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# EMAILS CREATED
# ARMS - BOX 007 - FOLDER 001

# [12/16/1998 - 1/6/1999]

# Withdrawal/Redaction Sheet
## Clinton Library

| DOCUMENT NO. AND TYPE | SUBJECT/TITLE | DATE | RESTRICTION |
|---|---|---|---|
| 001. email | Elena Kagan to Bruce Reed re: Bold ideas (2 pages) | 12/17/1998 | P6/b(6) |

**COLLECTION:**

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

**FOLDER TITLE:**

[12/16/1998 - 1/6/1999]

2009-1006-F
kh571

**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:16-DEC-1998 10:40:09.00

SUBJECT: everything you always wanted to know...

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

TEXT:
could you print this? I can't get the numbers to line up.
---------------------- Forwarded by Elena Kagan/OPD/EOP on 12/14/98 09:32 PM ---------------------------

Bruce N. Reed
12/16/98 09:54:49 AM
Record Type: Record

To: Elena Kagan/OPD/EOP, Cynthia A. Rice/OPD/EOP
cc:
Subject: everything you always wanted to know...

about cigarette prices (before the latest 45-cent increase):

TOBACCO

October Trends: After Year Of Price Hikes, Consumption Declines Moderating, Oligopoly Working.

Gary Black (212) 756-4197
Jon Rooney (212) 756-4504
December 15, 1998

HIGHLIGHTS

1. Consumption declines appear to be stabilizing, following a year of rapid price hikes. Since last October, retail cigarette prices have increased from $1.75/pack to $1.97/pack, before the recent $.45/pack price hike associated with the new AG settlement. The 13% price increase corresponds to an incremental consumption decline of just over 3% -- which implies an elasticity of -0.2.

2. While industry mix has been stable (premium share 72.0% vs. 71.6% YA; private label share 4.2% vs. 4.4% year ago), the "Big 3" have ceded considerable private label share to Liggett and other renegades, who have passed along little of the recent price hikes. Over the past year, share of private label held by Liggett and smaller players has jumped from 30.8% to 41.0%.

3. The price gaps between Marlboro and Doral ($.61/pack) and between Marlboro and lowest-priced brands ($.80/pack) are at their highest levels since Marlboro-Friday. The price gap between RJR's Doral ($1.50/pk) and B&W's GPC brand ($1.64/pk), which were at parity until early-1998, has now increased to $.14/pack, which

has caused B&W share to decline at double-digit clip.

4. Philip Morris (+0.7pt), Lorillard (+0.3pt), and the renegades (+0.4pt) continue to gain share from RJR (-0.4pt) and B&W (-1.0pt). PM's and Lorillard's gains reflect single-minded focuses behind Marlboro (+1.3pt) and Newport (+0.3pt), respectively. RJR's Winston (-0.3pt) and Salem (-0.2pt) continue to decline at double-digit rates. Liggett's share (-0.1pt) appears to have stabilized.

5. The trade deload (13-14 billion sticks at end of 3Q) appears to be near-complete, with new orders being placed at the higher prices. We look for an industry shipment decline of 18-20% in 4Q, due to the deload (PM -16%, RJR -22%). We expect Philip Morris 4Q estimates to fall $.05/share (FY $3.10) to reflect the full deload in 4Q, rather than split between 1998/4Q and 1999/1Q.

6. We expect shipments to decline by about 6% in 1999 (PM -5%, RJR -7%), based on an anticipated price elasticity of -.25 on the $.45/pack (+23%) increase that becomes effective on the top brands after New Year's Day (minor brand prices already taken). Smokers, rather than quitting, continue to search out retailers in the gas and convenience classes of trade who have cut margins on cigarettes to 5-8% or to state minimums, to build traffic. This pricing disparity among different classes of trade is intensifying.

7. We reiterate outperform ratings on Philip Morris and RJR. Near-term, we continue to expect RJR to outperform Philip Morris, given pressures on RJR management to unlock value in front of the likely proxy fight (filing deadline 3/12, Annual Meeting 5/12).

Current Unit Shares %

IRI/Marlin

| Period | Premium | Mid-Priced | Low-priced | Philip Morris | RJR | B & W | Lorillard | Liggett | Other |
|---|---|---|---|---|---|---|---|---|---|
| October '98 | 72.02% | 23.74% | 4.24% | 48.50% | 25.00% | 14.99% | 8.31% | 1.40% | 1.80% |
| September '98 | | | | | | | | | |

72.48%
23.38%
4.14%
49.35%
24.80%
14.65%
8.11%
1.37%
1.71%

October '97
71.61%
23.95%
4.44%
47.82%
25.40%
15.95%
7.99%
1.47%
1.38%

Chg Vs YA
+0.41
(0.21)
(0.20)
+0.68
(0.40)
(0.96)
+0.32
(0.07)
+0.42

Chg vs
Prior
(0.46)
+0.36
+0.10
(0.85)
+0.20
+0.34
(0.20)
+0.03
+0.09

YTD % Chg
(3%)
(6%)
(15%)
(3%)
(7%)
(9%)
(2%)
(11%)
+2%

October 1998 - Retail Volume and Pricing Trends

INDUSTRY AND COMPANY DETAIL

% Volume Change Vs. YA

4 Weeks
Ending
Total

Industry

| | | Premium | Discount | Philip Morris | RJR | B & W | Lorillard | Liggett | Other |
|---|---|---|---|---|---|---|---|---|---|
| 7/20/97 | (3) | (2) | (4) | (1) | (5) | (2) | (3) | (23) | (7) |
| 8/17/97 | +3 | +4 | +0 | +6 | +0 | +2 | +2 | (20) | (6) |
| 9/14/97 | +5 | +6 | +3 | +7 | +4 | +6 | +6 | (15) | (6) |
| 10/12/97 | +5 | +6 | +2 | +6 | +4 | +5 | +6 | (13) | (8) |
| 11/9/97 | +6 | +6 | +4 | +7 | +5 | | | | |

+4
+9
(12)
(6)
12/7/97
+7
+8
+5
+9
+6
+6
+11
(10)
(2)
1/4/98
+3
+4
+0
+4
+3
+1
+7
(14)
+7
2/1/98
+2
+3
(1)
+3
+2
(0)
+2
(12)
(7)
3/1/98
(3)
(2)
(6)
(2)
(4)
(5)
(2)
(15)
(14)
3/29/98
(9)
(7)
(12)
(7)
(8)
(12)
(8)
(18)
(16)
4/26/98
(4)
(3)
(7)

(3)
(3)
(8)
(3)
(12)
(5)
5/24/98
(4)
(2)
(7)

(2)
(4)
(9)
(2)
(8)
+3
6/21/98
(6)
(5)
(10)

(4)
(8)
(13)
(3)
(10)
+1
7/19/98
(4)
(3)
(7)

(3)
(4)
(11)
(0)
(8)
+8
8/16/98
(6)
(5)
(8)

(5)
(8)
(11)
0
(6)
+9
9/13/98
(4)
(3)
(7)

(1)
(6)
(13)
(1)
(8)
+19
10/11/98

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | (3) | (3) | (5) | (2) | (5) | (9) | +1 | (8) | +26 |
| 1998 YTD | (4) | (3) | (7) | (3) | (4) | (8) | (2) | (11) | +2 |

PP Share Change Vs. YA

| 4 Weeks Ending | Premium | Mid-priced | Low-priced | Philip Morris | RJR | B & W | Lorillard | Liggett | Other |
|---|---|---|---|---|---|---|---|---|---|
| 7/20/97 | +0.3 | +0.6 | (0.9) | +0.9 | (0.5) | +0.1 | +0.0 | (0.4) | (0.0) |
| 8/17/97 | +0.7 | +0.3 | (1.1) | +1.3 | (0.6) | (0.1) | (0.0) | (0.4) | (0.1) |
| 9/14/97 | | | | | | | | | |

```
        +0.7
              +0.4
                      (1.1)

                               +0.8
                                    (0.4)
                                        +0.1
                                            +0.0
                                                   (0.3)
                                                         (0.1)
10/12/97
        +0.7
              +0.4
                      (1.1)

                               +0.6
                                    (0.2)
                                        (0.0)
                                            +0.1
                                                   (0.3)
                                                         (0.2)
11/9/97
        +0.5
              +0.5
                      (1.0)

                               +0.6
                                    (0.2)
                                        (0.2)
                                            +0.2
                                                   (0.3)
                                                         (0.1)
12/7/97
        +0.8
              +0.2
                      (1.0)

                               +0.5
                                    (0.2)
                                        (0.2)
                                            +0.3
                                                   (0.3)
                                                         (0.1)
1/4/98
        +0.7
              +0.2
                      (1.0)

                               +0.3
                                    (0.1)
                                        (0.3)
                                            +0.3
                                                   (0.3)
                                                         +0.1
2/1/98
        +0.7
              +0.3
                      (0.9)

                               +0.7
                                    (0.0)
                                        (0.3)
                                            +0.1
```

(0.2)
(0.1)
3/1/98
+0.8
+0.1
(0.9)

+0.7
(0.1)
(0.3)
+0.1
(0.2)
(0.1)
3/29/98
+1.0
(0.2)
(0.8)

+0.8
+0.1
(0.6)
+0.0
(0.2)
(0.1)
4/26/98
+1.0
(0.3)
(0.7)

+0.4
+0.2
(0.6)
+0.1
(0.1)
0.0
5/24/98
+1.0
(0.5)
(0.5)

+0.7
(0.1)
(0.9)
+0.2
(0.1)
+0.1
6/21/98
+1.1
(0.5)
(0.6)

+1.2
(0.3)
(1.2)
+0.3
(0.1)
+0.1
7/19/98
+0.9
(0.4)
(0.5)

+0.7

(0.1)
(1.1)
+0.3
(0.1)
+0.2

8/16/98
+0.6
(0.2)
(0.4)

+0.6
(0.5)
(0.8)
+0.5
+0.0
+0.2

9/13/98
+0.9
(0.6)
(0.3)

+1.5
(0.5)
(1.5)
+0.2
(0.1)
+0.3

10/11/98
+0.4
(0.2)
(0.2)
+0.7
(0.4)
(1.0)
+0.3
(0.1)
+0.4

1998
YTD
+0.8
(0.2)
(0.6)

+0.8
(0.2)
(0.8)
+0.2
(0.1)
+0.1

BRAND DETAIL

% Volume Change Vs. YA

4 Weeks
Ending
Marlboro

(PM)
Winston

(RJR)
Camel

(RJR)
Newport

(Lor)
Kool

(B&W)

Doral

(RJR)
GPC

(B&W)
Basic

(PM)
7/20/97
+1
(7)
+9
+2
(3)

+4
+5
+3
8/17/97
+9
+2
+13
+8
+3

+8
+9
+11
9/14/97
+10
+8
+17
+12
+5

+9
+17
+11
10/12/97
+9
+8
+16
+12
+3

+10
+16
+5
11/9/97
+10

+9
+14
+13
+3
+13
+19
+10

12/7/97
+12
+10
+15
+15
+6
+13
+22
+7

1/4/98
+6
+7
+10
+11
+2
+9
+15
+3

2/1/98
+6
+7
+7
+6
+1
+10
+14
+5

3/1/98
+1
+1
(0)
+2
(6)
+5
+7
(4)

3/29/98
(3)
(4)
(3)
(4)
(11)
0
(1)
(11)

4/26/98
0
+1
+1
+2

(7)

+6
+2
(9)

5/24/98
+2
(0)
(3)
+3
(7)

+6
(1)
(9)

6/21/98
0
(4)
(6)
+2
(11)

+2
(7)
(6)

7/19/98
+1
(2)
(2)
+5
(8)

+5
(6)
(4)

8/16/98
(2)
(10)
(6)
+4
(9)

+3
(6)
(6)

9/13/98
+3
(8)
(2)
+1
(10)

+4
(11)
+1

10/11/98
+1
(9)
(3)
+3
(6)
+5
(8)

(1)

1998 YTD +1 (3) (2) +2 (7) +5 (2) (4)

PP Share Change Vs. YA

| 4 Weeks Ending | Marlboro (PM) | Winston (RJR) | Camel (RJR) | Newport (Lor) | Kool (B&W) | Doral (RJR) | GPC (B&W) | Basic (PM) |
|---|---|---|---|---|---|---|---|---|
| 6/22/97 | +1.5 | (0.3) | +0.6 | +0.3 | 0.0 | +0.3 | +0.4 | +0.3 |
| 7/20/97 | +1.3 | (0.3) | +0.5 | +0.3 | 0.0 | +0.4 | +0.4 | +0.3 |
| 8/17/97 | | | | | | | | |

+1.7
(0.1)
+0.5
+0.3
0.0

+0.3
+0.3
+0.4

9/14/97
+1.4
+0.2
+0.5
+0.3
0.0

+0.2
+0.6
+0.2

10/12/97
+1.3
+0.2
+0.5
+0.3
(0.1)

+0.3
+0.6
0.0

11/9/97
+1.1
+0.2
+0.4
+0.4
(0.1)

+0.4
+0.7
+0.2

12/7/97
+1.2
+0.2
+0.3
+0.4
0.0

+0.3
+0.7
0.0

1/4/98
+1.0
+0.2
+0.3
+0.4
0.0

+0.3
+0.6
0.0

2/1/98
+1.4
+0.3
+0.2

```
                                +0.2
                                        0.0

                                                  +0.5
                                                        +0.6
                                                              +0.1
3/1/98
      +1.4
             +0.2
                   +0.2
                         +0.3
                               (0.1)

                                                  +0.5
                                                        +0.6
                                                              0.0
3/29/98
      +1.8
             +0.3
                   +0.3
                         +0.3
                               (0.1)

                                                  +0.6
                                                        +0.4
                                                              (0.1)
4/26/98
      +1.5
             +0.3
                   +0.3
                         +0.4
                               (0.1)

                                                  +0.6
                                                        +0.3
                                                              (0.3)
5/24/98
      +1.9
             +0.2
                   +0.1
                         +0.4
                               (0.1)

                                                  +0.6
                                                        +0.1
                                                              (0.3)
6/21/98
      +2.1
             +0.1
                   +0.0
                         +0.5
                               (0.2)

                                                  +0.5
                                                        +0.0
                                                              0.0
7/19/98
      +1.7
             +0.1
                   +0.1
                         +0.5
                               (0.2)
```

