

NLWJC - KAGAN

EMAILS CREATED

ARMS - BOX 005 - FOLDER 008

[6/18/1998 - 7/6/1998]

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Elena Kagan to Ron Klain. Subject: Invitation. (1 page)	07/02/1998	Personal Misfile

COLLECTION:

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

FOLDER TITLE:

[06/18/1998 - 07/06/1998]

2009-1006-F

wr54

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 READ RECEIPT)

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

CREATION DATE/TIME:18-JUN-1998 20:33:14.00

SUBJECT: RECEIVED: POTUS Hate Crimes Letter

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

READ:UNKNOWN

TEXT:

RETURN RECEIPT

Your Document:

POTUS Hate Crimes Letter

was successfully received by:

CN=Elena Kagan/OU=OPD/O=EOP

at:

06/18/98 08:29:54 PM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elena Kagan@EOP@LNGTWY@LNGTWY (Elena Kagan@EOP@LNGTWY@LNGTWY [OPD])

CREATION DATE/TIME:19-JUN-1998 18:19:22.00

SUBJECT: Read Receipt: Justice Letter on Child Custody Bill

TO: Robert J. Pellicci@EOP (Robert J. Pellicci@EOP [OMB])

READ:UNKNOWN

TEXT:

Message Creation Date was at 19-JUN-1998 18:09:00

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elena Kagan@EOP@LNWTWY@LNWTWY (Elena Kagan@EOP@LNWTWY@LNWTWY [OPD])

CREATION DATE/TIME:19-JUN-1998 18:19:23.00

SUBJECT: Read Receipt: Justice Letter on Child Custody/Abortion

TO: Robert J. Pellicci@EOP (Robert J. Pellicci@EOP [OMB])

READ:UNKNOWN

TEXT:

Message Creation Date was at 19-JUN-1998 18:08:00

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:19-JUN-1998 09:24:14.00

SUBJECT: RECEIVED: Need clearance: Agriculture Approps. SAP

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

TEXT:
RETURN RECEIPT

Your Document:
Need clearance: Agriculture Approps. SAP
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
06/19/98 09:17:21 AM

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:19-JUN-1998 18:17:05.00

SUBJECT: RECEIVED: Amendment(s) on S1023 Treasury, Postal Service, and General Government

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

READ:UNKNOWN

TEXT:

RETURN RECEIPT

Your Document:

Amendment(s) on S1023 Treasury, Postal Service, and General Government Appropriations, FY
was successfully received by:

CN=Elena Kagan/OU=OPD/O=EOP

at:

06/19/98 06:13:18 PM

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:20-JUN-1998 08:16:01.00

SUBJECT: RECEIVED: POTUS hate crimes letter

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

READ:UNKNOWN

TEXT:

RETURN RECEIPT

Your Document:

POTUS hate crimes letter

was successfully received by:

CN=Elena Kagan/OU=OPD/O=EOP

at:

06/20/98 08:11:39 AM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:21-JUN-1998 11:09:17.00

SUBJECT: Re:

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

you bet; chris will get you the memo as soon as he's done with it.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:21-JUN-1998 11:20:49.00

SUBJECT: Re:

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

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

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

TEXT:

Yes, let's do it monday.

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:22-JUN-1998 17:55:10.00

SUBJECT: RECEIVED: Need Clearance: Defense House Rules SAP

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

READ:UNKNOWN

TEXT:

RETURN RECEIPT

Your Document:

Need Clearance: Defense House Rules SAP

was successfully received by:

CN=Elena Kagan/OU=OPD/O=EOP

at:

06/22/98 06:03:12 PM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:22-JUN-1998 16:16:11.00

SUBJECT: Re: bilingual memo

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

READ:UNKNOWN

TEXT:

yes, of course -- i hope tonight.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:22-JUN-1998 16:16:38.00

SUBJECT: Executive Order on Native American education

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

TEXT:

please print.

----- Forwarded by Elena Kagan/OPD/EOP on 06/22/98 04:26 PM -----

Mary L. Smith
06/22/98 04:09:35 PM
Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc: Laura Emmett/WHO/EOP, Michael Cohen/OPD/EOP, Julie A. Fernandes/OPD/EOP
Subject: Executive Order on Native American education

Attached is a draft of the executive order on Native American education, along with a cover note to Jack Lew, to start the OMB vetting process on this order. Please review it. It would be helpful to send this to OMB as soon as possible because Mac Reed, who shepards the order through the process, will be out of the office for the first two weeks of July, and we would like to have the process completed by July 17. We hope to announce this order, along with some economic development policies being developed by Julie, on August 5 at the Native American Economic Development Conference.

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D40]MAIL46695737C.126 to ASCII,
The following is a HEX DUMP:

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081102000000C600000078070000081101000000C60000003E080000081101000000C600000004

June 23, 1998

MEMORANDUM FOR JACK LEW

THROUGH: MAC REED

FROM: BRUCE REED
ELENA KAGAN

SUBJECT: EXECUTIVE ORDER ON NATIVE AMERICAN EDUCATION

This is a formal request that you process the attached executive order pursuant to Executive Order No. 11030, as amended. Please process this order by **Friday, July 17, 1998**.

This executive order is designed to improve the academic performance of American Indian and Alaska Native students in grades K-12. The order focuses special attention on the following five goals: (1) improving reading and mathematics; (2) increasing high school completion and post-secondary attendance rates; (3) reducing the influence of long-standing factors that impede educational performance, such as poverty and substance abuse; (4) creating strong, safe, and drug-free school environments conducive to learning; and (5) expanding the use of science and educational technology. This executive order was developed at the initiative of the National Congress of American Indians (NCAI), the National Indian Education Association (NIEA), the National Advisory Council on Indian Education (NACIE), and the Native American Rights Fund (NARF).

If you have any questions regarding this order, you can contact Mary Smith at 456-5571. Thank you for your assistance.

DRAFT June 22, 1998 4:30 PM

**EXECUTIVE ORDER: AMERICAN INDIAN AND ALASKA NATIVE
EDUCATION**

Preamble:

The Federal Government is committed to improving the academic performance and reducing the dropout rate of American Indian and Alaska Native students. To help fulfill this commitment consistent with tribal traditions and cultures, this Executive Order focuses special attention on five goals: (1) improving reading and mathematics, the two gateway subjects for academic success; (2) increasing high school completion and post-secondary attendance rates; (3) reducing the influence of long-standing factors that impede educational performance, such as poverty and substance abuse; (4) creating strong, safe, and drug free school environments conducive to learning; and (5) expanding the use of science and educational technology.

Improving educational achievement and academic progress for American Indian and Alaska Native students is vital to the national goals of preparing every student for responsible citizenship, continued learning, and productive employment. On the 1994 National Assessment of Educational Progress (NAEP), over half of 4th grade American Indian and Alaska Native students scored below the basic level in reading proficiency and almost half scored below the basic level in math. According to the National Center for Education Statistics (NCES), American Indians and Alaska Natives have among the highest dropout rates and lowest college attendance rates of any group. Schools that serve American Indian and Alaska Native students often do not provide college preparatory classes in all subjects and fail to meet their unique educational needs.

The Federal Government has a special historic responsibility in the education of American Indian and Alaska Native students, which includes the following: (1) providing operational support to tribal and federal schools; (2) supplementing state and local support for public schools educating children on Indian trust-status lands through Federal Impact Aid program; (3) assisting tribal governments to develop their capacity to provide for the education of their members; and (4) assisting schools in addressing these students' unique educational and culturally-related academic needs so that they can achieve the same high education standards as all students.

To achieve its purposes, this order calls for a comprehensive and coordinated strategy across all related agencies at the federal level; collaboration with tribal, state, and local governments at the regional level; and the identification and demonstration of effective practices in school at the local level.

Order:

The United States has a unique legal relationship with Indian tribal governments as set forth in the Constitution of the United States, treaties, statutes, executive orders, and court decisions. Since the formation of the Union, the United States has recognized Indian tribes as domestic

dependent nations under its protection. In treaties, our Nation has guaranteed the right of Indian tribes to self-government. As domestic dependent nations, Indian tribes exercise inherent sovereign powers over their members and territory. The United States continues to work with Indian tribes on a government-to-government basis to address issues concerning Indian tribal self-government, trust resources, and Indian tribal treaty and other rights.

Therefore, by the authority vested in me as President by the Constitution and laws of the United States of America, in affirmation of the unique political and legal relationship of the Federal Government with tribal governments, and in recognition of the unique educational and culturally-related academic needs of American Indian and Alaska Native students, it is hereby ordered as follows:

Section 1. Federal Strategy. In order to meet the five goals of this order, a comprehensive federal response is needed to address the fragmentation of government services available to American Indian and Alaska Native students and the complexity of intergovernmental relationships in the education of those students. The purpose of the federal activities described herein is to build toward the development of a long term, comprehensive federal Indian education policy that will accomplish the following goals of this order: (1) improve reading and mathematics; (2) increase high school completion and post-secondary attendance rates; (3) reduce the influence of long-standing factors that impede educational performance; (4) create strong, safe, and drug-free school environments conducive to learning; and (5) expand the use of science and educational technology.

Subsection A. Interagency Task Force. There shall be established an Interagency Task Force to oversee the planning and implementation of this executive order. The Task Force shall confer with the National Advisory Council on Indian Education (NACIE) in carrying out the activities of this order. The Task Force, in conjunction with the NACIE, shall consult with representatives of American Indian and Alaska Native tribes and organizations, including the National Indian Education Association (NIEA) and the National Congress of American Indians (NCAI), to provide advice on the implementation of activities of the Executive order.

Subsection B. Composition of the Interagency Task Force. The membership of this Task Force shall include, but not be limited to, representatives of the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, Interior, Labor, Transportation, and Treasury, as well as the Environmental Protection Agency, the Corporation for National Service, and the National Science Foundation. Within 30 days, each participating department and agency shall appoint a senior official who will be responsible for management or program administration to serve as a member of the Task Force. The official shall report directly to the agency head or designee on agency activity under this order. To the extent permitted by law and regulation, each agency shall provide appropriate information in readily available formats as requested by the Task Force. The Assistant Secretary of Elementary and Secondary Education of the Department of Education and the Assistant Secretary of Indian Affairs of the Department of the Interior shall co-chair the Task

Force.

Upon invitation of the Secretaries of Education and of the Interior, other agencies may participate in the activities of the Task Force.

Subsection C. Interagency Plan. The Task Force shall, within 90 days, develop a federal interagency plan with recommendations for immediate consideration in the fiscal year 2000 budget request, including the identification of initiatives, strategies, spending goals and ideas for future coordinated interagency action supportive of the goals of this order.

Subsection D. Agency Participation. To the extent consistent with law, each participating agency shall adopt and implement strategies to maximize the availability of the agency's education-related programs, activities, resources, information and technical assistance to American Indian and Alaska Native students. In keeping with the spirit of the 1994 Executive Memorandum and the 1998 Executive Order on federal agency consultation with tribal governments (E.O. 13084), each participating agency of the Task Force shall consult with tribal governments on their education-related needs; research needs and priorities; and how the agency can better accomplish the goals of this order. Within six months, each participating agency shall report to the Task Force regarding the strategies developed to ensure participation and consultation.

Subsection E. Interagency Resource Guide. The Task Force shall identify, within relevant federal agencies, all education-related programs that support the goals of this order. Within twelve months of this order, the Task Force, in conjunction with the Department of Education, shall develop, publish, and widely distribute a guide that contains these resources.

