

NLWJC – Kagan

Hard Drive – Folder 4

You are meeting tomorrow (Thursday) at 11:00 in the Roosevelt Room with Eunice Shriver on SSI Childhood Disability. She is bringing Jonathan Stein (Community Legal Service in Philadelphia), Martha Ford (Consortium for Citizens with Disabilities), and Guy McKahn (a pediatric neurologist who is Director of the John Hopkins Universitys Krieger Institute on the Brain and is associated with the Joseph P. Kennedy, Jr., Foundation). Attending from the White House will be Sylvia Matthews, Elena Kagan, and Diana Fortuna. This package on SSI Childhood Disability contains:

- (1) Bullets on the current status of SSAs review of the new childhood disability interim final regulations.
- (2) A copy of a May 20 letter from Jonathan Stein to OMB covered by a point-by-point reaction to the Stein letter.
- (3) A page summarizing the legislative proposals considered during the welfare reform debate, beginning with the proposal passed by the House in March 1995 that would have transformed the program into a Block Grant to States.
- (4) A page summarizing the options for implementing regulations that were considered between August 1996 and February 1997 when the decision on regulations was announced.
- (5) The White Paper prepared in October 1996 that presented a discussion of the options, which provides the best summary of this complex subject. Note that the option finally chosen was a variation of Option 2 in this paper that allows for additional consideration for children whose limitations are occasional or episodic, but severe when they do occur.
- (6) SSAs Press Release from February 6, 1997, announcing the regulation.
- (7) A package of material provided by Eunice Shriver this afternoon (Wednesday) for tomorrows meeting.

Also note that the Balanced Budget Agreement includes a proposal "to restore Medicaid for current disabled children losing SSI because of the new, more strict definition of childhood eligibility."

SSI CHILDHOOD DISABILITY
SUMMARY OF LEGISLATIVE PROPOSALS
 1995-1996

INITIAL CONGRESSIONAL PROPOSAL -- 3/95\$15 BILLION over 5 years

***Eligibility for Cash:**

Current Recipients -- 2 marked limitations -- 190,000 children dropped

Future Recipients -- only 20% would get cash under this proposal

***Block Grants to States for Services for Additional Eligible Children**

VETOED WELFARE BILL -- 12/95\$12 BILLION over 5 years

***Eligibility for Cash: 2 marked limitations -- 190,000 current recipients dropped**

***Two Tiers -- Most children get 25% cut**

***No Block Grant**

PRESIDENTS 1997 BUDGET -- 2/96\$8 BILLION over 5 years

- *Eligibility for Cash: 2 marked limitations -- 190,000 current recipients dropped
- *Retain Full Cash Benefits
- *Current Recipients Lose Benefits beginning 1-1-98

FINAL WELFARE REFORM BILL -- 8/96\$8 BILLION over 5 years

- *Eligibility for Cash: 2 marked limitations -- 190,000 current recipients dropped
- *Retain Full Cash Benefits
- *Current Recipients Lose Benefits beginning 7-1-97

FFSSI CHILDHOOD DISABILITY
 SUMMARY OF MAJOR REGULATORY OPTIONS
 Late 1996-Early 1997

OPTION 1

Literal Reading 190,000 Children Dropped \$8 BILLION over 5 years

- *Assumed Policy at Time of Enactment
- *"Two Marked" Standard
- *Drop Individualized Functional Assessment

OPTION 2 -- Chosen Option

Letter and Spirit of Law 135,000 Children Dropped \$5.6 BILLION over 5 years

- *"Two Marked" Standard
- *Drop Individualized Functional Assessment
- *Make easier for children with physical impairments to be found eligible
- *Make easier for children whose limitations are occasional, but severe when they occur, to be found eligible

OPTION 3

Advocates Position 45,000 Children Dropped \$1.6 BILLION over 5 years

- *Drop Individualized Functional Assessment (IFA)
- *Add new step with "One Marked and One Moderate" Standard

STANDARD PRIOR TO WELFARE REFORM BILL

- *Step One: Medical Listings: Two Marked Limitations for Functional Equivalence Test
- *Step Two: Individualized Functional Assessment -- Three Moderate Limitations

**CURRENT STATUS OF
SSAS REVIEW OF
THE NEW CHILDHOOD DISABILITY REGULATION**

*Since the period for comment on the regulation closed in early April, SSA has been reviewing comments.

*OMB has not been involved in this review process.

*In the course of the reviews, SSA staff has met with Jonathan Stein, who is one of the most vocal members of the advocate community in the area of childhood disability and was the driving force behind the Zebley case.

*In addition, SSA staff has talked with doctors at the Kennedy Foundation in order to clarify SSA procedures and better delineate the issues of concern around mental retardation. SSA staff impression was that these doctors learned about the SSA process through these discussions and came away with a better understanding of the rationale behind SSAs positions.

*It will be at least four weeks before SSA has enough information about the results of the redeterminations to be able to speak to how accurate the estimate of 135,000 children losing benefits will be.

*SSA has not established a timetable for determining the extent to which they might want to change the new guidelines because they dont want to lock in new rules until theyve had time to assess the effect of the current application of the new guidelines.

POINT-BY-POINT REACTION TO MAY 20 MEMO FROM JONATHAN STEIN

*Point: The new SSI rules eschewed a middle course.

Reaction: SSA did take a middle course that it estimated would remove 135,000 children from the rolls, compared to 180,000 if the regulations followed literal reading of the law and 45,000 if the advocates preferences had prevailed.

*Point: Great majority of the 260,000 children being reviewed are likely to be terminated.

Reaction: SSAs estimates at the time the interim final regulations were published was 135,000. Agency staff know of no basis for changing this estimate.

*Point: There are seven specific changes that SSA should adopt to avoid a disaster.

Reaction: Seven changes represent a summary of Jonathan Steins comments to SSA on the interim final regulations. SSA is in the middle of reviewing comments from a large number of sources and is reluctant to comment on that review in the middle of the process. The agency disagrees with the assessment that these changes are necessary to avoid a disaster. It believes that (a) some of the comments are worthy of consideration, (b) some involve fundamental disagreement about the process and the extent of SSAs discretion, and (c) some are issues that have been raised by Mr. Stein for several years as problems with the

process not directly related to changes made as a result of the new law.

*Point: SSA has established no timetable to consider comments and make changes.

Reaction: According to OIRA, there is no deadline or formal requirement for an agency to respond to comments on interim final regulations. In this case, SSA says it wants to see the results of redeterminations under the new guidelines before deciding whether changes are needed. SSA believes it will be at least a month before sufficient information is available to judge the results of the redeterminations.

*Point: No plans to apply "corrected" rules to children terminated under "interim" rules.

Reaction: Current guidelines are not "interim rules" but rather "interim final regulations" with the force of law. SSA does have no plans for how they would apply changed rules when they have not decided that the rules need to be changed.

*Point: Termination notices do not include phone numbers and names of local, non-profit agencies who can assist families.

Reaction: SSA is making information of this type readily available at local field offices. The difficulty of the logistics of including localized information on nationally standardized notices and of deciding which organizations should be included on the notices led SSA to decide not to use the notices for this purpose.

FROM Staff Summary -- This package provided by Eunice Shriver on Wednesday, May 28, includes 7 documents.

(a)The first 4 documents are the detailed official comments on the interim final regulations sent to SSA by Community Legal Services, a Kennedy Foundation Expert Panel, the Consortium for Citizens with Disabilities, and Eunice Shriver.

(b)The fifth document is a letter from ten Senators (Conrad, Chaffee, Kennedy, Harkin, Rockefeller, Jeffords, Baucus, Leahy, Dodd, and Daschle) stating that the SSA interim final regulations are not consistent with Congressional intent.

(c)The sixth document is the letter from Jonathan Stein addressed in item 2 above.

(d)The seventh document is an example of a child whose benefits will be terminated by SSA due to the new regulations, inappropriately according to this package. Informal SSA staff reaction is that this termination is indeed a mistake and does not illustrate any of the changes that Jonathan Stein suggests.

SCHEDULE PROPOSALDATE: December 30, 1997

_____ACCEPT

_____REGRET

_____PENDING

TO:Stephanie Streett

FROM:Gene Sperling

REQUEST:Three meetings over the next 10 days (between January 5 and January 14) to discuss further the issues relating to the unified surplus and Social Security. The first meeting should occur on January 5 or 6. Because of the political sensitivity of the issues involved, as well as their complexity, at least one meeting should be held at the end of the day or over the weekend to allow extended discussion if necessary to resolve the issues involved.

PURPOSE:A crucial part of the Presidents State of the Union address will be what (if anything) he says about our approach to the unified surplus and to Social Security reform. The purpose of the meetings is to resolve the Presidents preferred approach to these complicated and crucial issues.

BACKGROUND:The economic team has been meeting regularly to discuss possible uses of the unified surplus and the links with Social Security reform. As we have examined the possible options and further refined our thinking, the views of many advisers have evolved significantly. Given the importance and complexity of the issues involved, as well as their political sensitivity, it is essential that we have a substantial amount of time with the President at the beginning of January to decide upon the Administrations approach.

Following up on our previous meetings with the President on this issue, we have prepared and submitted (on December 29, 1997) an overall strategic memorandum and an extensive set of background memos responding to many of the Presidents questions.

DATE AND TIME:Three meetings between January 5 and January 14. At least one meeting should be held in the evening or over the weekend (to facilitate extended discussion if necessary).

DURATION:One hour per meeting

LOCATION:Cabinet Room. But it may be advisable to hold the meeting in the evening or over the weekend in the Residence.

PARTICIPANTS:

The Vice President
Erskine Bowles
Frank Raines
Gene Sperling
Secretary Rubin
Jack Lew

Paul Begala
Larry Summers
Janet Yellen
Ron Klain
Rahm Emanuel
Bruce Reed
John Hilley
Sylvia Mathews
John Podesta
Ken Apfel
Elena Kagan
Peter Orszag
David Wilcox

OUTLINE OF
EVENTS:Meeting

REMARKS
REQUIRED:None

MEDIA
COVERAGE:None

FIRST LADY'S
ATTENDANCE:Not required.

VICE PRESIDENT'S
ATTENDANCE:Requested.

SECOND LADY's
ATTENDANCE:Not required.

RECOMMENDED
BY:Gene Sperling

CONTACT:Peter Orszag, 456-5358

August 5, 1997

MEMORANDUM

TO:Melanne Verveer
Elena Kagan

FROM:Jennifer Klein
Nicole Rabner

RE:White House Conference on Child Care

As you may imagine, we have been giving much thought to the work involved in organizing and executing the White House Conference on Child Care, which is now approximately 12 weeks away. We have been giving particular thought to the lessons learned from the White House Conference on Early Childhood Development and Learning, as well as to the high expectations that the success of that event creates for this one.

We are writing to recommend that we hire, on a short term, full-time basis, someone to manage the logistics of the Conference, with responsibilities for the guest list, program, materials, and satellite site coordination for the Conference. We would obviously work hand-in-hand with this person. As you know, managing a Conference is far more labor and process intensive than is any one event at the White House. Announced far earlier than nearly any other White House event, the interest that it generates in the public and advocacy community alone requires substantial attention. And while White House staff in various departments ably picks up pieces of responsibility for the Conference, in our view it requires and deserves a person devoted managing the logistical pieces continually.

Most important, we anticipate that the child care policy development process will demand far more time and attention than we experienced with the April Conference. The issue is bigger and the stakes are higher. Our fear is that therefore we will be unable to give sufficient attention to the Conference. We also foresee a staffing shortage, with the Child Care Bureau less able than we thought to devote resources and staff to managing the Conference, with Jen working three days per work, and with our half policy slot still unfilled.

We could explore whether there might be a suitable detailee, or whether HHS could be convinced to pay for a consultant. Please let us know what you think.

g:\data\stafproCOUNSEL'S OFFICE STAFF PROJECTS February 7, 1996
Chris Cerf
striker replacement
immigration/federal contractors
tobacco

David Fein

Kumiki Gibson
affirmative action review

Elena Kagan
timber
partial birth abortion

Alan Kreczko/Jamie Baker

Marvin Krislov
DoD authorization/HIV
McCaffrey nomination
affirmative action review (w/Kumiki)

Cheryl Mills

Miriam Nemetz

Steve Neuwirth
school uniforms project
follow up on Aquilar
one strike and you're out project w HUD

Trey Schroeder
assistance to senior staff on document production
Natalie Williams

Jonathan Yarowsky

MEMORANDUM FOR ERSKINE BOWLES

THROUGH: Franklin D. Raines

FROM: Sally Katzen

SUBJECT: Heads-up on HHS Medicare Self-Referral Rule

We are about to conclude review of a proposed HHS rule revising the prohibition on Medicare reimbursement for physician self-referred services. Two years ago, HHS issued a rule (called "Stark I" after Congressman Pete Stark) that applied to clinical lab services and prohibited self referrals where the physician had an inappropriate self interest or potential for financial return, with narrow exceptions such as when independent physicians (who share a laboratory with other physicians) perform or supervise the tests themselves.

This rule (known as "Stark II") would relax requirements on clinical lab services but at the same time apply the criteria to a host of other ancillary services (e.g., radiology and home health services). Thus, Stark II would relax somewhat the doctor-in-attendance standard; it has proved to be unworkable -- independent physicians who supervise the technicians performing lab tests must be able to leave their offices for emergencies or certain unanticipated events. Stark II would allow hospital physicians to certify that a Medicare patient needs home health care provided by that hospitals home health agency. This exception is being provided even though current regulations prohibit all home health agencies (including hospital-based home health agencies and independent "mom and pops") from using their own physicians for certification because hospitals are important sources of home health services in rural areas. While mom and pops are likely to raise concerns about inherent conflicts of interest for hospitals, we concluded that the separate standard is appropriate to maintain access to health care in rural areas.

Reaction to the proposed rule is likely to be mixed, although the health care industry has been anxiously awaiting the rule and will welcome the clarification of policy in this area. HHS has shared the draft rule with Representative Starks staff who support the Administrations position.

Please let me know if you have any questions.

cc: Maria Echaveste
Rahm Emanuel
Ron Klain
Thurgood Marshall, Jr.
John Hilley
Ann Lewis

Sylvia Mathews

Bruce Reed

Gene Sperling

Chris Jennings

Elena Kagan

Victoria Radd

Barry Toiv

Michael Waldman

Josh Gotbaum

Larry Haas

MEMORANDUM FOR BRUCE REED

FROM:Cynthia Rice

CC:Elena Kagan, Diana Fortuna, Lyn Hogan

DATE:March 13, 1997

SUBJECT: STATE PROFILES FROM HHS

I need your input on three issues:

Content: Does the attached description of Michigan include all the data we want HHS to track for each state? There are two things attached: 1) A matrix which now has only Michigan but will become a side-by-side comparing all states (supplying the data with which we could make U.S. maps for key issues); and 2) A list of key data and written description of welfare reform in the state. Im still not satisfied with the write-up or the look of these documents, but I think they are now providing the right facts. What do you think?

Which States: We now have Michigan, North Carolina, and Florida in hand and have been promised Virginia, South Carolina, Kentucky, Tennessee, Alabama, Mississippi, Missouri, Colorado, California, Oregon, and Washington by today or first thing Monday. Which states do you want next? Separately, John Monahan is sending you a memo proposing certain states with Republican governors -- California, Iowa, Connecticut, Ohio, Minnesota, Maine, Massachusetts, and Indiana -- that the President should visit. Are those the next states for which we should get state profiles?

Format: My intention is to have the revised profiles put in a three ring binder. The first tab will be an overview, showing the maps and the matrix comparing all states. Then there will be a tab for each state with the key data and the description of their welfare reform program. Does that sound useful?

Review of NCSL Proposal for State Excise Credit
- -State Excise Credit.doc
April 24, 1998
State Excise Credit.doc
To:Cynthia Rice, DPC
c:Bruce Reed, Elena Kagan, Jon Gruber, Karl Scholz

From:Joshua Gotbaum
Re:NCSL Proposal for State Excise Tax Credit

As you asked, we reviewed NCSLs proposal (attached) to establish a credit against the tobacco payment for state excise taxes. NCSL has proposed that, up to some limit, states be allowed to raise their own tobacco taxes, and that the increase be a credit against the assessment paid by manufacturers. In this way NCSL would ensure that a portion of the tobacco funds go directly to state treasuries, without any Federal involvement.

I discussed the proposal both internally and with Treasury. Our reactions are listed below. We'd be happy to elaborate if it becomes useful.

Allowing a credit for state excise taxes would achieve the states goal: to obtain additional revenue without Federal strings or limitations on their use.

However, the advantage to the states is a disadvantage for Federal policy: there would be no limitations whatsoever on the states use of the revenues: They could be spent on new or existing programs, and there would be no mechanism to ensure the resulting programs incorporated Federal requirements (procurement, non-discrimination, Davis-Bacon, etc.) ; alternatively, they could fund tax cuts.

Furthermore, whereas the Administrations proposal provided no additional funds if smoking

increased (because the payments are fixed), the credit would raise state revenues as smoking increased (as with excise taxes generally), in effect rewarding them for increased smoking.

The proposal would probably not reduce the indirect business tax offset (the 25%). Implementing the proposal would be a little complicated, but feasible. There is a mismatch between the state and Federal approaches: State excise taxes are collected from distributors, whereas the Federal payment would be assessed on (usually out-of-state) manufacturers. In order for a credit to work, a certificate could be issued by the state to distributors when they pay their excise tax; distributors would then sell them to manufacturers, who would redeem them to reduce their annual Federal assessment. State certificates would be for the amount of additional per-pack excise tax above current levels. The amount of the credit would be limited to some fixed amount or percentage of the annual assessment, to prevent states from claiming more than their share. This would also require action by all 50 state legislatures, which seems like a lot of work.

- -Document1

March 6, 1998

Document1

To:Frank Raines, Jack Lew, Bruce Reed, Elena Kagan, Emily Bromberg

c:Richard Turman, Gregg White

From:Joshua Gotbaum

Re:What portion of tobacco-related health expenditures are state funded?

The attached summarizes a 1994 study by the Centers for Disease Control (using data from the 1980s). Although nothing in this area is perfect, it does make the point that roughly 80% of government spending on tobacco related diseases is Federal, not state.

In talking with the NGA and others, we have continually said that the Administration was bending over backwards to accommodate the states (large portion goes to states, few strings attached, etc.). This study reinforces that point and may be useful in some discussions.

October 4, 1995

MEMORANDUM FOR OFFICE OF COUNSEL TO THE PRESIDENT

FROM: JANE C. SHERBURNE
SPECIAL COUNSEL TO THE PRESIDENT

DAVID B. FEIN
ASSOCIATE COUNSEL TO THE PRESIDENT

RE: Document Request from Senate Special Committee

The Senate Special Committee to Investigate Whitewater has requested certain White House records in connection with its preparation for additional Whitewater hearings. Accordingly, please review your records ("memoranda, correspondence, notes, and records in any other medium, including drafts of any of the foregoing"), as well as your computer files, and retrieve the following:

"all records of telephone or wire communications, including, but not limited to, phone logs, copies of message pads, and electronic or written records, relating to communications between June 1, 1994, and August 5, 1994, between members of the Office of the White House Counsel and any employee of the Department of Treasury (including, but not limited to, the Department's Inspector General) or the Office of Government Ethics."