+0.6
(0.1)
0.0
8/16/98
+1.4
(0.3)
(0.0)
+0.6
(0.1)

+0.5
(0.1)
(0.0)
9/13/98
+2.3
(0.2)
+0.1
+0.3
(0.2)

+0.5
(0.4)
+0.2
10/11/98
+1.3
(0.3)
+0.0
+0.3
(0.1)
+0.5
(0.3)
+0.1
1998 YTD
+1.7
+0.1
+0.1
+0.4
(0.1)

+0.5
+0.1
(0.0)

Current Unit Share %

4 Weeks
Ending
Marlboro

(PM)
Winston

(RJR)
Camel

(RJR)
Newport

(Lor)
Kool

(B&W)

| | | | | | | Doral (RJR) | GPC (B&W) | Basic (PM) |
|---|---|---|---|---|---|---|---|---|
| Current | 33.87% | 5.45% | 5.26% | 5.88% | 3.28% | 6.54% | 5.53% | 4.86% |
| Prior mo | 34.77% | 5.52% | 5.35% | 5.76% | 3.21% | 6.32% | 5.39% | 5.06% |
| Year ago | 32.56% | 5.77% | 5.23% | 5.53% | 3.38% | 6.02% | 5.82% | 4.73% |
| ChgVsYA | +1.31 | (0.32) | +0.03 | +0.35 | (0.10) | +0.50 | (0.29) | +0.13 |
| ChgVs Pr | (0.90) | (0.10) | (0.09) | +0.12 | +0.07 | +0.22 | +0.14 | (0.20) |

RETAIL PRICE GAPS

Avg. retail price per pack

| 4 weeks ending | Average retail price per pack: Prem.-priced | Mid-Priced | Low-priced | Wtd average | Memo: Marlboro and Doral pricing: Marlboro (PM) | Doral (RJR) | Price Gap | Price gap: Premium vs. Mid-Priced | Low-priced |
|---|---|---|---|---|---|---|---|---|---|
| 3/5/95 | $1.71 | $1.31 | $1.16 | $1.58 | $1.72 | $1.30 | +$.42 | +$.40 | +$.55 |
| 3/3/96 | 1.74 | 1.34 | 1.17 | 1.61 | 1.74 | 1.32 | +.42 | +.40 | +.57 |
| 3/2/97 | 1.78 | | | | | | | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | 1.40 | 1.21 | 1.66 | 1.77 | 1.37 | +.45 | +.38 | +.57 |
| 3/30/97 | 1.76 | 1.39 | 1.22 | 1.64 | 1.71 | 1.34 | +.37 | +.37 | +.54 |
| 4/27/97 | 1.82 | 1.42 | 1.22 | 1.70 | 1.81 | 1.36 | +.45 | +.40 | +.60 |
| 5/25/97 | 1.82 | 1.43 | 1.20 | 1.71 | 1.81 | 1.38 | +.43 | +.39 | +.58 |
| 6/22/97 | 1.79 | 1.40 | 1.19 | 1.67 | 1.74 | 1.34 | +.40 | +.39 | +.60 |
| 7/20/97 | 1.81 | 1.41 | 1.21 | 1.69 | 1.78 | 1.35 | +.43 | +.40 | +.60 |
| 8/17/97 | 1.84 | 1.40 | 1.22 | 1.70 | | | | | |

1.83
1.35
+.48
+.44
+.62

9/14/97
1.83
1.42
1.22
1.70
1.79
1.37
+.42
+.41
+.61

10/12/97
1.88
1.46
1.25
1.75
1.86
1.40
+.46
+.42
+.63

11/9/97
1.90
1.46
1.26
1.77
1.88
1.42
+.46
+.44
+.64

12/7/97
1.88
1.47
1.25
1.75
1.83
1.42
+.41
+.39
+.63

1/4/98
1.87
1.45
1.24
1.74
1.80
1.39
+.41
+.42
+.63

2/1/98
1.92
1.47
1.27
1.78
1.86
1.41
+.45

+.45
+.65
3/1/98
1.97
1.50
1.28
1.83
1.96
1.43
+.53
+.47
+.69
3/29/98
1.90
1.47
1.25
1.77
1.82
1.39
+.43
+.43
+.65
4/26/98
2.00
1.52
1.26
1.85
1.98
1.44
+.54
+.48
+.74
5/24/98
2.02
1.56
1.29
1.88
1.99
1.49
+.50
+.46
+.73
6/21/98
1.98
1.54
1.30
1.85
1.89
1.46
+.43
+.44
+.68
7/19/98
2.02
1.55
1.30
1.88
1.96
1.47
+.49
+.47
+.72
8/16/98

2.05
1.57
1.31
1.91
1.99
1.49
+.50
+.48
+.74

9/13/98
2.06
1.60
1.33
1.92
1.98
1.52
+.46
+.46
+.73

10/11/98
2.13
1.62
1.33
1.97
2.11
1.50
+.61
+.49
+.80

Selected
Pricing Data
Avg. retail price per
pack

Mfrs.□, list price per pack

Mix %

Current
Yr
Ago
Chg

Current
Yr
Ago
Chg.

Current
Yr Ago
Chg

Premium brands
$2.13
$1.88
+$.25

$1.254

$.999
+$.255

72.02%
71.61%
+0.41

Mid-priced
brands
$1.62
$1.46
+$.16

$.984
$.729
+$.255

23.74%
23.95%
(0.21)

Low-priced
brands
$1.33
$1.25
+$.07

$.879
$.624
+$.255

4.24%
4.44%
(0.20)

Weighted
average
$1.97
$1.75
+$.22

$1.172
$.917
+$.255

100.0%
100.0%
--

Price gaps:

Premium vs.
mid-priced
+$.49
+$.42
+$.07

+$.27
+$.27
NC

PM USA target $.40/pack

Premium vs.
low-priced
+$.80
+$.63
+$.17

+$.38
+$.38
NC

PM USA target $.55/pack

By manufacturer
Current
Yr Ago
Chg

Key brands

Current
Yr
Ago
Chg

Philip Morris
$2.07
$1.83
+$.24

Marlboro (PM)

$2.11
$1.86
+$.25

RJR Nabisco
$1.88
$1.70
+$.18

Winston (RJR)

$2.01
$1.78
+$.23

B&W
$1.88
$1.64
+$.22

Camel (RJR)

$2.12
$1.92
+$.20

Lorillard
$2.17
$1.94
+$.23

Newport (LTR)

$2.25
$2.00
+$.25

Liggett
$1.46
$1.37
+$.09

Kool (B&W)

$2.14
$1.86
+$.26

Others
$1.41
$1.33
+$.08

Doral (RJR)

$1.50
$1.40
+$.10

Weighted average
$1.97
$1.75
+$.22

GPC (B&W)

$1.64
$1.41
+$.13

Basic (PM)

$1.72
$1.53
+$.19

Report source: Information Resource Inc./Marlin Systems -- Food/Drug/Convenience outlets
comprising approximately 85% of industry volume.

# Withdrawal/Redaction Marker
## Clinton Library

| DOCUMENT NO. AND TYPE | SUBJECT/TITLE | DATE | RESTRICTION |
|---|---|---|---|
| 001. email | Elena Kagan to Bruce Reed re: Bold ideas (2 pages) | 12/17/1998 | P6/b(6) |

**COLLECTION:**

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

**FOLDER TITLE:**

[12/16/1998 - 1/6/1999]

2009-1006-F
kh571

### 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:17-DEC-1998 18:29:06.00

SUBJECT: Re: Toys Letter

TO: Bradley M. Campbell ( CN=Bradley M. Campbell/OU=CEQ/O=EOP @ EOP [ CEQ ] )
READ:UNKNOWN

CC: sarah a. bianchi ( CN=sarah a. bianchi/O=ovp @ ovp [ UNKNOWN ] )
READ:UNKNOWN

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

TEXT:
I don't know as much as you all, but that sounds right to me.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:17-DEC-1998 18:30:06.00

SUBJECT:

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

TEXT:
do you have a view?
---------------------- Forwarded by Elena Kagan/OPD/EOP on 12/17/98 06:30 PM ---------------------------

Jennifer L. Klein
12/17/98 05:27:26 PM
Record Type: Record

To: Elena Kagan/OPD/EOP
cc: Laura Emmett/WHO/EOP
Subject:

The toys letter to Miller and Waxman is ready to go out -- it's been signed off on by everyone, including the Departments. There is one outstanding issue -- who should sign it. Brad wants it to be the VP, and leg affairs is fine with that. I had said I thought it should be the President with some nice language about the VP, but I'm definitely not willing to fall on my sword about it. I told Brad to check in with you tomorrow if it is going out and I'm not here.

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME:18-DEC-1998 10:11:06.00

SUBJECT: RECEIVED: More Detail on Excess Profit Options

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

TEXT:
RETURN RECEIPT

Your Document:
More Detail on Excess Profit Options
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
12/18/98 10:10:41 AM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-DEC-1998 10:32:39.00

SUBJECT: weekly

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

TEXT:
Can you do an item on the ucla charter school report the President asked about? Of course, you should put that report in context. Thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-DEC-1998 17:13:36.00

SUBJECT:

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

TEXT:

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-DEC-1998 17:45:18.00

SUBJECT: weekly

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

TEXT:
here it is

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

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D75]MAIL48587765W.326 to ASCII,
The following is a HEX DUMP:

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December 18, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Elena Kagan

SUBJECT: DPC Weekly Report

1. **Welfare Reform -- IRS Notice on Workfare and Taxes:** The IRS this week issued a long-awaited notice clarifying that welfare recipients who participate in workfare programs do not need to pay income taxes or payroll (FICA) taxes. State and local governments welcomed this ruling because it allows them to run workfare programs without paying the employer's share of FICA taxes. (As you may recall, Governors Carper and Chiles were especially insistent that we issue this ruling.) At the same time, unions decided not to oppose the ruling vigorously, principally because it makes clear that it does not affect the application of the minimum wage or other worker protections to workfare participants.

2. **Welfare Reform -- GAO Report on Access to Jobs:** A GAO report issued last week on Access to Jobs -- the welfare-to-work transportation initiative you urged Congress to include in the highway bill -- applauds the Administration's early efforts to implement the program. GAO commends the Department of Transportation for coordinating Access to Jobs with other federal welfare-to-work initiatives. It also specifically praises joint guidance by the Secretaries of Labor, HHS, and Transportation, issued even before Congress approved the program, to help state and local officials use available funds to provide transportation for working welfare recipients. The same three departments are about to release an updated version of this guidance, reflecting Congress's enactment of the Access to Jobs program. In addition, we have worked with OMB to include a 100 percent increase in the program (from the $75 million appropriated last year to the $150 million authorized) in your FY 2000 budget request.

3. **Education -- Scholarships for Teachers: In Thursday's budget meeting, you asked about our scholarship program for students who commit to teaching in high poverty areas. This program, authorized as part of the Higher Education Act last year, receives 10 percent of the appropriation for a broader Teacher Quality and Recruitment Program, which also includes grants to states to raise licensing standards and grants to partnerships between school districts and universites to improve teacher education. The appropriation for the entire program in FY 1999 was $75 million, which gave us $7.5 million for approximately 1,400 scholarships. We and OMB are currently exploring whether to propose an increase in the program** for FY 2000, with a greater percentage (say, 50 percent) going to the scholarships.

**4. Drugs -- Study on Youth Drug Use:** HHS released on Friday the 1998 Monitoring the Future study on drug use trends among 8th, 10th, and 12th grade students. The study found, for the second year in a row, a flattening of drug use rates generally, with significant decreases in some categories of use. In the good news department, the study shows: (1) declines among 8th graders in past-30-day use of inhalants (from 5.6 to 4.8 percent) and LSD (from 1.5 to 1.1 percent); (2) declines among 10th graders in past-year use of all illicit drugs (from 38.5 to 35 percent), marijuana (from 34.8 to 31.1 percent), and stimulants (from 12.1 to 10.7 percent), as well as in past-30-day use of marijuana (from 20.5 to 1.7 percent) and cigarettes (from 29.8 to 27.6 percent); (3) declines among 12th graders in daily use of LSD (from 0.2 to 0.1 percent) and cigarettes (from 24.6 to 22.4 percent); and (4) an end to the recent decline in perceived harmfulness of drugs in all grades and an increase in perceived harmfulness of marijuana and drinking among 8th graders. In the bad news department, the study shows that: (1) the use of drugs remains at unacceptably high levels, with for example 25.6 percent of 12th graders, 21.5 percent of 10th graders, and 12.1 percent of 8th graders using an illicit drug (typically marijuana) in the past 30 days; and (2) cocaine use, while low overall, continues to rise slightly, with for example an increase in past-year use of crack among 8th graders from 1.7 to 2.1 percent.

**5. Crime -- Juvenile Brady:** You recently asked us how many states have passed laws prohibiting violent juveniles from owning firearms as adults. According to the most recent survey by the Justice Department, 22 states have passed some kind of prohibition on firearms possession by delinquents who have committed violent offenses. Of these states, four permanently prohibit the possession of firearms, six prohibit possession until a court or the Governor orders a restoration of rights, and the remainder prohibit possession for a set period of time (e.g., 10 years) following adjudication of the offense or release from a juvenile facility.