Subsection F. Research. The Secretary of Education, through the Office of Educational Research and Improvement and the Office of Indian Education, in accordance with the Department of Education Organization Act (20 U.S.C. 2423c), and in consultation with NACIE and the member agencies of the Task Force, shall develop and implement a comprehensive research agenda that supports the goals of this order. The agenda shall support the efforts of schools, tribal communities, states, and families to promote high achievement, problem-solving abilities, and motivation among American Indian and Alaska Native students. Such an agenda shall include plans for ensuring: (1) reliable, consistent, complete, and accurate information on the academic status and progress of American Indian and Alaska Native students; (2) data collection and analysis that is representative of regional, cultural, and linguistic diversity among American Indian and Alaska Natives; (3) reporting that is in a variety of formats and in a language that is appropriate to a variety of American Indian and non-Indian audiences, including practitioners, policy makers, data users, and the general public; (4) a comprehensive and ongoing evaluation of the impact on academic achievement and retention of research-based educational practices and school-wide reform programs, including those emphasizing the role of the native language and culture in curriculum and instruction; (5) that high priority needs identified through the above mechanisms be addressed through coordinated interagency support of research and demonstration efforts in schools serving American Indian and Alaska Native students; and (6) appropriate time lines and strategies

for the implementation of plans. Within twelve months, the Secretary of Education shall report to the Interagency Task Force the development of a comprehensive research agenda including implementation time lines and strategies adopted.

Subsection G. Comprehensive Federal Indian Education Policy. The Task Force shall, within two years, develop a comprehensive federal Indian education policy to support the accomplishment of the goals of this order. The policy shall consider ideas within the Comprehensive Federal Indian Educational Policy Statement proposal developed by NIEA and NCAI and be designed to: (1) improve federal interagency cooperation; (2) ensure access to information on federal programs and resources; (3) encourage intergovernmental collaboration; and (4) assist tribal governments in meeting the unique educational needs of their children, including the need to preserve, revitalize, and use native languages and cultural traditions. The Task Force shall develop recommendations to implement the policy including budget requests and ideas for future coordinated interagency action. As appropriate, participating agencies of the Task Force may develop memoranda of agreement with one another to enable and enhance the ability of tribes and schools to provide and coordinate the delivery of federal, tribal, state, and local resources and services to meet the social, educational, and health-related needs of American Indian and Alaska Native students.

Section 2. Regional Partnership Forums. In conjunction with the Interagency Task Force, the Department of Education and the Department of the Interior shall convene, within eighteen months, a series of regional forums of federal, tribal, and state government interagency representatives to identify promising practices and approaches on how to share information, provide assistance to schools, develop partnerships, and coordinate intergovernmental strategies supportive of accomplishing the goals of this order. A report on each forum shall be submitted to the Task Force, which shall include any recommendations related to intergovernmental relations supportive of accomplishing the goals of this order.

Section 3. School Pilot Sites. The Department of Education and the Department of the Interior shall identify up to eight Bureau of Indian Affairs-funded schools and public schools with significant concentrations of American Indian and Alaska Native students, which shall receive comprehensive technical assistance in support of the goals of this order. A special team of technical assistance providers, including federal staff, shall be convened to provide assistance to these schools. Special attention shall be given to accomplishing Comprehensive School Reform Demonstration Programs where applicable and comprehensive service delivery that connects and utilizes diverse federal agency resources. The team shall disseminate the effective and promising practices of the school pilot sites to other local education agencies educating American Indian and Alaska Native students. The team shall report to the Task Force on the accomplishments and recommendations for improvement of its technical support to local education agencies.

Section 4. Administrative Support. The Department of Education shall provide appropriate administrative services and staff support for the Task Force. With the consent of the Department of Education, other agencies participating in the Initiative shall provide administrative support to the Task Force consistent with statutory authority and shall make use of section 112 of title 3,

United States Code, to detail agency employees to the extent permitted by law. The Task Force shall report annually the accomplishments of this order to the Director of the Office of Management and Budget (OMB).

Section 5. General Provisions. This order is intended only to improve the internal management of the Executive Branch and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person. This Executive Order is not intended to preclude, supersede or replace or otherwise dilute any other Executive Order related to American Indian and Alaska Native education.

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:22-JUN-1998 16:20:18.00

SUBJECT: RECEIVED: Reminder--comments on LRM MNB 191 are due.

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

TEXT:
RETURN RECEIPT

Your Document:
Reminder--comments on LRM MNB 191 are due.
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
06/22/98 04:25:00 PM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:22-JUN-1998 16:57:35.00

SUBJECT: Re: An Anniversary

TO: Andrew J. Mayock (CN=Andrew J. Mayock/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

it's going to be awfully crowded in the ward room.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:22-JUN-1998 19:35:45.00

SUBJECT: Comparisons between S. 1415, AG's and Hatch/Feinstein

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

TEXT:

please print

----- Forwarded by Elena Kagan/OPD/EOP on 06/22/98 07:45
PM -----

JOSHUA
GOTBAUM
06/22/98 06:40:33 PM

Record Type: Non-Record

To: Cynthia A. Rice/OPD/EOP
cc: See the distribution list at the bottom of this message
Subject: Comparisons between S. 1415, AG's and Hatch/Feinstein

We're faxing you a table (also attached) summarizing what we now know about the financial differences.

Please note that we really don't know what's in Hatch/Feinstein (e.g., whether there is or is not a credit for tort fund and whether it is limited to 1/3, what the year-by-year amounts are and what the relative spending priorities are, just to name a few).

For S. 1415/AG's/Hatch, the table shows 25 year gross real payments of \$408B, \$267B & \$303B, respectively.

The cost/pack ranges from \$1.10 real to \$0.64 to \$0.69.

5 Yr nominal net receipts go from \$59B to \$40B to \$47B, using our gquestimated CBO scoring.

Message Copied

- To: _____
- Bruce N. Reed/OPD/EOP
 - Elena Kagan/OPD/EOP
 - Cynthia Dailard/OPD/EOP
 - Richard J. Turman/OMB/EOP
 - Wm G. White/OMB/EOP
 - Marc Garufi/OMB/EOP
 - Melany Nakagiri/OMB/EOP
 - Barry T. Clendenin/OMB/EOP
 - Patrick G. Locke/OMB/EOP
 - Mark A. Weatherly/OMB/EOP
 - Frank J. Seidl III/OMB/EOP
 - Lourdes M. Lamela/OMB/EOP
 - Jim R. Esquea/OMB/EOP

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

Clinton Presidential Records Automated Records Management System [EMAIL]

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

Hex Dump file is not in a recognizable format, has been incorrectly decoded or is damaged.

File Name: p_p7406363_who_html_1.msoff

Attachment Number: [ATTACH.D87]MAIL46636047Q.126

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:22-JUN-1998 16:14:50.00

SUBJECT: Re: Counsel's sign-off

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

READ:UNKNOWN

TEXT:

you know, i don't remember saying we needed counsel's sign-off on anything. if anything comes to me, I'll get back to you; till then, just ignore.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:22-JUN-1998 16:12:54.00

SUBJECT: REVISED HUD Report on S462,HR 2 Public Housing Reform and Responsibility Act of

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

READ:UNKNOWN

TEXT:

please print; for some reason, i can't

----- Forwarded by Elena Kagan/OPD/EOP on 06/22/98 04:22
PM -----

From: Melissa N. Benton on 06/22/98 10:28:38 AM

Record Type: Record

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

cc: Janet R. Forsgren/OMB/EOP, James C. Murr/OMB/EOP

Subject: REVISED HUD Report on S462,HR 2 Public Housing Reform and
Responsibility Act of 1997

Total Pages: ____

LRM ID: MNB192

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

Washington, D.C. 20503-0001

Monday, June 22, 1998

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

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

OMB CONTACT: Melissa N. Benton

PHONE: (202)395-7887 FAX: (202)395-6148

SUBJECT: REVISED HUD Report on S462,HR 2 Public Housing Reform and
Responsibility Act of 1997

DEADLINE: COB Monday, June 22, 1998

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

COMMENTS: To follow is a revised version of the HUD report on Public Housing Reform, redlined to show the changes that were made in response to comments received on the first draft.

We understand that significant portions of the public housing legislation will be attached to the House VA/HUD appropriations bill, which is scheduled to be marked up by the Appropriations Committee this Thursday. HUD would like to send its letter before Appropriations Committee action.

The deadline is firm.

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LRM ID: MNB192 SUBJECT: REVISED HUD Report on S462,HR 2 Public Housing
Reform and Responsibility Act of 1997

RESPONSE TO

http://172.28.127.30:8082/ARMS/servlet/getEmailArchive?URL_PATH=/nlcp-2/Arms404/opd/OPD_19940...

LEGISLATIVE REFERRAL
MEMORANDUM

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

You may also respond by:

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

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

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

FROM: _____ (Date)
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The following is the response of our agency to your request for views on the above-captioned subject:

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

Message Sent

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

TEXT:

COMMENT

AUTHOR : Stephen I. Holmquist
 OPERATOR : Stephen I. Holmquist
 COMMENT :
 PRINTER FONT 12_POINT_ROMAN
 Draft 6/19/98
 Redlined against Draft 5/1/98

1998 Public Housing Reform Bills

Letter to the Conferees

Dear Conferee:

I am writing to make you aware of the Administration's views on the public housing reform legislation you are now considering in the conference to reconcile S. 462 and H.R. 2. These bills propose major changes in the public housing and tenant

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-based

Section 8 programs. Over several years now, both the Congress and the Administration have put a great deal of thought and hard work into the pursuit of sound reform legislation. As you move ahead in the conference, I look forward to our continued collaboration, so that important and long

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-overdue reforms may finally be enacted and implemented.

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INTRODUCTION

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The Administration strongly supports the goals of S. 462 and H.R. 2 -- to streamline and reorganize the Nation's public housing system in a manner which will benefit public housing residents, facilitate the efficient use of Federal resources, and

increase accountability to the public. The Administration also appreciates the willingness of both the House and Senate to draw upon management reform and other provisions in the Administration's bill -- the Public Housing Management Reform Act of 1997.

However, the Administration has a number of major concerns about S. 462 and H.R. 2 which, among other things, require the Conferees to take the following actions:

? Provide more targeting of scarce housing assistance to the neediest families;

? Delete the H.R. 2 provision allowing "fungibility" to meet income targeting requirements;

? Delete or address the serious flaws in H.R. 2's "Home Rule Flexible Grant Option";

? Delete the self

-sufficiency agreements and the community

work provisions in H.R. 2;

? Delete the Housing Evaluation and Accreditation Board created by H.R. 2;

? Further streamline "PHA Plan" requirements; allow small PHAS to use operating and capital funds interchangeably; delete provisions constraining flexibility in the operating subsidy formula; and make the Drug Elimination Program a formula

-based program;

? Delete the S. 462 provision authorizing PHAS to obtain medical information about applicants for housing assistance; and

? Delete the provisions of both bills allowing PHAS to set the payment standard in the tenant

-based Section 8 program

higher than the Fair Market Rent established by HUD.

