commits mandatory receipts and unobligated balances that are essential to the processing and adjudication of benefits. The result would be insufficient resources to process pending naturalization applications, which would have a direct impact on INS' ability to reduce the citizenship application backlog.

Juvenile Justice Block Grant. The Administration appreciates the Subcommittee's desire to provide additional support for juvenile justice programs. However, we are concerned that the \$100 million block grant program may authorize a broad and unfocused range of spending. Rather than funding the block grant, we urge the Committee to provide funding: to establish a community prosecutors program, which is designed to increase the number of prosecutors who interact directly with the community; for prosecutorial initiatives, which will reduce backlogs and enable prosecutors to prosecute youth drug, gang, and violence problems more effectively; and, for youth violence courts, which will also improve the effectiveness and expediency of the juvenile justice system.

#### Protection Against Chemical and Biological Weapons

We appreciate the Subcommittee's support of the Administration's request to increase funding to combat terrorism involving the use of chemical and biological weapons. However, we note that the Subcommittee mark provides more than the requested level for first responder equipment, and less than the requested level for bomb squad equipment and for funding the development of Metropolitan Medical Strike Teams (MMSTs) by the Department of Health and Human Services. We continue to believe that the levels proposed in the budget amendment reflect the appropriate balance between all aspects of antiterrorism activities.

#### International Affairs Programs

The Administration appreciates the Subcommittee's support for the Department of State accounts that fund diplomatic and consular activities and, in particular, funding the request for the State Department's information technology modernization effort, including year 2000 (Y2K)

activities. However, the Subcommittee's cuts and unrequested earmarks in the Diplomatic and Consular Programs and Salaries and Expenses accounts, totaling over \$30 million, would prevent the Department from meeting expected wage and price increases, covering critical overseas staffing gaps, and addressing other infrastructure shortfalls.

While the Administration is encouraged by the Subcommittee's recognition of the Department's overseas facility requirements, we urge the Committee to restore the \$90 million reduction to the Security and Maintenance of United States Missions account and to provide full funding of the President's request for urgently needed embassy facilities in Beijing and Berlin. The Administration appreciates the Subcommittee's support for funding the Arms Control and Disarmament Agency's activities, particularly in light of recent events in South Asia.

Over the past several years, the Administration has worked with Congress to address a variety of issues relating to U.S. participation in the United Nations, U.N. peacekeeping, and other international organizations. Although these efforts have not yet resulted in solutions, there is considerable agreement on the direction of U.S. policy. In that light, the Administration appreciates the steps the Subcommittee has taken to fund the request for arrearage payments this year. The Administration wants to work with the Congress to ensure that these funds are available in a timely fashion to retain our influence in these organizations.

Unfortunately, the Subcommittee bill significantly underfunds, by about \$75 million, the annual assessed contributions to these organizations. This would increase arrears again, further inhibit chances for reforms we are all seeking, and seriously constrain the ability of the United States to address foreign policy interests through the mechanism of U.N. peacekeeping. In addition, we understand that the Subcommittee has imposed a number of certification requirements and conditions before payments by the United States to these organizations can be made. The consequence of these provisions would likely be the loss of vote of the United States in the United Nations and other international organizations.

The Administration is very concerned that funding for the United States Information Agency's overseas information and broadcasting programs has been reduced by \$80 million below the President's request. The funding level of \$427 million for International Information Programs is \$34 million below the President's request and \$24 million below the FY 1998 enacted level. However, due to a technical error, the level provided excludes \$24 million needed for administrative costs overseas under the new ICASS cost-sharing system. For broadcasting programs, the Subcommittee mark is \$46 million below the President's request. A reduction of this magnitude would require a personnel reduction-in-force, eliminate broadcast language services, and defer necessary capital and technical radio modernization improvements. We urge the Committee to provide funding for core information and broadcasting programs at the President's requested level. Finally, we request that the Committee remove earmarks placed on the Educational and Cultural Exchanges program.

The Administration is also concerned about the elimination of funding for the Asia Foundation; the low funding levels for International Commissions, which would limit the operations of the San Diego-Tijuana treatment plant and endanger other important bi-national environment objectives; and, cuts to the American Institute in Taiwan, which would result in staffing reductions and jeopardize critical Y2K upgrades.

#### Legal Services Corporation

The Administration commends the Subcommittee for increasing the funding level for the Legal Services Corporation (LSC) to \$300 million, \$13 million above the FY 1998 enacted level. However, we strongly urge the Committee to provide the full request of \$340 million. This level is needed to carry out LSC's mission to provide the Nation's poor with access to the judicial system. The Supreme Court recently ruled that interest on lawyer trust accounts (ILTAs) are the private property of clients, and cannot be used to generate resources for civil legal services. This eliminates a funding source that provided LSC programs with more than \$57 million last year and underscores the importance of Committee action to fully fund the President's request.

#### Small Business Administration

The Administration strongly objects to the Subcommittee mark of \$94 million to administer the Small Business Administration's (SBA's) Disaster Loan Program, a 43-percent cut from the President's request. Such a drastic reduction in funding to originate and service disaster loans would severely curtail SBA's ability to respond to the needs of the victims of natural disasters.

In addition, the Administration has serious concerns about the Subcommittee mark of \$265 million for SBA's Salaries and Expenses account. A cut of this magnitude could require SBA to reduce its staffing by up to 300 staff years and would require furloughs and/or reductions-in-force, jeopardizing SBA's ability to accomplish its mission.

#### Equal Employment Opportunity Commission

The Administration strongly urges the Committee to fully fund the President's request of \$279 million for the Equal Employment Opportunity Commission (EEOC), \$25 million above the Subcommittee mark. The additional resources are essential, and would allow EEOC to reduce the backlog of pending complaints and implement much-needed reforms in the way all complaints are managed, including an enhanced alternative dispute resolution program. We look forward to working with Congress to provide funding for EEOC and other programs included in the President's civil rights enforcement initiative.

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

Sincerely,

Jacob J. Lew  
Acting Director

Identical Letter Sent to The Honorable Ted Stevens,  
The Honorable Robert C. Byrd, The Honorable Judd Gregg,  
and The Honorable Ernest F. Hollings

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Robert N. Weiner ( CN=Robert N. Weiner/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:25-JUN-1998 11:19:25.00

SUBJECT: Draft Statement on Bragdon v. Abbott

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

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

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

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

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

TEXT:

Please provide comments on this asap.===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D75]MAIL48117567R.126 to ASCII,  
The following is a HEX DUMP:

FF57504320050000010A020100000002050000003E0B0000000200003A4F1E69AC0593B08DDE45  
F3BECAC8A7FFA7D3176DA188A752FA8B9057E852B1B008FD6D5FB06BF9F47D6F54549AE86A593F

## DRAFT STATEMENT BY THE PRESIDENT

"I am pleased that today's decision by the Supreme Court in *Bragdon v. Abbott* reinforces the protections offered by the landmark Americans With Disabilities Act for Americans living with HIV disease and AIDS. The ADA was enacted with strong bi-partisan support to protect Americans with disabilities from discrimination. The Administration filed a brief in this case arguing successfully that people with HIV are disabled whether or not they are symptomatic, and that the protections offered by the ADA therefore apply.

I want to assure all Americans with disabilities, including those living with HIV disease and AIDS, that this Administration is firmly committed to protecting them from discrimination. Today's decision will assist us in fulfilling that commitment."