**6. Health Care/Tobacco -- Meeting with Senator Kennedy:** You are scheduled to meet with Senator Kennedy on Monday to discuss the FY2000 budget. Among other matters, he will raise the possibility of using tobacco receipts (either from an excise tax or from recoupment of state settlement funds) for a new Medicare prescription drug benefit. Such a benefit probably would cost between 5 and 15 billion dollars a year -- far too much for tobacco receipts to cover in the context of this year's budget. We do believe, however, that a prescription drug benefit is an essential component of any comprehensive reform of Medicare, and that you should indicate your desire to make progress on this issue this year. We are currently considering a way for you to talk about the issue in the State of the Union (which we would like to discuss with you soon), but think it would be premature to raise the idea with Kennedy.

**7. Tobacco -- Attorneys' Fees:** An arbitration panel last week awarded $8.2 billion in legal fees to the attorneys representing Florida, Texas, and Mississippi in tobacco litigation. The industry will pay the fees to the attorneys over the next 20 or so years, over and above what it will pay the states. (The industry's annual payments for arbitral judgments are capped at $500 million per year.) The panel determined the fees by multiplying 10 percent of each state's settlement by a figure (between 1.9 and 3.5) representing the risks taken and work done by the state's attorneys. The panel used the largest multiplier to calculate fees for Mississippi's attorneys, because they brought the very first tobacco suits. Minnesota's attorneys settled earlier this year for the relative pittance of seven percent of the state's award. Attorneys for the other 46 states have a choice between seeking fees from an arbitration panel and accepting an offer of "liquidated fees" from the industry. Fees for most of these attorneys will be much smaller, reflecting the fact that they did less work and took less risk in bringing their cases.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-DEC-1998 10:16:38.00

SUBJECT: Re: More Detail on Excess Profit Options

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

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

TEXT:
I think B is by far the best in terms of message. Rather than requiring us to make a case about tobacco company profits generally, we would be saying only that tobacco companies shouldn't use the recent settlement as an opportunity to gouge consumers. It seems as if this option also best responds to Rubin's point about the sensitivity of the business community to excess profits taxes, since it's the most limited (i.e., tobacco-company-specific) in terms of rationale.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-DEC-1998 14:05:23.00

SUBJECT: Doug Austin is in your office 222. for interview

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

TEXT:

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-DEC-1998 17:05:41.00

SUBJECT: Re: Teacher Recruitment Scholarships

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

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

TEXT:
right -- Mike and I talked about this in the context of making Ed pay.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-DEC-1998 17:13:10.00

SUBJECT:

TEXT:
where's my charter schools item? elena

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-DEC-1998 14:52:06.00

SUBJECT: crime statement

TEXT:
I'm not sure I sent you the right one. Here it is.

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

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D62]MAIL47139085G.326 to ASCII,
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746572CF67756E806C6177732C80616E6480626574746572806372696D65807072657665 6E7469

**Statement by the President**
**(Embargoed until 9:00 a.m., Sunday, December 27, 1998)**

The 1997 National Crime Victimization Survey released by the Department of Justice today shows that violent crime fell seven percent last year and 21 percent since I took office. With the violent crime rate now its lowest level since 1973, Americans are safer today than they have been in many years. These new figures again show that our strategy of more police, stricter gun laws, and better crime prevention is working. But we are not yet done. Working together, both in Washington and in communities across our nation, we must redouble our efforts to make our streets, homes, and schools safer for all Americans.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-DEC-1998 14:48:16.00

SUBJECT: crime statement

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

TEXT:
for release on sunday

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

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**Statement by the President**
**(Embargoed until 9:00 a.m., Sunday, December 27, 1998)**

The 1997 National Crime Victimization Survey released by the Department of Justice today shows that violent crime fell seven percent last year and 21 percent since I took office. With the violent crime rate now its lowest level since 1973, Americans are safer today than they have been in many years. These new figures again show that our strategy of more police, stricter gun laws, and better crime prevention is working. But we are not yet done. Working together, both in Washington and in communities across our nation, we must continue our efforts .

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-DEC-1998 09:56:00.00

SUBJECT: education memo

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

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

TEXT:
As I told Paul, this memo is now in the hands of John P. and Maria E. We hope to give it to the POTUS later today. Please kep this close, and be aware that anything in it might change.==================== ATTACHMENT 1 ==============
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December 23, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Mike Cohen

SUBJECT: ESEA Reauthorization Proposal

We have been working with the First Lady's office, OMB, the Vice President's office and the Education Department to develop the strongest possible proposal to reauthorize the Elementary and Secondary Education Act, with the objective of transmitting it to Congress by March 1. While there is still much to be done to shape and finalize this proposal, we have made progress in addressing some of the most significant issues. (Although Secretary Riley has not reviewed our suggestions in detail, Deputy Secretary Smith has been very closely involved in the process.) This memo looks at how the 1994 reforms are working, where they are falling short, and what improvements we are considering. We are planning to meet with you in early January.

## I. Progress Report on the 1994 Reauthorization and Goals 2000

Our reauthorization proposal will build on the framework for federal aid to elementary and secondary education established in Goals 2000 and the Improving America's Schools Act, the 1994 reauthorization of ESEA. In principle, both of these Acts overhauled federal elementary and secondary education programs by:

- *Insisting that every state set challenging academic students that all students are expected to reach.* Goals 2000 required states to set academic standards for all students and develop assessments aligned to those standards. Title 1 of ESEA built on this requirement by mandating that states use these standards for disadvantaged students, thus ending the practice of setting lower expectations for low-income students.

- *Providing schools, school districts, and states with the flexibility to determine how best to educate students to meet high standards.* Goals 2000 provided states and districts with tremendous flexibility in how funds could be used, and for the first time allowed the Secretary of Education to waive federal requirements if they impeded state or local reform efforts. ESEA reduced regulations, paperwork, and reporting requirements; launched your initiative to establish 3,000 charter schools; and permitted high-poverty schools (with 50% or more students eligible for Title 1) to combine funds from separate streams and use them to improve the whole school.

- *Holding schools accountable for the results they achieve, rather than for compliance with* *rules and regulations.* Title 1 now requires states to set annual goals for each school and district relating to the number of students who must reach academic standards; to report progress annually for each school (disaggregating data by demographic subgroups); and to intervene in schools that fail to make adequate progress.

These reforms have sparked considerable state and local education reform activity. There is, however, still much more to be done to achieve significant improvement in elementary and secondary education, especially in high-poverty schools. The key lessons from the implementation of Goals 2000, ESEA, and related state and local reforms include:

- *Standards-based education reform works.* A recent Rand study of education reform in North Carolina and Texas -- the two states with the best track record of improving achievement generally <u>and</u> closing achievement gaps between minority and white students -- shows that a sustained, statewide approach of raising academic standards, providing schools with the flexibility and tools they need, targeting resources for extra help to low-performing students and schools, and holding schools accountable for results produces results, particularly for disadvantaged students. Other studies also have shown that states and school districts -- including urban school districts like Philadelphia, Boston, San Francisco, and Chicago -- that have adopted similar approaches have shown significant gains in reading and math. This data indicate that our overall strategy is sound. If we maintain the recent direction of federal education policy while intensifying our efforts, we can improve elementary and secondary education across the nation.

- *States have adopted policies effecting standards-based education reform, but these policies do not go far enough.* Forty-eight states have set new, more challenging academic standards, and most states are working to develop or adopt new assessments aligned with these standards. Fewer states, however, have adopted accountability systems along with the standards. Only 25 states provide for intervention in low-performing schools, as required by Title 1. In addition, only 17 states provide extra help, such as summer school or tutoring, for students who do not meet the standards, and only five states require students to demonstrate they have met the standards as a condition for promotion.

- *Implementation of state policies providing for standards, assessments, and accountability leaves room for improvement.* Title 1 includes a series of deadlines for implementing state policies on standards, assessments, and accountability. Although not all of the implementation deadlines have been reached, it is already clear that many states are not on track to meet them. In addition, some states are failing to implement these policies as envisioned. For example, some states have evaded the full extent of their responsibility to set goals for "adequate yearly progress" for students and schools. And although half the states have policies that provide for some kind of intervention in low-performing schools, many have shown themselves unable or unwilling to take the actions necessary to turn around these schools so they provide an acceptable education.

- *Improvements in the quality of teachers and teaching are urgently needed.* Governor Hunt's National Commission on Teaching and America's Future has underscored the difficulty of recruiting and retaining talented and well-prepared teachers, especially in schools with the most disadvantaged students. About 50,000 teachers each year enter the profession with emergency or substandard licenses. Nearly one quarter of secondary school teachers lack even a minor in their main teaching field, and in schools with the highest minority enrollment, students have less than a 50% chance of having a math or science teacher with a license and degree in the field. On average, 22% of new teachers leave the field within three years, and in urban areas 30-50% leave within five years. Paraprofessionals are widely and increasingly used to provide instruction to low-achieving students in Title 1 schools, with as many as 20% of Title 1 instructional aides providing instruction without a teacher's supervision. By one estimate, instructional aides account for roughly half (67,000) of the entire Title 1 instructional workforce, and Title 1 aides are being hired at twice the rate of Title 1 certified teachers.

  The Eisenhower professional development program, the main federal program to improve teacher quality (Goals 2000 and Title 1 also provide some funds for this purpose), has failed to improve the situation in any significant way. Recent evaluation data suggest that in many districts, the Eisenhower program funds activities of limited effectiveness. And even where the activities are effective, the program often fails to fund them at an adequate level. The Higher Education Act you signed last year includes a new program to provide scholarships to highly qualified individuals who commit to teaching in high-poverty schools, but the current appropriation is sufficient for only about 1,400 of these scholarships.

**II. Major Changes to ESEA**

Our budget contains a number of initiatives to expand educational opportunity in the elementary and secondary grades: school modernization, class size reduction, after-school funding connected to social promotions policy, and an increase in Title 1 funding for the specific purpose of intervening in low-performing schools. Our ESEA reauthorization can build on these initiatives by insisting on what the studies suggest we most need: accountability -- for students, teachers, and low-performing schools. With this Congress, we may not be able to enact every ESEA reform we want, but we can put forward a bold vision of the future of school reform.

We recommend a new set of accountability requirements as a condition for any state or district to receive any ESEA funds (not just Title 1). States and school districts would be required to produce annual school report cards, end social promotions, intervene in the lowest performing schools, and end the use of unqualified teachers. Taken together, these new requirements represent a fundamental change in federal aid to elementary and secondary education. For the first time, the federal government would link investment in state and local education systems with their commitment to take the steps necessary to enable all students, teachers, and schools to meet high standards. In effect, we are saying that, from now on, the best way for the federal government to help students is to insist that states and local school districts live up to their responsibilities, rather than simply attempting to compensate for their failure to do so.

Along with the investments in your budget, this approach is intended to help close the opportunity gap by lifting achievement in low-performing schools and making sure that disadvantaged students are not left behind. We hope the approach would be compelling enough to unite Congressional Democrats, the education community and the public, as well as to counter an expected Republican push for vouchers and block grants.

**A. Annual School Report Cards.** Our proposal would require annual report cards, easily understood by and widely distributed to parents and the public, for each school, school district, and state. The report cards would include information on student achievement, teacher quality, school safety, and class size. Where appropriate, the data collected and published -- especially on student achievement -- would be broken down by demographic subgroups, to allow a greater focus on the gaps between minority and majority, low-income and more advantaged students.

**B. Ending Social Promotions.** Our proposal would require states and districts participating in ESEA to adopt policies that (1) require students to meet academic performance standards at key transition points in elementary and middle school and for high school graduation; (2) use objective measures -- i.e., tests valid for these purposes -- to make an initial determination if a student has met the standards; and (3) permit (or conceivably, require) other, non-objective factors, including teacher judgment, to enter into a final determination as to whether the student has met the standards. States and school districts would have to show how they will help students meet promotion standards by (1) strengthening learning opportunities in the classroom with steps such as clear grade-by-grade standards, small classes with well prepared teachers, high quality professional development, and the use of proven instructional practices; (2) identifying students who need help at the earliest possible moment; (3) providing extended learning time, including after-school and summer school, for students who need extra help; and (4) providing an effective remedial plan for students who do not meet the standards on time, so that they do not repeat the same unsuccessful experiences. The proposal would phase in this requirement over five years; design the requirement to fit state governance systems (allowing "local control" states to delegate responsibilities to the local school district); and base the requirement on state or local rather than national standards. The Secretary would review and approve each state's plan, with continued funding conditional on adequate annual progress ii implementing the plan.

To reinforce this requirement and encourage local school systems to address it even before the enactment of ESEA, your FY2000 budget contains a $400 million increase in funding for the 21st Century Learning Center program, half of which will be reserved for after-school and summer school programs in school districts implementing policies to end social promotions.

**C. Accountability for Teachers.** Our proposal would require states and local school districts participating in ESEA to phase out the use of unqualified teachers over five years. In particular, states and school districts would have to end the use of (1) teachers with emergency rather than full certification; (2) secondary school teachers teaching "out of field" -- i.e., teaching subjects for which they lack an academic major or minor; and (3) instructional aides serving as lead instructors. Ending these practices is particularly important for high-poverty schools, where the practices are most prevalent. States also would have to adopt teacher competency tests for new teachers, including tests of subject-matter expertise for secondary school teachers. States and school districts would be able to use funds from a number of ESEA programs, including Title 1, bilingual education, and a new grant program focused in part on teacher quality, to help meet these requirements.