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SUMMARY OF THE BILLS

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The Senate and House bills make permanent a number of critical reforms that the Administration and the Congress have been able to achieve only through year

-to

-year provisions in

appropriations legislation. Elements of the Senate and House bills would promote the continuation and strengthening of the transformation of the public housing and Section 8 programs already underway, including: (1) replacing the worst public housing with scattered

-site and townhouse developments and with portable tenant

-based assistance, which is achieved through extending the HOPE VI program, permanently repealing the one

-for

-one replacement requirement, and facilitating demolition

of obsolete developments and conversion to tenant

-based

assistance or appropriate site revitalization; (2) turning around troubled PHAs through the use of various tools, including mandatory receiverships for chronically troubled PHAs and enhanced powers afforded to HUD and court

-appointed receivers

upon takeover; (3) promoting public housing communities with a greater income diversity and allowing PHAs to implement rent policies that encourage and reward work, and are coordinated with welfare reform; (4) demanding greater household responsibility as a condition of housing assistance through more vigorous screening, eviction or subsidy termination, and lease enforcement provisions; and (5) implementation of several of the Administration's key management reforms. Important provisions for management reform include program consolidation and streamlining, deregulation of well

-managed PHAs and small PHAs,

increased reliance on physical conditions in assessing PHA performance and more certain treatment of the most troubled PHAs.

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DESCRIPTION OF ADMINISTRATION CONCERNS

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As I am sure you are aware from my testimony last year and from other discussions in recent months, however, the

Administration has a number of major concerns about particular provisions of both bills. Despite its support for the general goals of both bills, the Administration believes that certain provisions go farther than is necessary to make the reforms that are needed. Instead of making only reforms, some provisions -- particularly on income targeting -- would move the program too far away from fundamental, prudent national standards and appropriate federal oversight. Nevertheless, the Administration is hopeful that our concerns can and will be addressed in the Conference, clearing the way to enactment of sound public housing and Section 8 reform legislation.

The Administration's most important concerns about the bills are described below.

I. MAJOR CONCERNS

A. INADEQUATE TARGETING OF HOUSING ASSISTANCE TO THOSE FAMILIES MOST IN NEED

1. Income Targeting in Public Housing

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The Administration believes that the income targeting provisions of both bills must be tightened to direct more housing assistance to families with the most pressing housing needs. In particular, the Administration strongly opposes the House "fungibility" provision, which could mean that PHAs in some cities would not have to offer any public housing units to extremely low

-income families. The Administration supports the Senate requirement that 40% of available public housing units go to extremely low

-income families; however, the Administration

also advocates increasing -- from 70% (as in the Senate bill) to 90% -- the ratio of newly available units that must be offered to families with income levels no higher than 60% of median (which is approximately \$22,600 nationally). The Administration also seeks a requirement that at least 40% of the units in each public housing development be occupied by families with incomes below 30% of area median income. This will ensure that the poorest families have housing opportunities at all developments, including those that may be most marketable to relatively higher income families.

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The Administration believes that the income targeting provisions of both bills -- especially the House's "fungibility" provision -- go much farther than is necessary to serve working

families and achieve a more diverse income mix in public housing. It is essential to the social and financial health of public housing communities that more working families are admitted to public housing. Today, the median family income in public housing is only \$6,940 per year -- just 21% of median income nationally. By contrast, both bills would open up too many public housing units to families at the upper end of the eligibility range -- families with incomes of up to 80% of the area median income, or approximately \$40,000 in the ten largest metropolitan areas.

The Administration does not oppose admitting a small number of families at that income level. However, the Administration believes that mixed

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-income communities that serve working families can be attained without going as far as the House and Senate bills. This can be done by ensuring that at least 40% of admissions are reserved for families with incomes up to 30% of median (approximately \$11,300) and that 90% of admissions are families with incomes at or below 60% of the area median (approximately \$22,600). In comparison, 60% of median income is the absolute upper cap for the HOME and low

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-income housing tax credit programs. In addition, the Administration urges the Conferees to adopt language that would require PHAs to maintain occupancy of at least a certain percentage of units in each public housing development by extremely low

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-income families.

Not only are the income targeting percentages inadequate, but the House bill's fungibility provision could undermine even that level of targeting which the bill proposes. This provision would allow a PHA to admit even fewer very poor families to public housing if the PHA gave more of its Section 8 certificates to such families than the minimal number which the bill requires. The result almost certainly would be that some PHAs would not have to offer any public housing units to families -- including many working families -- whose incomes are below 30% of the area median income. The Administration finds such a possibility to be unacceptable.

The Administration proposed its income targeting for public housing with the understanding that the achievement of a more diverse income mix necessarily would result in reduced access for those with the lowest incomes. Partly in recognition of this problem, the Administration each year has proposed that Congress provide substantial additional vouchers. Congress should recognize that these proposals are linked and that the loosening

of public housing income targeting needs to be done in conjunction with the provision of additional vouchers.

With respect to income targeting by development, that concept already is part of current law. The Administration

proposal is a moderate proposal to ensure continuing access to all developments by all eligible income groups.

2. Income Targeting in the Tenant

-Based Section

8 Rental Assistance Program

The Administration is opposed to the provisions of both bills on income targeting for the tenant

-based Section 8 program.

Instead, the Administration believes that 75% of tenant

-based

assistance which becomes available each year should be targeted to the very poor -- families with incomes at or below 30% of median income (approximately \$11,300) -- and that the remainder of such assistance generally should go to families with incomes no greater than 50% of median, as under current law.

Both bills unnecessarily reduce the portion of Section 8 tenant

-based assistance that would go to families with severe housing needs. Current law generally limits eligibility for tenant

-based assistance to very low

-income families with incomes

below 50% of the area median income. Moreover, federal preferences, which applied to 90% of new Section 8 recipients prior to FY 1996 as opposed to only 50% of new public housing residents, have served to further target assistance to extremely low income families. The median income of Section 8 certificate holders is now approximately \$7,550.

In contrast, H.R. 2 would require only that 40% of all Section 8 tenant

-based assistance go to extremely low

-income

families -- the income range which the program has primarily served in the past. Relatively higher income families, with incomes up to 80% of median income, would become eligible to receive such assistance. S. 462 is not as extreme as the House bill, but would still require only that 65% of all tenant

-based

assistance go to families with the most severe housing needs and that 90% go to families with incomes under 60% of median.

The Administration contends that scarce federal rental subsidies for use in the private market must be targeted to families with the lowest incomes, for the following reasons: 1) 5.3 million very low

-income renters now have "worst

-case housing

needs", defined as paying more than 50% of their income toward

rent or living in substandard housing units, and these families are concentrated at the lowest income levels (below 30% of the area median income); 2) relatively few of the families with incomes in the upper ranges allowed under both bills who would become eligible for admission to the Section 8 program (including 17.5 million unassisted renters) have serious unmet housing needs; 3) federal preferences are being repealed; 4) both the Senate and House bills propose opening up public housing admissions to families with relatively higher incomes to promote

mixed

-income communities, which means fewer units will be available for extremely poor families; and 5) tenant

-based rental

assistance integrates families with low incomes into private, mixed

-income housing of their choice and does not suffer from the severe income concentration problems of project

-based programs.

The Administration also sees no reason to expand tenant-based program eligibility limits so that these scarce housing resources can be provided to households with incomes at 80% of the median -- approximately \$40,000 for families in the ten largest metropolitan areas -- who are better able to afford private market housing without any subsidy. This income level, which is equivalent to 250% of the poverty line, exceeds the income limits for virtually all other federal means

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programs.

B. HOME RULE FLEXIBLE GRANT OPTION

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The Administration strongly opposes the Home Rule Flexible Grant Option in H.R. 2, which could transfer public housing funds from a PHA to a city government regardless of the city's ability or experience in administering housing programs. Instead, the Administration believes that implementation of the current Moving

-to

-Work demonstration will provide sufficient opportunity to explore innovative local approaches in the public housing and Section 8 programs.

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The Administration strongly opposes the Home Rule Flexible Grant Option in H.R. 2. This provision could completely undermine the public housing program in some localities by allowing the city government to supplant the local PHA and capture its funds, with limited explanation and no justification.

The Administration has taken bold action to deal with chronically troubled PHAs and to demolish and replace the worst public housing. However, that is not what the House provision is about. The House provision would allow a city government, regardless of its motives or its track record in administering housing programs, to take over or replace even a high

-performing

housing authority. Some of the most intractable management

problems in recent years have occurred in several chronically troubled PHAs that have been operated as part of city government.

The provision also inexplicably provides cities that would administer public housing more regulatory flexibility than PHAs (e.g., to charge rents exceeding Brooke amendment requirements). There is no reason to link additional regulatory flexibility with the choice of the entity to administer public housing.

If the goal of this provision is to address serious management problems in public housing, one would expect it to be crafted as an alternative intervention strategy with respect to troubled PHAs. The provision instead would be applicable to all PHAs irrespective of the demonstrated quality of their management.

Instead, the Administration supports continued implementation of the Moving to Work demonstration authorized by the FY 1996 appropriations act. That demonstration program allows up to thirty PHAs to design and test innovative ways to provide housing assistance and to link families to work, through merging funding streams and testing new rent structures while retaining reasonable income targeting. HUD has selected PHAs with diverse and potentially far

-reaching proposals. The demonstration is large enough to allow substantial experimentation, yet small enough to permit a rigorous evaluation of program success and replicability.

C. COMMUNITY WORK AND SELF

-SUFFICIENCY REQUIREMENTS

The Administration opposes the self

-sufficiency agreements

and the community work provisions in the House bill. Instead, the Administration believes that provisions emphasizing collaboration between PHAs and local welfare agencies are a better and more productive approach to addressing welfare reform and self

-sufficiency issues. For example, the Administration supports the provisions in both bills which require PHAs to describe in their annual plans the ways in which they propose coordination with other local and state welfare and service agencies, and assure that households who violate welfare program self

-sufficiency rules are not rewarded with subsidized housing rent decreases. The Administration also supports provisions in both bills permitting PHAs to set public housing rents "up to" 30% of a family's adjusted income, which allows for rent structures that do not penalize increases in earned income. Further, the Administration supports authorization of additional Section 8 certificates for use with local collaboratives in welfare

-to

-work initiatives.

The Administration believes that public housing and Section 8 residents must assume certain responsibilities in return for the benefits of their housing assistance. To this end, the Administration supports many reforms in both the House and Senate

bills which place a premium on resident self

-sufficiency and on linking the PHA with existing providers of services. Additionally, the Administration supports provisions in both bills to toughen screening, lease enforcement, and eviction, and subsidy termination requirements.

However, the Administration opposes the House bill's mandatory self

-sufficiency contracts. This sweeping new requirement would fundamentally change the public housing and Section 8 programs and would impose inordinate and costly burdens on 3,400 local PHAs whose budgets and administrative capacities already have been stretched. A far more efficient and effective approach is to encourage partnerships between PHAs and State and local welfare agencies that promote self

-sufficiency through initiatives such as the authorization of "Welfare to Work" certificates, as proposed in the Administration's bill.

The Administration also opposes significant aspects of the community work provisions included in the House bill. The Administration's bill includes a community service provision because the Administration believes it is reasonable to ask each recipient of public housing or tenant

-based assistance to be engaged in some activity which benefits the community as a whole, which includes working, attending school, or otherwise preparing for work. However, the Administration's bill provides for much more reasonable exemptions than the House bill and would not authorize eviction as an enforcement tool.