You do not need to provide any documents called for in this Memorandum that you already have produced to the Counsel's Office in response to prior requests. If you have sent records that may contain responsive material to the Office of Records Management, please let us know and we will ask ORM to search your material.

Please provide responsive material Associate Counsel David Fein (OEOP Room 128) no later than Friday, October 6, 1995. If you believe you have responsive material but are unable to retrieve it by October 6, or if you have any questions about this request, please contact Jane Sherburne (6-5116) or David Fein (6-6219).

Thank you for your cooperation.

Distribution:

Donna Alberts
Joseph Alden
Jana L. Blair

Pamela Brewington
Virginia Canter
James Castello
Chris Cerf
Dawn Chirwa
Jeffrey J. Connaughton
Jonathan Denbo
Vicki J. Divoll
Jennifer D. Dudley
Mark D. Fabiani
Edward F. Hughes
Kimberly A. Holliday
Rochester M. Johnson
Elena Kagan
Marvin Krislov
Bruce R. Lindsey
Craig D. Livingstone
Marna Madsen
Clifford J. Mauton
Abner J. Mikva
Cheryl D. Mills
Gloria T. Mitchell
Melissa M. Murray
Miriam R. Nemetz
Stephen R. Neuwirth
Victoria L. Radd
Stacy E. Reynolds
Cheri Sweitzer
Robert A. VanKirk
Odetta S. Walker
Renee A. Warren
Kathleen M. Whalen
Natalie R. Williams
Jonathan Yarowsky

MEMORANDUM FOR ERSKINE BOWLES

THROUGH:Franklin D. Raines

FROM:Sally Katzen

SUBJECT:Heads-up on EPAs Proposed Stormwater Rule

We are about to conclude review of a proposed EPA rule that will control stormwater discharges in small municipalities (populations less than 100,000) and small construction sites (1 to 5 acres). (Stormwater discharges from larger cities, construction sites, and industrial facilities have been regulated since 1990 under the initial phase of the program.) EPAs proposal would require each affected locality to obtain a State permit and implement "best management practices" to control stormwater discharges, but will leave considerable flexibility to states and municipalities to determine what to do on a site-specific basis.

The proposal is the product of a "consultative Federal Advisory Committee process" that was conducted over the past two years before EPA had valid numbers for the costs and benefits. Within the past month, EPA has refined its analysis and now estimates annual costs of \$140 to \$880 million and annual benefits of \$105 to \$575 million. EPA is sensitive to the small, if not negative, net benefits of the proposal and is therefore calling for comments on several options that would mitigate the economic effect on the construction (not municipal) industry.

Even though EPA developed the rule in consultation with a Federal Advisory Committee, we expect the rule to receive mixed reactions. The environmentalists will likely be critical of the cost/benefit analysis but be reasonably satisfied with the regulatory requirements. The municipalities will also likely be reasonably satisfied with the regulatory requirements though some will no doubt raise objections. The construction industry will likely oppose the requirements, arguing that they will surely increase the costs of new homes.

There is a judicial deadline of December 15 for publishing the proposed rulemaking. Please let me know if you have any questions.

FFcc: Maria Echaveste

Rahm Emanuel

Ron Klain

John Hilley

Ann Lewis

Thurgood Marshall, Jr.

Sylvia Mathews

Katie McGinty

Bruce Reed

Gene Sperling

Micky Ibara
Elena Kagan
Victoria Radd
Barry Toiv
Kathy Wallman
T.J. Glauthier
Larry Haas

November 16, 1998

TOBACCO SETTLEMENT ANNOUNCEMENT

DATE:November 16, 1998
LOCATION:Roosevelt Room
BRIEFING TIME:3:00 pm - 3:30 pm
EVENT TIME:3:35 pm - 4:00 pm
FROM:Bruce Reed

I. PURPOSE

To declare that the proposed state tobacco settlement is a step in the right direction and call on Congress to finish the job.

II. BACKGROUND

You will make a statement declaring that the proposed state tobacco settlement is a step in the right direction and calling on Congress to finish the job. This is an opportunity to praise the state Attorneys General for their perseverance in this fight to hold the tobacco industry accountable for targeting children; it is also an opportunity to announce that enacting national tobacco legislation to finish the job will be one of your top priorities in the next Congress. You will also underscore the Administrations strong commitment to the FDA tobacco rule, noting that the Solicitor General has decided to seek Supreme Court review of the Fourth Circuits decision invalidating the rule. You will be joined by seven state Attorneys General following the unveiling of their package at the National Press Club.

National Tobacco Legislation will be one of your Top Priorities for Next Congress. You will announce that enacting national tobacco legislation will be one of your top priorities for the next Congress. The new Congress has the chance to put politics aside and do what the last Congress failed to do -- act now to prevent three million children from starting smoking and save one million lives over the next five years.

The Solicitor General will Seek Supreme Court Review of the Fourth Circuit FDA Decision. You will reiterate your support for the FDA tobacco rule which you unveiled in 1995 and which the tobacco industry has challenged in court ever since. Last week, the full Fourth Circuit Court of Appeals denied the Administrations request for a rehearing of the panel decision invalidating the FDA rule. You will make clear that the Solicitor General has authorized the filing of a petition for certiorari in the Supreme Court seeking review of the Fourth Circuits decision in this matter. Confirming the FDA's authority over tobacco products is necessary to help stop young people from smoking before they start by stopping advertising targeted at children and curbing minors' access to tobacco products. If the leadership in Congress would act responsibly, it would enact bipartisan comprehensive tobacco legislation to confirm the FDA's authority and take this matter out of the courtroom.

III. PARTICIPANTS

Briefing Participants:

Bruce Reed
Bruce Lindsey
Mickey Ibarra
Elena Kagan
Cynthia Rice

Event Participants:

YOU
Attorney General Christine O. Gregoire, Washington
Bruce Reed

Standing on Stage, but not speaking:

Attorney General Gale Norton, Colorado
Attorney General Tom Miller, Iowa
Attorney General Dennis C. Vacco, New York
Attorney General Heidi Heitkamp, North Dakota
Attorney General W.A. Drew Edmondson, Oklahoma
Attorney General Mike Fisher, Pennsylvania

IV. PRESS PLAN

Pool Press.

V. SEQUENCE OF EVENTS

- YOU will be announced into Roosevelt Room accompanied by Bruce Reed and Attorney General Christine Gregoire.
- Bruce Reed will make welcoming remarks and introduce Attorney General Christine Gregoire.
- Attorney General Christine Gregoire will make remarks and introduce YOU.
- YOU will make remarks.
- YOU will have an opportunity to answer questions from the press and then you will depart.

VI. REMARKS

Provided by Speechwriting.

g:data\travel\SUB3.REQ

DRAFT -- JANUARY 30, 1996

MEMORANDUM FOR: ALL STAFF OF THE WHITE HOUSE, THE EXECUTIVE OFFICE OF THE PRESIDENT, THE OFFICE OF MANAGEMENT AND BUDGET, THE OFFICE OF THE VICE PRESIDENT AND THE EXECUTIVE RESIDENCE

FROM: []

SUBJECT: Subpoena from the House Government Reform & Oversight Committee

The House Committee on Government Reform and Oversight has subpoenaed certain White House records in connection with its investigation into the "White House Travel Office matter." 11 For purposes of responding to the subpoena requests, please use the definition of "White House Travel Office matter" appearing in the attached "Definitions and Instructions" of the Committee subpoena (see Attachment 1). Please review your "records," 22 For purposes of responding to the subpoena requests, please use the definition of "records" appearing in the attached "Definitions and Instructions" of the Committee subpoena (see Attachment 1). and retrieve the following White House records created on or before January 11, 1996:

1. "All records related to the General Accounting Office review of the White House Travel Office."
2. "All records related to the Justice Department's Office of Professional Responsibility review of the White House Travel Office."
3. "Any records related to American Express obtaining the White House Travel Office business including all records related to any contact with GSA or American Express up to the time of this letter."
4. "All records related to the Peat Marwick review of the White House Travel Office and any subsequent reviews such as that performed by Tichenor and Associates and any records reflecting any contacts, communications or meetings with any Peat Marwick attorneys or officials to the present."
5. "Any records of any contacts or communications related to any IRS matter regarding UltraAir and/or any IRS matter regarding any other White House charter company, any IRS matter related to any of the fired seven travel office employees, or any other IRS matter related to the White House Travel Office and any records of contact or communications with IRS Commissioner Peggy Richardson by Mack McLarty, Webb Hubbell, Bruce Lindsey, Vince Foster, Bill Kennedy, or any other member of the White House Counsel's office 33 For a list of employees serving in the White House Counsel's Office from January 20, 1993 to the present, see Attachment 2. from May 1, 1993 to the present."
6. "All records related to the Treasury Inspector General's investigation of the IRS audit of UltraAir. (The investigation requested by Rep. Frank Wolf in May 1993)."
7. "Any records relating to any proposal to use independent financing or unused Presidential

Inaugural Committee funds to assist anyone on the White House staff, outsource White House duties or tasks, or otherwise assist White House operations. This would include records regarding any efforts, both inside and outside the White House to explore, evaluate or implement such proposal. It would also include records of any subsequent analysis of such efforts."

8. "Any records relating to or mentioning the finding of the note in Mr. Foster's briefcase or any other location following his death, any Travel Office records of Mr. Foster's and any records relating to the finding or existence of or explanations of any files of Mr. Foster's relating to the White House Travel Office matter, Special Government Employees, issues of nepotism, the use of volunteers or any efforts to obtain Office of Legal Counsel opinions on any of these matters and any records of any contacts with Mr. James Hamilton, Lisa Foster, Harry Thomason, Susan Thomases, James Lyons about Vincent Foster records."

9. "Any records relating to Mr. Thomason, Mr. Martens, Ms. Penny Sample, Ms. Betta Carney and Mr. Steve Davison and any other World Wide Travel employees including, but not limited to, all records indicating what these individuals did while at the White House, any documents relating to issues arising out of any actions they took while at the White House, any personnel records, requests for passes or pass forms, requests for office space and any forms related to office space, phone or other equipment, and any records relating to any actions taken by these individuals regarding the White House Travel Office. (For Ms. Sample, this request would also include all trip files for trips she had any involvement with while at the White House.)"

10. "All records about problems or allegations or wrongdoing in the Travel Office from January 20, 1993 to present."

11. "All tapes or videotapes produced by Mr. Thomason or any associates of his for the White House, the Bill Clinton for President Committee or the Clinton/Gore '92 Committee and all billings and financial statements relating to such work."

12. "All records relating to Travel Office funds and/or documents being placed in the White House military office and all records of any inquiries about related events."

13. "All records of any contacts with David Watkins or Bill Kennedy from the time they ended their employment at the White House to the present." 44 Bill Kennedy's effective date of resignation was 11/21/94. David Watkins' effective date of resignation was 6/17/94.

14. "All Executive Order documents located in Mr. Foster's Travel Office files and/or his briefcases."

15. "All records related to Harry Thomason and/or Darnell Martens discussing pursuing contracts with GSA, all records related to ICAP, and any records of the White House Counsel's office analyzing the issues raised by Mr. Thomason and Mr. Martens action at the White House."

16. "All records related to any sexual harassment complaints about Mr. David Watkins during the Clinton/Gore 1992 campaign or during his tenure at the White House and any records of meetings, actions, or communications regarding such complaints and all records related to the \$3000 per month retainer provided to Mr. Watkins by the Clinton for President campaign."

17. "All records of any contacts, communications or meetings regarding the 'Watkins memo'

produced to the Committee on January 3, 1996 and the chain of custody of this memo."

18. "All indices or catalogues of Vincent Foster's office, tapes, computer and documents and who received each document from his office."

19. "All records relating to the actions of Mr. Watkins at the White House regarding the use of White House helicopters, the names of all individuals in the two helicopters used in May 1994 for Mr. Watkins golf outing and all records relating to his departure from the White House."

20. "All records relating to the matter of United States of America v. Billy Ray Dale, any investigation by the Justice Department into the White House Travel Office matter (as defined in the accompanying "Definitions and Instructions"), and all records relating to Billy Ray Dale as well as any records of talking points prepared about Mr. Dale to the present."

21. "All records related to the gathering of documents for any review or investigation related to the White House Travel Office matter (as defined in the accompanying "Definitions and Instructions"). This includes, but should not be limited to, the White House Management Review, the IRS internal review, the GAO Travel Office review, the OPR investigation, the Public Integrity investigation, the Treasury IG investigation, the FBI internal review, Independent Counsel Robert Fiske, and Independent Counsel Kenneth Starr."

It is extremely important that staff members conduct a thorough search for responsive documents. Each Assistant to the President or Department head should ensure that his or her staff members conduct such a search.

We recognize that, in many respects, the House subpoena is identical to the December 19, 1995 document request previously sent to you by the Counsel's Office. You do not need to provide any documents which have already been produced to the Counsel's Office in response to the December 19, 1995 request, or any other prior request. But for all other responsive records that fall within the above categories, please provide such materials to Associate Counsel Elena Kagan in Room 125 OEOB no later than February 5, 1996.

If you have any questions regarding the House subpoena request, please call Associate Counsel Natalie R. Williams (6-5079), or Special Counsel Jane C. Sherburne (6-5116).

Thank you for your cooperation.

☐☐

DRAFT -- JANUARY __, 1996

MEMORANDUM FOR: OFFICE OF RECORDS MANAGEMENT

FROM: []

SUBJECT: Subpoena from the House Government Reform & Oversight Committee

The House Committee on Government Reform and Oversight has subpoenaed certain White House

records in connection with its investigation into the "White House Travel Office matter."¹¹For purposes of responding to the subpoena requests, please use the definition of the term "White House Travel Office matter" appearing in the attached "Definitions and Instructions" of the Committee subpoena (see Attachment 1). Please review your "records,"²²For purposes of responding to the subpoena requests, please use the definition of "records" appearing in the attached "Definitions and Instructions" of the Committee subpoena (see Attachment 1). and retrieve the following White House records created on or before January 11, 1996:

1. "Any records related to the White House Travel Office matter or the White House Project³³For purposes of responding to these requests, please use the following definition of "White House Project", which appears in the Committee subpoena: The White House Project "involved both improving the 'staging' of Presidential events as well as finding a way to utilize excess Presidential Inaugural Commission funds for outsourcing White House assistance or providing assistance to the White House." from the following individuals and/or offices: The White House Counsel's Office,⁴⁴For a list of the employees who have served in the White House Counsel's Office from January 20, 1993 to the present, see Attachment 2. Maggie Williams, Capricia Marshall, Lisa Caputo, Neel Lattimore, Isabelle Tapia, Mary Beck, Vince Foster, Deborah Gorham, Linda Tripp, Bill Kennedy, David Watkins, Catherine Cornelius, Clarissa Cerda, Jeff Eller, Patsy Thomasson, Ricki Seidman, Mark Gearan, Dwight Holton, Andre Oliver, Todd Stern, Jean Charleton, Brian Foucart, Janet Greene, Beth Nolan, Clifford Sloan, Mack McLarty, Bill Burton, David Dreyer, Anne Edwards, Rahm Emmanuel, David Leavey, Bruce Lindsey, Darnell Martens, Matt Moore, Dee Dee Myers, Lloyd Cutler, Jane Sherburne, Abner Mikva, Mark Fabiani, Tom Hufford, Roy Neel, John Podesta, Rita Lewis, David Gergen, Craig Livingstone, Marjorie Tarmey, Ira Magaziner, Bernard Nussbaum, Jennifer O'Connor, Penny Sample, George Stephanopoulos, Frank Stidman, Harry Thomason, Lorraine Voles, Jeremy Gaines, Dale Helms, David Gergen, Joel Klein, Neil Eggleston, Steve Neuwirth, Cheryl Mills, Jurg Hochuli, Andris Kalnins, Matt Moore and Bruce Overton."

2. All calendars, phone records (including message slips, phone logs, pages or any White House record of phone calls) of the following individuals for the period May 1, 1993 through July 31, 1993: Bill Kennedy, Vince Foster, Mack McLarty, Ricki Seidman, John Podesta, Todd Stern, Dwight Holton, Andre Oliver, Brian Foucart, Bruce Lindsey, Jack Kelly, Matt Moore, Beth Nolan, Cliff Sloan, Bernard Nussbaum, David Watkins, Catherine Cornelius, Jennifer O'Connor, George Stephanopoulos, Dee Dee Myers, Clarissa Cerda, Jeff Eller, Patsy Thomasson, Mark Gearan, Leon Panetta, Harry Thomason and Maggie Williams.

3. All calendars, phone records, message slips or phone logs of the following individuals for the period May 1, 1995 through November 30, 1995: Jane Sherburne, Jon Yarowsky, Natalie Williams, Miriam Nemetz, Abner Mikva, Maggie Williams, Capricia Marshall, Patsy Thomasson, John Podesta, Catherine Cornelius, Mark Gearan, Bruce Lindsey, David Watkins, Janet Greene, Betsey Wright, Webb Hubbell, Bill Kennedy, Jeff Eller, Neil Eggleston, Cliff Sloan, Mike Berman, Harry Thomason, Darnell Martens, Beth Nolan, James Hamilton, Susan Thomases, James Lyons, Roy Neel, John Gaughn, [any employee of the Military Office], Larry Herman, John Shutkin, [any employee of KPMG Peat Marwick], Billy Ray Dale, Barney Brasseaux, John Dreylinger, Ralph Maughan, John McSweeney, Robert Van Eimeren, Gary Wright, David Bowie, Pam Bombardi, Tom Carl, Stuart Goldberg, Lee Radek, Jamie Gorelick, Adam Rossman, David Sanford.

4. "All records related to the General Accounting Office review of the White House Travel Office."