In addition, we are working with the Education Department to fashion a requirement for states and school districts to deal with low-performing teachers. We are exploring a number of approaches, including (1) requiring periodic recertification of teachers, and (2) requiring school districts to adopt procedures to identify low-performing teachers, provide them with needed help, and remove them fairly and quickly if they do not improve. We will work closely with the NEA and AFT over the coming weeks to try and fashion a provision that will meet our objectives while addressing their concerns.

**D. Accountability Fund for Title 1 Schools.** We recommend significantly strengthening accountability requirements in Title 1 so as to require and adequately fund immediate and significant state and local intervention in the lowest performing schools. Because the schools of greatest concern are invariably Title 1 schools and because Title 1 already contains certain accountability provisions, we believe we should incorporate these provisions into Title 1, rather than imposing a broader ESEA requirement.

Our proposal would retain current provisions for states to adopt performance standards and assessments by 2001. In addition, it would strengthen the current provisions in Title 1 relating to low-performing schools by: (1) requiring the immediate public identification of and intervention in the lowest performing schools in each state -- i.e., schools with very low levels of achievement that have made little or no improvement over the previous three years; (2) setting aside 2.5% of Title 1 funds to support aggressive intervention in these schools, including an external assessment of each school's needs and the implementation of needed improvements (such as addressing school safety and security needs, providing better teacher training, acquiring up-to-date textbooks, technology, and curriculum materials, and extending learning time to help students catch up academically); and (3) requiring states to provide recognition or rewards to Title 1 schools showing the greatest improvements.

To increase the appeal of this approach, your FY2000 budget contains a significant increase in Title 1 funding, of which $200 million is specifically dedicated to this initiative.

## III. Other Changes in ESEA

**A. Charter Schools and Public School Choice.** Earlier this fall you signed the Charter Schools Expansion Act of 1998, which strengthened incentives for states to (1) increase the number of high-quality charter schools, (2) strengthen accountability for charter schools, (3) maximize flexibility for charter schools, and (4) provide charter schools with their proper share of federal program funds. We believe, along with most in Congress, that no further changes relating to charter schools are needed in the ESEA reauthorization process.

We do recommend, however, proposing new authority in ESEA to enable the Education Department to support other, new approaches to expanding public school choice. At present, the Department has authority only to support specific approaches to choice, such as intra-district magnet schools in the context of desegregation efforts, and (as of last year) high schools on community college campuses. We will propose a new competitive grants program that will give the Education Department the ability to support a much wider range of choice approaches, including district-wide public school choice systems, interdistrict magnet schools and other interdistrict approaches, work-site schools, schools-within-schools, and post-secondary enrollment options.

As a first step in this direction, your FY2000 budget proposal will contain funds and necessary authorizing language for three specific choice initiatives: $10 million in grants to school districts to establish work-site schools; $10 million to support interdistrict magnet schools; and (as already authorized) $10 million to establish high schools on community college campuses.

**B. Bilingual Education**. We recommend changes to the Title VII Bilingual Education program and to Title 1 (which serves more than 1.1 million LEP students) consistent with statements you and Secretary Riley made in opposing California's Unz Initiative. These statements called for (1) expanding the flexibility given to local communities to select the programs they believe will best educate LEP students; (2) making sure teachers are well trained to teach LEP students; and (3) strengthening accountability for programs serving LEP students by including a goal that all LEP students reach English proficiency within three years.

To expand local flexibility and parental choice, we would remove the Title VII provision in current law that limits expenditures on English-language (rather than bilingual) programs to 25% of the funds available. We also would require parental approval for participation in any program funded under Title VII. To improve teacher quality, we would phase in a requirement that schools receiving Title 1 funds provide LEP students with appropriately trained teachers. We also would strengthen the teacher training provisions in Title VII by giving funding priority to school districts and institutions of higher education that have implemented proven programs to hire, train, and support new ESL and bilingual teachers.

In Title 1, we would require that LEP students be included in the assessment and accountability requirements for each school. Assessments would be in their language of instruction and, after three years of schooling in the United States, in English. We would require schools to disaggregate data, so that they would report -- and be accountable for -- both the academic achievement and the English language proficiency of LEP students. We also would require schools receiving Title 1 funds to provide alternative instructional strategies for LEP students who do not make adequate progress in English proficiency after three years. Finally, we would cut off Title VII funding to a program after three years if it could not show that students made significant gains in both English and academic subjects.

**C. Safe and Drug Free Schools Program.** As you announced at the White House Conference on School Safety, we would significantly overhaul the Safe and Drug Free Schools Program to improve its effectiveness at promoting drug-free, safe, and disciplined learning environments. Our proposal would accomplish this by (1) requiring states to allocate funds to local school districts on a competitive basis, with funds going to the districts with the greatest need and highest quality proposals; (2) requiring local school districts receiving program funds to develop and implement a rigorous, comprehensive approach to drug and violence prevention based on proven practices; (3) requiring every school district receiving funds to have a full-time program coordinator; and (4) requiring all schools to issue report cards that include data on crime, disorder, and substance abuse.

**D. Class Size Reduction.** We would include authorization for our Class Size Reduction initiative in our ESEA package, since the provisions in last year's Omnibus Appropriations Act provide funding and authority for only one year. Although we do not expect Congress to enact the ESEA reauthorization this year, we believe that transmitting authorization legislation will strengthen our ability to fight for additional funds for class size reduction in the FY2000 appropriations bill. Unlike the provision enacted last year, our original proposal required local school districts to provide matching funds (an average of 20%, with a sliding scale based on poverty levels). We intend to include the matching requirement in our ESEA authorizing proposal, so that we can reach our goal of providing 100,000 teachers within 7 years. In all other respects, our proposal would reflect the agreement reached with Republicans last year, which itself was fully consistent with our original proposal.

**E. School Modernization.** We also intend to include our school modernization proposal, with only minor changes from the one introduced last year, in our ESEA package.

**F. Ed-Flex.** Our proposal to expand Ed-Flex (which gives states the authority to waive many statutory and regulatory requirements in ESEA) to all 50 states died last year, caught between Democrats who opposed granting greater flexibility and conservative Republicans who insisted on a more sweeping block grant proposal. Governors of both parties aggressively promoted Ed-Flex until the very end of the session, and Governor Carper has indicated that the NGA will take up the cause again next year. Although we believe we should continue to support some version of Ed-Flex, we will need to think carefully about the scope of the proposal. We think it would be a mistake to allow states to waive the social promotion, teacher quality, and accountability provisions described above or the requirement for using class size funds to reduce class size to 18 in the early grades.

**G. Preschool Education.** Our ESEA proposal would retain provisions in current law allowing the use of Title 1 funds for pre-school, and would expand the Even Start Family Literacy program to reach greater numbers of children and adults. We also would strengthen the quality of pre-school programs and enhance school readiness by providing funds to local school districts, on a competitive basis, to (1) work with Head Start and other pre-school programs to identify the basic language and literacy skills that children need when they enter school and to design a curriculum to help students acquire these skills; and (2) provide professional development for child care providers and other providers of early childhood services to help children build these basic language and literacy skills.

**IV. The future of Goals 2000 and continuing support for standards-based reform.**

Goals 2000 has been the flagship Administration initiative promoting standards-based reform, and recent studies show that it has been successful. We do not believe we should let the program expire simply because of the political opposition it faces in Congress. At the same time, we do not believe it is wise -- either for substantive or for political reasons -- to submit a proposal that simply extends the current program. We are instead looking for a way to advance standards-based reform in a somewhat different form -- a kind of second-generation proposal that will reflect the current state of the standards movement.

Most educators agree that while states have made significant gains in developing standards, they still face great challenges in actually putting those standards into place in the classroom. To meet these challenges, schools must have talented and well-prepared teachers, who themselves have the tools — curriculum materials, instructional approaches, technology, and the like — to engage all students in learning to higher standards.

Several currently existing formula grant programs — Goals 2000, the Eisenhower Professional Development program, and the Title VI Block Grant -- could contribute to this objective. We are considering a number of approaches involving these programs, including proposals to consolidate some or all of them into a larger program, which would be designed to help move standards into the classroom and would have a strong focus on improving teacher quality. Such a proposal effectively would create a "responsible block grant," with clear purposes and accountability. Some Congressional Democrats -- including Senator Kennedy -- are also looking at this approach, in part because it would respond to the Republican push for block grants and in part because it would create a large funding stream to address issues of teacher quality. We still have much work to do on this issue, and we will outline more concrete options in a subsequent memo.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-DEC-1998 14:52:42.00

SUBJECT: crime statement

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READ:UNKNOWN

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**Statement by the President**
**(Embargoed until 9:00 a.m., Sunday, December 27, 1998)**

The 1997 National Crime Victimization Survey released by the Department of Justice today shows that violent crime fell seven percent last year and 21 percent since I took office. With the violent crime rate now its lowest level since 1973, Americans are safer today than they have been in many years. These new figures again show that our strategy of more police, stricter gun laws, and better crime prevention is working. But we are not yet done. Working together, both in Washington and in communities across our nation, we must redouble our efforts to make our streets, homes, and schools safer for all Americans.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:28-DEC-1998 12:55:12.00

SUBJECT: Re: ESEA memo

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

TEXT:
one hopes

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:28-DEC-1998 11:48:18.00

SUBJECT: ESEA memo

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

TEXT:
nothing has gone yet. here's the copy that phil has. he's waiting for comments from john and maria, I think.

---------------------- Forwarded by Elena Kagan/OPD/EOP on 12/28/98 11:48 AM ---------------------------

Michael Cohen
12/27/98 01:12:04 PM
Record Type: Record

To: Elena Kagan/OPD/EOP
cc:
Subject: ESEA memo

Could you send me the version of the ESEA memo that went to POTUS?

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

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D2]MAIL40086716V.326 to ASCII,
The following is a HEX DUMP:


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December 23, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Mike Cohen

SUBJECT: ESEA Reauthorization Proposal

We have been working with the First Lady's office, OMB, the Vice President's office and the Education Department to develop the strongest possible proposal to reauthorize the Elementary and Secondary Education Act, with the objective of transmitting it to Congress by March 1. While there is still much to be done to shape and finalize this proposal, we have made progress in addressing some of the most significant issues. (Although Secretary Riley has not reviewed our suggestions in detail, Deputy Secretary Smith has been very closely involved in the process.) This memo looks at how the 1994 reforms are working, where they are falling short, and what improvements we are considering. We are planning to meet with you in early January.

**I. Progress Report on the 1994 Reauthorization and Goals 2000**

Our reauthorization proposal will build on the framework for federal aid to elementary and secondary education established in Goals 2000 and the Improving America's Schools Act, the 1994 reauthorization of ESEA. In principle, both of these Acts overhauled federal elementary and secondary education programs by:

- *Insisting that every state set challenging academic students that all students are expected to reach.* Goals 2000 required states to set academic standards for all students and develop assessments aligned to those standards. Title 1 of ESEA built on this requirement by mandating that states use these standards for disadvantaged students, thus ending the practice of setting lower expectations for low-income students.

- *Providing schools, school districts, and states with the flexibility to determine how best to educate students to meet high standards.* Goals 2000 provided states and districts with tremendous flexibility in how funds could be used, and for the first time allowed the Secretary of Education to waive federal requirements if they impeded state or local reform efforts. ESEA reduced regulations, paperwork, and reporting requirements; launched your initiative to establish 3,000 charter schools; and permitted high-poverty schools (with 50% or more students eligible for Title 1) to combine funds from separate streams and use them to improve the whole school.

- *Holding schools accountable for the results they achieve, rather than for compliance with* *rules and regulations.* Title 1 now requires states to set annual goals for each school and district relating to the number of students who must reach academic standards; to report progress annually for each school (disaggregating data by demographic subgroups); and to intervene in schools that fail to make adequate progress.

These reforms have sparked considerable state and local education reform activity. There is, however, still much more to be done to achieve significant improvement in elementary and secondary education, especially in high-poverty schools. The key lessons from the implementation of Goals 2000, ESEA, and related state and local reforms include:

- *Standards-based education reform works.* A recent Rand study of education reform in North Carolina and Texas -- the two states with the best track record of improving achievement generally and closing achievement gaps between minority and white students -- shows that a sustained, statewide approach of raising academic standards, providing schools with the flexibility and tools they need, targeting resources for extra help to low-performing students and schools, and holding schools accountable for results produces results, particularly for disadvantaged students. Other studies also have shown that states and school districts -- including urban school districts like Philadelphia, Boston, San Francisco, and Chicago -- that have adopted similar approaches have shown significant gains in reading and math. This data indicate that our overall strategy is sound. If we maintain the recent direction of federal education policy while intensifying our efforts, we can improve elementary and secondary education across the nation.

- *States have adopted policies effecting standards-based education reform, but these policies do not go far enough.* Forty-eight states have set new, more challenging academic standards, and most states are working to develop or adopt new assessments aligned with these standards. Fewer states, however, have adopted accountability systems along with the standards. Only 25 states provide for intervention in low-performing schools, as required by Title 1. In addition, only 17 states provide extra help, such as summer school or tutoring, for students who do not meet the standards, and only five states require students to demonstrate they have met the standards as a condition for promotion.

- *Implementation of state policies providing for standards, assessments, and accountability leaves room for improvement.* Title 1 includes a series of deadlines for implementing state policies on standards, assessments, and accountability. Although not all of the implementation deadlines have been reached, it is already clear that many states are not on track to meet them. In addition, some states are failing to implement these policies as envisioned. For example, some states have evaded the full extent of their responsibility to set goals for "adequate yearly progress" for students and schools. And although half the states have policies that provide for some kind of intervention in low-performing schools, many have shown themselves unable or unwilling to take the actions necessary to turn around these schools so they provide an acceptable education.