D. MANAGEMENT REFORM

1. Federal Oversight

The Administration supports several of the bills' revisions to the PHMAP system and would support the establishment of a performance evaluation board or other task force to review various performance evaluation systems and determine the need, if any, for an outside accreditation entity. The Administration also supports the House and Senate bill provisions which give HUD or a receiver enhanced powers for dealing with troubled PHAs; require the takeover of severely troubled PHAs that fail to improve promptly; and require the obligation and expenditure of capital funds within certain time frames (which the Administration believes should be extended to the HOPE VI program). The Administration does not support the Accreditation Board created by the House bill.

The Administration believes that it is critical to have an assessment tool which accurately measures PHA performance and is consistent with the Administration's management reform plan for HUD. In the short run, this requires making modifications to the current performance measurement system -- the Public Housing Management Assessment Program (PHMAP). In particular, the Administration supports the bills' provision adding a PHMAP indicator assessing the extent to which a PHA is providing acceptable basic housing conditions and the House provision

making acceptable basic housing conditions a precondition for a

PHA to get a passing grade in the assessment system. This will support HUD's efforts to make PHMAP more objectively verifiable and reflective of the conditions under which public housing residents are living.

The Administration, however, strongly opposes the House bill's "Accreditation Board", a new federal agency which would create an accreditation program for all public housing agencies and other providers of federally assisted housing. This proposal, written prior to the Administration's management reform efforts, runs directly counter to the Administration's plan for improving and streamlining Federal oversight of the public housing program. It would not reduce, but instead would redistribute and probably increase, the Federal bureaucracy. Moreover, the proposal would appear to divorce Federal oversight and auditing responsibilities which would be given to the Accreditation Board, from HUD's ongoing obligation to provide Federal funds to PHAs. This would make it more difficult for HUD to hold PHAs accountable.

Instead of the House bill's Accreditation Board, an entity such as the Administration's proposed Performance Evaluation Board should be given the opportunity to review and make recommendations on various approaches to Federal oversight and assessment of PHAs, including accreditation. Finally, the Justice Department advises that the proposed means of appointing the Accreditation Board would unduly restrict the President and thus violate the Appointments Clause of the Constitution.

The Administration already has taken the most aggressive actions in HUD's history against chronically troubled PHAs, including direct takeovers and support for judicial receiverships. In this regard, the Administration supports the Senate bill's provisions giving HUD enhanced powers to deal with troubled PHAs (which are the same provisions as in the Administration's bill). Those provisions require HUD to take certain actions against any PHA that is still troubled after one year (including mandatory receivership for any large PHA). After further consideration, the Administration believes that this provision should be modified to give a troubled PHA one additional year before HUD will take action if that PHA has made progress in the first year that is equal to at least half the difference between its PHMAP score and the score necessary to be a "standard" performer.

In addition, the Administration supports the Senate bill provision requiring PHAs to obligate capital funds within 24 months. It is critical in these times of fiscal restraint to ensure that appropriated funds are used promptly for their intended purposes. Further, the Administration urges the

Conferees to adopt two additional provisions from the Administration's bill: (1) requiring PHAs to spend capital funds within 48 months (in addition to obligating such funds within 24 months); and (2) applying specific time frames to the HOPE VI program, such that a PHA would have to sign a primary construction contract within 18 months of executing the grant agreement, and would have to complete construction within 4 years from the grant agreement.

2. Consolidation and Streamlining

The Administration urges the Conferees to further streamline PHA plan requirements as in the Administration's bill. In addition, the Administration supports the House provision allowing small PHAs to use operating and capital funds interchangeably. The Administration also advocates the deletion of provisions constraining flexibility in the operating subsidy formula. Further, the Administration urges the Conferees to

convert the Drug Elimination Program into a formula

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-based

program, and to merge the TOP and EDSS programs.

The Administration supports and recognizes the benefits of consolidating PHA planning and reporting requirements into a single annual plan, as provided in both the Senate and House bills. However, the Administration is concerned that the scope of the annual plans be consistent with HUD efforts to streamline PHA and HUD administration of the public housing and Section 8 programs. The Administration strongly urges the Conferees to consider limiting the number and scope of plan elements as described in the Administration's bill. Conferees also should adopt the Senate provision permitting HUD by regulation to provide that elements of the PHA plan other than the capital plan and civil rights shall be reviewed only if challenged.

The Administration also supports the House provision allowing small PHAs (less than 250 units) to use operating and capital funds fungibly, as provided in the House bill, because the formula allocation of capital funds to such PHAs would be small and the additional flexibility would simplify PHA operations and HUD administration. However, the Administration opposes the provision of the House bill giving governors new responsibility to allocate half of such funds.

In addition, the Administration supports the language in both bills authorizing HUD to renegotiate the formula for allocating public housing operating subsidies to PHAs. The current system has not been changed in many years. A renegotiation could result in a revised formula that is simpler and more equitable, and that provides better incentives for sound, cost

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-effective public housing management. However, HUD

opposes the House provisions defining treatment of vacant units, utility rates, and rental income. These provisions may hamstring and substantially complicate the future formula and should be left to rulemaking (which will be negotiated rulemaking under the House and Senate bills). The extent to which PHAs may retain increases in rental income, in particular, should be left to rulemaking because: (1) rental income is increasing substantially throughout the program, for reasons that may be unrelated to PHA administration of the program; and (2) such retention creates a strong financial incentive for PHAs not to serve the poorest households. The House ?204(d) interim allocation provisions also are unnecessary.

In addition Further, the Administration urges the Conferees to convert the Public Housing Drug Elimination Program from a competitive to a formula

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-based program, to provide predictable funding for PHAs and reduce the administrative burden on both HUD and PHAs of annual competitions. The Administration also advocates permanent authorization of the supportive service (EDSS) program and a merger of EDSS and the Tenant Opportunities Program (TOP), as provided in the Administration's bill.

E. OCCUPANCY STANDARDS

The Administration opposes the House bill's provision on occupancy standards because it would reduce protections currently afforded to families with children under the Fair Housing Act.

The House provision on occupancy standards would invite state adoption of absolute occupancy standards regardless of the

facts of a particular situation, or the existence of any health or safety justifications. Enactment of this provision could result, for example, in a State allowing a housing provider to refuse to rent a 2

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-bedroom unit to a family with three children, even if: 1) the bedrooms were unusually large; 2) one of the children was an infant; or 3) a den could reasonably be used as a bedroom. This could contribute to the shortage of affordable housing large enough for families. HUD's current occupancy standard, which conforms to Congress's direction in the FY 1996 HUD Appropriation Act, appropriately requires HUD to determine, on a case by case basis, whether a standard is legal under the Fair Housing Act, based upon a variety of circumstances.

F. RESIDENT EMPOWERMENT

The Administration strongly supports provisions in both bills, and retention of certain elements of current law, which empower residents, ensure that residents are given the opportunity to participate in decisions affecting their lives, and protect residents from unwarranted intrusions.

In the Administration's view, the final bill must include, at least, the following:

- ? The Senate bill's authorization of the supportive services funding originally authorized in the FY 1996 appropriation (the EDSS program), which should include elements of the Tenant Opportunity Program as proposed in the Administration's bill;
- ? Resident membership requirements on the public housing board, as provided in both bills, and the House bill's required plan review period for affected residents;
- ? The Senate bill's provisions protecting residents' rights to adequate notice and consultation and ensuring adequate relocation assistance in the demolition and disposition process; and
- ? Retention of current law provisions on: (1) lease and grievance procedures (as opposed to the House repeal); and (2) notice of lease termination (as opposed to the House bill's preemption of any minimum notice requirements provided under State law).

G. ACCESS TO MEDICAL RECORDS

The Administration strongly opposes the provision in the Senate bill that would authorize PHAs to obtain medical information about applicants for housing assistance.

This provision could increase the potential that important antidiscrimination protections of Federal fair housing laws could be violated and could discourage persons with drug problems from seeking treatment. The Administration shares the Senate's desire to ensure safety and security in public housing, and has proposed and implemented tough new policies, such as "One Strike and You're Out", to achieve that goal. However, the Administration believes that the Senate's medical records provision goes too far, weakening other important legal protections and compromising efforts to encourage people with drug abuse problems to enter appropriate and effective treatment programs. The Administration is concerned that this provision could have negative consequences for individuals who have received treatment and are attempting to rebuild their lives.

H. PAYMENT STANDARD

The Administration opposes the provisions of both bills

allowing PHAs to set the payment standard in the tenant

-based

Section 8 program at levels higher than the Fair Market Rent established by HUD.

The Administration believes that the Payment Standard should be set at no higher than the Fair Market Rent (FMR) or a HUD

-approved exception rent up to 120% of FMR. H.R. 2 would permit PHAs to establish payment standards of 80% to 120% of FMR. The Senate bill would allow PHAs to establish payment standards of 90% to 110% of FMR, though PHAs may establish higher or lower payment standards with HUD approval.

The higher the payment standard, the greater the subsidy to each assisted household. Consequently, fewer eligible families would receive housing assistance. The pressures on PHAs to help the currently assisted at the expense of the unassisted are very high, and work against national goals of helping more families in need. In addition, a higher payment standard would encourage a greater number of relatively higher

-income and less needy

families to apply for housing assistance, further reducing the amount of housing assistance available to the poorest families with the most severe housing needs.

II. OTHER CONCERNS

A. REPEAL OF THE U.S. HOUSING ACT OF 1937

The Administration urges Congress to find another means of signaling dramatic program reform.

The Administration sees no compelling operational reason to repeal the 1937 Act. Congress and the Administration can find another, less divisive, way to ensure that the legislation clearly indicates the intent that public housing change dramatically. The new law can be crafted so that it clearly calls for sweeping reform of the public housing and tenant

-based

assistance programs, without including the complications of repealing the 1937 Act.

There are also practical concerns regarding repeal. At the request of the House Banking Committee in the previous legislative session, the Administration conducted an extensive review of the implications of the proposed repeal of the U.S. Housing Act of 1937. HUD determined that there are, at a minimum, over 500 references to the 1937 Act in other statutes, located both within and outside of the jurisdiction of the Congressional Banking Committees. Additionally, the Administration identified a series of issues which the Conferees should address if the repeal is accepted in the Conference. Moreover, coupling the 1937 Act repeal with a ban on new

regulations prior to the effective date of the law, as provided in the House bill, would inhibit the ability of the Administration to ensure that the new law is carried out uniformly and with adequate guidance.

B. RENT LEVELS

1. Flat Rents

The Administration does not see the need for the House bill provision giving public housing residents the choice of paying an

income

-based rent or a flat rent based on the market value of their units.

This provision would be administratively burdensome to the PHAs. In addition to the administrative burden on 3,400 PHAs who will have to determine the market value of well over one million public housing units, including units in elderly housing developments, the result of the House bill's flat rent proposal ("Family Choice of Rental Payment") would be to give residents the opportunity to make a bad economic choice. That is, residents could choose to pay a rent based on the flat rent even when thirty percent of their adjusted income would be lower. In addition, if the goal is to encourage residents to increase their incomes or to encourage relatively higher

-income families

to move into or remain in public housing, then the same thing can be accomplished by implementing a program of rent incentives, including earned income disregards and ceiling rents. Both bills allow PHAs to adopt innovative rent policies by permitting rents "up to" 30% of adjusted income (as opposed to current law, which requires rents to be set "at" 30% of adjusted income).

2. Minimum Rents

The Administration opposes the minimum rent provisions in the bills, particularly the authority in the House bill to set a minimum up to fifty dollars. Instead, the Administration supports a minimum rent requirement of \$25 per month, with an exemption for hardship categories to be determined by the Secretary or the PHA.