5. "All records related to the Justice Department's Office of Professional Responsibility review of the White House Travel Office."
6. "Any records related to American Express obtaining the White House Travel Office business including all records related to any contact with GSA or American Express up to the time of this letter."
7. "All records related to the Peat Marwick review of the White House Travel Office and any subsequent reviews such as that performed by Tichenor and Associates and any records reflecting any contacts, communications or meetings with any Peat Marwick attorneys or officials to the present."
8. "Any records of any contacts or communications related to any IRS matter regarding UltrAir and/or any IRS matter regarding any other White House charter company, any IRS matter related to any of the fired seven travel office employees, or any other IRS matter related to the White House Travel Office and any records of contact or communications with IRS Commissioner Peggy Richardson by Mack McLarty, Webb Hubbell, Bruce Lindsey, Vince Foster, Bill Kennedy, or any other member of the White House Counsel's office⁵⁵For a list of employees serving in the White House Counsel's Office from January 20, 1993 to the present, see Attachment 2. from May 1, 1993 to the present."
9. "All records related to the Treasury Inspector General's investigation of the IRS audit of UltrAir. (The investigation requested by Rep. Frank Wolf in May 1993)."
10. "Any records relating to any proposal to use independent financing or unused Presidential Inaugural Committee funds to assist anyone on the White House staff, outsource White House duties or tasks, or otherwise assist White House operations. This would include records regarding any efforts, both inside and outside the White House to explore, evaluate or implement such proposal. It would also include records of any subsequent analysis of such efforts."
11. "Any records relating to or mentioning the finding of the note in Mr. Foster's briefcase or any other location following his death, any Travel Office records of Mr. Foster's and any records relating to the finding or existence of or explanations of any files of Mr. Foster's relating to the White House Travel Office matter, Special Government Employees, issues of nepotism, the use of volunteers or any efforts to obtain Office of Legal Counsel opinions on any of these matters and any records of any contacts with Mr. James Hamilton, Lisa Foster, Harry Thomason, Susan Thomases, James Lyons about Vincent Foster records."
12. "Any records relating to Mr. Thomason, Mr. Martens, Ms. Penny Sample, Ms. Betta Carney and Mr. Steve Davison and any other World Wide Travel employees including, but not limited to, all records indicating what these individuals did while at the White House, any documents relating to issues arising out of any actions they took while at the White House, any personnel records, requests for passes or pass forms, requests for office space and any forms related to office space, phone or other equipment, and any records relating to any actions taken by these individuals regarding the White House Travel Office. (For Ms. Sample, this request would also include all trip files for trips she had any involvement with while at the White House.)" ,
13. "All records about problems or allegations or wrongdoing in the Travel Office from January 20, 1993 to present."

14. "All tapes or videotapes produced by Mr. Thomason or any associates of his for the White House, the Bill Clinton for President Committee or the Clinton/Gore '92 Committee and all billings and financial statements relating to such work."

15. "All records relating to Travel Office funds and/or documents being placed in the White House military office and all records of any inquiries about related events."

16. "All records of any contacts with David Watkins or Bill Kennedy from the time they ended their employment at the White House to the present." 66Bill Kennedy's effective date of resignation was 11/21/94. David Watkins' effective date of resignation was 6/17/94.

17. "All Executive Order documents located in Mr. Foster's Travel Office files and/or his briefcases."

18. "All records related to Harry Thomason and/or Darnell Martens discussing pursuing contracts with GSA, all records related to ICAP, and any records of the White House Counsel's office analyzing the issues raised by Mr. Thomason and Mr. Martens action at the White House."

19. "All records related to any sexual harassment complaints about Mr. David Watkins during the Clinton/Gore 1992 campaign or during his tenure at the White House and any records of meetings, actions, or communications regarding such complaints and all records related to the \$3000 per month retainer provided to Mr. Watkins by the Clinton for President campaign."

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We recognize that, in many respects, the House subpoena is identical to the December 19, 1995 document request previously sent to you by the Counsel's Office. You do not need to provide any documents which have already been produced to the Counsel's Office in response

to the December 19, 1995 request. But for all other responsive records that fall within the above categories, please provide such materials to Associate Counsel Elena Kagan in Room 125 OEOB no later than February 5, 1996.

If you have any questions regarding the House subpoena request, please call [].

Thank you for your cooperation. []

JANUARY __, 1996

MEMORANDUM FOR: ALL PERSONS ON ATTACHED DISTRIBUTION LIST

FROM:

SUBJECT: Subpoena from the House Government Reform & Oversight Committee

The House Committee on Government Reform and Oversight has subpoenaed certain White House records in connection with its ongoing investigation into the Travel Office matter. Please review your "records," as that term is defined in the attached "Definitions and Instructions," and retrieve the following White House records created as January 11, 1996:

"Any records related to the White House Travel Office matter or the White House Project from the following individuals and/or offices (which would also include all assistants and secretaries). . ."

We understand that in many instances the House subpoena is identical to the December 19, 1995 document request previously sent to you by the Counsel's Office. Any documents that already have been provided in response to the December 19 request do not have to be produced again. Please provide any other records that fall within the above categories to [] no later than 12:00 p.m., on Monday, January 29, 1996.

If you have any questions regarding the House subpoena, please call [].

[] DISTRIBUTION LIST

The White House Counsel's Office

Capricia Marshall

Lisa Caputo

Neel Lattimore

Mary Beck

Mack McLarty

David Dreyer

Rahm Emmanuel

David Leavey

Bruce Lindsey

Jane Sherburne

Mark Fabiani

Tom Hufford

Roy Neel

Craig Livingstone

Marjorie Tarmey

Ira Magaziner

Jennifer O'Connor
George Stephanopoulos
Frank Stidman
Lorraine Voles
Jeremy Gaines
Dale Helms
Steve Neuwirth
Cheryl Mills
Jurg Hochuli
Andris Kalnins
Bruce Overton

JANUARY __, 1995

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2. All calendars, phone records (including message slips, phone logs, pages or any White House record of phone calls) of the following individuals for the period May 1, 1993 through July 31, 1993, and May 1, 1995 through November 30, 1995.

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If you have any questions regarding the House subpoena, please call [].

DISTRIBUTION LIST

Maggie Williams
Catherine Cornelius
Patsy Thomasson
JANUARY __, 1995

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If you have any questions regarding the House subpoena, please call []. **DD** DISTRIBUTION LIST

Mack McLarty
Bruce Lindsey
Jennifer O'Connor
George Stephanopoulos

DD

DRAFT -- JANUARY __, 1996

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If you have any questions regarding the House subpoena, please call [].**DD**DISTRIBUTION LIST

Leon Panetta
Jack Kelly

DD

DRAFT -- JANUARY __, 1996

MEMORANDUM FOR:ALL PERSONS ON ATTACHED DISTRIBUTION LIST

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2.All calendars, phone records (including message slips, phone logs, pages or any White House record of phone calls) of the following individuals for the period May 1, 1995 through November 30, 1995.

We understand that in many instances the House subpoena is identical to the December 19, 1995 document request previously sent to you by the Counsel's Office. Any documents that already have been provided in response to the December 19 request do not have to be produced again. Please provide any other records that fall within the above categories to [] no later than 12:00 p.m., on Monday, January 29, 1996.

If you have any questions regarding the House subpoena, please call [].**DD**DISTRIBUTION LIST

Jane Sherburne**DD**

DRAFT -- JANUARY __, 1996

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1. All calendars, phone records (including message slips, phone logs, pages or any White House record of phone calls) of the following individuals for the period May 1, 1995 through November 30, 1995. **FF** DISTRIBUTION LIST

Military Office employees [must get names]

April , 1996

MEMORANDUM FOR [ADD NAMES]

FROM: JANE C. SHERBURNE
SPECIAL COUNSEL TO THE PRESIDENT

WENDY S. WHITE
SPECIAL ASSOCIATE COUNSEL TO THE PRESIDENT

RE: Document Subpoena from the Independent Counsel

The Office of Independent Counsel has served a new document subpoena on the White House in connection with its investigation of Whitewater related matters. The subpoena specifically identifies the officials whose files need to be searched in response to the subpoena. These individuals are identified above and are receiving a copy of this memorandum.

In order to respond to this subpoena, please identify and review your records, including computer files, and provide any documents responsive to the categories described below to Wendy S. White in OEOB Room 148 by _____. 11 Publicly available material, unannotated new clippings, and communications with Congress or the Independent Counsel may be excluded.

In the course of this effort, please determine whether you have sent records to the Office of Records Management that may be responsive to the subpoena. We will assist you in making arrangements with ORM for the review of this material.

We recognize that much of the material sought in the subpoena has been the subject of prior subpoenas or requests for documents. First, on January 20, 1996, you were asked to search for material related to the existence of documents referring to legal representation provided by Hillary Rodham Clinton at the Rose Law Firm or representation provided to Madison Guaranty Savings & Loan. That request captures many of documents responsive to the slightly broader request related to the Rose Law Firm set forth in Part I-B and II-B below. To the extent that you provided documents to the White House Counsel's Office (Elena Kagan) in response to the Independent Counsel January 20, 1996 request, you need not provide those documents again.

Second, many of you received personal subpoenas seeking production of documents similar to those requested in Part I-A and II-A and Part III below. To the extent that you have already provided documents to the Independent Counsel, you do not need to provide the documents again.

Finally, we recognize that you have been requested to provide certain of the documents responsive to this subpoena in response to prior Congressional requests, e.g. the Senate requests of October 4, 1995 and October 23, 1995 and a House request of August 1, 1995. This material, previously identified, may nevertheless need to be produced in the Independent Counsel, to the extent that it was only produced previously to Congress.

Third, to the extent that this subpoena could be read to call for documents related to contacts by the White House with the Department of Treasury, these documents were previously covered by the subpoena of March 4, 1994, and need not be provided again.

Given the breadth of this subpoena, and the overlap with prior efforts, we will undertake to contact each of you, or your counsel, to assist you in responding to the subpoena.

If you have questions, please call Jane Sherburne (6-5116) or Wendy White (6-7361).

Thank you for your cooperation.

DOCUMENTS

I. DOCUMENTS CREATED DURING THE PERIOD JANUARY 20, 1993 - MARCH 4, 1994

A. All documents (including calendars, phone logs, computer records, notes, memoranda, correspondence etc.) relating in any way to the persons or entities listed on Attachment A.22 In searching for responsive material, you may locate, or be aware of, documents that relate to a person or entity that are listed on Attachment A, but have nothing to do with the "Whitewater - Madison" investigation. Should you identify any such documents, call us and we will work with you and the Independent Counsel in an effort to limit production to relevant documents.

B. All documents relating in any way to the creation, distribution, location, whereabouts, movement and/or destruction of any Rose Law Firm documents and/or communications at the Rose Law Firm.

II. DOCUMENTS CREATED DURING THE PERIOD MARCH 5, 1994 - FEBRUARY 12, 1996

A. All documents reflecting factual information, concerning any of the persons or entities identified on Attachment A, where such factual information was:

1. Communicated to you by a witness; or
2. Communicated to you by third persons who themselves communicated directly or indirectly with a witness.

B. All documents reflecting factual information, concerning the creation, distribution, location, whereabouts, movement and/or destruction of any Rose Law Firm documents and/or communications at the Rose Law Firm, where such factual information was:

1. Communicated to you by a witness; or
2. Communicated to you by third persons who themselves communicated directly or

indirectly with a witness.

III. FOR THE PERIOD JANUARY 20, 1993 - FEBRUARY 12, 1996

All calendars, datebooks, phone logs, records of telephone conversations, and similar documents, relating to conversations, meetings, or messages to, from, with, or including any of the following persons:

Neil T. Ainley, Diane Blair, Helen Brandon, Robert Brown, Gary Bunch, Paula Casey, Glenda J. Cooper, Don Denton, Kent Dollar, Charles Handley, David Henley, James Henley, William Henley, Sam Heuer, Marlin Jackson, Charles James, Alston Jennings, Larry Kuca, John Latham, Daniel Lasater, Loretta Lynch, William Lyon, James Lyons, Robert Palmer, James N. Patterson, Dean Paul, Leslie Patten, Kirby Randolph, R.D. Randolph, Yoly Redden, Martin B. Satterfield, Archie Schaffer, Maurice Smith, Stive Smith, Earl Stafford, Jeannette Stafford, J. Wesley Strange, Sue Strayhorn, Chris Wade, Rosalie Wade, William Watt, and Robert Wilson.

July 17, 1995

MEMORANDUM FOR ABNER J. MIKVA
COUNSEL TO THE PRESIDENT

ELENA KAGAN
ASSOCIATE COUNSEL TO THE PRESIDENT

FROM: TERRY W. GOOD
DIRECTOR
OFFICE OF RECORDS MANAGEMENT

RE: REQUEST FOR DOCUMENTS RELATING TO
LAWRENCE AND SHEILA LAWRENCE

Attached are documents that were found among the records in the custody of the Office of Records Management (ORM). The ORM staff performed what I consider to be a good faith effort. If, in the future, we discover other documents that appear to be relevant, we will bring them to your attention.

March 24, 1997

MEMORANDUM TO ERSKINE BOWLES
MARIA ECHAVESTE

FROM: BETSY MYERS
LISA OSBORNE ROSS

RE: WOMENS MEETING FOLLOW-UP

cc: VICKI RADD
SYLVIA MATHEWS
ELENA KAGAN

Below is a summary of issues and proposed action items raised at your March 19 meeting with women leaders.

Pay Equity -- Susan Bianchi Sands proposed a round table discussion with working women and corporate leaders with one of the four principals to discuss ways to address pay inequity among men and women, particularly women of color. (The Womens Office is working with the Department of Labor to draft a scheduling request for the Vice President.)

Take Your Daughters to Work Day -- Marie Wilson would like the White House to formally acknowledge the MS. Foundations flagship effort to increase girls self esteem. Wilson and others noted that a special effort must be made to develop girls in science and math. (Wilson would like the President to officially proclaim April 24th "Take Your Daughters to Work Day" or to send a Presidential message and to host a White House event.)

Child care/Welfare -- Wilson and others suggested creating opportunities to put women to work in the child care industry. Wilson said she would submit a proposal to Erskine outlining her ideas and Maria suggested creating a small working group to explore the concept with Elena Kagan. The group also talked about the development of national standards for child care providers, the role of the federal government and small business, and the desire to expand the "care" discussion to include elder care including the possibility of a dependent care tax credit. (We will coordinate with Maria to develop the working group.)

Welfare -- In addition to child care, meeting participants identified education as a means of facilitating a womans transition from welfare to work. Many supported Judy Lichtmans concern that these new workers are afforded the same worker protections such as FMLA, OSHA, overtime/comp pay and fair labor standards as others who have been in the workforce longer and those who are not transitioning from welfare to work.

Telecommunications -- Terri Dickerson highlighted the correlation between ownership of media outlets and biased media coverage. Noting that the FCC currently does not collect data on the gender and race of broadcasts and television licensees, she asked that the White House support a study to determine the level of female ownership of radio and television stations. Regarding digital television, Dickerson maintains that the FCC must allocate and pack digital television channels to ensure an efficient use of spectrum for digital telelvison and to provide viable opportunities for new competitors in the telecommunications market. (The Womens Office will apprise Larry Irving at NTIA of Dickersons concerns.)

Procurement -- Amy Millman asked for support of the SBAs government-wide effort to increase procurement awards to small business particularly the cabinet-level effort SBA is initiating before the annual goaling season begins. (In a follow-up memo to our office she asked for help in securing 1. the formation of a task force co-sponsored by the SBA and the OFPP that focuses on the achievement of procurement goals. 2. a presidential memorandum or Executive Order indicating the Administrations commitment to meet or exceed all prime and subcontracting goals for small, small disadvantaged and women-owned business. 3. a commitment from Erskine to address the Interagency Committee on Womens Business Enterprise on management responsibility and accountability.)

Gender Impact -- Ellie Smeal would like a gender-impact budget statement. Ann Mosle said that the Inter American Development Bank had developed one that could be used as a model. (The Womens Office is obtaining a copy of the study and will forward to Gene Sperling for review and discussion.)

Education -- Marcia Greenberger asked that the DOL/DOE School to Work initiative be elevated and aggressively used as a tool to increase economic self-sufficiency. She also expressed concern about gender equity in developing educational testing standards. Greenberger and others would like the White House to host an event celebrating the 25th anniversary of Title IX. (The Womens Office will work with Cabinet Affairs to organize a meeting between DOE and DOL.)

Choice and Family Planning -- Vicki Saporta asks that the President dually classify abortion clinic violence as a civil rights violation and domestic terrorism. She also said that the President should clarify his reference to health in the context of late-term abortions as physical and mental. Margaret Conway suggests increased resources for domestic family planning. She also urged that the President talk about family planning - not just abstinence - as a means to prevent unwanted pregnancies.

*Talking Points

H-2a Agricultural Guest Workers

Background.

*The H-2a "guest worker" program admits temporary nonimmigrant agricultural workers in order to provide farmers with an adequate supply of laborers during the growing season. Currently there are 1.6 million farm workers in the U.S. of which approximately 600,000 are illegal, 1 million are legal (citizens or authorized alien labor), and 25,000 are in the H-2a program.

*As a result of growers dissatisfaction with the current program, Senator Wyden (D/OR) and Senator Graham (D/FL) attached the Agricultural Job Opportunity Benefits and Security Act of 1998, which amends the current H-2a program, to the C/J/S appropriations bill. The Administrations overall concern with the Wyden-Graham bill is that it shifts costs and risks from employers to workers and/or the government.

*The H-2a program has been heavily criticized by the GAO, DOLs IG, and the Hill due to the difficult administrative burdens placed on growers. The Administration has acknowledged the problems and is working administratively to reengineer and streamline the H-2a program to ease grower burdens while maintaining strong worker protections. The Administration agreed to a bi-partisan process with Administration and Congressional leaders to develop overall reform.

Bi-Partisan Working Group.

*Erskine Bowles, along with other White House officials including Elena Kagan (DPC), Barbara Chow (OMB), and Maria Echaveste (COS), recently met with Senators Wyden and Graham to discuss the current bill. The Senators expressed their frustration with the lack of Administration response to their bill. They also stated that the bill had been modified to address advocate and labor concerns. The Senators appear to want to negotiate off their bill in the context of the C/J/S appropriations bill.

*The bi-partisan working group has met three times in the last two weeks. The fourth meeting is scheduled for earlier next week. The meetings have focused on the Wyden-Graham bill, the process of the bi-partisan working group, and the specific issues facing the program, such as worker recruitment. Wyden, Graham, Feinstein, Becerra, Berman, Kennedy, and Bishop staff have been attending the meetings. Administration officials have included DPC (Kagan), OMB (Chow), NEC, USDA, DOL, and INS staff.

*We believe that the recent changes made by Wyden-Graham were generally minor in nature. The bill still has serious, fundamental problems from the Administrations perspective. There also appears to be significant disagreement between House and Senate Democrats on this issue.

Administrations Position.

*The Administration strongly opposes the Wyden-Graham bill because it will:

-- reduce job opportunities for legal U.S. farm workers. Growers will no longer have an obligation to attempt to recruit legal U.S. farm workers except through a newly-created

"worker registry." The Government would create the registry and match available U.S. workers with jobs. If the government cannot find legal workers for the grower, the grower can then bring in foreign workers. Because the grower would no longer have an obligation to recruit domestically, they would be free to concentrate their worker recruitment efforts abroad.

-- depress wages and work standards for U.S. farm workers. The wage requirement would be revised to 105% of the prevailing wage or the minimum wage, whichever is higher. This generally lowers the current wage level that is set using the adverse effect wage rate (AEWR), which is equal to the average statewide agricultural wage rate. Because foreign workers can sometimes dominate a local labor market, this wage depression is often reflected in the local prevailing wage. The AEWR partially corrects for this depressive effect by measuring farm worker wages on a statewide basis -- thus dissipating the impact of foreign workers on the wage.