- *Improvements in the quality of teachers and teaching are urgently needed.* Governor Hunt's National Commission on Teaching and America's Future has underscored the difficulty of recruiting and retaining talented and well-prepared teachers, especially in schools with the most disadvantaged students. About 50,000 teachers each year enter the profession with emergency or substandard licenses. Nearly one quarter of secondary school teachers lack even a minor in their main teaching field, and in schools with the highest minority enrollment, students have less than a 50% chance of having a math or science teacher with a license and degree in the field. On average, 22% of new teachers leave the field within three years, and in urban areas 30-50% leave within five years. Paraprofessionals are widely and increasingly used to provide instruction to low-achieving students in Title 1 schools, with as many as 20% of Title 1 instructional aides providing instruction without a teacher's supervision. By one estimate, instructional aides account for roughly half (67,000) of the entire Title 1 instructional workforce, and Title 1 aides are being hired at twice the rate of Title 1 certified teachers.

  The Eisenhower professional development program, the main federal program to improve teacher quality (Goals 2000 and Title 1 also provide some funds for this purpose), has failed to improve the situation in any significant way. Recent evaluation data suggest that in many districts, the Eisenhower program funds activities of limited effectiveness. And even where the activities are effective, the program often fails to fund them at an adequate level. The Higher Education Act you signed last year includes a new program to provide scholarships to highly qualified individuals who commit to teaching in high-poverty schools, but the current appropriation is sufficient for only about 1,400 of these scholarships.

## II. Major Changes to ESEA

Our budget contains a number of initiatives to expand educational opportunity in the elementary and secondary grades: school modernization, class size reduction, after-school funding connected to social promotions policy, and an increase in Title 1 funding for the specific purpose of intervening in low-performing schools. Our ESEA reauthorization can build on these initiatives by insisting on what the studies suggest we most need: accountability -- for students, teachers, and low-performing schools. With this Congress, we may not be able to enact every ESEA reform we want, but we can put forward a bold vision of the future of school reform.

We recommend a new set of accountability requirements as a condition for any state or district to receive any ESEA funds (not just Title 1). States and school districts would be required to produce annual school report cards, end social promotions, intervene in the lowest performing schools, and end the use of unqualified teachers. Taken together, these new requirements represent a fundamental change in federal aid to elementary and secondary education. For the first time, the federal government would link investment in state and local education systems with their commitment to take the steps necessary to enable all students, teachers, and schools to meet high standards. In effect, we are saying that, from now on, the best way for the federal government to help students is to insist that states and local school districts live up to their responsibilities, rather than simply attempting to compensate for their failure to do so.

Along with the investments in your budget, this approach is intended to help close the opportunity gap by lifting achievement in low-performing schools and making sure that disadvantaged students are not left behind. We hope the approach would be compelling enough to unite Congressional Democrats, the education community and the public, as well as to counter an expected Republican push for vouchers and block grants.

**A. Annual School Report Cards.** Our proposal would require annual report cards, easily understood by and widely distributed to parents and the public, for each school, school district, and state. The report cards would include information on student achievement, teacher quality, school safety, and class size. Where appropriate, the data collected and published -- especially on student achievement -- would be broken down by demographic subgroups, to allow a greater focus on the gaps between minority and majority, low-income and more advantaged students.

**B. Ending Social Promotions.** Our proposal would require states and districts participating in ESEA to adopt policies that (1) require students to meet academic performance standards at key transition points in elementary and middle school and for high school graduation; (2) use objective measures -- i.e., tests valid for these purposes -- to make an initial determination if a student has met the standards; and (3) permit other, non-objective factors, including teacher judgment, to enter into a final determination as to whether the student has met the standards. States and school districts would have to show how they will help students meet promotion standards by (1) strengthening learning opportunities in the classroom with steps such as clear grade-by-grade standards, small classes with well prepared teachers, high quality professional development, and the use of proven instructional practices; (2) identifying students who need help at the earliest possible moment; (3) providing extended learning time, including after-school and summer school, for students who need extra help; and (4) providing an effective remedial plan for students who do not meet the standards on time, so that they do not repeat the same unsuccessful experiences. The proposal would phase in this requirement over five years; design the requirement to fit state governance systems (allowing "local control" states to delegate responsibilities to the local school district); and base the requirement on state or local rather than national standards. The Secretary would review and approve each state's plan, with continued funding conditional on adequate annual progress ii implementing the plan.

To reinforce this requirement and encourage local school systems to address it even before the enactment of ESEA, your FY2000 budget contains a $400 million increase in funding for the 21st Century Learning Center program, half of which will be reserved for after-school and summer school programs in school districts implementing policies to end social promotions.

**C. Accountability for Teachers.** Our proposal would require states and local school districts participating in ESEA to phase out the use of unqualified teachers over five years. In particular, states and school districts would have to end the use of (1) teachers with emergency rather than full certification; (2) secondary school teachers teaching "out of field" -- i.e., teaching subjects for which they lack an academic major or minor; and (3) instructional aides serving as lead instructors. Ending these practices is particularly important for high-poverty schools, where the practices are most prevalent. States also would have to adopt teacher competency tests for new teachers, including tests of subject-matter expertise for secondary school teachers. States and school districts would be able to use funds from a number of ESEA programs, including Title 1, bilingual education, and a new grant program focused in part on teacher quality, to help meet these requirements.

In addition, we are working with the Education Department to fashion a requirement for states and school districts to deal with low-performing teachers. We are exploring a number of approaches, including (1) requiring periodic recertification of teachers, and (2) requiring school districts to adopt procedures to identify low-performing teachers, provide them with needed help, and remove them fairly and quickly if they do not improve. We will work closely with the NEA and AFT over the coming weeks to try and fashion a provision that will meet our objectives while addressing their concerns.

**D. Accountability Fund for Title 1 Schools.** We recommend significantly strengthening accountability requirements in Title 1 so as to require and adequately fund immediate and significant state and local intervention in the lowest performing schools. Because the schools of greatest concern are invariably Title 1 schools and because Title 1 already contains certain accountability provisions, we believe we should incorporate these provisions into Title 1, rather than imposing a broader ESEA requirement.

Our proposal would retain current provisions for states to adopt performance standards and assessments by 2001. In addition, it would strengthen the current provisions in Title 1 relating to low-performing schools by: (1) requiring the immediate public identification of and intervention in the lowest performing schools in each state -- i.e., schools with very low levels of achievement that have made little or no improvement over the previous three years; (2) setting aside 2.5% of Title 1 funds to support aggressive intervention in these schools, including an external assessment of each school's needs and the implementation of needed improvements (such as addressing school safety and security needs, providing better teacher training, acquiring up-to-date textbooks, technology, and curriculum materials, and extending learning time to help students catch up academically); and (3) requiring states to provide recognition or rewards to Title 1 schools showing the greatest improvements.

To increase the appeal of this approach, your FY2000 budget contains a significant increase in Title 1 funding, of which $200 million is specifically dedicated to this initiative.

## III. Other Changes in ESEA

**A. Charter Schools and Public School Choice.** Earlier this fall you signed the Charter Schools Expansion Act of 1998, which strengthened incentives for states to (1) increase the number of high-quality charter schools, (2) strengthen accountability for charter schools, (3) maximize flexibility for charter schools, and (4) provide charter schools with their proper share of federal program funds. We believe, along with most in Congress, that no further changes relating to charter schools are needed in the ESEA reauthorization process.

We do recommend, however, proposing new authority in ESEA to enable the Education Department to support other, new approaches to expanding public school choice. At present, the Department has authority only to support specific approaches to choice, such as intra-district magnet schools in the context of desegregation efforts, and (as of last year) high schools on community college campuses. We will propose a new competitive grants program that will give the Education Department the ability to support a much wider range of choice approaches, including district-wide public school choice systems, interdistrict magnet schools and other interdistrict approaches, work-site schools, schools-within-schools, and post-secondary enrollment options.

As a first step in this direction, your FY2000 budget proposal will contain funds and necessary authorizing language for three specific choice initiatives: $10 million in grants to school districts to establish work-site schools; $10 million to support interdistrict magnet schools; and (as already authorized) $10 million to establish high schools on community college campuses.

**B. Bilingual Education**. We recommend changes to the Title VII Bilingual Education program and to Title 1 (which serves more than 1.1 million LEP students) consistent with statements you and Secretary Riley made in opposing California's Unz Initiative. These statements called for (1) expanding the flexibility given to local communities to select the programs they believe will best educate LEP students; (2) making sure teachers are well trained to teach LEP students; and (3) strengthening accountability for programs serving LEP students by including a goal that all LEP students reach English proficiency within three years.

To expand local flexibility and parental choice, we would remove the Title VII provision in current law that limits expenditures on English-language (rather than bilingual) programs to 25% of the funds available. We also would require parental approval for participation in any program funded under Title VII. To improve teacher quality, we would phase in a requirement that schools receiving Title 1 funds provide LEP students with appropriately trained teachers. We also would strengthen the teacher training provisions in Title VII by giving funding priority to school districts and institutions of higher education that have implemented proven programs to hire, train, and support new ESL and bilingual teachers.

In Title 1, we would require that LEP students be included in the assessment and accountability requirements for each school. Assessments would be in their language of instruction <u>and</u>, after three years of schooling in the United States, in English. We would require schools to disaggregate data, so that they would report -- and be accountable for -- both the academic achievement and the English language proficiency of LEP students. We also would require schools receiving Title 1 funds to provide alternative instructional strategies for LEP students who do not make adequate progress in English proficiency after three years. Finally, we would cut off Title VII funding to a program after three years if it could not show that students made significant gains in both English and academic subjects.

**C. Safe and Drug Free Schools Program.** As you announced at the White House Conference on School Safety, we would significantly overhaul the Safe and Drug Free Schools Program to improve its effectiveness at promoting drug-free, safe, and disciplined learning environments. Our proposal would accomplish this by (1) requiring states to allocate funds to local school districts on a competitive basis, with funds going to the districts with the greatest need and highest quality proposals; (2) requiring local school districts receiving program funds to develop and implement a rigorous, comprehensive approach to drug and violence prevention based on proven practices; (3) requiring every school district receiving funds to have a full-time program coordinator; and (4) requiring all schools to issue report cards that include data on crime, disorder, and substance abuse.

**D. Class Size Reduction.** We would include authorization for our Class Size Reduction initiative in our ESEA package, since the provisions in last year's Omnibus Appropriations Act provide funding and authority for only one year. Although we do not expect Congress to enact the ESEA reauthorization this year, we believe that transmitting authorization legislation will strengthen our ability to fight for additional funds for class size reduction in the FY2000 appropriations bill. Unlike the provision enacted last year, our original proposal required local school districts to provide matching funds (an average of 20%, with a sliding scale based on poverty levels). We intend to include the matching requirement in our ESEA authorizing proposal, so that we can reach our goal of providing 100,000 teachers within 7 years. In all other respects, our proposal would reflect the agreement reached with Republicans last year, which itself was fully consistent with our original proposal.

**E. School Modernization.** We also intend to include our school modernization proposal, with only minor changes from the one introduced last year, in our ESEA package.

**F. Ed-Flex.** Our proposal to expand Ed-Flex (which gives states the authority to waive many statutory and regulatory requirements in ESEA) to all 50 states died last year, caught between Democrats who opposed granting greater flexibility and conservative Republicans who insisted on a more sweeping block grant proposal. Governors of both parties aggressively promoted Ed-Flex until the very end of the session, and Governor Carper has indicated that the NGA will take up the cause again next year. Although we believe we should continue to support some version of Ed-Flex, we will need to think carefully about the scope of the proposal. We think it would be a mistake to allow states to waive the full set of accountability provisions described above or the requirement for using class size funds to reduce class size to 18 in the early grades.

**G. Preschool Education.** Our ESEA proposal would retain provisions in current law allowing the use of Title 1 funds for pre-school, and would expand the Even Start Family Literacy program to reach greater numbers of children and adults. We also would strengthen the quality of pre-school programs and enhance school readiness by providing funds to local school districts, on a competitive basis, to (1) work with Head Start and other pre-school programs to identify the basic language and literacy skills that children need when they enter school and to design a curriculum to help students acquire these skills; and (2) provide professional development for child care providers and other providers of early childhood services to help children build these basic language and literacy skills.

## IV. The future of Goals 2000 and continuing support for standards-based reform.

Goals 2000 has been the flagship Administration initiative promoting standards-based reform, and recent studies show that it has been successful. We do not believe we should let the program expire simply because of the political opposition it faces in Congress. At the same time, we do not believe it is wise -- either for substantive or for political reasons -- to submit a proposal that simply extends the current program. We are instead looking for a way to advance standards-based reform in a somewhat different form -- a kind of second-generation proposal that will reflect the current state of the standards movement.

Most educators agree that while states have made significant gains in developing standards, they still face great challenges in actually putting those standards into place in the classroom. To meet these challenges, schools must have talented and well-prepared teachers, who themselves have the tools — curriculum materials, instructional approaches, technology, and the like — to engage all students in learning to higher standards.

Several currently existing formula grant programs — Goals 2000, the Eisenhower Professional Development program, and the Title VI Block Grant -- could contribute to this objective. We are considering a number of approaches involving these programs, including proposals to consolidate some or all of them into a larger program, which would be designed to help move standards into the classroom and would have a strong focus on improving teacher quality. Such a proposal effectively would create a "responsible block grant," with clear purposes and accountability. Some Congressional Democrats -- including Senator Kennedy -- are also looking at this approach, in part because it would respond to the Republican push for block grants and in part because it would create a large funding stream to address issues of teacher quality. We still have much work to do on this issue, and we will outline more concrete options in a subsequent memo.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:29-DEC-1998 14:43:49.00

SUBJECT: Re: New Yrs.