The Administration generally agrees with the concept that every family receiving housing assistance should make at least some rental payment. However, the Administration believes such a minimum rent should not exceed \$25 per month, an amount which is sufficient to make the symbolic point that all residents should contribute something to maintenance of their development without imposing an undue burden on the very poorest families. Thus, the Administration opposes the House provision allowing PHAs to charge a minimum rent of up to \$50 per month. Further, the

Administration believes that the Secretary of HUD must have the authority to establish hardship exemptions for certain types of cases -- for example, for those families awaiting public benefit eligibility determinations.

C. HOME AND CDBG INCOME TARGETING

The Administration opposes the House bill's unnecessarily loosened income targeting in both the CDBG and HOME programs.

This proposal would immediately raise the income limit in thirty

-seven relatively higher income metropolitan areas. For example, in one community, the income limit for a four person family would exceed \$71,000 (Stamford, Connecticut). By allowing families with incomes even above moderate income ranges to benefit from these programs, these changes would eviscerate the requirement that those programs substantially benefit low and moderate income households.

D. DISCRETION TO SETTLE LAWSUITS

The Administration opposes the House bill's provision which requires the Secretary of HUD to consult all adjacent local governments, when settling any lawsuit involving HUD, a PHA, and a local government.

This provision is an unnecessary intrusion into the federal government's ability to manage its affairs. Moreover, the Justice Department represents HUD in settling lawsuits. It would be unwise to require the Secretary of HUD to engage in particular consultations that may conflict with or duplicate the efforts of the Justice Department. At a minimum, this provision could be extremely costly for the Federal government, since it will hinder the ability to settle lawsuits in a timely and cost

□

-effective

manner. Finally, the provision is overly broad, since it would require such consultation for all matters, whether trivial or substantial.

E. CDBG SANCTION

The Administration opposes the House bill's CDBG sanction against local governments contributing to the troubled status of a PHA.

H.R. 2 provides that the Secretary may withhold or redirect the CDBG funds of any local government whose actions or inactions have substantially contributed to the troubled status of a PHA. The proposed CDBG sanction could lead to substantial charges, countercharges, and litigation, without resulting in the

improvement of troubled PHAs. Current law, coupled with new sanctions included in both The bills gives HUD a number of other sanctions to deal with troubled PHAs, including receivership. The proposed CDBG sanction could lead to substantial charges, countercharges, and litigation, without resulting in the improvement of troubled PHAs.

F. AVAILABILITY OF CRIMINAL CONVICTION RECORDS

The Administration opposes the apparent requirement in the House bill that private owners of federally assisted housing be provided with information regarding criminal conviction records of adult applicants or tenants of that housing.

The Administration opposes allowing any private citizens or entities, including the private owners of federally assisted housing, to obtain criminal record information about other individuals. The provision of such sensitive information to private individuals and entities raises significant privacy concerns. The Administration will work with Congress to identify other means of bolstering security efforts in privately owned, federally assisted housing.

G. DESIGNATED HOUSING

The Administration opposes the changes H.R. 2 makes to current law requirements for designation of housing for elderly persons or persons with disabilities. These changes would weaken current law provisions requiring PHAs to consider the housing needs of persons with disabilities, and would not allow an adequate time period for proper review of designated housing plans.

Under current law, a PHA's plan to designate housing must meet two requirements. First, the plan must be "necessary to meet the jurisdiction's Comprehensive Housing Affordability Strategy, "and" the plan must be "necessary to meet the low

□

-income housing needs of the jurisdiction." Under H.R. 2, a PHA would need to meet only one of these two prongs, showing that a designation plan is necessary to meet either the CHAS "or" the low income housing needs of the jurisdiction.

These changes are not necessary and are likely to have a detrimental impact on access to housing for persons with disabilities. The current statutory framework is working

effectively. HUD has been successful in helping PHAs designate thousands of units for elderly persons, while preserving housing access for persons with disabilities in those communities.

Allowing a PHA to rely solely on a CHAS, as H.R. 2 proposes, may lead to designations which are inconsistent with the housing

needs of persons served by the PHA. The CHAS is written based upon Consolidated Plan regulations that are tailored to community planning and development programs and that do not require communities to assess the housing needs of persons with disabilities in general. Rather, they refer specifically only to persons with disabilities who require service

-connected or

accessible housing. The vast majority of persons with disabilities who apply to live in public housing are merely low

-income individuals who also have disabilities. They are neither looking for, nor need supportive housing. Moreover, the proposed change would effectively create different statutory requirements for large and small PHAs, since Consolidated Plans are only required for jurisdictions with populations of more than 50,000.

In addition, the submission and review of designated housing plans should not be incorporated into the PHA's "local housing management plan", as under the House bill. The Administration believes that, since they involve significant decisions that could permanently limit access to important housing resources for some low

-income people, designated housing plans should be considered separately from the many other administrative and management issues that are addressed in the local housing management plan.

H. TOTAL DEVELOPMENT COSTS

The Administration urges the Conferees to include language reflecting the Administration's proposal on total development costs.

The Conference staffs have been provided with HUD's proposal on total development costs. The proposal would assure that capital costs allowed for HOPE VI and other public housing development will produce sound and durable, but modest, housing that fits into the community. It would also assure that the costs of community development and supportive service activities are not confused with the costs of housing construction. HUD urges the Conferees to include statutory language that reflects this proposal.

I. VOLUNTEER SERVICES

PRINTER FONT 12_POINT_ROMAN_ITALIC

The Administration urges the Conferees to take this opportunity to revise the volunteer exception to the Davis

-Bacon

Act to conform to the language of the Community Improvement Volunteer Act of 1994.

PRINTER FONT 12_POINT_ROMAN

There is no policy reason to continue the differences in the definitions of volunteer exemptions. The Administration included the necessary language in its public housing bill (H.R. 1447, Section 121). Any volunteer provisions regarding resident

management corporations also need to be consistent with this definition.

J. SEXUALLY VIOLENT PREDATORS
[Awaiting DOJ rewrite.]

I look forward to contributing to the constructive resolution of these issues. As always, please call upon me and the HUD staff for any assistance we can provide.

Sincerely,

Andrew Cuomo

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:22-JUN-1998 16:10:47.00

SUBJECT: Minyon Moore requests a meeting

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

READ:UNKNOWN

TEXT:

please set up. (check with cathy)

----- Forwarded by Elena Kagan/OPD/EOP on 06/22/98 04:20
PM -----

Jocelyn Neis

06/22/98 09:20:31 AM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP

cc: Cathy R. Mays/OPD/EOP

Subject: Minyon Moore requests a meeting

Minyon would like to meet with you to discuss her transition as the new director of Public Liason. Do you have any time available next week?

Please email or call me at 67910.

Thank you.

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:22-JUN-1998 17:55:11.00

SUBJECT: RECEIVED: Senate Defense Floor SAP: Need clearance

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

TEXT:
RETURN RECEIPT

Your Document:
Senate Defense Floor SAP: Need clearance
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
06/22/98 06:02:48 PM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:22-JUN-1998 16:44:42.00

SUBJECT: Re: Juvie/FOP

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

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

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

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

TEXT:

this hatch-feinstein-torricelli alliance is getting awfully bothersome.

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:22-JUN-1998 16:17:41.00

SUBJECT: RECEIVED: Comments on Y2K Draft Bill

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

TEXT:
RETURN RECEIPT

Your Document:
Comments on Y2K Draft Bill
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
06/22/98 04:24:52 PM

RECORD TYPE: PRESIDENTIAL (NOTES.MAIL)

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

CREATION DATE/TIME:22-JUN-1998 16:13:46.00

SUBJECT: Re: Minyon Moore requests a meeting

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

TEXT:
does it?

----- Forwarded by Elena Kagan/OPD/EOP on 06/22/98 04:23
PM -----

Jocelyn Neis
06/22/98 02:24:37 PM

Record Type: Record

To: Minyon Moore/WHO/EOP, Cathy R. Mays/OPD/EOP, Elena Kagan/OPD/EOP
cc:
Subject: Re: Minyon Moore requests a meeting

Thursday at 1:30 is great. Does that work for you, Elena?
----- Forwarded by Jocelyn Neis/WHO/EOP on 06/22/98 02:27
PM -----

Cathy R. Mays 06/22/98 02:11:49 PM

Record Type: Record

To: Jocelyn Neis/WHO/EOP
cc:
Subject: Re: Minyon Moore requests a meeting

Thursday at 1:30.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elena Kagan@EOP@LNGTWY@LNGTWY (Elena Kagan@EOP@LNGTWY@LNGTWY [OPD])

CREATION DATE/TIME:23-JUN-1998 18:50:59.00

SUBJECT: Read Receipt: House Committee Action on HR 3682

TO: Robert J. Pellicci@EOP (Robert J. Pellicci@EOP [OMB])

READ:UNKNOWN

TEXT:

Message Creation Date was at 23-JUN-1998 18:39:00

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:23-JUN-1998 12:54:56.00

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

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

TEXT:
RETURN RECEIPT

Your Document:
URGENT: Senior Advisers Veto on Block Grants Bill (H.R. 3248)
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
06/23/98 01:04:01 PM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:23-JUN-1998 15:33:56.00

SUBJECT: bilingual memo

TO: Morley A. Winograd (CN=Morley A. Winograd/O=OVP @ OVP [UNKNOWN])
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: Barbara Chow (CN=Barbara Chow/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

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

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

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

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

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

TEXT:

Here it is, at long last. Because of the shortness of time, I am giving this to staff secretary now for circulation. If you want to suggest changes to the memo, we should have a few hours. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:23-JUN-1998 19:45:15.00

SUBJECT: RECEIVED: Need clearance: House Floor Defense SAP

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

READ:UNKNOWN

TEXT:

RETURN RECEIPT

Your Document:

Need clearance: House Floor Defense SAP

was successfully received by:

CN=Elena Kagan/OU=OPD/O=EOP

at:

06/23/98 07:43:12 PM

June 20, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed

SUBJECT: Bilingual Education

The House Education and the Workforce Committee recently passed the English Fluency Act, introduced by Rep. Frank Riggs, on a straight party-line vote. The purpose of this memo is to update you on both the status of the Riggs proposal and the development of an Administration alternative, and to present you with options for how to proceed.

I. Overview of Riggs Bill and Administration Alternative

The Riggs bill would eliminate the existing Bilingual Education and Emergency Immigrant Education programs and replace it with a block grant program that would require participating school districts to have a strategy for placing Limited English Proficient (LEP) students in regular English-language classes within two years and that would deny funding to districts for any children who remain in bilingual classes after three years. The bill would eliminate professional development programs designed to prepare qualified ESL and bilingual education teachers. It also would curtail the enforcement powers of the Education Department's Office of Civil Rights (OCR) by voiding existing voluntary compliance agreements between OCR and local school districts on educating LEP students and by requiring Congress to ratify any new guidelines and compliance standards on this subject.

We are finalizing an alternative bill based on the principles you and Secretary Riley articulated in opposing the Unz Initiative. (We are also working long-term on possible changes to Title 1 to help LEP students, but these changes will not be ready this year.) Our alternative bill would amend (rather than replace entirely) the existing bilingual education program. Specifically, it would require participating school districts to (1) establish a goal of preparing LEP students to enter regular English classrooms within three years; (2) conduct annual assessments of students' English proficiency; (3) provide additional help for students not on track to English proficiency; and (4) develop a corrective action plan, to be approved by the Secretary, if a significant percentage of students do not meet the three-year goal.