The bill also would modify the housing requirement to allow growers to use housing vouchers in lieu of providing housing. The bill does not require the grower to secure the housing. Thus, many workers may be unable to secure housing with the vouchers and may be forced to sleep on the streets.

(NOTE: This bill is a veto item in the C/J/S appropriations bill, although not on its own.)

*We strongly believe that this bill is not in the best interest of the worker. However, given the legitimate complaints by growers about the program, the Administration wants to work in a bi-partisan nature to reform the current program to ensure that it responds to agricultural needs while protecting U.S. farm workers.

November 9, 1997

MEMORANDUM FOR BRUCE REED AND ELENA KAGAN

FROM: CYNTHIA RICE

CC: DIANA FORTUNA

SUBJ: TANF REGULATIONS NEGOTIATION PRIORITIES

As you know, two major TANF regulation issues -- bifurcation and waivers -- remain unresolved. Attached is a basic description of the issues and the positions on both sides.

FF

Deny Relief from Penalties to States that Divert Hard-to-Employ Families from TANF to Avoid Work Participation Requirements
Work Penalty
Other Penalties (13)

- 1. Set penalty based on "degree of non-compliance" (option exists for two penalties: work and one other).

Agreed

No Agreement

- 2. Reasonable cause penalty exception

Agreed

No Agreement

- 3. Corrective compliance plan
(penalty postponed during plan)

No Agreement

No Agreement

- 4. Reduce penalty (impose "some or all") after state fails to correct violation.

No Agreement

No Agreement

Deny Relief from Penalties to States that Divert Families from TANF to Avoid Federal Collection of Child Support

Work Penalty

Other Penalties (13)

- 1. Set penalty based on "degree of non-compliance" (option exists for two penalties: work and one other).

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- 2. Reasonable cause penalty exception

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- 3. Corrective compliance plan (penalty postponed during plan)

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- 4. Reduce penalty (impose "some or all") after state fails to correct violation.

No Agreement

No Agreement

Deny Relief from Penalties to States that Divert Hard-to-Employ Families from TANF to Avoid Work Participation Requirements

Penalty

Set Based on Degree of Non-Compliance

Reasonable Cause Exception

Corrective Compliance Plan

Can be Reduced After Plan Does Not Correct Violation

If shaded, then not applicable to that penalty.

- 1. Misuse of TANF funds

- 2. Failure to Submit Report

3. Failure to Meet Participation Rates
Agreed
Agreed

4. Failure to Participate in Income and Eligibility Verification System

5. Failure to Require Individuals to Cooperate with Child Support Rules

6. Failure to Repay Federal Loan

7. Failure to meet TANF MOE Requirement

8. Substantial Noncompliance with Child Support Requirements.
Not addressed in this draft regulation.

9. Failure to Comply with Time Limit

10. Failure to Maintain 100% MOE if Received Contingency Funds

11. Failure to Maintain Assistance to Parents who Can't Get Child Care for Child under Six

and Doesn't Work

12. Failure to Expend Additional State Funds to Replace Grant Reductions

13. Failure to meet TANF MOE if get DOL Welfare to Work Grant

14. Failure to Sanction Individuals who Refuse to Work.

FF

Deny Relief from Penalties to States that Divert Families from TANF
to Avoid Federal Collection of Child Support

Penalty

Set Based on Degree of Non-Compliance

Reasonable Cause Exception

Corrective Compliance Plan

Can be Reduced After Plan Does Not Correct Violation

If shaded, then not applicable to that penalty.

1. Misuse of TANF funds

2. Failure to Submit Report

3. Failure to Meet Participation Rates

4. Failure to Participate in Income and Eligibility Verification System

5. Failure to Require Individuals to Cooperate with Child Support Rules

6. Failure to Repay Federal Loan

7. Failure to meet TANF MOE Requirement

8. Substantial Noncompliance with Child Support Requirements
Not addressed in this draft regulation.

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12. Failure to Expend Additional State Funds to Replace Grant Reductions

13. Failure to meet TANF MOE if get DOL Welfare to Work Grant

14. Failure to Sanction Individuals who Refuse to Work.

TANF PENALTY STRUCTURE

14 Penalties in Statute

(Penalties in shaded boxes are not eligible for reasonable cause or corrective compliance plan.)

1. Misuse of TANF funds

6. Failure to Repay Federal Loan

11. Failure to Maintain Assistance to Parents who Can't Get Child Care for Child under Six and Doesn't Work

2. Failure to Submit Report

7. Failure to meet TANF MOE Requirement

12. Failure to Expend Additional State Funds to Replace Grant Reductions

3. Failure to Meet Participation Rates

8. Substantial Noncompliance with Child Support Requirements

13. Failure to meet TANF MOE if get DOL Welfare to Work Grant

4. Failure to Participate in Income and Eligibility Verification System

9. Failure to Comply with Time Limit

14. Failure to Sanction Individuals who Refuse to Work.

5. Failure to Require Individuals to Cooperate with Child Support Rules

10. Failure to Maintain 100% MOE if Received Contingency Funds

Steps to Levying Penalty

Step #1: Establish Penalty

Secretary levies penalty if she determines a violation has occurred.

For 12 of the 14 penalties, the amount is listed in the statute.

For two penalties -- for failure to meet the work participation rates and failure to maintain assistance to parents with children under age six who can't work because they can't find child care -- the statute says that the penalty shall be based on "degree of non-compliance." (In the proposed reg, we are establishing a sliding scale defining "degree of non-compliance" for purposes of the work penalty.)

Step #2: Consider Reasonable Cause

If the Secretary determines that a state had reasonable cause, she will waive the penalty. The reg establishes that having failed the work and time limits due to granting good cause domestic violence waivers is a reasonable cause. Also allowed are natural disasters; incorrect formal federal guidance; and isolated, non-recurring problems of minimal impact.

Step #3: Enter into Corrective Compliance Plan

The Secretary must allow state opportunity to enter into a corrective compliance plan and will not impose the penalty while such a plan is in effect. By statute, certain types of violations (all financial) are not eligible for a corrective compliance plan.

Step #4: Once Corrective Compliance Plan is Completed, Secretary Can Reduce Penalty

The Secretary will not impose the penalty if the state corrects the violation.

If a state does not correct the violation during its corrective compliance plan, then the Secretary shall assess "some or all" of the penalty. The regulation allows the Secretary to not impose a penalty if the state made substantial progress, defined for the work penalty as having closed half the gap between actual and required rate.



Scope of Waivers

Type of Policy

1. Can continue specific waiver granted if new law is "inconsistent"

Agreed

2. Can continue prior law policy for which waiver not specifically granted (e.g., unlimited vocational education, college, more than 6 weeks a year job search)

3. Can continue to operate waiver in geographic area no larger than originally authorized.

4. Can continue to operate waiver in geographic area no larger than "in effect" or implemented on date of enactment.

Availability of TANF Bonuses and Rewards to States Continuing "Inconsistent" Waivers

Type of Policy

1. Eligible for high performance bonus
2. Eligible for caseload reduction credit.



Availability of Penalty Relief to States Continuing "Inconsistent" Waivers

Penalty

Set Based on Degree of Non-Compliance

Reasonable Cause Exception

Corrective Compliance Plan

Can be Reduced After Plan Does Not Correct Violation

If shaded, then not applicable to that penalty.

1. Misuse of TANF funds
2. Failure to Submit Report
3. Failure to Meet Participation Rates
4. Failure to Participate in Income and Eligibility Verification System

14. Failure to Sanction Individuals who Refuse to Work.

FF
ISSUE 1: PENALTY; DIVERSION TO SEPARATE STATE PROGRAM (3 subissues)

Issue 1 a): In order to enter into corrective compliance plan for any violation or to receive a reduction in penalties after failing to correct a violation, a state must prove that it did not divert families to a separate state program for the purpose of avoiding work participation rates.

Why it's important: In order to maintain the law's strong work requirements, states should not receive a break on any of the 14 penalties if it has diverted families to a separate state program to avoid the work participation rates.

Justification for change:

HHS agreed in January that states shall not receive any mitigation in penalty unless the state showed it has not used its own program to escape the force of the work participation rates
(was in memo to the President).

This proposed regulation has the opposite effect by allowing states that have diverted families to postpone penalties through the corrective compliance plan and to receive reduced penalties for states that fail to correct a violation.

It is critical that states are prevented from receiving a break on penalties for any type of violation if they have diverted families to state only programs for the purpose of avoiding the work rates. That's because a state that successfully diverted families to state only programs to avoid the work rates will not be subject to a work participation rate penalty.

What HHS has agreed to so far -- tying proof of non-diversion to granting of reasonable cause and reductions in the work penalty due to degree of non-compliance -- is not enough.

FFISSUE 1 CONTINUED: PENALTY; DIVERSION TO SEPARATE STATE PROGRAM

Issue 1 b): In order for a state to be eligible to receive a reasonable cause penalty exception, to enter into a corrective compliance plan, or to receive reduced penalties or a penalty based on degree of non-compliance, a state must prove that it did not divert families to a separate state program for purposes of preventing the federal collection of child support.

Why it's important: If states move families with child support collections to separate state programs, the federal government will no longer receive its share of those collections, even though the federal government paid for 66 percent of the child support operating costs.

Justification for change:

Congress never envisioned that the new welfare law would reduce the federal collection of child support, and this regulatory provision is the best way to ensure that this does not happen.

States want to take a "wait and see" attitude -- however, in the food stamp program, we've found that the federal government is never able to collect funds after the fact that should not have gone to states.

Issue 1 c) Include in the MOE data report information on whether individuals served in the separate state program were on TANF within the last six months and other information to help the Secretary determine if diversion has occurred.

Why it's important: If we do not collect information to determine if a state has diverted families to separate state programs to avoid the federal collection of child support or to avoid the work rates, we will not be able to enforce these provisions.

Justification for change:

We must have data in order to enforce these provisions.

In particular, asking states to report how many families were moved from TANF to separate state programs within a six month period will give us direct evidence of whether diversion is occurring.

HHS should also specify other data in the regulation that will ensure compliance.

Possible Counter-Arguments:

HHS says that asking state program participants about past TANF use would violate their privacy.

We disagree -- the state MOE data report already contains questions asking about food stamp use.

In addition, we've limited the question to TANF use in the last six months to avoid collecting unnecessary data.

ISSUE 7: WAIVERS (5 subissues)

Issue 7 a): A state that continues a waiver inconsistent with PRWORAS time limits or work requirements shall not be eligible for a high performance bonus or a caseload reduction credit.

Why it's important: This will discourage states from continuing waivers that weaken the work rates and time limits of the new law.

Justification for change:

States that operate under the old, less stringent rules should not be eligible for rewards for performance or a reduction in the work rates through a caseload reduction credit. HHS has already proposed in the reg to deny states a high performance bonus and a caseload reduction credit if they do not submit data on their state only programs -- thus, they clearly believe that the authority exists.

Possible counter-arguments:

HHS may argue that the statute says the Secretary shall encourage states to continue waivers and that this policy would run counter to that.

We believe a more accurate reading of the statute is that the Secretary shall encourage states to continue to evaluate waivers that they do continue. (The statute actually says: "The Secretary shall encourage any state operating a waiver described in subsection (a) to continue the waiver and to evaluate, using random sampling and other characteristics of accepted scientific evaluations, the result or effect of the waiver.")

The Secretary has already encouraged states to continue evaluated waivers by providing federal grants for these evaluations and has thus fulfilled the obligations in the statute.

Issue 7 b): A state that continues a waiver inconsistent with PRWORAS time limits or work requirements shall not be eligible to receive a reasonable cause penalty exception, to enter into a corrective compliance plan, or to receive reduced penalties or a penalty based on degree of non-compliance.

Why it's important: This will discourage states from continuing waivers that weaken the work rates and time limits of the new law.

Justification for change:

States that operate under the old, less stringent rules should not be eligible to receive reduced penalties if they fail to meet the work participation or other rules.

HHS has already agreed to require states to prove that they did not divert families to separate state programs in order to receive a reasonable cause penalty exception or a reduced penalty based on degree of non-compliance. Thus, they clearly believe that the authority exists.

ISSUE 7: WAIVERS CONTINUED

Issue 7 c): Prior law definitions of work activities may not be continued under waivers.

Why it's important: Without this change, states could continue waivers allowing unlimited job search and vocational education as work.

Justification for change: Because prior law treated vocational education and job search

differently, different arguments must be made for each:

Vocational education:

HHS argues that states should not be able to continue prior law exemptions from the denominators of the participation rates (e.g. should not be able to exclude all disabled from the work participation calculation) because "we have never granted a waiver of a participation rate itself" and "we have never granted a waiver that added new exemptions from the work requirements."

We think this same argument should apply to vocational education, which was unlimited in prior law and which states therefore never needed waivers to use as part of their programs.

Our argument is strengthened by the fact that the final report language stated that "program features of the state program not specifically covered by the waiver must conform to this part."

As a result, the new law's limitation of only counting vocational education for 12 months for any individual should still apply in all states.

Job Search

Prior law did have a limit on job search (no more than 4 months of job search could count as work participation in a given year).

States that received waivers specifically exempting them from that requirement can continue them.

However, states whose waivers do not specifically cite the section of prior law limiting job search should not be allowed to continue the prior law's "4 months in 12 months" job search rule in lieu of the new law's "6 weeks in 12 months" rule.

HHS argues that states should be able to continue parts of prior law that were integral parts of the demonstration embodied in the waiver "only if their inclusion were necessary to achieve the objective of the approved waiver."

The objective of states that got welfare reform waivers that did not specifically waive the job search limitations was to put more people to work, not to allow more job search.

Our argument is strengthened by the fact that the final report language stated that "program features of the state program not specifically covered by the waiver must conform to this part."

ISSUE 7: WAIVERS CONTINUED

Issue 7 d): Waivers that are inconsistent can only be continued in the same geographic areas as they were originally approved in the waiver and were in effect on date of enactment.

Why it's important: This will help limit the influence of the waiver provision by ensuring that states cannot expand sub-state waivers -- or waivers that were implemented only substate in August 1996 -- statewide. For example, Virginia planned to take four years (from June 1995) to phase-in its time limit waiver policy -- which has many more exemptions than current law -- in different regions of the state.

Justification for change:

The final report language states that "All geographic areas of the States... not specifically covered by the waiver must conform to this part."

The statute itself refers throughout to waivers "in effect as of date of enactment" of the new law. We interpret "in effect" to mean the waiver as implemented on date of enactment.

Possible counter-arguments: The conference report also says "waivers may only apply to the geographic areas of the State and to the specific program features for which the waiver was granted." HHS could argue that the phrase "was granted" applies to "geographic areas" and thus it is the waiver "as granted" not "in effect" that matters.

MEMORANDUM FOR ERSKINE BOWLES

FROM:Sally Katzen

SUBJECT:Heads-up on Federal Register Publication of OSHA Proposed Rule
on Tuberculosis

On April 14, 1997, we circulated a heads-up memo on a OSHA proposed rule setting out steps that some employers must take to protect their employees from contracting tuberculosis. The proposed rule will be published (finally) in the Federal Register next week. I have attached a copy of our April 14 heads-up memo to refresh your memory on the substance. Please give me a call if you have any questions.

cc:Franklin D. Raines
Maria Echaveste
Rahm Emanuel
John Hilley
Ann Lewis
Thurgood Marshall, Jr.
Sylvia Mathews
Bruce Reed
Gene Sperling
Don Gips
Elena Kagan
Victoria Radd
Barry Toiv
Michael Waldman
Ken Apfel
Larry Haas

MEMORANDUM

TO:TOM FREEDMAN
ELENA KAGAN
BRUCE REED
CYNTHIA RICE
MARY SMITH

FROM:AMY BLOCK

RE:TOBACCO COMMENTS

DATE:MARCH 14, 1998

This list includes comments on tobacco from:

1. Senator Baucus (D-MT)
2. Representative Bliley (R-VA)
3. Senator Burns (R-MT)
4. Representative Burr (R-NC)
5. Senator Cochran (R-MS)
6. Senator Collins (R-ME)
7. Senator Conrad (D-ND)
8. Representative DeLay (R-TX)
9. Representative Dingell (D-MI)
10. Representative Doggett (D-TX)
11. Senator Domenici (R-NM)
12. Senator Durbin (D-IL)
13. Senator Faircloth (R-NC)
14. Representative Fazio (D-CA)
15. Senator Ford (D-KY)
16. Speaker Gingrich (R-GA)
17. Senator Gregg (R-NH)
18. Senator Harkin (D-IA)
19. Senator Hatch (R-UT)
20. Senator Hollings (D-SC)
21. Senator Jeffords (R-VT)
22. Representative Kasich (R-OH)
23. Senator Kennedy (D-MA)
24. Senator Lautenberg (D-NJ)
25. Senator Lott (R-MS)
26. Senator Lugar (R-IN)
27. Senator Mack (R-FL)
28. Senator McCain (R-AZ)
29. Senator McConnell (R-KY)
30. Representative Meehan (D-MA)
31. Senator Nickles (R-OK)
32. Senator Robb (D-VA)
33. Representative Waxman (D-CA)
34. Senator Wellstone (D-MN)
35. Senator Wyden (D-OR)

RE RE ADVERTISING

Sen. Conrad
The Washington Post
3/3/98

Those willing to concede liability limits to the industry should recognize that even if cigarette makers agree to ad restrictions, others, such as the advertising industry, could challenge them in court.

Sen. Durbin
Senate Judiciary Hearing
2/10/98

"I believe we can legislate tobacco advertising restrictions without violating the free speech rights enshrined in the Constitution."

"We should [legislate tobacco advertising restrictions] on public health grounds, independent of other issues in the legislation -- not in exchange for the grant of immunity that buys the industry support."

Sen. Hatch
Senate Commerce, Science and Transportation Hearing
2/26/98
(and at Senate Judiciary Hearing 2/10/98)

The New York Times
2/11/98

Senate Commerce, Science and Transportation Hearing
3/11/98

"If tobacco advertising restrictions are a necessary ingredient in reducing youth smoking, then a constitutional way must be found to accomplish that goal. It is for this reason that in my bill, S.1530, the advertising restrictions are placed in a binding contract -- termed a Protocol -- whereby the tobacco companies waive any First Amendment rights they possess in exchange, in part, for the civil liability limitations."

Tobacco companies would have to be given considerable protection against lawsuits if their advertising practices were to be restricted.

Congress most important goal should be reduced smoking by teenagers and strict limits on tobacco advertising are essential to attaining that goal.

If Congress tried to limit advertising without the approval of the companies, it would lead to years of costly litigation that would delay implementation of the law.

A comprehensive bill should include "broad, constitutionally-permissible mechanisms to limit advertising."

Sen. Lugar

Senate Commerce, Science and Transportation Hearing

3/11/98

"Advertising may be curtailed, but I suspect that enough will remain -- even if not targeted at young people, along with a continuous assertion of First Amendment rights, peer pressure, and rebellion against parental or adult guidance -- that creative anti-smoking programs for the young will have limited success."