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

TEXT:
I do have plans, with some friends from out-of-town. Thanks very much anyway. I hope I get a raincheck sometime.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:29-DEC-1998 15:25:00.00

SUBJECT: Re: seat belts

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

TEXT:
can you give me a date? thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-DEC-1998 16:08:58.00

SUBJECT: Re: Food Safety Leak

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

TEXT:
they should NOT say anything

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-DEC-1998 13:50:30.00

SUBJECT: Re: Season's Greetings

TO: dbf ( dbf @ wiggin.com @ INET @ LNGTWY [ UNKNOWN ] )
READ:UNKNOWN

TEXT:
sounds great; when are you coming down? happy new year to you too.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-DEC-1998 15:00:44.00

SUBJECT: tobacco memo

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

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

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

TEXT:
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December 28, 1998

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: Jack Lew, Bruce Reed

SUBJECT: Tobacco Budget Policy

This memorandum briefly sets out recommendations regarding (1) how the budget will allocate the proceeds of our proposed increase in the tobacco excise tax; (2) how we will handle the issue of recouping a share of state tobacco settlements; and (3) how we will use any funds resulting from a federal lawsuit against the tobacco companies.

1. Federal Tobacco Tax

Our budget will propose a 55-cent per-pack increase in the tobacco excise tax beginning in FY 2000, as well as the acceleration of a previously enacted 15-cent per-pack increase to FY 2000. The 55-cent tax hike is about equal to our last year's proposal (a phased-in increase of between \$.62 and \$1.10) minus the cost of the state settlements (about \$.40); it also can be explained as half of the \$1.10 proposal. This total tax package nets about \$35 billion over five years, with the tax increase responsible for about \$6.5 billion each year and the acceleration chipping in another \$1 billion or so in the first and second years (see attached chart).

We must choose between two different approaches to allocating this money. First, the budget could show that this money is going to pick up the direct health care costs (exclusive of Medicare) that the federal government incurs as a result of smoking. These numbers almost precisely line up: by our calculations, DOD, VA, and OPM spend almost \$7 billion each year in smoking-related health care costs. This budget treatment is analogous to the theory the states used in presenting their legal claims -- i.e., that they were seeking reimbursement to the taxpayer for costs directly attributable to tobacco companies. Second, the budget could show that this money is going to certain (somewhat related) federal program costs. The two principal contenders are NIH research and anti-drug programs. In either case, the proceeds of the tobacco tax increase would far exceed the yearly increases that our budget proposes in these programs, but would fall far short of their current levels of base funding (see attached chart).

DPC and OMB recommend the first approach. We do not think we can easily justify linking tobacco revenues to programs for which we have not requested very substantial budget increases. We think that this approach would expose us both to the charge that we are using our tobacco policy to meet our budgetary needs and to the charge that our NIH and/or anti-drug proposals are hollow. In addition, the idea of funding anti-drug programs through tobacco is likely to anger the public health community. Although the first approach (i.e., funding direct tobacco-related health care costs) does not give any real lift to tobacco legislation, it has a clear logic to it (as the state suits showed) and minimizes our exposure to public criticism.

2. State Tobacco Funds

Our budget presumes that starting in FY 2001, the federal government will recoup $4 to $5 billion each year from the states' tobacco settlements. This figure represents the full amount of the federal government's claim against the states (i.e., 57 percent of their Medicaid recoveries). Because this money would go into the base if we were to recover it through the usual administrative process, our budget contemplates that Congress will effect the recoupment by passing legislation that assigns these funds to specified programs and purposes (effectively requiring states to buy out part of the federal base). We recommend that we take advantage of the level of generality permissible in the outyears and refrain from listing the particular programs involved in this scheme, so as to avoid unnecessary fights with the states and interest groups.

We will explain that we have chosen to defer spending this money until FY 2001 so that we can work with the states and Congress over the next year on a mutually agreeable menu of programs to which the funds should be directed. At the same time, we will keep pressure on the states by aggressively pursuing administrative mechanisms for recovering these monies. (The states may doubt whether we have the will to take these administrative measures, but they would doubt even more Congress's inclination to pass legislation diverting their funds to the federal base budget over their objection.) The critical step in this administrative process involves calculating the amount of each state's settlement award representing reimbursement for Medicaid costs; once that is done, HCFA has the legal right to deduct this amount from federal Medicaid payments.

3. Federal Tobacco Suit

We (and Bruce Lindsey) are meeting with representatives of the Justice Department next week to discuss their plan for bringing a lawsuit against the tobacco industry. Our sense is that they are proceeding in a way that we will find acceptable. Our FY 2000 budget includes $20 million for the purpose of bringing this suit. (The money would go to the Justice Department, but the Department could reimburse HHS, DOD, VA, and/or OPM for expenses incurred.) We have not yet discussed with Justice Department officials our idea for announcing this suit in the State of the Union.

We recommend that when we announce this suit, we say that any money arising from it should go toward reforming and strengthening the Medicare program, including through the addition of a new prescription drug benefit. This approach would enable the President to begin talking about a Medicare prescription drug benefit this year; it also could increase the pressure on Congress to pass Senator Graham's legislation facilitating our suit. Although we almost certainly would need legislation to allocate funds from a lawsuit to the Medicare program, we do not recommend submitting such legislation prior to bringing the suit.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-JAN-1999 15:13:34.00

SUBJECT: Re: IHS FY2000 busget

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

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

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

TEXT:
not up to us; ask omb

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-JAN-1999 12:27:20.00

SUBJECT: Abortion/Embryos/Cloning and other Selected L/HHS General Provisions

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

TEXT:
please print
---------------------- Forwarded by Elena Kagan/OPD/EOP on 01/04/99 12:28 PM ---------------------------

Bruce N. Reed
01/04/99 12:18:49 PM
Record Type: Record

To: Elena Kagan/OPD/EOP
cc:
Subject: Abortion/Embryos/Cloning and other Selected L/HHS General Provisions

---------------------- Forwarded by Bruce N. Reed/OPD/EOP on 01/04/99 12:20 PM ---------------------------

Daniel N. Mendelson

12/31/98 03:45:03 PM

Record Type: Record

To: See the distribution list at the bottom of this message
cc: Ann Kendrall/OMB/EOP, Gina C. Mooers/OMB/EOP
Subject: Abortion/Embryos/Cloning and other Selected L/HHS General Provisions

Attached is a table of selected Labor/HHS General Provisions related to health that will require policy decisions in order to print the FY 2000 Budget Appendix. Typically, the Budget has shown the prior year's (i.e., FY 1999 enacted) appropriations language, and brackets language proposed for deletion, and italicizes any new or revised language.

The file is a legal landscaped document that needs to be launched. It shows:

1. The FY 1998 enacted language.

2. Our proposed language in the FY 1999 Budget.

3. The FY 1999 enacted language.

4. Our initial recommendations for the FY 2000 Budget.

5. A column where you can indicate whether you agree/disagree/or

would like to discuss.

Due to the FY 2000 Budget print schedule, we are requesting your views/comments on these General Provisions by COB, Tuesday January 5th. If necessary, I will call a meeting on Wednesday morning to resolve any outstanding issues. Please indicate in the attached wordperfect file your recommendations, or call me or Ann Kendrall (x54925) with your comments.

We will also be sending around very shortly a Government-wide abortion language tracker to ensure that the Administration addresses abortion issues consistently throughout the FY 2000 Budget.

Message Sent
To:
Bruce N. Reed/OPD/EOP
Gene B. Sperling/OPD/EOP
Christopher C. Jennings/OPD/EOP
Jennifer L. Klein/OPD/EOP
Sarah A. Bianchi/OVP @ OVP
Jeanne Lambrew/OPD/EOP
Sylvia M. Mathews/OMB/EOP
Charles E. Kieffer/OMB/EOP
Martha Foley/WHO/EOP
Fred DuVal/WHO/EOP
Adrienne C. Erbach/OMB/EOP
Devorah R. Adler/OPD/EOP

==================== ATTACHMENT 1 ====================
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# L/HHS/Ed General Provisions for FY 2000 Budget
# "Side-by-Side" Comparison for Selected Provisions
# Titles II and V of L/HHS Bill

| | FY 1999 President's Budget | FY 1999 Enacted | HD Recommended FY 2000/Comment | Agree/ Disagree/ Discuss |
|---|---|---|---|---|
| Appro-priation of funds for entities under title X of the PHS Act | Sec. [212] 208. None of the funds appropriated in this Act may be made available to any entity under title X of the Public Health Service Act unless the applicant for the award certifies to the Secretary that it encourages family participation in the decision of minors to seek family planning services and that it provides counseling to minors on how to resist attempts to coerce minors into engaging in sexual activities | Same. | **OMB Recommendation: Repeat FY 99 PB. The same as enacted.**<br><br>During the FY 1998 appropriations process, Sec. 208 was presented by Rep. Porter as a compromise to a controversial and restrictive Istook amendment that would have required parental notification for contraceptive distribution. This language, which was repeated in the FY 99 Budget, is similar to the debate waged during the FY 1999 appropriations process, but it does not mandate parental consent or notification and, therefore, does not need to be deleted. | |
| Organ Procure-ment and Transport-ation Network | New in FY 1999 enacted. | Sec. 213. (a) The final rule entitled ``Organ Procurement and Transplantation Network", promulgated by the Secretary of Health and Human Services on April 2, 1998 (63 FR 16295 et seq.) (relating to part 121 of title 42, Code of Federal Regulations), shall not become effective before the expiration of the 1-year period beginning on the date of the enactment of this Act.(b)(1) The Institute of Medicine under contract with and subject to review by the Comptroller General, in consultation with the Secretary and with the Organ Procurement and Transplantation Network (in this section referred to as the `OPTN"), shall conduct a review of the current polices of the OPTN and the final rule specified in subsection (a) in order to determine the following: (A) The potential impact on access to transplantation services for low-income populations and for racial and ethnic minority groups. With respect to State policies in carrying out the program under title XIX of the Social Security Act, the determination made under this subparagraph shall include determining the impact of such policies regarding payment for services for patients that are provided to the patients | **OMB Recommendation:** Propose New Provision in PB: Because of the adversarial relationship between HHS and OPTN, coupled with the obscure language in Sec. 213, OMB OGC proposed that we create a new general provision to ensure that the OPTN continues to share their data | |

# L/HHS/Ed General Provisions for FY 2000 Budget
# "Side-by-Side" Comparison for Selected Provisions
# Titles II and V of L/HHS Bill

| | FY 1999 President's Budget | FY 1999 Enacted | HD Recommended FY 2000/Comment | Agree/ Disagree/ Discuss |
|---|---|---|---|---|
| | | outside of the States in which the patients reside. (B) With respect to organ procurement organizations (qualified under section 371 of the Public Health Service Act): (i) The potential impact on the ability of the organizations to facilitate an appropriate rate of organ donation within the service areas of the organizations.(ii) The reasons underlying the variations in performance among such organizations.(iii) The potential impact of requiring sharing of organs based on medical criteria instead of geography on the ability of the organizations to facilitate an appropriate rate of organ donation within the service areas of the organizations. (C) The potential impact on waiting times for organ transplants, including determinations specific to the various geographic regions of the United States, and if practicable, waiting times for each transplant center by organ and medical status category. The determination made under this subparagraph shall include determining the impact of recent changes made by the OPTN in patient listing criteria and in measures of medical status. (D) The potential impact on patient survival rates and organ failure rates which lead to retransplantation ,including any variance by income status, ethnicity, gender, race, or blood type.(E) The potential impact on the costs of organ | openly and without delay.<br><br>"Sec. 210. Section 213(d) through Section 213 (f) of the Department of Health and Human Services Appropriations Act, 1999, shall be effective in fiscal year 2000 and thereafter." | |
| | Continuation of organ procurement provision. | transplantation services.(F) The potential impact on the liability, under State laws and procedures regarding peer review, of members of the OPTN.(G) The potential impact on the confidential status of information that relates to the transplantation of organs. (H) Recommendations, if any, to change existing policies and the final rule. (2)(A) Not later than May 1, 1999, the Comptroller General of the United States shall submit to the congressional committees specified in subparagraph (B) a report describing the results of the review conducted under paragraph (1). (B) The congressional committees referred to in subparagraph (A) are the Committee on Commerce of the House of Representatives, the Committee on Appropriations of the House, the Committee on Labor and Human Resources of the Senate, and the Committee on Appropriations of the Senate. (c)(1) Beginning promptly after the date of the enactment of this Act, the Secretary may conduct a series of discussions with the OPTN in order to resolve issues raised by the final rule referred to in subsection (a). (2) The Secretary and the OPTN may utilize the services of a mediator in conducting the discussions under paragraph (1). An individual may not be selected to serve as the mediator unless the Secretary and the OPTN both approve the selection of the individual to so serve, and the individual agrees that, not later than June 30, 1999, the individual will submit to the congressional committees specified in subsection (b)(2)(B) a report describing the extent of progress that has been made through the discussions under paragraph (1). (d)(1) Beginning on the date of enactment of this Act, the OPTN shall provide to the Secretary, the Institutes of Medicines, and the Comptroller General, upon request, any data necessary to assess the effectiveness of the Nation's organ donation, procurement and organ allocation systems, or to assess the quality of care provided to all transplant patients, and analysis of such data in a scientifically and clinically valid manner. If necessary, the OPTN may provide additional data as they deem appropriate. (2) The OPTN shall make available to the public timely and accurate program-specific information on the performance of | | |