To ensure accountability for results, districts that fail to make adequate progress after implementing a corrective action plan would not receive continued funding. Districts that make outstanding progress toward the three-year goal would receive additional funding. In addition, the

bill would guarantee local flexibility by removing the existing cap on funding for programs that do not use students' native languages and by removing the competitive priority currently given to programs designed to maintain native language while helping students learn English.

We also have been working on other measures to help LEP students, which we could announce either together with or independently of our bilingual reform bill. Though we still have work to do on this package, and some parts of it will cost money, we expect it to include: (1) proposals to strengthen the recruitment, preparation, and continued training of bilingual and ESL teachers, including additional incentives to attract teachers to the field and mentoring programs for new teachers; (2) an initiative to promote community-based efforts to provide extra help for LEP students to learn English through, for example, after-school tutoring and Saturday programs; (3) a directive to the Secretary of Education to report on best practices, both in the U.S. and in other countries, to assist students to become proficient in the national language as quickly as possible; (4) a research program in how best to strengthen education for LEP students, including studies on the uses of technology; and (5) a proposal to help English-speaking students learn foreign languages, including new incentives and support for schools to offer foreign language classes in early grades.

II. Congressional Dynamic

The Riggs bill probably will proceed in the House on two parallel tracks: as a rider to the Labor-HHS-Education Appropriations bill and as a free-standing bill. There is no analogue to the bill in the Senate and no hint of activity on this issue.

The House Labor-HHS-Education Appropriations Subcommittee will mark up a bill this week and probably include Riggs in it. Subcommittee Democrats view the appropriations bill as so fundamentally flawed that they do not plan to offer any amendments. (The bill will provide about \$2 billion less than you requested for education spending; make significant cuts in Administration priorities such as Goals 2000; and contain a number of unacceptable riders including a prohibition on national testing and the creation of block grants out of existing programs.) House Democrats have not yet finalized a strategy for dealing with this bill in the full committee and when it comes to the floor. It appears likely that any amendments offered will be designed to promote a unified Democratic message rather than to improve the bill in material ways. We do not expect the Hispanic Caucus to make an effort to strip Riggs from the bill.

In addition, the Riggs bill probably will come to the floor as a free-standing measure shortly after the recess. Few Members have focused on this prospect yet, and we do not know whether they will want the cover of an alternative bill to reform bilingual education. Committee Democrats (including moderate Reps. Roemer and Kind) felt no need for an alternative bill during markup. Rep. Roemer, however, believes that Democrats will need an alternative on the floor. So far, members of the Hispanic Caucus, including Reps. Becerra and Hinojosa, have opposed a floor alternative (as do bilingual advocates), although they acknowledge that the Democratic Caucus as a whole might eventually want one.

III. Legislative Options

We must determine when and under what conditions to transmit legislation to reform bilingual education. There are two basic options: to defer to Congressional Democrats, or to send a bill to Congress this summer, even if we have not obtained the agreement of House Democrats.

Option 1. Defer to the Congressional Democrats

One approach is essentially to leave this decision to House Democrats. We would consult with members of the Hispanic Caucus and other Democrats on our bill, incorporating their suggestions to the extent we could, but insisting that our three-year goal and strengthened accountability measures remain part of the legislation. If the Democrats decide that they want an alternative bill as Riggs proceeds -- and if they can live with the Administration's version -- we would introduce the bill. Alternatively, if they do not want an alternative -- or do not want our alternative (i.e., a bill with a three-year goal and strong accountability provisions) -- we would continue to articulate our principles on bilingual education, and announce other initiatives to help LEP students, but postpone transmittal of actual legislation until the Bilingual Act comes up for reauthorization next year.

The principal advantage of this approach is that it stands the best chance of keeping Democrats united -- on bilingual education in particular, but also on our overall education strategy. The approach will enable us to take as strong and united a base as possible into our many fights with Republicans on education programs. It also will enable us to draw as clear a line as possible between Republican and Democratic approaches to education issues.

The downside of this approach is that it places control over your bilingual reform proposal in the hands of Members who may not share your views -- and thereby minimizes your ability to take a leadership role on this issue. The chances are high that the Democratic Caucus either will not want an alternative bill, or will not want the kind of bill that we support. Accordingly, deferring to the Caucus probably means deferring transmittal of a bill until next year. In this event, you would have to make the case against Riggs without a specific proposal of your own.

Option 2. Transmit An Administration Bill This Summer

The alternative approach is to send up a bill this summer, even if it cannot get the support of the entire Democratic Caucus. We of course would consult with the Hispanic Caucus and other Democrats in an effort to get their backing, but if these discussions proved fruitless, we would send up a bill regardless. We then would define our opposition to Riggs on this basis.

This approach would demonstrate your clear commitment to reforming bilingual education and would position you in the reasonable center of the emerging national debate between those who are defending the status quo and those who are proposing extreme and punitive approaches. The approach would strengthen your ability to oppose Riggs (because you too would have a reform

proposal). It also would give you the best chance of framing the bilingual reform issue and ensuring that yours is a preeminent voice in the debate as it goes forward.

The approach, however, has significant legislative downsides. If you send up a bill against the wishes of the Hispanic Caucus, not only they but probably the Black Caucus and liberal Democrats as well would oppose the measure. In the worst case scenario, the proposal would not find a Democratic sponsor, leaving you appearing wholly isolated on this issue. Even if the bill were introduced, it probably would not command much support; the same coalition could form against it as formed against our national testing initiative. Opposition by the Hispanic and Black Caucuses also could spill over into other legislative battles (although the prospects of support from the two caucuses on the testing issue is in any event very slim).

In assessing these pros and cons, you also should note an outside chance that Riggs will respond to your bill by offering a compromise. Riggs has indicated privately that he does not see large differences between his approach and the principles you articulated when opposing Unz. He also has hinted that he is prepared to drop the civil rights enforcement provisions in his bill. If Riggs were to modify his bill in order to look more like ours, we might be able to pass good bilingual reform legislation, but we would infuriate many House Democrats in our effort to do so.

Recommendation: Your advisors are split on this issue. I favor Option 2 as the best way to make progress on this issue, but recognize that your final determination may depend more upon political than upon policy calculations. Secretary Riley favors Option 1 because he wants more time to develop a bill and because he does not want to introduce a bill in the face of resistance from the Hispanic Caucus. Larry Stein, Maria Echeveste, Janet Murguia, Mickey Ibarra also recommend Option 1, principally on the latter ground.

_____ Option 1 _____ Option 2 _____ Discuss

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:23-JUN-1998 10:58:40.00

SUBJECT: Re: EEOC update

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

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

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

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

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

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

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

TEXT:
broderick is absolutely right -- no letters!!!

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:23-JUN-1998 08:54:31.00

SUBJECT: RECEIVED: URGENT: T/P House Rules SAP - Need Clearance

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

TEXT:
RETURN RECEIPT

Your Document:
URGENT: T/P House Rules SAP - Need Clearance
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
06/23/98 08:46:10 AM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:23-JUN-1998 19:22:41.00

SUBJECT: Re: bilingual

TO: Morley A. Winograd (CN=Morley A. Winograd/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

excellent. a vote we didn't know we had.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elena Kagan@EOP@LNGTWY@LNGTWY (Elena Kagan@EOP@LNGTWY@LNGTWY [OPD])

CREATION DATE/TIME:23-JUN-1998 18:51:00.00

SUBJECT: Read Receipt: Senate Markup of S. 1645

TO: Robert J. Pellicci@EOP (Robert J. Pellicci@EOP [OMB])

READ:UNKNOWN

TEXT:

Message Creation Date was at 23-JUN-1998 18:38:00

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:23-JUN-1998 20:08:58.00

SUBJECT: RECEIVED: URGENT: POTUS Letter on Y2K Funding

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

TEXT:
RETURN RECEIPT

Your Document:
URGENT: POTUS Letter on Y2K Funding
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
06/23/98 08:13:33 PM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-JUN-1998 10:25:15.00

SUBJECT:

TO: Maria Echaveste (CN=Maria Echaveste/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: Morley A. Winograd (CN=Morley A. Winograd/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

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

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

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

TEXT:

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:24-JUN-1998 18:50:01.00

SUBJECT: RECEIVED: VERY URGENT: T/P FLOOR SAP

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

TEXT:
RETURN RECEIPT

Your Document:
VERY URGENT: T/P FLOOR SAP
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
06/24/98 06:49:21 PM

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:24-JUN-1998 18:50:00.00

SUBJECT: RECEIVED: URGENT: VA/HUD APPROPS LETTER - NEED CLEARANCE TONIGHT

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

READ:UNKNOWN

TEXT:

RETURN RECEIPT

Your Document:

URGENT: VA/HUD APPROPS LETTER - NEED CLEARANCE TONIGHT

was successfully received by:

CN=Elena Kagan/OU=OPD/O=EOP

at:

06/24/98 06:49:47 PM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:25-JUN-1998 10:53:27.00

SUBJECT: Re: Republicans' Patients' Bill of Rights Message

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

READ:UNKNOWN

TEXT:

chirs -- I think we should put something about this in the DAILY that gets sent to the President. It has to go in to staff secy by 3:00, so you should get it to me an hour or so earlier. Also, you're still doing the q&a we talked about, yes? many thanks.

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:25-JUN-1998 11:14:44.00

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

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

TEXT:
RETURN RECEIPT

Your Document:
NEED CLEARANCE: C/J/S APPROPS LETTER
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
06/25/98 10:50:43 AM

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:25-JUN-1998 11:14:42.00

SUBJECT: RECEIVED: SENATE INTERIOR APPROPS LETTER - NEED CLEARANCE

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

READ:UNKNOWN

TEXT:

RETURN RECEIPT

Your Document:

SENATE INTERIOR APPROPS LETTER - NEED CLEARANCE

was successfully received by:

CN=Elena Kagan/OU=OPD/O=EOP

at:

06/25/98 10:50:54 AM

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:26-JUN-1998 10:41:46.00

SUBJECT: RECEIVED: Need Clearance: Senate Floor SAP: Military Construction

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

READ:UNKNOWN

TEXT:

RETURN RECEIPT

Your Document:

Need Clearance: Senate Floor SAP: Military Construction

was successfully received by:

CN=Elena Kagan/OU=OPD/O=EOP

at:

06/26/98 10:31:03 AM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:26-JUN-1998 17:06:13.00

SUBJECT: test

TO: zinninge (zinninge @ erols.com @ inet [UNKNOWN])

READ:UNKNOWN

TEXT:

did you get this?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:26-JUN-1998 12:43:29.00

SUBJECT: Re: shou wang xiang zhu

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

TEXT:

nothing today. but probably a stand-alone tobacco memo.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:27-JUN-1998 11:43:24.00

SUBJECT: Re: Class Action Bill

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

cynthia rice, because of possible connection to tobacco.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:29-JUN-1998 15:13:42.00

SUBJECT: Re: It's 3pm -- Ta yao Report shoo

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

READ:UNKNOWN

TEXT:

nothing today

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:29-JUN-1998 13:12:55.00

SUBJECT: Re: Executive Order on Native American education

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

READ:UNKNOWN

TEXT:

ok

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:29-JUN-1998 18:27:32.00

SUBJECT: Susan Liss' Farewell Party

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

READ:UNKNOWN

TEXT:

----- Forwarded by Elena Kagan/OPD/EOP on 06/29/98 06:37
PM -----

Aimee M. Malnati @ OVP

06/29/98 06:26:26 PM

Record Type: Record

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

cc:

Subject: Susan Liss' Farewell Party

Due to a change in schedule, Susan Liss' farewell party will now be held at
5:30 pm, tomorrow, June 30 in the Vice President's Ceremonial Office.