Sen. McCain

National Journal

Congress Daily

3/3/90

Senate Commerce, Science and Transportation Hearing

3/3/98

McCain said it would be difficult to write ad restrictions which would require such distinctions as whether to regulate tobacco use shown on billboards or in films.

McCain called FTC Chairman Robert Pitofskys recommendation that the FTC share its regulation authority with the FDA on tobacco issues "a very interesting and attractive proposal."

"Personally, I think little will be achieved if we pass legislation that will be held up for years in the courts and then struck down. Given how many children start smoking every day, we must know we are on solid footing when we act."

DOCUMENT DISCLOSURE

Rep. Bliley

AP Online

1/29/98

and The Boston Globe 1/30/98

The Los Angeles Times and

The New York Times

2/20/98

The Washington Post

2/20/98

The Washington Times

2/20/98

The Wall Street Journal

3/13/98

"The recent disclosures in documents subpoenaed by this committee and released by (Rep.

Henry) Waxman have shaken my confidence that you companies care about the truth."

"Congress and the American people deserve to know whats in the documents so we can make informed decisions about tobacco policy."

Rep. Bliley said the documents [he subpoenaed] had been identified by Minnesota court officials as "possibly containing evidence of crime or fraud" and thus "must see the light of day."

"This should come as no surprise. Ive said all along that if more documents were identified ... as possibly containing evidence of crime or fraud that I would request them."

Tobacco companies failed to produce by the deadline [3/12/98] documents subpoenaed by Rep. Bliley. Bliley said he wouldnt act on his subpoena until a Minnesota court rules on the challenge by the industry over whether to release the same documents to Minnesota lawyers.

Sen. Durbin
The Chicago Tribune
3/12/98

"We cant believe a word they [tobacco firms] say."

Sen. Hatch
The Wall Street Journal
3/2/98

"There is no question that the tobacco companies have known their products were addictive and have deliberately marketed them as such. My focus is more on future opportunities than on past misconduct."

Rep. Meehan
The Wall Street Journal
2/27/98

The Los Angeles Times
2/26/98

The Los Angeles Times
3/10/98

"Its important not only to have internal documents that show potential criminal behavior, but to have a live witness who can corroborate events and testify before a grand jury."

"If Liggett is turning states evidence, this could break the entire investigation wide open. From a prosecutors perspective, its important not only to have documents that indicate potential criminal behavior, but it is equally, if not more, important to have a witness who can confirm the information on the documents, particularly people from upper management."

"Many of the documents in the masters report will bolster the contentions I made in a memo

to Attorney General Reno in December 1994 that the major tobacco companies were acting in concert" to hide damaging information about the hazards of their products.

Sen. Waxman
The NewsHour with
Jim Lehrer
1/15/98

The Courier-Journal
(Louisville, KY)
1/30/98

The Los Angeles Times
3/10/98

"These documents were releasing today show that at least one major tobacco company consciously and skillfully targeted our children in a campaign to get them to smoke at an age as young as 14. These documents literally bring us into the boardrooms of RJR. They show that RJRs most senior executives developed and implemented a sophisticated plan to market their cigarettes to our children."

"It seems to me weve got to get a lot more documents. And what we revealed to day is just a part of what we need to know. There are other companies involved, other documents. We ought to have it all before we start even considering giving them the special treatment."

"What we have is [sic] words said in public, but deeds done in private that are very, very different."

"The documents [the 39,000 the MN judge ordered the tobacco industry to turn over] suggest that there was a criminal conspiracy to suppress information that could have saved millions of lives."

Sen. Wyden
The New York Times
2/25/98

Wyden is skeptical that "it is actually a new day with respect to this subject [tobacco]. I think that the words are more artful than they were four years ago. But a little bit of this is like Yogi Berra -- its deja vu all over again."

FARMERS
Rep. Bliley
The Herald Sun
(Durham, NC)
1/30/98

Rep. Bliley pledged "not to forget about the thousands and thousands of hardworking men and women who toil on the farms, in union plants and on the assembly lines. Their lives and livelihoods matter. Their futures are important."

Rep. Burr
The Herald Sun
(Durham, NC)
1/30/98

"My constituents depend on tobacco for their livelihoods. We need to know what the future holds for the people whose lives depend on farming tobacco."

"Members of Congress have said if we dont take care of those affected who are not at the table, then there is no agreement. I think the farmers are the most prominent of those. Their needs are probably driving a lot of the process."

"If the tools are there, we need to look at some type of repurchase of quotas and a redesign of what the agricultural community will look like in the future."

Sen. Faircloth
The Herald-Sun
(Durham, NC)
2/7/98

The News and Observer
(Raleigh, NC)
2/12/98

Sen. Faircloth and Rep. Etheridge asked President Clinton to consider an assistance program to help "ensure a safe and stable future for farmers and their communities."

"The tobacco settlement was fat for lawyers and thin for farmers. While the Conrad bill falls short of what is needed, we have helped to shift the debate to the point where almost everyone is paying attention to the farmers."

Sen. Ford
The Courier-Journal
(Louisville, KY)
1/29/98

The Courier Journal
(Louisville, KY)
2/14/98

The Houston Chronicle
3/12/98

Sen. Ford and Rep. Baesler agreed it was good that the president recognized farmers in his speech, but both criticized his proposed \$1.50 increase in cigarette taxes. "At some point, Washington has to realize that we simply cannot pay for every new initiative on the backs of hard-working tobacco farmers and their families."

Fords spokesman said Sen. Ford pledged to "fight to represent the tobacco farmers, their

families and communities even if he had not received one penny in campaign contributions."

Ford said that if the farm program ended, tobacco prices would plummet and make cigarettes more affordable for young people.

Sen. Hollings

The Washington Post

3/12/98

Lugars farm ideas drew fire from Sens. Ford and Hollings. Hollings predicted that, "You folks are gonna go nowhere."

Sen. Lugar

Senate Commerce, Science and Transportation Hearing

3/11/98

The Houston Chronicle

3/12/98

The Richmond Times Dispatch

3/12/98

"I believe that it is simply wrong for the federal government to support tobacco farming, marketing, and warehousing. So long as tobacco remains a legal cash crop, it should be governed purely by the market forces of supply and demand. I am hopeful that the federal tobacco program will be terminated in any comprehensive tobacco legislation which is enacted this year."

"It would be blatantly inconsistent to enact the public policy measures I have advocated and then to continue a federal support system for the growing, marketing, and warehousing of tobacco. Last fall, I introduced S.1313 to require a buy out of tobacco quotas, transition payments to farmers who do not own quotas, assistance for local communities, and an end to the federal tobacco subsidy."

"A bill that fails to end the tobacco price support program, while compensating farmers in a fair way, will be an imperfect bill at best. And it will not be in the long-term interest of the farmers who grow tobacco."

"Many Americans are unaware that the same government that tells you not to smoke... makes it lucrative to grow tobacco by guaranteeing a price and limiting supply."

Lugar supports doing away with the federal governments program that supports tobacco growing and marketing. He favors a free market approach and has sponsored a bill to eliminate the federal program.

Sen. McConnell
The Courier-Journal
(Louisville, KY)
2/14/98

"Like all members of Congress from Kentucky, regardless of political affiliation, I fight hard to save the livelihood of our 60,000 tobacco growers. Consequently, its not surprising that I enjoy campaign support from political action committees and individuals which represent tobacco interests."

FDA AUTHORITY
Rep. Dingell
The News and Observer
(Raleigh, NC)
1/30/98

Dingell said he would not tolerate any weakening of the FDAs authority to regulate tobacco.

Sen. Hatch
Senate Commerce, Science and Transportation Hearing
3/11/98

"Although I believe that current legal authority for FDA regulation of tobacco products is at best murky, I would not be opposed to inclusion in a comprehensive bill of a provision allowing the agency jurisdiction in this area. I believe any FDA provision should be drafted as a new section to the Federal Food, Drug and Cosmetic Act, since it is hard to argue that tobacco products are in any way safe and effective, the critical tests for current-law regulation of drugs and medical devices."

"I would urge you to include the provisions from the Jeffords-Hatch bill as the FDA section of your bill should you choose to include a food and drug title."

Sen. Jeffords
Senate Labor and Human Resources Hearing
3/11/98

The Washington Post
3/11/98

"We also should applaud the FDAs effort to develop a national tobacco policy using the tools it had available under the Federal Food Drug and Cosmetic Act. FDAs assertion of jurisdiction, a proper one, in my view, did much to encourage the tobacco settlement and

sharpen our thinking about how to bring this unique product under FDA's purview."

"Right now, FDA faces the challenge of trying to shoehorn tobacco regulation into a regulatory system designed for medical devices. It is forced to somehow reconcile the known effects of tobacco with the standard of safety and efficacy for medical products. Of course this makes no sense whatsoever... That is why I think it is essential that we create a new chapter to regulate tobacco products."

A spokesman for Jeffords said committee staff members were "still talking" with public health advocates yesterday on some issues, but FDA authority "is one he [Jeffords] is not going to yield on."

FEDERAL SHARE OF MEDICAID (CHILD CARE/CLASS SIZE)

Sen. Baucus

Senate Commerce, Science and Transportation Hearing

3/11/98

Payments from the tobacco industry should be dedicated toward children. "This includes programs to stop kids from smoking, child care, child health, and education. In my opinion, these goals are accomplished by the Healthy Kids Act, a bill crafted by Senator Conrad and the Senate Democratic Task Force on Tobacco."

Rep. Bliley

AP

2/3/98

"The president is putting the cart before the horse. So far he's negotiated ... and promoted it. He's even spent the proceeds. The one thing he hasn't done is send Congress a tobacco bill."

Sen. Cochran

Gannett News Service

2/6/98

"It's very unlikely there will be anything done in this Congress because there is no agreement, no consensus, as to what should be done. It's not a realistic expectation that there will be any \$65.5 billion worth of money coming to the federal treasury from the tobacco settlement. That's the bottom line."

Sen. Conrad

AFX News

2/3/98

"I think (Clinton) is right on to tie new programs, like education, to tobacco and I am hopeful this legislation can pass before the budget resolution."

Sen. Domenici

AP Online

2/7/98 and

The New York Times

2/8/98

The National Journal

2/14/98

"We should save Medicare first. If there is tobacco money, it should go toward keeping the Medicare system solvent, not for new Washington spending" (comments in the GOP weekly radio address).

Tobacco money should go toward Medicare and Medicaid because of the tobacco-related health costs to those programs. Lott has said he favors Domenicis idea.

Sen. Hatch
The Deseret News
(Salt Lake City, UT)
2/24/98

Senate Commerce, Science and Transportation Hearing
3/11/98

Sen. Hatch is opposed to using any money from a tobacco settlement, or a separate tobacco tax, for child care.

"The scope of the bill should be limited to tobacco-related activities. Any attempt to broaden use of the funds beyond tobacco will dilute the effectiveness of the program and squander the opportunity we have to stop youth smoking."

Sen. Hollings
The Post and Courier
(Charleston, SC)

With a lucrative settlement with tobacco manufacturers now in jeopardy, Hollings is highly skeptical that money can be found to finance either the Clinton or GOP agendas.

Sen. Lott
AFX News
2/9/98

Health Line
(American Political Network)
2/24/98

"A lot of costs of Medicare are driven by health-related problems that could be associated with smoking so rather than use it as a cookie jar to spend on the lollipop list the President came up with, I thought the idea of putting it aside for Medicare is something we should think about."

Sen Lott said he opposes a tax increase on tobacco products and ruled out using tobacco settlement funds for a tax cut, saying they should be used for Medicare, medical research and a campaign to discourage teenagers from smoking. Lott said that the states should receive the majority of tobacco funds approved under any settlement.

Sen. McCain
AP Online
2/2/98

The Boston Globe

2/3/98

"The president has not exercised his leadership responsibility to propose specific tobacco legislation detailing how the money he would spend will be raised."

The President cannot truly claim his budget is in balance "because it includes \$65 billion in nonexistent revenue from prospective tobacco legislation" that Congress may not adopt.

Sen. Nickles

The New York Times

2/2/98

"Im not inclined to help [the President] fund a variety of social programs out of this deal."

INTERNATIONAL

Rep. Doggett

Press Release

2/26/98

"Around the world, U.S. tobacco companies are using the methods they perfected on our children to addict the children of other nations to nicotine."

"We should seize this unique opportunity to be a leader in promoting global public health by acting responsibly ourselves. The code of conduct we propose requires such responsible action from U.S. tobacco companies around the world. All we say to them is comply with a common, uniform standard: dont market to children anywhere; warn consumers of the deadly effects of your products anywhere."

Sen. Durbin

Press Release

2/26/98

"It will be a shameful legacy if our tobacco control efforts end up protecting Americas kids at the expense of children in other countries. Products labeled MADE IN THE USA should make us proud. Tobacco products which addict and kill fail that test."

"Tobacco use in developing countries threatens to turn back the clock on public health advances in those nations. As the worlds leading exporter of tobacco products, the United States has a moral responsibility to address the health devastation tobacco is causing in other countries. If we dont, people will equate our country with the tobacco epidemic they suffer."

Sen. Lautenberg

Press Release

2/26/98

"On the run in America, tobacco companies are aggressively seeking to peddle their poison to children overseas. Our war against teen smoking should not stop at our nations borders."

Sen. Wellstone

Press Release

2/26/98

"Comprehensive tobacco control legislation would be incomplete without strong international tobacco controls. Unless we include strong international controls as part of tobacco control legislation, this outlaw industry will continue to exploit the overseas market,

preying disproportionately on people in developing countries. Tobacco control legislation must protect children and protect public health at home and abroad while conceding no special protections to the tobacco industry."

"Children all over the world must be protected from the manipulations of this outlaw industry. It is a matter of fairness."

LIABILITY

Sen. Baucus

Senate Commerce, Science and Transportation Hearing

3/11/98

"For quite some time, tobacco companies tried to get kids to smoke. And that is why I do not support broad liability protections for the tobacco industry. Furthermore, liability protections that are crafted too broadly will bargain away future protection for the American people."

Rep. Bliley

The Washington Post

2/20/98

While Bliley has not made his position clear on legal protections, he has said that Congress needs to know if the industry engaged in "criminal or fraudulent activities" before it considers granting the industry "unprecedented immunity from future lawsuits."

Sen. Burns

Senate Commerce, Science and Transportation Hearing

2/24/98

"The media has portrayed what tobacco companies want as immunity. I personally don't believe that agreeing to pay over \$350 billion dollars to settle a case is immunity. If someone rear ends a car and causes injuries to the driver of the car, and a settlement is reached for injuries, property damage, pain and suffering, the amount of money paid isn't called immunity. It's called a settlement. No one in this country has ever been awarded \$50 billion in punitive damages by a jury. Ever! The fact that tobacco companies are willing to pay that amount after never losing a jury trial is incredible. But it isn't immunity."

Sen. Conrad

Healthy Kids Act

Press Conference

2/11/98

The Washington Times

2/20/98

The Chicago Tribune

3/12/98

The Washington Post

3/12/98

"I think it would be inappropriate, more important than what I think, the American people

think it is inappropriate to give special unprecedented protection to this industry, of all industries."

"There was a turning point, and it happened when those [RJR] documents were released. You look at those, which turn on its head the industrys claims that it didnt market to children, and you ask, How can we give this industry legal protections going forward?"

Conrad said if courts should later invalidate special protection from lawsuits, "We would truly have egg on our face."

Conrad warned senators that granting the industry liability protections would be "foolish."

Rep. DeLay
The New York Times
2/2/98

While admitting that the tobacco companies are "big contributors of mine," DeLay said that immunity "would be very difficult for me to support."

Sen. Durbin
National Journal Congress Daily
3/3/98

Durbin said he would consider supporting legislation [Chafee, Harkin and Grahams bill] that places annual caps on cigarette makers liability. Chafee, Harkin and Grahams bill "is an interesting approach. It gives people their day in court, while offering something to the tobacco companies. Im open to it."

Nevertheless, Durbin said the Conrad bill is his favored approach.

Speaker Gingrich
Extel Examiner
2/12/98

The New York Times
2/18/98

The New York Times
2/28/98

The Chicago Tribune
3/12/98

Gingrich said Republicans are unlikely to support public policy that would benefit the industry. "I think what we learned about the tobacco companies planning, their awareness of addiction, and their efforts to target 14 year-olds is frankly reprehensible.

"Their effort to target 14-year-olds is frankly reprehensible. I think that they are weaker than they have ever been in this city, and I think that there is virtually no sentiment for in any way listening favorably to the tobacco companies."

Gingrich has told other GOP leaders in recent weeks that he favors legislation that would force the industry to pay the cost of treating sick smokers, but refuse to grant tobacco companies immunity from lawsuits, according to three senior Republican sources.

Gingrich said he is "very skeptical if not hostile" to limiting the tobacco industrys liability to lawsuits. "I dont think we have to pay back the tobacco companies to tell them not to addict our kids."

Sen. Gregg
The Washington Post
3/12/98

Gregg criticized proposals to grant the industry protection from lawsuits and punitive damages. Gregg said it would be "a travesty of logic" to give the tobacco industry protection that has been denied other companies that cause far less harm to society."

Sen. Harkin
NPR Weekend Edition
2/28/98

Harkins bill provides tobacco companies no immunity, but they would get a cap on the amount of damages they would have to pay out in any year. "Were gonna come up with a very bitter pill for the tobacco companies to swallow. But I think in the end, theyre going to have to swallow that bitter pill."

Sen. Hatch
Senate Commerce, Science and Transportation Hearing
2/26/98

The Wall Street Journal
2/27/98

NPR Weekend Edition
2/28/98

The New York Times
3/11/98

Senate Commerce, Science and Transportation Hearing
3/11/98

"The fact of the matter is that it is the limited liability provisions which brought the tobacco industry to the bargaining table with the attorneys general. They are what made any talk of the settlement possible ... And I believe it is possible for us to craft legislation built on the framework of that settlement which does not reward the industry for past ill deeds, but rather, which provides them with limited assurances of the financial predictability that will make a new national tobacco program possible."

Testifying before the Senate Commerce, Science and Transportation Committee: "I want to work with the members of this committee to craft bipartisan, comprehensive anti-tobacco legislation which can be enacted this year."

"You cant ignore the fact that there has to be some sort of benefit both ways in order to have a voluntary agreement. If there isnt, then I think its all-too-easy for the tobacco companies to walk away from this. And if they do, then there just wont be the monies that were talking about, there wont be the cooperation, there wont be the ban on advertising that would be constitutionally sound and upheld. And I think in the end, the farmers arent gonna quit producing tobacco."

Some prominent lawmakers, including Senator McCain and Senator Hatch, believe that Congress has little alternative but to accede. "Absent liability provisions, we will be unable to change materially the way in which these products are advertised and marketed."

A comprehensive bill should include "well defined liability limitations, including settlement of the State and local suits" and "a strong mechanism to ensure continued oversight of the tobacco industry, such as the proposed "look-back" penalties."

A comprehensive program, which can be implemented now, requires some measure of liability of reform, "the shape of which I am willing to discuss."