# L/HHS/Ed General Provisions for FY 2000 Budget
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| | FY 1999 President's Budget | FY 1999 Enacted | HD Recommended FY 2000/Comment | Agree/ Disagree/ Discuss |
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| | | transplant programs. These data shall be updated as frequently as possible, and the OPTN shall work to shorten the time period for data collection and analysis in producing its center-specific outcomes report, including severity adjusted long term survival rates. Such data shall also include such other cost or performance information including but not limited to transplant program-specific information on waiting time within medical status, organ waitings, and refusal of organ offers. (e) Data provided under subsection (d) | | |
| | | shall be specific (if possible) to individual transplant centers and must be determined in a scientifically and clinically valid manner. (f) Any disclosure of patient specific medical information under subsection (d) shall be subject to the restrictions contained in the Freedom of Information Act, the Privacy Act, and State laws. (g) Of the amount appropriated in this title for ``Office of the Secretary-general departmental management'', $500,000 shall, not later than 30 days after the date of the enactment of this Act, be transferred to the Comptroller General for purposes of carrying out the studies required and specified in this section. (h) For purposes of this section: (1) The term ``Comptroller General'' means the Comptroller General of the United States. (2) The term ``Organ Procurement and Transplantation Network'' means the network operated under section 372 of the Public Health Service Act. (3) The term ``Secretary'' means the Secretary of Health and Human Services. | | |
| Medicare+ Choice abortion language | New provision. | Sec. 216. None of the funds appropriated by this Act (including funds appropriated to any trust fund) may be used to carry out the Medicare+Choice program if the Secretary denies participation in such program to an otherwise eligible entity (including a Provider Sponsored Organization) because the entity informs the Secretary that it will not provide, pay for, provide coverage of, or provide referrals for abortions: Provided, That the Secretary shall make appropriate prospective adjustments to the capitation payment to such an entity (based on an actuarially sound estimate of the expected costs of providing the service to such entity's enrollees): Provided further, That nothing in this section shall be construed to change the Medicare program's coverage for such services and a Medicare+Choice organization described in this section shall be responsible for informing enrollees where to obtain information about all Medicare covered services. | **OMB Recommendation**: While this language is not problematic per se, we recommend proposing to delete in order to be consistent on all abortion issues, and add the footnote:<br><br>"The Administration proposes to delete this provision and will work with the Congress to address this issue." | |
| Notific-ation or reporting | | Sec. 219. Notwithstanding any other provision of law, no provider of services under title X of the Public Health Service Act shall be exempt from any State law requiring notification or the reporting of child abuse, child molestation, sexual | **OMB Recommendation:** Repeat FY 99 enacted. This provision originated in the | |

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# "Side-by-Side" Comparison for Selected Provisions
# Titles II and V of L/HHS Bill

| | FY 1999 President's Budget | FY 1999 Enacted | HD Recommended FY 2000/Comment | Agree/ Disagree/ Discuss |
|---|---|---|---|---|
| of child abuse, molest- ation, sexual abuse, rape or incest. | | abuse, rape, or incest. | House bill, but the Senate bill contained no similar provision. The Conference agreement included the provision. None of the SAPs objected to this language. | |
| | TITLE V--GENERAL PROVISIONS | | | |
| Needle Exchange | Sec. 505. Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug *unless the Secretary of Health and Human Services determines that such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs.* | Repeated FY 98 language. | We see a range of choices, given the events of this past spring on this issue. Repeating the FY99 Budget's proposed language is an option, but other approaches that may be more likely to be enacted include giving the certification authority to local public officials, or further limiting funding to areas where needle transmission of HIV is above average.<br>**Options:**<br>(1) Repeat FY 1999 Budget language.<br><br>(2) Modify FY 1999 Budget language by replacing the words "Secretary of Health and Human Services" with "local public health official":<br><br>"Notwithstanding any other | |

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| | FY 1999 President's Budget | FY 1999 Enacted | HD Recommended FY 2000/Comment | Agree/ Disagree/ Discuss |
|---|---|---|---|---|
| | | | provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any drug unless the local public health official of the affected MSA determines that such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs." | |
| Needle Exchange | Continued | | (3) Modify above language by adding #1 below:<br><br>"Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any drug unless:<br>(1) the affected MSA has a new AIDS case rate caused by Injection Drug Use of above the national average as defined by the Centers for Disease Control and Prevention.; and (2) the | |

# L/HHS/Ed General Provisions for FY 2000 Budget
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| | FY 1999 President's Budget | FY 1999 Enacted | HD Recommended FY 2000/Comment | Agree/ Disagree/ Discuss |
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| | | | local public health official of the affected MSA determines that such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs." | |
| Needle Exchange | [Sec. 506. Section 505 is subject to the condition that after March 31, 1998, a program for exchanging such needles and syringes for used hypodermic needles and syringes (referred to in this section as an "exchange project") may be carried out in a community if . . .] | Provision deleted. | No provision. | |
| Appropri-ations limitations for abortion procedures (Hyde language) | [Sec. 509. (a) None of the funds appropriated under this Act shall be expended for any abortion. (b) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for health benefits coverage that includes coverage of abortion .c) The term ``health benefits coverage" means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.]1 | Retained the provision and added "and none of the funds in any trust fund to which funds are appropriated under this Act." In the SAPs, we objected to the provision and offered to work with the Congress, but did not specifically mention the trust fund language. In addition, this was not considered a high priority item during negotiations. | **OMB Recommendation:** Repeat PB language (i.e., proposed deletion with the footnote: "The Administration proposes to delete this provision and will work with the Congress to address this issue." | |
| Appropri-ations limitations for abortion procedures (Hyde language) | [Sec. 510. (a) The limitations established in the preceding section shall not apply to an abortion--(1) if the pregnancy is the result of an act of rape or incest; or (2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an | Same as FY 98 enacted. In the SAPs, we objected to the provision and offered to work with the Congress, but did not specifically mention the trust fund language. In addition, this was not considered a high priority item during negotiations. | **OMB Recommendation:** Repeat FY 99 PB language (i.e., propose deletion and add footnote: "The Administration proposes to delete this provision and will work with the Congress to address this issue.") | |

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| | FY 1999 President's Budget | FY 1999 Enacted | HD Recommended FY 2000/Comment | Agree/ Disagree/ Discuss |
|---|---|---|---|---|
| | abortion is performed.(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds). (c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds).]1 | | | |
| Use of funds for embryo research- limitations | Sec. [513] 510. (a) None of the funds made available in this Act may be used for-- (1) the creation of a human embryo or embryos for research purposes; or(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).(b) For purposes of this section, the term ``human embryo or embryos" includes any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells. | Same as proposed and FY 1998 enacted. | This provision prohibits the use of appropriations to create or destroy human embryos for research purposes. Budgets before FY 99 have struck the ban, proposing instead that the ban be addressed in separate, non-appropriations legislation.<br><br>Recent research findings on the related topic of stem cell research complicate the decision on whether or not to include Section 511 in the FY 2000 Budget. The central issue is whether or not the ban on embryo research would cover stem cell research, recent findings on which have demonstrated an enormous potential for treating disease such as diabetes (Type I) and Parkinson's. In a December 1998 Senate hearing on this topic, Sen. Harkin concluded that stem cell | |

# L/HHS/Ed General Provisions for FY 2000 Budget
# "Side-by-Side" Comparison for Selected Provisions
# Titles II and V of L/HHS Bill

| | FY 1999 President's Budget | FY 1999 Enacted | HD Recommended FY 2000/Comment | Agree/ Disagree/ Discuss |
|---|---|---|---|---|
| | | | research is not covered by the ban because stem cells do not appear to have the potential to become human life. Sen. Specter agreed that it is unclear if the ban extends to stem cell research and indicated a willingness to explore this issue. During the hearing, Dr. Varmus agreed that issue remains unresolved but privately has suggested that stem cell research should be viewed differently than embryo research with respect to Federal funding. | |
| Embryo/ Cloning | Continuation | | **OMB Recommendation:** Delete the provision and add footnote stating:<br><br>"The Administration proposes to delete this provision and will work with Congress to assess the impact of recent advances in biomedical research, such as research on stem cells, that may hold promise for new methods for diagnosing, treating, and curing disease." | |
| Unique Health Identifier | | Sec. 516. None of the funds made available in this Act may be used to promulgate or adopt any final standard under section 1173(b) of the Social Security Act (42 U.S.C. 1320d-2(b)) providing for, or providing for the assignment of, a unique health identifier for an individual (except in an individual's capacity as an employer or a health care provider), until legislation is enacted specifically approving the standard. | **OMB Recommendation:** Repeat FY 1999 enacted. | |

**L/HHS/Ed General Provisions for FY 2000 Budget**
**"Side-by-Side" Comparison for Selected Provisions**
**Titles II and V of L/HHS Bill**

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-JAN-1999 11:30:59.00

SUBJECT: SOTU Press and Amplification Meeting

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

TEXT:
---------------------- Forwarded by Elena Kagan/OPD/EOP on 01/04/99 11:31 AM ---------------------------

Chandler G. Spaulding
01/04/99 11:25:47 AM
Record Type: Record

To: See the distribution list at the bottom of this message
cc: See the distribution list at the bottom of this message
Subject: SOTU Press and Amplification Meeting

Stacie and Beverly will have a meeting tomorrow (Tuesday, Jan. 5) at 4:30 pm in OEOB 180 to discuss SOTU press and amplification activities.

If you are unable to attend, please send a representative from your office because we would like all Outreach Offices and Policy shops involved in these efforts. Thanks.

Message Sent
To:
Kris M Balderston/WHO/EOP
Elisabeth Steele/WHO/EOP
Marsha E. Berry/WHO/EOP
Charles M. Brain/WHO/EOP
Lael Brainard/OPD/EOP
Sharon H. Yuan/OPD/EOP
Phillip Caplan/WHO/EOP
Sean P. Maloney/WHO/EOP
Kelly Craighead/WHO/EOP
Lynn G. Cutler/WHO/EOP
Mona G. Mohib/WHO/EOP
Fred DuVal/WHO/EOP
Emory L. Mayfield/WHO/EOP
Christopher C. Jennings/OPD/EOP
Sarah A. Bianchi/OVP @ OVP
Robert B. Johnson/WHO/EOP
Jena V. Roscoe/WHO/EOP
Elena Kagan/OPD/EOP
Sally Katzen/OPD/EOP
Shannon Mason/OPD/EOP
Patricia M. Ewing/OVP @ OVP
Linda L. Moore/WHO/EOP
Janet Murguia/WHO/EOP
Mindy E. Myers/WHO/EOP
Jennifer M. Palmieri/WHO/EOP
Shirley S. Sagawa/WHO/EOP

Marsha Scott/WHO/EOP
Skye S. Philbrick/WHO/EOP
Tracey E. Thornton/WHO/EOP
Barry J. Toiv/WHO/EOP
Karen Tramontano/WHO/EOP
Carolyn T. Wu/WHO/EOP
William H. White Jr./WHO/EOP
Amy Weiss/WHO/EOP
Cheryl M. Carter/WHO/EOP
Audrey T. Haynes/OVP @ OVP
Jonathan Orszag/OPD/EOP
Robin J. Bachman/WHO/EOP

Message Copied
To:
Marjorie Tarmey/WHO/EOP
Jeffrey A. Forbes/WHO/EOP
Ron Klain/OVP @ OVP
Ellen M. Lovell/WHO/EOP
Minyon Moore/WHO/EOP
Jocelyn A. Bucaro/WHO/EOP
Todd Stern/WHO/EOP
Stephanie S. Streett/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-JAN-1999 07:55:29.00

SUBJECT: Pay Equity Initiative

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

TEXT:
---------------------- Forwarded by Elena Kagan/OPD/EOP on 01/05/99 07:56 AM ---------------------------

Sandra Yamin
01/04/99 07:09:37 PM
Record Type: Record

To: Elena Kagan/OPD/EOP, Joshua Gotbaum/OMB/EOP, Michael Deich/OMB/EOP
cc: See the distribution list at the bottom of this message
Subject: Pay Equity Initiative

Attached below is the joint EIML/GG&F suggested description of the DoL Pay Equity Intitiative. If you have any comments, please forward them to me. Thank you.

---------------------- Forwarded by Sandra Yamin/OMB/EOP on 01/04/99 06:56 PM ---------------------------

Debra J. Bond
01/04/99 06:16:41 PM
Record Type: Record

To: Barbara Chow/OMB/EOP@EOP
cc: Barry White/OMB/EOP@EOP, Larry R. Matlack/OMB/EOP@EOP, Sandra Yamin/OMB/EOP@EOP, Susan M. Carr/OMB/EOP@EOP
Subject: Pay Equity Initiative

Attached is a one-pager which reflects our understanding of the Pay Equity Initiative. Please let me know if you need further information on this issue.

Message Copied
To:
Laura Emmett/WHO/EOP
Adrienne C. Erbach/OMB/EOP
Dawn V. Woollen/OMB/EOP
Theodore Wartell/OMB/EOP
Patricia E. Romani/OMB/EOP
Susan M. Carr/OMB/EOP

Debra J. Bond/OMB/EOP
Barry White/OMB/EOP
Larry R. Matlack/OMB/EOP
Barbara Chow/OMB/EOP
==================== ATTACHMENT 1 ====================
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D53]MAIL422005402.036 to ASCII,
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# Pay Equity Initiative

On April 2, 1998, the President issued a proclamation designating National Equal Pay Day in which he urged all employers to review their wage practices and to ensure that all their employees, including women, are paid equitably for their work. The typical woman who works full-time earns just 74 cents for each dollar that the typical man earns. This gap is in part attributable to differing levels of experience, education, and skill. However, even after accounting for these factors a significant pay gap still remains between men and women in similar jobs.