Please let me know if you have any problems or questions. Thank you!

Message Sent

To:

All Staff

Virginia Apuzzo/WHO/EOP

Kris M Balderston/WHO/EOP

Beverly J. Barnes/WHO/EOP

Melinda N. Bates/WHO/EOP

Paul E. Begala/WHO/EOP

Sarah A. Bianchi/OPD/EOP

Sidney Blumenthal/WHO/EOP

Lanny A. Breuer/WHO/EOP

gbritton @ whitehousefellows.gov @ INET @ VAXGTWY

Katharine Button/WHO/EOP

Laura K. Capps/WHO/EOP

Cheryl M. Carter/WHO/EOP

Virginia L. Cearley/WHO/EOP

Dawn M. Chirwa/WHO/EOP

Pamela Cicetti/OPD/EOP

Edward W. Correia/WHO/EOP

Nelson W. Cunningham/WHO/EOP

Betty W. Currie/WHO/EOP

Lynn G. Cutler/WHO/EOP

Fred DuVal/WHO/EOP

Maria Echaveste/WHO/EOP

Rahm I. Emanuel/WHO/EOP

Martha Foley/WHO/EOP

Thomas L. Freedman/OPD/EOP

Joshua Gotbaum/OMB/EOP

Roberta W. Greene/WHO/EOP

Audrey T. Haynes/WHO/EOP

Mickey Ibarra/WHO/EOP
Christopher C. Jennings/OPD/EOP
Jon P. Jennings/WHO/EOP
Robert B. Johnson/WHO/EOP
Elena Kagan/OPD/EOP
Sally Katzen/OPD/EOP
Katherine D. Kincaid/WHO/EOP
Jennifer L. Klein/OPD/EOP
Robin Leeds/WHO/EOP
Jacob J. Lew/OMB/EOP
Ann F. Lewis/WHO/EOP
Ellen M. Lovell/WHO/EOP
Christine N. Macy/WHO/EOP
Heather M. Marabeti/WHO/EOP
Thurgood Marshall Jr/WHO/EOP
William P. Marshall/WHO/EOP
Sylvia M. Mathews/WHO/EOP
Andrew J. Mayock/WHO/EOP
Kathleen A. McGinty/CEQ/EOP
Anne E. McGuire/WHO/EOP
Noa A. Meyer/WHO/EOP
Mona G. Mohib/WHO/EOP
Deborah B. Mohile/WHO/EOP
Minyon Moore/WHO/EOP
Kevin S. Moran/WHO/EOP
Janet Murguia/WHO/EOP
Bob J. Nash/WHO/EOP
Doug Babcock/OVP @ OVP
Peter O'Keefe/WHO/EOP
Jennifer M. Palmieri/WHO/EOP
Nicole R. Rabner/WHO/EOP
Douglas R. Matties/OA/EOP
Brooks E. Scoville/WHO/EOP
Steven J. Ronnel/WHO/EOP
Charles F. Ruff/WHO/EOP
Peter Rundlet/WHO/EOP
Richard M. Saunders/OVP @ OVP
Laura E. Schiller/WHO/EOP
Jonathan H. Schnur/OPD/EOP
Marsha Scott/WHO/EOP
Sondra L. Seba/WHO/EOP
Tania I. Lopez/WHO/EOP
Maureen T. Shea/WHO/EOP
Ruby Shamir/WHO/EOP
Karen E. Skelton/WHO/EOP
Craig T. Smith/WHO/EOP
Mary L. Smith/OPD/EOP
Richard Socarides/WHO/EOP
Douglas B. Sosnik/WHO/EOP
Stacie Spector/WHO/EOP
Christine A. Stanek/WHO/EOP
Elisabeth Steele/WHO/EOP
Todd Stern/WHO/EOP
Marjorie Tarmey/WHO/EOP
Ora Theard/WHO/EOP
Tracey E. Thornton/WHO/EOP
Beth A. Viola/CEQ/EOP
Michael Waldman/WHO/EOP
Ann F. Walker/WHO/EOP
Wesley P. Warren/CEQ/EOP
Dorian V. Weaver/WHO/EOP
Robert N. Weiner/WHO/EOP
WHITE_W @ A1 @ CD @ VAXGTWY

Judith A. Winston/PIR/EOP

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Elena Kagan to Ron Klain. Subject: Invitation. (1 page)	07/02/1998	Personal Misfile

COLLECTION:

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

FOLDER TITLE:

[06/18/1998 - 07/06/1998]

2009-1006-F
wr54

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

CREATION DATE/TIME: 6-JUL-1998 15:41:50.00

SUBJECT: Summer Announcements

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

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

CC: Jonathan Orszag (CN=Jonathan Orszag/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.D2]MAIL402106683.126 to ASCII,
The following is a HEX DUMP:

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69006D006500730020004E0065007700200052006F006D0061006E00200052006500670075006C

June 24, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed, Elena Kagan
Gene Sperling, Sally Katzen

SUBJECT: Summer Announcements and Events

Listed below are ideas for announcements and events that you could do this summer. We have noted which of our offices has primary responsibility for each idea.

Health (DPC/NEC as noted below)

Release New Executive Order Authorizing OPM to Terminate FEHBP Insurance Plans That Are Out of Compliance with Kennedy-Kassebaum Law. This policy would strengthen enforcement of the Kennedy-Kassebaum law by allowing the Federal Employees' Health Benefits Plan (FEHBP) to take action against any insurer that discriminates against sicker patients -- including by terminating the insurance plan. Although we have not seen many reports of discrimination recently, advocates would characterize this action as reducing the likelihood of future abuses. We would announce the policy at an event including men and women who have suffered from these kinds of insurance practices. (DPC)

Release New HHS Report on Long-Term Care and Announce Policy Initiative(s). A new report from HHS shows that millions of American families care for chronically ill elderly relatives and friends, and that this care places a significant strain on families. The President could announce an initiative to encourage private long-term care insurance by offering it through the FEHBP and/or counseling Medicare beneficiaries to consider private insurance. In addition, if we are willing to consider proposals with budgetary effects, we could announce a new respite care tax credit, which we are in the preliminary stages of reviewing. (DPC/NEC)

Approve the 25th State Children's Health Insurance Program. As of today, HHS has approved the CHIP plans of 20 states, which should cover about 2.5 million children when fully implemented; we expect to reach the half-way mark by approving the 25th CHIP plan early next month. We could use this occasion to release another progress report and hold an event featuring families already helped by the program and a bipartisan group of governors. (DPC)

Enhance Welfare-to-Work Commitment by Giving States Option to Maintain Health Insurance for Working Adults. We may be able to issue a new HHS regulation that would allow more states to provide Medicaid coverage to more low-income two-parent families. (Current federal law, applicable in all states without pre-welfare law waivers on this subject,

limits Medicaid to only those two-parent families in which the parents work less than 100 hours per month.) States believe that this regulation would enhance welfare-to-work efforts and encourage two-parent families. The regulation, however, has large cost implications (about \$800 million over five years), and we are currently discussing with OMB whether an offset for such a regulation is needed. (DPC)

Announce Policies for People with Disabilities. We have been working on administrative and legislative policies to enable people with disabilities to (1) reside in their communities, rather than institutions, and (2) return to work activities. For example, we are working on a legislative proposal to provide personal care assistance services to enable people with disabilities to return to work. We also are exploring ways to develop and spread new technologies that enable people with disabilities to live and work more easily. These proposals generally will have budget implications; we are currently working with OMB on finding appropriate offsets. We could announce these actions on July 26, the anniversary of the Americans with Disabilities Act. (DPC/NEC)

Announce Outreach Effort for Low-Income Medicare Beneficiaries. A new report, to be released by Families USA in early July, will show that about 3.9 million eligible Medicare beneficiaries -- nearly half of all eligible beneficiaries -- do not get premium assistance. We could release an executive directive to HCFA, SSA, and the Administration on Aging to implement new outreach and enrollment initiatives. (At the very least, such an action would inoculate us against the Families USA report, which is likely to receive a great deal of attention). (NEC)

Education (DPC/NEC as noted below)

Announce New Legislation, With Offsets, to Reduce Class Size. Senator Murray intends to introduce legislation with as many as 20 co-sponsors to implement your class size initiative. DPC and OMB are working with Murray's staff on potential offsets that she could use in making this announcement. We think you could participate in the announcement of this legislation (as you previously expressed interest in doing) without binding yourself to using the offsets for this (and only this) purpose. (DPC)

Announce New Bilingual Education Plan. You could transmit legislation to reform the federal bilingual program, including by requiring school districts to establish a goal of moving all Limited English Proficient (LEP) students into regular English language classes within three years. We are sending you a separate memo on the pros and cons of taking this action. Irrespective of whether you decide to transmit such legislation, you could take other actions to assist LEP students -- for example (1) propose ways to strengthen teaching for LEP students (e.g., by recruitment and training initiatives); (2) issue a directive to the Secretary of Education to report on best practices of teaching English to LEP students, as well as to conduct or support further research in this area; (3) support community-based initiatives that supplement school programs for LEP students; and (4) propose ways of strengthening foreign language education

for English-speaking students. Some of these proposals would have budgetary implications, but we do not yet have good cost estimates. (DPC)

Announce First Grants of Comprehensive School Reform (Obey/Porter) Program. The Education Department will soon be ready to announce grants under the new Comprehensive School Reform program. These grants will support proven school reforms in hundreds of schools. You or the Vice President could make this announcement. (DPC)

Launch the Education Department's Summer Reading Initiative. Seventy partnerships across the country will launch summer reading programs aimed at young children next month. You could help to kick off these programs, while calling on Congress again to enact America Reads (if it has not yet done so). (DPC)

Announce Grant to DC Training Alliance. You could announce a Labor Department pilot program that would give a \$1.2 million planning grant (the "metro-tech grant") to the DC, MD, and VA job-training systems to train workers to meet the demand in this area's high-tech industry. The pilot program will fund 100 workers. We expect the pilot to lead to a demonstration project serving 3,000 people at a cost of \$17 million. We can announce this grant anytime the near future. (NEC)

Participate in School Construction and Smaller Class Size Day. You, the Vice President, Mrs. Clinton, and Mrs. Gore all could participate in a back-to-school day that would focus on school construction and smaller class sizes. In advance of this day, you would ask parents, volunteers, Members of Congress, and community leaders to join together to help rebuild, renovate, and modernize local public schools. The event would provide a terrific visual and give Democrats in Congress a chance to highlight this important issue in the fall. (NEC)

Report on Success of School-to-Work Program. We expect a major study to be released soon on School-to-Work, one of the signature programs of your first year in office. If it is positive, we might use the release of this study to highlight the program, call for the business community's continued participation in it, and attack right-wing opposition. We are not sure of the timing of this report. One problem with this event is that our current budget scales back the school-to-work program (from \$400 million to \$250 million). (NEC)

Crime and Drugs (DPC)

Announce Support for Child Access Prevention Legislation, Issue Child-Proof Gun Challenge, and Issue Regulation on New Gun Signs. You could (1) support child access prevention legislation (both Sen. Durbin and Rep. McCarthy have bills) that would hold adults liable if they give children easy access to guns; (2) challenge industry to get a child-proof gun (i.e., a gun that can be shot only by authorized adults) on the market by the year 2000; and/or (3) announce a Treasury Department regulation (responding to a directive you signed a few months ago) requiring gun dealers to post signs warning gun purchasers about their responsibility to keep

guns away from children.