Sen. Hollings

The Washington Times

3/12/98

Congress needs to find a "good CPA" to examine tobacco company records and determine just how much they can afford to pay to settle thousands of lawsuits filed against the industry. "I think its a money thing with them and theyre good business people and theyre legitimate business people."

Sen. Kennedy

Healthy Kids Act

Press Conference

2/11/98

The Washington Post

3/12/98

"Our proposal does not give tobacco companies immunity from private litigation. Were committed to keeping the courthouse door open to those who suffer from tobacco induced illness."

Kennedy said that Jeffords bill "falls short of the mark set by the public health community ... and President Clinton." The new scheme, he said, would create a regulatory and courtroom morass for years, and the penalties levied against the industry for failing to meet mandated reductions in youth smoking are too low."

Sen. Lautenberg

St. Petersburg Times

1/16/98

"These revelations make it almost impossible for members of Congress to give the industry

immunity and then go home to face the children in their districts."

Sen. Lugar
Senate Commerce, Science and Transportation Hearing
3/11/98

The Washington Post

3/12/98

"I oppose any limitation on the right of any individual or group to seek legal redress."

Sen Lugar testified [before the Commerce Committee] that he too opposes any lawsuit shield for the industry.

Sen. McCain
The NewsHour with
Jim Lehrer
1/15/98

The LA Times
2/18/98

The New York Times
2/25/98

The LA Times
2/25/98

Dallas Morning News
2/27/98

The New York Times
3/11/98

"In all due respect to my friend from California [Rep. Waxman], we have to have a vehicle [immunity]. We have to have a framework. The AGs deserve to have that as the vehicle. Sure its going to be changed, but thats still got to be the initial way that we approach this issue,"

McCain has not yet taken a position on whether the companies should get limited liability in future lawsuits.

McCain, a former smoker, said he knew from personal experience that tobacco was addictive and asked tobacco company executives if they agreed.

"Disappointed," was the way McCain described industry executives answers to his litmus-test question on whether they consider nicotine to be addictive. McCain said that the

executives refusal to acknowledge that cigarettes are addictive has "become symbolic of the skepticism that exists about their trustworthiness."

"The whole settlement hinges on that single issue [liability]. How much do we give away and what are we getting in exchange? This is make or break. On this issue alone, if there is a divergence of views with the president [sic], we are going to have a problem passing a comprehensive deal."

Dr. Kessler and Dr. Koops public standing is so high that after meeting with them for more than an hour last week, Senator McCain said that no tobacco legislation could move forward without their stamp of approval.

Rep. Meehan.
The New York Times
2/6/98

Good Morning America
2/26/98
Protection from lawsuits "is and certainly should be dead."

"There is no question that [tobacco company executives] could be looking at potential criminal liability, which could include jail time, sure."

"I would think members of Congress would be very, very careful about granting any kind of civil immunity to an industry that may be on the verge of being implicated in the highest level of culpability, which is criminal culpability. I think it would make Congress back off and wait to see what happens and wait until the full truth comes out about what the tobacco executives knew and when they knew it."

Sen. Nickles
The New York Times
2/2/98

The New York Times
2/28/98
"I dont want to say the global settlement is dead, but its getting more difficult to see a package that would have immunity."

"Amongst the (Senate) leadership on the Republican side, theres not a lot of interest in granting immunity to tobacco. And if you dont have immunity, the tobacco boys arent going to be willing to participate."

Rep. Waxman
The News Hour with
Jim Lehrer
1/15/98

Newsday
1/16/98 and
St. Louis Post-Dispatch
1/16/98

The Herald Sun
(Durham, NC)
1/30/98

The News and Observer
(Raleigh, NC)
1/30/98

AP Newsfeed
1/31/98

The News and Observer
(Raleigh, NC)
2/12/98

"These documents today clearly illustrate one of the major tobacco companies was in a very cynical and clear way targeting and implementing a strategy to get kids as young as 14 years of age to smoke, so if were going to deal with this problem, lets look at how we stopped the companies going after our kids. That should be the focus, not how to bail out the tobacco industry, how to solve their problems, but how to protect the public health."

"It really is chutzpah for the tobacco companies to think that they can lie to the Congress, go after our children, deny that there are consequences from smoking, and then ask that they be forgiven for their actions."

"Lets pass legislation right now to stop tobacco companies from targeting children" and forget the controversial legal protections.

Liberals like Rep. Waxman want more concessions from the tobacco industry before Congress grants it what he called "virtual immunity from liability."

"We face an enormous challenge. Can we put the public interest ahead of the special interests of the tobacco industry? Our goal and our only goal should be to pass legislation that protects our children. We dont need the tobacco industrys blessing to do this. We dont even need their agreement. All we need is the political will to do whats right."

Waxman has urged Congress to scrap the immunity provision and urged legislators to focus on laws protecting children.

"Unlike the tobacco settlement announced last year, [Sen Conrads] legislation isnt a sweetheart deal for the tobacco industry."

Sen. Wellstone
Star Tribune
(Minneapolis, MN)
2/6/98

Wellstone urged fellow senators to avoid giving cigarette makers immunity from civil suits in any tobacco legislation they pass this year. "We can and must pass legislation to crack down on this industry. To do so, we dont need their permission, and we certainly dont need to grant them any concessions."

Sen Wyden
The Chicago Tribune
3/12/98

The Washington Times
3/12/98

Wyden said that with recent disclosures in tobacco company documents about doctoring cigarettes with more nicotine, "there are grounds to be cautious" about excusing the firms from liability to individual suits.

Wyden urged senators to reject any immunity, saying that some tobacco companies could face criminal indictments.

MINORITIES

Rep. Bliley
The News and Observer
(Raleigh, NC)
1/30/98

"The documents suggest that tobacco companies targeted children. These documents suggest racial stereotypes were used in part of your marketing plans. These documents suggest possible manipulation of scientific research by industry attorneys. If these things are true, you should know that this kind of behavior is unacceptable and will not be allowed."

Rep. Fazio
Healthy Kids Act
Press Conference
2/11/98

"This bill also hits big tobacco where it hurts, by taking on their shameful strategy of targeting minority communities. African-Americans, Hispanic-Americans, and Native Americans need redress and we intend to provide it in this legislation."

PAYMENTS TO STATES

Sen. Burns
Senate Commerce, Science and Transportation Hearing
2/24/98

"I dont want a handful of states to get huge settlements against big tobacco and the rest of the states to get little or nothing. I want kids in Montana to get the same deal that

kids in Florida, Texas, and Mississippi get."

PRICE PER PACK

Speaker Gingrich
The New York Times
2/12/98

The New York Times
2/16/98

The Washington Times
3/6/98

Any money raised from a higher tobacco tax should be used for a tax cut elsewhere.

Gingrich said that reducing teen-age smoking was important, that any tax increase on tobacco products should be offset by a tax cut elsewhere and that it was important not to make cigarettes so expensive that a black market developed.

Gingrich is making plans to use money raised from anti-smoking legislation to help pay for tax cuts. "I would be very surprised if we did not have tobacco money, whether its in the form of a tax increase or the form of a settlement agreement, before the end of the year."

Sen. Hatch
Senate Commerce, Science and Transportation Hearing
2/26/98

"We have thrown away a giant opportunity to do a lot of public health good if we dilute the impact of these [cigarette tax] funds by using the revenues for non-tobacco related purposes."

Rep. Kasich
Extel Examiner
2/3/98

"I dont think the American people want any more taxes, any more fees ... and if there is a settlement, why should (we) give the money from one family to another" instead of cutting taxes.

Sen. Kennedy
AFX News
2/3/98

"We can pass a tobacco tax. Its the best way to reduce" teenage smoking.

Sen. Lautenberg

AFX News

2/3/98

Any new tax money could be used to pay for President Clintons initiatives.

Sen. Lott

AFX News

2/9/98

"I do not like the idea of a tobacco tax. I have no problem with the price (of tobacco) going up, or the companies taking it from profits or however that would work. (But) a tax is a tax is a tax where I came [sic] from and I never met one I liked."

Sen. Lugar

Senate Commerce, Science and Transportation Hearing

3/11/98

"I favor increasing the price of a pack of cigarettes by at least \$1.50."

"I support a dramatic increase in the price of cigarettes because I am convinced that such a price change is the most promising program for reduction of cigarette smoking at all age levels."

"Even while justice is served, Congress can make certain that a \$1.50 price per pack increase provides a strong price disincentive to smoke along with a certain cash flow to reimburse appropriate government health programs."

Sen. McCain

Evans and Novak

2/21/98

"I believe that the American people want us to address the issue of children smoking and the fact that 3,000 young children everyday start smoking. And if the \$1.50 a pack tax on cigarettes will help in that effort, I think the American people will support it. And I believe that they expect us to enact a lot of other measures in order to address this issue."

Novak: Some House Republican leaders would like to use the revenue from the \$1.50 tax on cigarettes to fund a tax cut for general taxpayers. Whats your preference on that?

McCain: "My first priority would obviously be campaigns to stop children from smoking. Second of all, I think the states do deserve some reimbursement for their Medicaid expenses, and I then think that perhaps a tax cut would be more appropriate. But I think theres going to be a big fight about that. But the most important thing is to have us coalesce and work together to at least address the issue of kids smoking."

Sen. Nickles

AFX News

2/3/98

"I dont know how a tobacco tax could pass."

PUBLIC HEALTH SPENDING

Sen. Collins

Press Release

2/12/98

One of the guiding principles of the PAST Act is that any settlement dollars be committed exclusively to anti-tobacco efforts, including public health programs and research.

Sen. Hatch

Senate Commerce, Science and Transportation Hearing

3/11/98

A comprehensive bill should include "flexible, community-based funding for public health programs, such as tobacco use prevention and cessation and counter-advertising."

A comprehensive bill should include "substantial new funding for biomedical research."

Sen. Jeffords

Senate Labor and Human Resources Committee

3/11/98

"In my view, the critical issue of tobacco policy is not liability or lawyers fees -- it is public health. The heart of a national policy on tobacco must be its public health provisions."

Sen. Lott

AFX News

2/9/98

Lott said he believed the odds are against Congress passing the comprehensive tobacco settlement, but a smaller teenage antismoking bill is likely to pass. Lott said a teenage bill would include an education program promoting antismoking habits to teenagers, but he would not specify how such legislation would be paid for. He said a tobacco tax would not be acceptable."

Sen. Lugar

Senate Commerce, Science and Transportation Hearing

3/11/98

"There is surely a reasonable conclusion that some of these public health costs should be identified in courts of law and that appropriate federal, state, and local governments should be reimbursed."

Sen. Mack

Senate Commerce, Science and Transportation Hearing

3/3/98

"I am here to encourage my colleagues on this Committee to take this monumental opportunity to get even in the most constructive way I know -- by forcing Big Tobacco to pick up the tab for finding cures to the very diseases they have caused. For there to be comprehensive tobacco legislation without significant medical research funding would be a tragedy."

"If our emphasis is limited to simply reducing smoking, without finding cures for disease, we will have abandoned those who are still addicted and accomplished only half of our mission."

"I also believe it is essential to remain firm in our long-standing policy that scientists, not Congress, should decide how these funds should be directed. Why? Because you never know where basic scientific research will lead."

"It is the right thing to do to make Big Tobacco pay for research into the addictive nature

of tobacco, to pay for research into ways to enable smokers to end their addiction, and it is the right thing to do to provide NIH and CDC with the necessary resources to conduct research into the areas they believe will be successful."

Sen. Robb

The Richmond Times Dispatch

2/16/98

A Robb spokesperson said that Sen. Robb signed up with the Congressional Prevention Coalition because he has supported "forward-thinking, prevention-based health policy solutions, and this coalition can help advance such solutions."

*

May 2, 1997

TEEN PREGNANCY EVENT

DATE: May 1, 1997
LOCATION: Roosevelt Room
TIME: 2:00 pm - 3:00 pm
FROM: Bruce Reed/Elena Kagan

I. PURPOSE

To demonstrate the Administrations commitment to reducing teen pregnancy and to highlight the one year anniversary of the National Campaign to Prevent Teen Pregnancy and their first 12 honorees. The event also recognizes the month of May as Teen Pregnancy Prevention Month.

II. BACKGROUND

The National Campaign to Prevent Teen Pregnancy is a private nonprofit organization which was formed in response to President Clintons challenge issued in his 1995 State of the Union address that "parents and leaders across the country... join together in a national campaign against teen pregnancy..." Following the State of the Union, the President held a meeting at the White House with a group of prominent teen pregnancy prevention experts and advocates to discuss what might be done to combat the problem. From that meeting came a private sector planning effort that led to the creation of the national campaign.

The campaign is chaired by former New Jersey Governor Thomas H. Kean. Governor Kean will also be speaking at this event. Its Board of Directors includes Whoopi Goldberg, Katherine Graham, the Hon. Nancy Kassebaum-Baker, the Hon. Warren B. Rudman, and William A. Galston. Isabel V. Sawhill, President of the Campaign, was an Associate Director of the Office of Management and Budget during President Clintons first term.

At the close of the program you will recognize 12 honorees chosen by the Campaign who will be seated in the front row. Each represents prevention approaches that are lowering teen pregnancy rates and strengthening communities. The honorees work embodies several key themes that are essential to preventing teen pregnancy:

- *Emphasizing values and self-esteem in working with adolescents;
- *Forging partnerships with the corporate sector;
- *Focusing the community on a "unity of goal" to prevent teen pregnancy even when there are conflicts over program approaches;
- *Encouraging adult-child communication;
- *Involving youth in the discussion;
- *Emphasizing the importance of male involvement in prevention;
- *Recognizing the importance of program evaluation; and
- *Involving the media in reducing teen pregnancy.

In your remarks, you will discuss two new teen pregnancy prevention grant programs and new findings from a study of childbearing and family planning to be released later this month by the Department of Health and Human Services.

Grants: In Los Angeles yesterday (May 1), Secretary Shalala announced the two new community grant programs to prevent teen pregnancy and promote responsible behavior. One program will be aimed at teenage girls and the other at teenage boys. Both grow out of HHS new Girl Power! Campaign which is aimed at enhancing self-esteem, promoting good health, and preventing unhealthy behaviors among girls 9 to 14 years old. Each of the grant programs will total about \$1 million per year and involve public-private partnerships organized by individual communities.

HHS Study: The Secretary also discussed a new study to be released later this month that shows the percentage of teenagers who have had sex declined in the 1990s after increasing steadily for more than two decades. The decline is small -- 5 percentage points -- but is significant because it shows that the long-term increase in teenage sexual activity may finally be over. This data is part of a new study of child bearing and family planning covering all women 15-44.

III. PARTICIPANTS

The First Lady

Former New Jersey Governor Thomas H. Kean, Chair of the National Campaign to Prevent Teen Pregnancy.

*Attached is a list of the 12 Campaign honorees who will be seated in the front row. Also, please note that Alma Powell will be seated in the front row as well.

IV. PRESS PLAN

Open.

V. SEQUENCE OF EVENTS

- You will greet the 12 honorees and Isabel Sawhill in a brief photo receiving line prior to the event in the Blue Room.
- The 12 honorees and Isabel Sawhill will then be announced into the East Room and proceed to their seats in the front row.
- You and former Governor Kean will be announced into the East Room and proceed to the stage.
- You will make remarks and introduce Governor Kean.
- Governor Kean will make remarks.
- You will then individually recognize the 12 honorees and ask them to stand.
- You will then close the event by inviting the guests into the State Dining Room for tea.

VI. REMARKS

Prepared by Jen Klein.

6/16/97 4:00 pm DRAFT

June 17, 1997

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Strengthening Title IX Enforcement and Addressing Discrimination on the Basis of Sex, Race, Color and National Origin in Federally Conducted Education Programs and Activities

As we commemorate the twenty-fifth anniversary of Title IX of the Education Amendments of 1972, we should pause to recognize the significant progress our nation has made in increasing educational possibilities for girls and women and recommit ourselves to the goals of this important legislation. Title IX has broken down barriers and expanded opportunities -- opening classroom doors, playing fields, and even the frontiers of space to girls and women across this country.

My Administration is working hard to expand further opportunities for women and girls. We have stepped up enforcement of civil rights statutes in areas such as access to advanced math and science programs. We have issued policy guidance on racial and sexual harassment and on ensuring equal opportunities in intercollegiate athletics. We have aggressively litigated cases presenting significant issues of discrimination, including cases challenging the exclusion of women from VMI and the Citadel. My Administration has also sponsored an education campaign to help young girls build skills, confidence and good health. Finally, my Administration has reaped the benefits of an ever increasing pool of superbly qualified women, making it possible for me to appoint record numbers of women to my Cabinet, judicial posts, and to high levels of decision-making throughout the federal government.

Yet more needs to be done. Our nation is stronger when all of our citizens have the opportunity to reach their God-given potential and contribute fully to our society. Today, I am announcing two important next steps in our fight to reach true equality in education.

First, I am directing executive departments and agencies to develop Title IX enforcement plans. Title IX requires all federal agencies that provide financial assistance to education programs or activities to ensure that programs and institutions receiving federal money do not discriminate on the basis of sex. A number of agencies, however, have never adopted regulations or complaint procedures to enforce Title IX.

I therefore direct all heads of executive departments and agencies, following consultation with the Attorney General, to report back within 90 days on measures to ensure effective enforcement of Title IX. This should include a description of the department or agencies priorities for enforcement, methods to make recipients of federal financial assistance aware of their obligation not to discriminate, and grievance procedures to handle Title IX complaints. In accordance with Executive Order 12250, the Attorney General should coordinate implementation of these steps.

Second, I am asking executive departments and agencies to take appropriate action against discrimination in education programs or activities conducted by the federal government. Currently, Title IX generally prohibits discrimination based on sex, and Title VI of the

Civil Rights Act of 1964 generally prohibits discrimination on the basis of race, color, or national origin in education programs or activities that receive federal financial assistance. However, these laws do not apply to comparable education programs or activities that are conducted by the federal government. I believe it is essential that the federal government hold itself to the same standards of nondiscrimination in educational opportunities that we now apply to education programs and activities of state and local governments and private institutions receiving federal financial assistance. Applying these standards to appropriate federally conducted education programs and activities will complement existing laws and regulations that prohibit other forms of discrimination in federally conducted education programs -- including discrimination against people with disabilities (prohibited by the Rehabilitation Act of 1973) and discrimination based on race, color, religion, sex or national origin against federal employees (prohibited by Title VII of the Civil Rights Act of 1964).

I therefore direct all heads of executive departments and agencies to report to the Attorney General within 60 days:

(1) identifying and describing education programs or activities conducted by the executive department or agency (including the approximate budget and size of the program). An education program or activity includes any civilian academic, extracurricular, research, occupational training, or other education activity conducted by the Federal government. Examples of federally conducted education programs would include elementary and secondary schools operated by the Department of Defense for dependent children of military personnel here and overseas; federally conducted educational research; and educational fellowships awarded directly by federal agencies to students; and

(2) describing any substantive or procedural issues that might arise under these education programs or activities related to prohibiting discrimination based on sex, race, color and national origin in the program or activity, in order to aid in determining where application of remedial efforts would be appropriate.