To address this problem, the President's FY 2000 budget proposes a $14 million pay equity initiative to focus additional resources on providing employers with the necessary tools to assess and improve their pay policies, and educating the public (including employers, employees, unions, and advocacy groups) on the importance of this issue as well as their rights and responsibilities. Specifically the budget requests:

- $10 million (4 FTE) for the Equal Employment Opportunity Commission's (EEOC) wage discrimination initiative which will:

  -- provide necessary training of enforcement staff in identifying wage discrimination cases;

  -- increase outreach, education, and technical assistance including funding public service announcements to educate the public on the importance of this issue as well as their rights and responsibilities, and developing training programs for employers, employees, unions and advocacy groups on pay issues; and,

  -- fund research on how pay disparities arise and where they are most prevalent in order to better target resources in the future.

- $4 million (20 FTE) for the Labor Department's Office of Federal Contract Compliance Programs' (OFCCP) pay equity initiative, which is part of its overall initiative to increase compliance through enhanced compliance assistance. The pay equity initiative will:

  -- continue monitoring of pay equity to reduce occupational segregation and to assure that appropriate criteria are used for setting salaries for women, minorities, and persons with disabilities;

  -- provide enhanced technical assistance through technology, specifically by developing and providing guidelines via the Internet that address pay issues, including industry best practices;

  -- increase outreach and education efforts, such as research and public education grants on corporate management reviews (glass ceiling reviews), as well as technical and educational brochures that will keep the public informed about the various OFCCP requirements; and,

  -- provide a focused effort on women in non-traditional jobs which will challenge discrimination by identifying best practices and assisting contractors in identifying resources for recruiting and developing qualified individuals in non-traditional occupations thereby improving women's access to and experiences in non-traditional occupations.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-JAN-1999 15:57:23.00

SUBJECT: Re: FACT CHECK

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

TEXT:
We'll look at the way this part of the speech is written, but I think that they're just referring here to the amount of the state settlement.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-JAN-1999 11:14:41.00

SUBJECT: SOTU: First Lady's Box

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

TEXT:
please make sure to talk to mike and jose and have some options ready for this meeting. Thanks
---------------------- Forwarded by Elena Kagan/OPD/EOP on 01/06/99 11:15 AM ---------------------------

Clara J. Shin
01/06/99 08:03:15 AM
Record Type: Record

To: See the distribution list at the bottom of this message
cc: Maria Echaveste/WHO/EOP, Michael Waldman/WHO/EOP
Subject: SOTU: First Lady's Box

As you know, we will be meeting on Thursday, Jan. 7, to discuss the recommended names for the First Lady's Box. By 12:00 pm on Thursday, please forward to me the following information for each proposed name:

Name
City and State
Category (see below for list)
Notable Characteristics
Contact Information
Submitted By

Based on the names submitted to me by 12:00 pm on Thursday, I will then prepare a comprehensive list to discuss at the meeting.

Remember, the categories are the following:

Aging
Education
Crime
Foreign Policy
Milennium
Native Americans
AmeriCorps
One America

If you have any questions, please call me at 6-5506.

Thanks,
Clara

Message Sent
To:________________________________________________________________

Katharine Button/WHO/EOP
Lowell A. Weiss/WHO/EOP
Jeffrey M. Smith/OSTP/EOP
Mickey Ibarra/WHO/EOP
Lynn G. Cutler/WHO/EOP
Ann F. Lewis/WHO/EOP
Cheryl M. Carter/WHO/EOP
Ellen M. Lovell/WHO/EOP
Marjorie Tarmey/WHO/EOP
Jeffrey A. Forbes/WHO/EOP
Elena Kagan/OPD/EOP
Shirley S. Sagawa/WHO/EOP
Richard Socarides/WHO/EOP
Marsha Scott/WHO/EOP
Andrew J. Mayock/WHO/EOP
Laura S. Marcus/WHO/EOP
Cathy R. Mays/OPD/EOP
Laura Emmett/WHO/EOP
Peter A. Weissman/OPD/EOP
Nancy Marlow/CEQ/EOP
Betty J. Fountain/OSTP/EOP
Jena V. Roscoe/WHO/EOP
Maria E. Soto/WHO/EOP
Maya Seiden/WHO/EOP
Linda L. Moore/WHO/EOP
Joshua S. Gottheimer/WHO/EOP
Marsha E. Berry/WHO/EOP
Julie E. Mason/WHO/EOP
Ruby Shamir/WHO/EOP
Jocelyn A. Bucaro/WHO/EOP
Virginia L. Cearley/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-JAN-1999 19:16:40.00

SUBJECT: FAREWELL TO CHRISTA ROBINSON

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

TEXT:
please schedule
---------------------- Forwarded by Elena Kagan/OPD/EOP on 01/06/99 07:17 PM ---------------------------

Laura Emmett
01/06/99 07:10:24 PM
Record Type: Record

To: See the distribution list at the bottom of this message
cc:
Subject: FAREWELL TO CHRISTA ROBINSON

Please join us in wishing Christa Robinson Farewell on her last day at the White House

Before she departs to work at

Friday, January 8, 1999
Oval Room
6:00 PM- 8:00 PM

Please pass this message along to any one I missed
Also please delete this message after reading

Message Sent
To:
Huma M. Abedin/WHO/EOP
Devorah R. Adler/OPD/EOP
Brian A. Alcorn/WHO/EOP
Brenda M. Anders/WHO/EOP
Wendy Arends/WHO/EOP
Robin J. Bachman/WHO/EOP
Douglas J. Band/WHO/EOP

Beverly J. Barnes/WHO/EOP
Brian A. Barreto/OPD/EOP
David S. Beaubaire/WHO/EOP
Paul E. Begala/WHO/EOP
Leslie Bernstein/WHO/EOP
Maya A. Bernstein/OMB/EOP
Marsha E. Berry/WHO/EOP
Debra D. Bird/WHO/EOP
Sidney Blumenthal/WHO/EOP
Charles M. Brain/WHO/EOP
Lael Brainard/OPD/EOP
Jocelyn A. Bucaro/WHO/EOP
Katharine Button/WHO/EOP
Meredith E. Cabe/WHO/EOP
Dominique L. Cano/WHO/EOP
Cheryl M. Carter/WHO/EOP
Jose Cerda III/OPD/EOP
Mark Childress/WHO/EOP
Dawn M. Chirwa/WHO/EOP
Nanda Chitre/WHO/EOP
Pamela Cicetti/OPD/EOP
Carolyn E. Cleveland/WHO/EOP
Michael Cohen/OPD/EOP
Justin Coleman/WHO/EOP
Julianne B. Corbett/WHO/EOP
Brenda B. Costello/WHO/EOP
Gregory B. Craig/WHO/EOP
Betty W. Currie/WHO/EOP
Lynn G. Cutler/WHO/EOP
Heather L. Davis/WHO/EOP
Laura K. Demeo/WHO/EOP
Jackson T. Dunn/WHO/EOP
Fred DuVal/WHO/EOP
Maria Echaveste/WHO/EOP
Nicole L. Elkon/NSC/EOP
Adriene K. Elrod/ONDCP/EOP
Laura Emmett/WHO/EOP
Paul K. Engskov/WHO/EOP
Joseph C. Fanaroff/WHO/EOP
Julie A. Fernandes/OPD/EOP
Martha Foley/WHO/EOP
Jeffrey A. Forbes/WHO/EOP
Thomas L. Freedman/OPD/EOP
Bronson J. Frick/WHO/EOP
Sarah E. Gegenheimer/WHO/EOP
Jessica L. Gibson/WHO/EOP
Paul D. Glastris/WHO/EOP
Dario J. Gomez/WHO/EOP
David R. Goodfriend/WHO/EOP
Joshua S. Gottheimer/WHO/EOP
J. Eric Gould/OPD/EOP
Melissa G. Green/OPD/EOP
Nancy V. Hernreich/WHO/EOP
Daniel S. Holt/WHO/EOP
Eric P. Hothem/WHO/EOP
Edward F. Hughes/WHO/EOP
Mickey Ibarra/WHO/EOP
Thomas D. Janenda/WHO/EOP
Christopher C. Jennings/OPD/EOP
Jon P. Jennings/WHO/EOP
Broderick Johnson/WHO/EOP
Teresa M. Jones/OPD/EOP
Eli P. Joseph/WHO/EOP

Gay L. Joshlyn/OPD/EOP
Elena Kagan/OPD/EOP
Andrea Kane/OPD/EOP
Jonathan A. Kaplan/OPD/EOP
Sally Katzen/OPD/EOP
Janis F. Kearney/WHO/EOP
Jennifer L. Klein/OPD/EOP
Lisa M. Kountoupes/WHO/EOP
Karin Kullman/WHO/EOP
Jeanne Lambrew/OPD/EOP
Sara M. Latham/WHO/EOP
Christopher J. Lavery/WHO/EOP
David C. Leavy/NSC/EOP
Lisa J. Levin/WHO/EOP
Ann F. Lewis/WHO/EOP
Joseph P. Lockhart/WHO/EOP
Chantell S. Long/OPD/EOP
Alphonse J. Maldon/WHO/EOP
Sean P. Maloney/WHO/EOP
Heather M. Marabeti/WHO/EOP
Thurgood Marshall Jr/WHO/EOP
Capricia P. Marshall/WHO/EOP
Julie E. Mason/WHO/EOP
Shannon Mason/OPD/EOP
Sylvia M. Mathews/OMB/EOP
Douglas R. Matties/OA/EOP
Emory L. Mayfield/WHO/EOP
Andrew J. Mayock/WHO/EOP
Cathy R. Mays/OPD/EOP
Noa A. Meyer/WHO/EOP
Cheryl D. Mills/WHO/EOP
Elisa Millsap/WHO/EOP
Rajiv Y. Mody/WHO/EOP
Mona G. Mohib/WHO/EOP
Deborah B. Mohile/WHO/EOP
Megan C. Moloney/WHO/EOP
Kevin S. Moran/WHO/EOP
Mary Morrison/WHO/EOP
Janet Murguia/WHO/EOP
Melissa M. Murray/WHO/EOP
Mindy E. Myers/WHO/EOP
Robert L. Nabors/OMB/EOP
Bob J. Nash/WHO/EOP
Elizabeth R. Newman/WHO/EOP
Dimitri J. Nionakis/WHO/EOP
Jonathan Orszag/OPD/EOP
Tracy Pakulniewicz/WHO/EOP
Jennifer M. Palmieri/WHO/EOP
Julia M. Payne/WHO/EOP
Charles J. Payson/WHO/EOP
Skye S. Philbrick/WHO/EOP
John Podesta/WHO/EOP
Jaycee A. Pribulsky/WHO/EOP
Jonathan M. Prince/WHO/EOP
Melissa J. Prober/WHO/EOP
Nicole R. Rabner/WHO/EOP
Ashley L. Raines/OA/EOP
Joseph D. Ratner/WHO/EOP
Bruce N. Reed/OPD/EOP
Steve Ricchetti/WHO/EOP
Linda Ricci/OMB/EOP
Cynthia A. Rice/OPD/EOP
Heather M. Riley/WHO/EOP

Jade L Riley/WHO/EOP
Virginia N. Rustique/WHO/EOP
Evan Ryan/WHO/EOP
Roger V. Salazar/WHO/EOP
Jason H. Schechter/WHO/EOP
Jonathan H. Schnur/OPD/EOP
Marsha Scott/WHO/EOP
Maya Seiden/WHO/EOP
Ruby Shamir/WHO/EOP
Maureen T. Shea/WHO/EOP
Jeffrey A. Shesol/WHO/EOP
June Shih/WHO/EOP
Leanne A. Shimabukuro/OPD/EOP
Clara J. Shin/WHO/EOP
Jake Siewert/OPD/EOP
Dawn L. Smalls/WHO/EOP
Jonathan E. Smith/WHO/EOP
Richard Socarides/WHO/EOP
Patricia Solis-Doyle/WHO/EOP
Douglas B. Sosnik/WHO/EOP
Maria E. Soto/WHO/EOP
Chandler G. Spaulding/WHO/EOP
Stacie Spector/WHO/EOP
Gene B. Sperling/OPD/EOP
Christine A. Stanek/WHO/EOP
Patrice L. Stanley/WHO/EOP
Elisabeth Steele/WHO/EOP
Aviva Steinberg/WHO/EOP
Todd Stern/WHO/EOP
Stephanie S. Streett/WHO/EOP
Todd A. Summers/OPD/EOP
Jordan Tamagni/WHO/EOP
Neera Tanden/WHO/EOP
Marjorie Tarmey/WHO/EOP
Tracey E. Thornton/WHO/EOP
Sandra Thurman/OPD/EOP
Barry J. Toiv/WHO/EOP
Karen Tramontano/WHO/EOP
June G. Turner/WHO/EOP
Wayne Upshaw/OMB/EOP
Dag Vega/WHO/EOP
Michael Waldman/WHO/EOP
Rebecca L. Walldorff/WHO/EOP
Setti D. Warren/WHO/EOP
Essence P. Washington/OPD/EOP
Glen M. Weiner/WHO/EOP
Paul J. Weinstein Jr./OPD/EOP
Amy Weiss/WHO/EOP
Lowell A. Weiss/WHO/EOP
Peter A. Weissman/OPD/EOP
William H. White Jr./WHO/EOP
Kim B. Widdess/WHO/EOP
Cecily C. Williams/WHO/EOP
Courtland L. Willman/WHO/EOP
William K. Winkler/WHO/EOP
Carolyn T. Wu/WHO/EOP
Sharon H. Yuan/OPD/EOP
Tanya E. Martin/OPD/EOP
Mary L. Smith/OPD/EOP
JDaves @ fcc.gov
Joshua.ackil @ mail.house.gov
Jdemeo @ washsports.com @ inet
ELenzner @ aol.com @ inet

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