Report on Youth Crime Gun Interdiction Initiative and Press for Congress to Fund Our Budget Request. The second anniversary of your gun tracing initiative falls in July, and we may have a report by then on the continued success of this program. (If not, the report will be ready later in the summer.) Our budget asked for \$28 million to expand this initiative, which the House appropriations subcommittee fully funded last week. An event could keep up the pressure for full funding of this initiative. We could combine the event with the actions on youth access to guns described above.

Announce Federal Drug Strike Force for Chicago and Support for Chicago's Anti-Gang Ordinance. DOJ is prepared to announce that it will dedicate some 300 federal agents and 20 prosecutors to form a drug strike force in Chicago. We have promised Mayor Daley that we will make this announcement soon. At the same time, we could comment on the brief we just filed in the Supreme Court supporting Chicago's anti-gang ordinance.

Announce New Demonstration Project to Fund Faith-Based Anti-Crime Programs. DOJ is now considering whether and how to put together a demonstration project to fund faith-based anti-crime programs, such as the one profiled recently in a Newsweek cover story. We will have to work through some constitutional concerns, but we could be ready to go on this new effort by mid-summer. Some of your advisors, however, have reservations about such a religiously-oriented grant program.

Announce New COPS Grants. We will have several opportunities this summer to announce new cop grants, including grants targeted to combating methamphetamine use and extensions of prior grants (i.e., a fourth year of funding) in small cities. We should try to time such an announcement to coincide with new crime statistics.

COPS in Schools. By the end of the summer, the Departments of Justice and Education should be ready to (1) offer recommendations to you for getting more police to work with schools (in response to your directive last week); (2) release COPS grants to provide additional law enforcement assistance in schools; (3) hold a conference on how law enforcement officers can help to keep schools safe; and (4) issue a report on the success of the Safe and Drug Free Schools Program.. We could try to package these announcements in a single event.

Release Early Warning Guide for Schools; Follow Up With Annual Report on School Safety. In compliance with your recent directive, the Departments of Justice and Education are scheduled to complete by the end of summer a guide for schools on how to identify and respond to early warning signs of troubled youth. We could combine release of this report with a White House meeting with officials of the cities that recently have suffered school shootings. A month or so later, in early October, the Justice Department will be ready to release the annual report on school safety that you ordered in the wake of the Paducah shooting. This document will compile all data on school crime, discuss successful strategies to reduce school violence, and include a

checklist for parents on school safety. You could use the release of this report as an opportunity to address hundreds of schools by satellite on school violence issues.

Launch Nationwide Phase of Our Anti-Drug Media Campaign. You are currently scheduled to announce the national roll-out of the \$195 million media campaign in July. ONDCP will buy a "roadblock" on network TV that night, unveil new ads, and host local events in scores of participating cities.

Release Drug Court Grants. You could announce the latest drug court grants from DOJ and highlight the success of this program, as you previously have indicated some interest in doing. (As you know, a recent study showed some very good results.) You could combine the release of these grants with the launch of the anti-drug media campaign discussed just above, or alternatively combine it with the release of new DUF/ADAM (Drug Use Forecasting/Arrestee Drug Abuse Monitoring) data, which will almost certainly show that most arrestees in our major cities test positive for drugs, and that more resources are needed to test, treat, and sanction these offenders.

Release Results of Household Survey. The Household Survey -- one of two major drug surveys on teen drug use -- should be out by August. Last year's survey was the first to indicate a dip in teenage drug use, and this year's is likely to show the same. The Survey also will contain new data on youth tobacco use.

Release Stalking Report and Associated Policies. DOJ is preparing a report showing that about eight million women in this country report having been stalked. We are working with DOJ on policy recommendations to go with this report, but have not yet determined their exact content.

Tobacco (DPC)

Bring Medicare Suits Against Tobacco Companies? We and the Counsel's Office will advise you within the next couple of weeks on whether the federal government should bring suit against the tobacco companies for losses to the Medicare program caused by tobacco-related disease. If you choose to go ahead with these suits, you can direct the Attorney General to prepare the suit for filing. (There is little chance that the suit will actually be ready to file this summer.)

Prevent Filmmakers from Using Federal Facilities for Films that Contain Youth Smoking. We are exploring whether agencies that oversee federal facilities (e.g., DOD, the Forest Service) can require, as a condition of granting a permit to film a movie on those facilities, that the movie not show (or perhaps, not glamorize) youth smoking or drug use. Your advisors are very split on this idea -- some love it, some hate it -- and we are continuing to explore it.

Release Report on Effects of Price Increases on Youth Smoking. We are ready to release a Treasury Department report showing how price increases can dramatically reduce youth

smoking. This report should be useful to show the absurdity of the House Republicans' "no-money" approach to this problem. When they release that bill, we will have Treasury (or commission an independent expert) to do a report on the likely effects of the bill on youth smoking.

Release Results of Household Survey. As discussed above.

Welfare-to-Work (DPC/NEC as noted below)

Release Report Showing the Increase in the Proportion of Welfare Recipients Going to Work. Following on the GAO report last week, HHS is scheduled to report to Congress on the increase in work among welfare recipients. The report should have some new data, although it also will collate previously released figures. Sometime this summer, HHS also will receive information from the states on whether they are meeting the welfare law's work participation rates. This information should generate a fair bit of interest, but it is not yet clear whether the news will be good. (DPC)

Endorse Individual Development Account Bill. You have indicated interest in doing an event to endorse and highlight the Coats-Harkin IDA legislation. This bill would establish a four-year, \$100 million demonstration program under which state, local, and nonprofit entities would match money deposited into IDAs by low-income families. One event idea is for you to go to a community development bank and help a welfare recipient open a bank account; we could use such an event to push for CDFI funding at the same time. Another, simpler idea is to do a Rose Garden event with the sponsors of the bill and welfare recipients. (DPC/NEC)

Food Safety (DPC)

Call for Congress to Fund Our Food Safety Initiative and Pass Legislation Giving FDA and USDA More Enforcement Authority. The relevant House and Senate subcommittees allocated almost no funds to our food safety initiative; at the same time, our proposals to give USDA additional recall authority and give FDA additional authority over imported foods are languishing. You could do an event with members of Congress and food safety advocates urging Congress to act on these measures. (Summer is the time when people think most about these issues.) We must ensure, however, that such an event is consistent with our overall strategy on the Agriculture Appropriations bill.

Veterans (DPC)

Announce Coordinated Effort to Assist Homeless Veterans. We have been working with the Veterans' Administration on a plan to help the 250,000 homeless veterans in this country. The plan would involve outreach efforts, substance abuse treatment, and mental health care, in addition to housing assistance. The annual cost would be about \$30 million. Assuming we believe we can find this amount of money in next year's budget, you could direct the VA now to

come back to you with a plan on how to address this issue.

Rural Issues (DPC/NEC)

Deliver Speech on Rural Issues. DPC, NEC, and USDA have prepared a rural agenda for a speech sometime this summer. The agenda includes: (1) the use of new technologies, such as distance learning and telemedicine, to benefit rural areas; (2) the enforcement of antitrust laws in agricultural-related industries; (3) the expansion of programs that help farmers manage risk; (4) the promotion of free trade; (5) the expansion of agricultural cooperatives; and (6) the renewal of the ethanol subsidy. We also could announce all or part of this agenda through a radio press conference in which you, the Vice President, and Secretary Glickman could participate.

Financial Services (DPC/NEC)

Announce Consumer Credit and Financial Services Bill of Rights. DPC and NEC are developing an initiative -- including both administrative actions and a legislative proposal -- aimed at educating consumers about the use of credit and bank services, improving the information consumers receive, and targeting predatory practices. This initiative is still at an early stage of development, but we probably will be ready by near the end of the summer.

Pensions (NEC)

Announce Pension Proposals. Your advisors have reached consensus on two pension proposals (in addition to the proposals announced in January). The joint and two-thirds/three-quarters survivor annuity proposal would increase benefits for some surviving spouses of pension plan participants, while the other proposal, initially advanced by Rep. Price (D-NC), would allow workers to count FMLA time toward pension vesting requirements. This would ensure that those (relatively few) workers close to the 1,000-hour minimum requirement for vesting do not lose a year of vesting because of time taken off under FMLA. This can be billed as a women's pension item.

Housing (NEC)

Announce HUD-NAR "One America" Agreement. HUD and the National Association of Realtors (NAR) have reached a final agreement on the "One America Broker" program. Under the program, NAR will sponsor training for real estate professionals on how to better serve minority and immigrant home buyers. The training will address adherence to Fair Housing Act principles, as well as ways to expand the housing choices available to minorities and other underserved groups. Realtors who complete the course and commit to serving these groups would be able to use the "One America" logo in advertising and promotional materials, which could help them to attract additional clients. To be certified, realtors must be free of any Fair Housing Act violations. The agreement could be announced/highlighted by you or the Vice President at an event with a minority or immigrant new home buyer who previously experienced

discrimination and (possibly) a realtor with an outstanding record serving underserved groups.

International Economics (NEC)

Announce Trade Adjustment Assistance Package. We could do an event on helping everyone benefit from a global economy. This event could have four different components, focused on both worker and community adjustment:

- You could announce the consolidation and reform of the Trade Adjustment Assistance (TAA) program and the NAFTA-TAA program. This would more than fulfill your promise to strengthen the TAA/NAFTA-TAA programs during the fast track debate.
- A possible Executive Order establishing a coordinating committee on community adjustment issues. This could be modeled after the Executive Order on defense adjustment programs.
- You could call on Congress to pass your EDA budget and NADBank budget, so that we can effectively deal with communities that have severe and sudden economic distress.
- Memorandum of Understanding between NADBank and EDA so that they work better together. This is important to Rep. Torres and the Hispanic Caucus. NADBank/CAIP and EDA have done a lot of work together, but it could be an important symbolic message to the Hispanic Caucus for the relationship between the two to be formalized.

Announce New Sanctions Policy. You could announce the release of a Presidential Decision Directive on Sanctions which would establish a joint NEC/NSC interagency sanctions review group to monitor and coordinate broad United States government sanctions policy. The group would ensure that prior to sanctions being implemented the Administration would conduct a cost/benefit analysis. The group could also review existing sanctions in place to determine whether they are still serving an important purpose in fulfilling our policy objectives. The time could be ripe for such an announcement because of the keen awareness on the Hill and elsewhere about the proliferation of new sanctions regimes and their cost to the U.S. economy. An interagency process has been working on such a directive; work could be finalized in time for an announcement. Because the Glenn Amendment has crystallized opinion about the problems with unilateral sanctions, this can and should be done sooner rather than later (*i.e.*, over the next couple of weeks).

Give Major International Trade Speech. You could articulate U.S. trade objectives for the year leading up to the 1999 WTO Ministerial Conference, which we are hosting. You could also announce the selection of the city for such an announcement. Over 20 cities have expressed interest; the conference will bring international attention and over 10,000 attendees from foreign government, business, press and NGOs. The policy initiative would be a refinement of the goals outlined at the May 1998 WTO Anniversary in Geneva.