On the basis of these reports, I intend to issue an Executive Order implementing appropriate restrictions against sex, race, color, and national origin discrimination in federally conducted education programs. I direct the Attorney General to report to me within 60 days after receiving these reports with the results of her review and a proposal for an appropriate and effective Executive Order.

RF

June 12, 1997

MEMORANDUM FOR DISTRIBUTION

FROM:Jennifer Klein, DPC

RE:Executive Memorandum on Title IX

Attached please find a new draft of the executive memorandum on Title IX incorporating all comments that we have received. Please note that we have added language asking the agencies to develop Title IX enforcement plans. We have also left the time periods as 60 days for the agencies to develop their lists of federally conducted education programs and

60 days for the Attorney General to report to the President.

Please call me with comments at 202/456-2599. Thank you.

Distribution:

Elena Kagan, DPC
Bill Marshall, WH Counsel
Judy Winston, DOE
Isabelle Pinzler, DOJ
Mac Reed, OMB
Rosemary Hart, DOJ
Kathy Stock, OMB
Leslie Mustain, OMB
George Lyon, HHS
Andy Hyman, HHS
Lisa Schultz Bressman, DOJ
Kris Balderston, WH Cabinet Affairs
Judy Miller, DOD
Carolyn Becraft, DOD
Paul Koffky, DOD
Linda Thome, DOE

☐☐

June 12, 1997

MEMORANDUM

TO: Phil Kaplan
FR: Nicole Rabner
RE: Executive Memorandum on Title IX

Elena Kagan asked me to forward to you for appropriate internal WH review the attached working draft of an executive memorandum on Title IX, which is planned to be signed and issued on Tuesday, June 17th in conjunction with Presidents event to commemorate the 25th anniversary of the passage of Title IX. FYI, there is some discussion about having the President sign the memorandum during the event.

Mac Reed of OMB Counsel has been involved in our process to develop the attached document, and he does not intend to do a full agency clearance. The most appropriate agencies (DOE, DOJ, DOD, and DHHS) have been involved in the development of this memorandum.

Please note that an additional, substantive paragraph may be added on Monday morning, pending further discussions.

EXECUTIVE OFFICE OF THE PRESIDENT

06-Aug-1996 04:23pm

TO: (See Below)

FROM: Lyndell Hogan
Domestic Policy Council

SUBJECT: Title IX/Women In Sports

To:Distribution

From:Jeremy Ben-Ami
Lyn Hogan

Date:August 6, 1996

Re:Title IX/Equal Opportunities for Girls
and Women In Sports

Because the President will be making remarks tomorrow regarding title IX, I have prepared the following memo. The memo includes brief background information on title IX and four points of controversy surrounding title IX that could be raised during Q&A.

Background

Title IX prohibits sexual discrimination at educational institutions that receive federal funds. It is part of the Education Amendments of 1972 that President Nixon signed into law.

Title IX is used to provide equal opportunities for girls and women in school athletic programs. Most private colleges are subject to Title IX guidelines just as public colleges and universities are because both receive federal funds through financial aid programs such as Pell Grants.

Title IX has paved the way for female athletes and sparked a new level of excellence in women's sports. In this year's Olympics, a record-setting total of about 3,700 women competed from here and abroad.

Data show that girls who play sports in school have a reduced risk of becoming pregnant or dropping out of school, have higher levels of self-esteem, and reduced risks for osteoporosis and breast cancer.

Controversy Surrounding Title IX

- 1) Since the Spring of 1992, several substantial law suits charging noncompliance with title IX have been brought against universities, the most notable of which is against Brown University. Brown decided to reduce its financial support for the women's volleyball and gymnastics teams--instead asking them to raise some of their own funds. The Department of Justice filed an amicus brief in Cohen v. Brown University. The Court ruled against Brown. However Brown appealed and the suit continues.
- 2) More recently, members of the U.S. Congress argued that title IX does not mean better opportunities for women athletes, but rather destruction of men's athletic programs. In 1995, Rep. Dennis Hastert (R-IL) organized House members to sign and send a letter to the Department of Education calling for "common sense" revisions to title IX such as to omitting men's football from title IX regulations. The Department of Education agreed to review title IX regulations. Currently, the Office of Civil Rights of the Department of Education is working on guidelines outlining what actions are appropriate to prevent sexual harassment and discrimination in schools. The guidelines will be issued sometime over the next two months.
- 3) A recent Texas court case determined that educational institutions with knowledge of sexual harassment between students that do not take corrective action are not violating title IX. This decision has been very controversial and may advance to the Supreme Court. The Supreme Court is deciding this week whether or not it will hear the case.
- 4) For an institution to be Title IX compliant, it must show its female student-athlete ratio to be proportionate to its female student population. The NCAA conducted its own gender equity probe in 1991 and found that over 80 percent of the dollars were going to men's programs and that 75 percent of the athletes were men.

For more information on the Department of Education title IX guidelines or the Texas court case, please call Howard Kallem, Supervisory Attorney, Office of Civil Rights, Department of Education, 202-205-8535.

Distribution:

TO: Carol H. Rasco
TO: Martha Foley
TO: Elena Kagan
TO: George Stephanopoulos
TO: Deborah L. Fine
TO: Todd Stern
TO: Jennifer L. Klein
TO: Betsy Myers
TO: Peter Jacoby
TO: Nancy-Ann E. Min
TO: Marilyn Yager

TO: Elizabeth E. Drye
TO: Douglas B. Sosnik
TO: Karen L. Hancox
TO: Katharine M. Button
TO: Barbara D. Woolley
TO: Barbara C. Chow
TO: Nicole R. Rabner
TO: Kathleen D. Hendrix
TO: Evelyn S. Lieberman
TO: Kerry Moran
TO: Victoria L. Radd
TO: Michael McCurry
TO: Barry Toiv
TO: Mary Ellen Glynn

May 12, 1997

Notes from meeting re: 25th anniversary of Title IX

Before Title IX, there were separate dorm rules for women and men, limits to scholarships for women, nepotism rules in employment re: spouses, separate vocational classes (Home Ec and Shop), only 10% of classes in engineering could be female, law and med school admissions were limited, etc.

Title IX covers sex discrimination in any educational institution which receives any federal funds for any educational opportunity. It does not cover activities of the federal government. All Cabinet Agencies grant money for educational activities. The activities those monies fund must comply to the provisions of Title IX.

POTUS is away June 23. The group would like to hold an event the week of June 16. Need funds. Marsha Greenberger will try to raise them with suggestions from Lynn Cutler and Ann Stock. It should be both a celebration and a rededication to principles of Title IX.

Event will have a policy piece which should be substantive and forward looking. It is important to open up educational training areas for women for the future. This all needs to be positive. There are some possibilities which include:

1. The school system administered by the Defense Dept (largest in the US). It may be fine in complying with Title IX provisions. However, it needs to be looked at and assessed. It should be a model system in the future. It needs a formal commitment that it will officially adhere to the standards and principles of IX.
2. Every Cabinet Agency that gives grants and loans has Title IX obligations for all educational programs. Most or all agencies give grants. Many don't follow the regs or haven't focused on them and some have not even issued regs. They could adopt regs and take them seriously.
3. This idea is not yet fully researched. There are federal agencies that give grants to individuals and/or programs, which do not comply with provisions of Title IX. The NSF comes to mind. Marsha will produce a list so the universe is more complete.
4. The National Womens Law Center has received many complaints about the Civil Rights Division at DOE. Those complaints are another source of ideas for policies that need to be rectified.

Event will have a face piece. Women who overcame obstacles or were helped by Title IX or mothers and daughters and the differences in their worlds. Verna Williams of the Coalition for Women and Girls Education, (a group of about 50 entities) will produce a list of possibilities.

Marsha thought perhaps MEG and her daughters, who participate so fully in sports at school, could be part of this.

Elena Kagan and Marsha Greenberger will pursue the policy piece.

There will be another meeting the end of next week.

June 16, 1997

Title IX: Celebrating 25 Years of Progress

DATE: Tuesday, June 17, 1997

LOCATION: Auditorium, Room 450

TIME: 11:00 a.m.

FROM: Maria Echaveste and Elena Kagan

I. PURPOSE

You are scheduled to speak at the event celebrating the 25th Anniversary of Title IX co-sponsored by the Coalition of Women and Girls in Education representing over 50 organizations and the Jackie Joyner-Kersey Youth Center Foundation. You will receive the just-finished report on Title IX from Sec. Riley and sign a Presidential Directive entitled Strengthening Title IX Enforcement and Addressing Discrimination on the Basis of Sex, Race, Color and National Origin in Federally Conducted Education Programs. The audience of 150 will be comprised of Members of Congress, representatives from the co-sponsoring organizations, board members of your Council of Physical Fitness and Sports, and other leaders gathered from around the nation to celebrate this milestone.

II. BACKGROUND

HISTORY OF TITLE IX

Monday, June 23 marks the 25th anniversary of the signing of Title IX of the Education Amendments of 1972. Title IX, one of the nations landmark civil rights laws, was enacted by Congress to prohibit sex discrimination in all aspects of American education in the classroom, in course offerings, in the school workplace, and on athletic fields.

As the womens civil rights movement gained momentum in the late 60's and early 70's, Americans began to focus attention on inequities that harmed the progress of women and girls in education. The initial impetus behind Title IX was the 1970 class action suit filed by the Womens Equity Action League (WEAL) against colleges and universities charging them with "an industry wide pattern of sex bias against women who worked in these institutions." In response, the House held its first hearing on sex discrimination in 1970. In 1971, Congress introduced several education bills that included sex discrimination proposals and in the Spring of 1972, the Senate and House passed Title IX. President Nixon signed Title IX into law on June 23, 1973.

Title IX has broken down many of the barriers that prevented girls and women from choosing educational opportunities and careers they would have liked to pursue. Twenty five years after its passage, the implementation of Title IX has resulted in tremendous improvements in educational and related job opportunities for millions of young girls. By the year 2005, women workers will make up 47 percent of the labor force and for the first time, their educational backgrounds makes them well prepared to assume high level employment opportunities that will improve their quality of life as well as our nations economy.

Since the early 1990's, men and women have been graduating from college in equal proportions--an historic event in our nations history. Since 1970, the proportion of women who have a high school diploma rose significantly and for African American women the high school graduation rate more than doubled. Dropout rates have dropped significantly among high school females who become pregnant or have a child--the law prohibits schools from discriminating against them in educational programs due to their status as a mother.

EXECUTIVE DIRECTIVE

Background on Executive Directive Strengthening Title IX Enforcement and Addressing Discrimination on the Basis of Sex, Race, Color and National Origin in Federally Conducted Education Programs

You will issue an executive memorandum with two parts to the heads of executive agencies and departments.

First, the memorandum directs each federal agency to develop a plan to enforce Title IX. A number of agencies have never adopted regulations or complaint procedures to enforce Title IX. This memorandum will require all federal agencies to consult with the Attorney General and report back to you within 90 days on measures to ensure effective enforcement, including methods to make all recipients of federal financial assistance of their obligation not to discriminate and to put in place grievance procedures to handle Title IX complaints.

Second, the memorandum addresses discrimination on the basis of sex, race, color and national origin in federally conducted education programs and activities. Currently, Title IX generally prohibits discrimination based on sex, and Title VI of the Civil Rights Act of 1964 generally prohibits discrimination on the basis of race, color or national origin in education programs or activities that receive federal assistance. However, these laws do not apply to comparable education programs or activities that are conducted by the federal government. The executive memorandum will take action against discrimination in education programs or activities conducted by the federal government as well. It will not affect military training programs (just as Titles IX and VI do not apply to military training), but it will cover the militarys civilian programs, including the schools it operates.

We are not aware of any particular incidents of discrimination in federal agencies. This order will simply hold the federal government to the same standards of non-discrimination in educational opportunities that we now apply to education programs receiving federal assistance.

DEPARTMENT OF EDUCATION REPORT "TITLE IX: 25 YEARS OF PROGRESS"

Today, Department of Education Secretary Riley will present you with a report entitled "Title IX: 25 Years of Progress" which provides an overview of the accomplishments in the educational achievement of girls and women since Title IXs passage. The following are some of the key highlights of the report:

*The large gaps in educational attainment between males and females that were striking in 1972 are virtually nonexistent today. For example:

*In graduate and professional schools--When Title IX was first enacted , 9 percent of

medical degrees went to women. In 1994, women received 38 percent of medical degrees. Women account for 43 percent of law degrees, up from 7 percent in 1972.

*In colleges--More than 100,000 women participate in intercollegiate athletics, which is a four-fold increase since 1971.

*In high schools--Girls are slightly more likely than boys to complete high school. In 1995, 87 percent of young adult females had completed high school compared to 86 percent of young adult males. Almost equal proportions of males and females are taking vocational-technical courses, and girls are most likely to be enrolled in business programs.

*The next 25 years--Today, even with the many advances women have made in academics, employment and athletics, we still have work to do in our efforts to achieve equality. Even though women make up over half of the labor market, they are often paid less than men. In 1993, women who had majored in the natural sciences earned 15 percent less than men who majored in the same field.

III. PARTICIPANTS

150 attendees including:

25 Members of Congressmen;

57 Representatives from the Coalition of Women and Girls in Education;

20 Associates from the National Womens Law Center;

12 Board members of your Council on Physical Fitness and Sports;

4 Eighth grade girls from the Thomas Edison Center for Technologys Biotechnology Summer Focus Program: Fun With DNA, and their program sponsor;

Other leaders and supporters of Title IX; and

Program Participants:

Verelett Allen (Washington, DC) graduated from the Wider Opportunities for Women (WOW) electronics program in 1981 and is the Coordinator for the YWCA/HCCCE Non-Traditional Employment for Women Program and founder and Executive Director of Women's Work, Inc., Silver Springs, MD.

Dr. Nelba Chavez (Silver Springs, MD) is one of the key leaders of HHS Girl Power campaign and the first Administrator of the Substance Abuse and Mental Health Services Administration (SAMHSA). She is also the first Hispanic to head an agency within the U.S. Department of Health and Human Services.

Captain Robin Forster (Baltimore, MD) is a firefighter at Station 10 in Parkville, MD, and a member of International Association of Firefighters.

Anne Jarvis Jefferson (Winona, MN) has distinguished herself as one of the most accomplished young scientists in our country. Ms. Jefferson is a U.S. Presidential Scholar and has also won the Pinnacle Award at the Intel International Science and Engineering Fair. Anne will be introducing you.

Jackie Joyner-Kersey (East St. Louis, IL) is one of the most accomplished female track and field athletes of all time. Competing in four Olympic Games, she won six medals (3 gold) and set numerous World and American records in the heptathlon and long jump.

Dr. Sally K. Ride (La Jolla, CA) became the first American woman to fly in space when the space shuttle Challenger took off from Cape Canaveral, Florida, on June 18, 1983. Ride served as mission specialist on two Challenger flights.

Secretary Richard W. Riley

IV. PRESS PLAN

Open.

V. SEQUENCE OF EVENTS

(10:05-10:30 a.m. -- Pre-brief in Oval with Sec. Riley, Judith Winston, Maria Echaveste, and Elena Kagan)

(10:45 a.m. -- Meet and have photos taken with program participants in Room 472)

Off-stage announcement of program participants, then the announcement of you, the First Lady and Sec. Riley;

First Lady makes remarks and introduces Sec. Riley;

Sec. Riley makes remarks and hands you the Title IX report, then introduces Jackie Joyner-Kersey;

Ms. Joyner-Kersey makes remarks and introduces Anne Jarvis Jefferson;

Ms. Jefferson makes remarks and introduces you;

You speak, and then move to table and take seat to sign the Directive with group gathered around for photo; and

Event ends.

VI. REMARKS

Yes, provided by speechwriters.

VII. ATTACHMENTS

The Directive entitled Strengthening Title IX Enforcement and Addressing Discrimination on the Basis of Sex, Race, Color and National Origin in Federally Conducted Education Programs (to be provided to Staff Secretary by DPC)

Department of Education's report entitled "Title IX: 25 Years of Progress" (to be delivered upon receipt from DoEd)

Summary of DoEd's report highlights

Short biographical summaries of program participants

List of Members of Congress attending event

List of event participants

EXECUTIVE OFFICE OF THE PRESIDENT

06-Aug-1996 04:18pm

TO: (See Below)

FROM: Lyndell Hogan
Domestic Policy Council

SUBJECT: Title IX/Women In Sports

To:Distribution

From:Jeremy Ben-Ami
Lyn Hogan

Date:August 6, 1996

Re:Title IX/Equal Opportunities for Girls
and Women In Sports

Because the President will be making remarks tomorrow regarding title IX, I have prepared the following memo. The memo includes brief background information on title IX and four points of controversy surrounding title IX that could be raised during Q&A.

Background

Title IX prohibits sexual discrimination at educational institutions that receive federal funds. It is part of the Education Amendments of 1972 that President Nixon signed into law.

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Data show that girls who play sports in school have a reduced risk of becoming pregnant or dropping out of school, have higher levels of self-esteem, and reduced risks for osteoporosis and breast cancer.

Controversy Surrounding Title IX

- 1) Since the Spring of 1992, several substantial law suits charging noncompliance with title IX have been brought against universities, the most notable of which is against Brown University. Brown decided to reduce its financial support for the women's volleyball and gymnastics teams--instead asking them to raise some of their own funds. The Department of Justice filed an amicus brief in Cohen v. Brown University. The Court ruled against Brown. However Brown appealed and the suit continues.
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- 3) A recent Texas court case determined that educational institutions with knowledge of sexual harassment between students that do not take corrective action are not violating title IX. This decision has been very controversial and may advance to the Supreme Court. The Supreme Court is deciding this week whether or not it will hear the case.
- 4) For an institution to be Title IX compliant, it must show its female student-athlete ratio to be proportionate to its female student population. The NCAA conducted its own gender equity probe in 1991 and found that over 80 percent of the dollars were going to men's programs and that 75 percent of the athletes were men.

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TO: Victoria L. Radd
TO: Michael McCurry
TO: Barry Toiv
TO: Mary Ellen Glynn

*SPERLING PRIORITY ITEMS

Monday, June 30, 1997

THINGS TO DO SUNDAY/MONDAY

1. Race Initiative. You should call Kaplan re: this mornings morning. There have been some developments.

2. Urban Meeting. We plan to have our urban meeting early next week. We need to discuss the agenda that Peter and I drafted for you.

3. Susan Page/Health Care: We have the packet of health care material. We need to decide what to fax to her.

3. Paper for POTUS.

*MEDICARE MEMO TO POTUS. Talk with Jennings and Peter.

*We Made a Difference. Russell has redrafted. NSC is clearing foreign policy section.

*Kalil Memo on R&D.

4. Craig Smith Request. Craig will meet with Hill Democratic staff on Tuesday regarding the "Helping Working Families Win" document, and he is looking for feedback. You may want to raise with Rubin, others. We should discuss further.

5. NEC Principals Meeting Next Week. If we are to have one on Tuesday, you need to discuss with Elena the tobacco initiative. Possible agenda items: race (Sylvia); tobacco (Bruce/Elena); fast track (GS/Dan); climate change (GS/Dan/Katie); Craig Smith document.

6. Fed Nominees.

7. July-September Policy Announcements. Any follow up we need to do from Erskines meeting on Friday?

8. Tobacco Settlement. Discuss tobacco settlement with Reed/Kagan (and possible NEC principals meeting early next week). Lambrew, Ellen, Mazur, and Peter have been approached to work on this. These NEC staff will update you regularly on the status of their work.

9. Personnel.

*Call Bobby Rosen; ask Barbara Chow about Stan Collender; Anne Lewis has a note in to you with several suggestions.

*Sandy Berger wrote a note to you and Dan on replacement for Helen Walsh as she is a joint NEC/NSC person. He wants to discuss. NSC is checking on a time.

*Call David Ellwood 617-495-1121; Bo Cutter 212-878-6163; Jackie Parker

*Call Phil Lader and Bo Cutter re: McGinnis

10. Climate Change. Meeting early this week.

*You raised the idea of Peter and you working on trading issues.

*You should also discuss the following with Peter: Following Evs departure, Gotbaum strongly recommends that the NEC team up with CEQ to oversee the modeling of effects of climate change. Treasury could provide staff assistance.

11. SBA Procurement Issue. Dorothy may have deputies meeting to follow last weeks meeting. She will discuss with you.

12. Chaka Memo. Bob has discussed with Ed, OMB and others; you have the latest draft from last week. Raines wants to have a principals meeting before memo goes into POTUS.

13. Call to Alexis Herman. Discuss Seth Harris with Anne Lewis first. Also need to raise Anthony Carnevale re: Employment and Training.

CALLS YOU MUST MAKE

Rep. Hoyer 225-4131 Letter on Federal employees

Harris Wofford 606-5000 Ext. 177

M. Berman 728-1100

Prof. Tribe 617/495-4621

Bob Katzmann 797-6077

Don Fowler 803/799-7550

Don Lubick 622-005028% recapture

Stan Ikenberry

KEEP IN MIND

1. Product Liability. Discuss memo with Ellen.

2. Communications Plan. Jake is working on one.

3. Securities Litigation. Mozelle and Ellen will get something to you soon.

4. Responding to Other POTUS Notes

*Peter has redrafted the final response to POTUS on environmental taxes, per your conversation.

*Mark is working on the advertisement on Disney "The Loophole King"

*Chucks talking points for recommended phone call to Nunn and Rudman are in your folder

5. NEC Planning. Lets discuss Podestas note on training and WIPO, as well as our next steps overall

6. Education.

*School-to-Work. Shireman has compiled list of people for meeting. Call Paul Dimond at 639-9456 regarding J.D. Hoyer and name of person for Assistant Secretary for Training position at Labor.

*Faircloth Legislation. Erskine wants to know how it differs from HOPE. Bob has drafted a memo for your review.

7.Credit Card Memo. This should go into POTUS soon from you and Janet.

8.Medal of Freedom. Are you interested in soliciting ideas from staff and others, or in discussing more privately? If you have some initial thoughts, we may want to send a short preliminary note to Todd Stern. (Youve mentioned Jackie Robinson, Walter Mondale and Dr. Seuss -- should we submit these?)

9.Superfund. Does this merit Peters involvement at this point?

10.Agency Visits. Melissa and I will continue to work with agencies to set these up.

UPCOMING EVENTS

1.E Commerce Report on July 1. Event is set for the East Room. VP, POTUS and several CEOs, including IBMs Gerstner. Kalil is working on an Internet demo.

2.Radio Address for July 4. To be taped on July 3. Looks like NOT the NASA landing on Mars. We still have an opening.

3.CDA Event in mid-July. This looks set for July 16, with industry leaders, parent groups etc. to unveil the virtual v-chip initiative.

4.Health Events. Sylvia asked that we develop some ideas for health events in July. I have spoken with Jeanne Lambrew about this, and she will draft up some of her thoughts.

OTHER ITEMS

1. Write Notes To
 - a. Panettah. Sally Katzen
 - b. Morty Bahri. Dep. Sec. Curtis
 - c. Tysonj. Bob Boorstin
 - d. McCurry/Scheark. Charlie Rangle
 - d. Stiglitz
 - e. Cuomo
 - f. Slater
 - g. Daley

2. Larry Katz Welfare Dinner. Do you want to reschedule? 617-876-2061

3. Pay Bills. See Melissas List

4. Your Brother Rick.

- a.Call Ricky to see exactly what he wants to do with Mosaic in Chicago
- b.Keep pushing Rahm

5.Ellen Bukstal. Her group playing at a POTUS event, preferably an AIDS event

6.Debate Posters for Orszag and Taberski. We have blank posters, just need POTUS to sign them

STATUS OF SSA PROPOSAL RELATED TO
INDIVIDUALS WHO PARTICIPATED IN NAZI PERSECUTIONS

In early March, SSA sent OMB a legislative proposal to deny benefit payments to individuals who participated in Nazi persecutions. The impetus for SSA's action appears to be a commentary in a St. Petersburg, Florida, newspaper and a request to SSA for drafting assistance by Ways and Means Social Security Subcommittee Chairman Bunning. Justice initially balked at the proposal, then agreed to have discussions with SSA to try to work out language agreeable to both agencies.

Last week (April 15), Steve Warnath of the DPC chaired a meeting with Justice, SSA, and advocates of holocaust survivors to discuss the proposed legislation. SSA and Justice said at this meeting that they had agreed on language to close what SSA characterized as a "loophole" allowing individuals who have been prosecuted and denaturalized to continue to receive benefits. Under current law, benefits are terminated upon an order of deportation. The proposed legislation would terminate benefits upon a judicial determination of denaturalization. At the meeting, it was generally accepted that this may occur years before an order of deportation. In the meantime, some denaturalized Nazi war criminals leave the country. According to SSA, 18 Nazi war criminals are currently receiving Social Security benefits outside the United States.

The advocates then spoke against the proposed legislation, saying they would oppose such a bill publicly. Their overriding concern is how the proposal will impact on the prosecution of Nazi war criminals. They said the historic responsibility to achieve justice for holocaust survivors is best served by judicial determinations of denaturalization. The theory of their opposition to the SSA proposal is that, because those being prosecuted are now often over 80 years old, if denaturalization also meant impoverishment, some judges might be sympathetic to these individuals and be reluctant to find against them.

Steve asked whether continued eligibility for benefits when there is no order of deportation served as an incentive for denaturalized individuals to leave the country. The advocates said that, if a handful of people leave the country after denaturalization and continue to receive benefits, this "problem" is outweighed by the unacceptable risk that tinkering with the current system will have on judicial decision-making.

Justice defended their position by saying that the change in law would send a signal to other countries to be tougher on pensions to Nazi war criminals. The advocates said that argument did not outweigh the danger to the key goal. The main concern about other countries is Germany, which still pays wartime pensions to some Nazis. The advocates say that nothing we do in this area is apt to influence what they're doing. They also noted that U.S. law in relation to Nazi war criminals is already tougher than for other deportees, i.e., benefits are cut off at the time of the deportation order rather than the actual deportation.

After a meeting the next morning (April 16) led by Steve with staff from OMB, the White Counsel's office, and the Office of Public Liaison, Steve was prepared to recommend to Elena Kagan and Bruce Reed that the Administration should not submit a bill. At this point, we have not received any feedback on a decision from Steve/DPC.

December 14, 1998

MEMORANDUM FOR NEC DEPUTIES

FROM: SALLY KATZEN

SUBJECT: Deputies Meeting on Mergers/Workforce Investment Act.

The NEC deputies meeting will take place this Wednesday, December 16th from 1:00-2:30 in Room 180 of the Old Executive Office Building. Please confirm attendance and provide clearance information if needed to Shannon Mason at 456-2800.

Attached is the revised draft interim report to the President on mergers, incorporating the deputies comments and edits. We will take this up as the first order of business, so please review and be prepared to provide clearance. If you have additional changes, please try to provide them in advance to Dorothy Robyn, at 456-5365.

See you there.

DISTRIBUTION LIST

Rebecca Blank - 5-6347
Janet Yellen - 5-6958
David Lane - 501-1262
Robert Shapiro - 482-0432
Andy Pincus - 482-0042
Marshall Smith - 401-3095
TJ Glauthier - 586-7644
Peter Robertson - 401-3764
Kevin Thurm - 690-7755
Saul Ramirez - 708-0123
Jacquie Lawing - 708-4087
Katherine Higgins - 219-1048
Edward Montgomery - 219-7971
Sylvia Mathews - 5-1005
Elena Kagan - 6-2878
Fred Hochberg - 205-6802
Stu Eizenstat - 647-9763
Mort Downey - 366-3937
David Wilcox - 622-2633
Richard Fisher - 5-3390
Sue Esserman - 5-3639
David Beier - 6-6704
Keith Collins - 690-4915
Audrey Winters - 5-3639
Doug Melamed - 616-7320
William Baer - 326-2884
Alan Larson - 647-5713

Josh Gotbaum - 5-4995

December 2, 1998

MEMORANDUM FOR NEC DEPUTIES

FROM: SALLY KATZEN

SUBJECT: Deputies Meeting on Mergers

Yes, we will in fact hold an NEC Deputies meeting on mergers, concentration and competition this Wednesday, December 9th from 1:00-2:30 in Room 180 of the Old Executive Office Building. Please review this DRAFT and I emphasize draft, so we may send forward. Please call Shannon at 456-2800 to confirm attendance. See you there.

Distribution

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00.MEMORANDUM FOR ELENA KAGAN and SALLY KATZEN

FROM: JULIE FERNANDES
CECILIA ROUSE

RE: WYDEN-GRAHAM AGRICULTURAL GUESTWORKERS BILL

DATE: September 14, 1998

Background

Agricultural "guestworkers" are admitted on H-2A visas for temporary jobs. Under the current program, in order to hire H-2A workers, an employer must demonstrate to the DOL that (a) there are not sufficient U.S. workers able, willing, qualified and available to perform the services; and (b) there will be no adverse effect on the wages and working conditions of similarly-employed U.S. workers. Employers also are required to pay workers an "adverse effect wage rate" (AEWR), determined by the average wage paid to non-managerial agricultural workers in the state; provide free housing to workers outside the commuting area; reimburse workers inbound transportation if they complete half the contract, outbound also if they complete the contract; guarantee 3/4 of the hours of the contract; and hire any qualified U.S. worker who applies during the first half of the work contract. There is no cap on the number of H-2A visas granted. Out of the 1.6 million farmworkers in the United States, approximately 600,000 are unauthorized to work, and approximately 20,000 are in the H-2A program.

In June 1995, in response to efforts in Congress to pass legislation that would create a new guestworker program (without the worker protections present in the existing program) and agreeing with the recommendation of the Commission on Immigration Reform, the President stated his opposition to a "new guestworker program." However, he also stated that if the crackdown on illegal immigration contributes to labor shortages, he would direct the Departments of Labor and Agriculture to work cooperatively to improve and enhance the existing H-2A program.

Grower advocates argue that they continue to experience difficulties in finding domestic farmworkers and that the H-2A program is slow, cumbersome, and expensive. However, a recent (December 1997) GAO study concluded that agribusiness does not now and will not soon face an agricultural labor shortage. The GAO's finding of a labor surplus echoes the conclusions of the U.S. Commission on Agricultural Workers (1992), and the U.S. Commission on Immigration Reform reports (1995 and 1997). While the GAO report suggested that there could develop localized labor shortages, it noted the widespread belief that employers should respond to the market place by increasing wages, improving recruitment and modernizing their labor practices. Further, the GAO report cited a study which concluded that substantial wage increases would have little effect on consumer produce prices or international competitiveness. Many growers blame the INS's recent crackdown on undocumented farmworkers for the shortages of domestic farmworkers and their need to rely on a dysfunctional H-2A program.

On March 12th of this year, the House Judiciary Subcommittee on Immigration approved legislation, sponsored by Rep. Robert Smith (R-OR), that provides for a new pilot guestworker program that erodes existing worker protections. In a letter to Chairman Lamar

Smith, Secretary Herman stated that if this legislation were presented to the President, she would recommend a veto. This bill was voted out of the subcommittee on a voice vote, but has not been taken to the full House Judiciary Committee.

Soon after this bill was introduced, we initiated a process with the Departments of Labor and Agriculture to determine what kinds of regulatory and/or administrative reforms we could put into place before the next growing season. We developed a set of regulatory reforms that respond to the growers concern that the program needs to be streamlined (i.e., improved processes; reduced paperwork and delay). The Department of Labor and the Justice Department (which handles the immigration aspects of the program) have developed a package of proposed rulemaking changes that we hope will go in effect by the end of January. However, though some grower advocates were pleased with the set of administrative reforms, they continue to press for a legislative package that would fundamentally alter the way the program is operated.

On July 22, 1998, Senators Ron Wyden, Bob Graham and Gordon Smith (R-OR) introduced an amendment to the CJS appropriations bill that would make significant changes to the current H-2A program. On that same day, the Secretary of Labor sent a letter to Senator Wyden stating her strong opposition to his amendment which creates a new guestworker program that erodes labor protections for migrant farmworkers. The overall concern with the Wyden-Graham bill is that it shifts costs and risks from employers to workers and/or the government.

Issues Regarding H-2A Reform

Issue #1

Use of the Adverse Effect Wage Rate

Whether we would consider eliminating the adverse effect wage rate and replacing it with an enhanced prevailing wage rate.

Current Law:

Under the current program, growers who employ H-2A workers are required to pay their workers the higher of the prevailing wage (determined by the average wage for the crop in the local area), the federal, state or local minimum wage or an "adverse effect wage rate" (AEWR) (equal to the average statewide agricultural wage rate). Because foreign workers can sometimes dominate a local labor market, this wage depression is often reflected in the local prevailing wage. The AEWR partially corrects for this depressive effect by measuring farmworker wages on a statewide basis -- thus dissipating the impact of foreign workers on the wage.

Wyden-Graham Bill:

Under the Wyden-Graham bill, the worker is required to be paid either the prevailing wage or the AEWR (capped at 105% of the prevailing wage).

Recommended Administration Position:

The Departments of Labor and Agriculture agree that our goal is to find a way to calculate the wage that both takes into account the depression of wages in areas where there is heavy reliance on illegal and H-2A workers and that isnt so high as to drive employers to hire undocumented workers. Thus, we have agreed to explore proposals to replace the AEWR with

some form of an enhanced prevailing wage, so long as the enhancement is adequate. Our preliminary assessment is that 105% of prevailing wage would be an inadequate enhancement.

Though we may conclude that a move away from the AEWR could more accurately reflect proper wages in certain sectors, we will likely face significant backlash from the Hispanic and farmworker communities if the new formula results in lower wages in any sector.

Issue #2

Employer Recruitment -- Use of Proposed Registry

Whether we support the creation of a registry system for matching growers to farmworkers that totally replaces an employers obligation to conduct positive recruitment.

Current Law:

Under current law, if the grower is seeking to employ H-2A workers, he must affirmatively recruit in the private marketplace (know as "positive recruitment") and use the federal-state Job Service to circulate job offers to areas where migrant workers may be located. Thus, the responsibility for farmworker recruitment is shared between the prospective employer and the U.S. Employment Service.

Wyden-Graham Bill:

Under the Wyden-Graham bill, growers seeking to employ H-2A workers would have no obligation to attempt to recruit legal U.S. farmworkers except through a newly-created "job registry." Thus, all responsibility for the recruitment of domestic farmworkers would shift to a new, untried, process for which the government and low-wage workers are entirely responsible. This registry would take years to create, but H-2A workers could be hired within 6 months of the enactment of the bill. Further, because growers would no longer have an obligation to recruit domestically, they would be free to concentrate their worker recruitment efforts abroad.

Recommended Administration Position:

There is general agreement between USDA and DOL that total reliance on a registry (undeveloped; untested) would be unacceptable -- growers must retain some of the responsibility for finding U.S. workers. However, despite these concerns, it may be worthwhile to develop a pilot program to test whether a registry of the kind described in the bill could be an effective tool to assist growers in locating U.S. farmworkers. We could also consider the development of a method of ensuring that those domestic workers whose names are included in the registry are authorized to work (as in the Wyden bill).

Issue #3

Housing

Whether H-2A employers should continue to have an obligation to provide housing to their workers. Also, whether this obligation is met by the issuance of housing vouchers.

Current Law:

Current law requires growers who employ H-2A workers to provide them with free housing.

Wyden-Graham Bill:

The Wyden-Graham bill allows growers to provide a payment voucher (equal to 1/4 of the Fair Market Rate in the applicable county for a two bedroom apartment) in lieu of housing, unless the State certifies that adequate housing is not available in the area. Under this approach, the grower employing H-2A workers would have no obligation to assure that housing is actually available and could be obtained with the voucher.

Recommended Administration Position:

The DOLs chief concern is that the cost of housing not be transferred from the grower to the worker. They also believe that it should remain the growers responsibility to ensure that housing is available for the workers. USDA remains of the view that the provision of a housing voucher or an increased wage (to reflect the cost of housing) should satisfy the growers obligation, even if there is no housing available for these workers.

First, there are many areas (particularly in the West) where there simply is not an adequate supply of rural housing to meet the needs of these workers. Second, even if there is some housing available in the area, it is unrealistic to expect low-wage foreign migrant farmworkers to be able to secure housing on their own using a federal voucher. Thus, reliance on a voucher system will leave many workers either without housing or overcrowding any available rental housing.

We recommend not eroding the existing requirement that growers who use the H-2A program provide their workers with housing. However, we may want to consider whether the federal government could do more to assist growers in creating housing for their farmworkers. Currently, the Department of Agriculture administers a migrant farmworker housing program that we could scale up. Also, it may be possible to find ways to encourage states to use their CDBG or HOME funds to target the creation of farmworker housing. Finally, it may be possible to waive some housing regulations if the H-2A worker were housed in established housing (i.e., a hotel, government housing, etc.). These options would be designed to assist the growers with fulfilling their obligation to provide adequate housing for their workers -- not as a shift in responsibility from the growers to the government.

Issue #4

The 3/4 Guarantee

Whether we support the continued use of the 3/4 guarantee.

Current Law:

Under current law, workers must be paid for at least 75% of the work contract period for which they were recruited, except when there is an "act of God." This "three-fourths guarantee" gives migrant workers some indication of their potential earnings and discourages employers from over-recruiting to secure a labor surplus and drive down wages. Under the MSPA (which applies to U.S. migrant farmworkers, but not H-2A workers), workers enjoy a 100% guarantee.

Wyden-Graham Bill:

The Wyden-Graham bill would eliminate this work guarantee for H-2A workers. This change will encourage growers to lure workers from hundreds or thousands of miles away with the promise of potentially high earnings without any obligation to fulfill any part of that promise. This may also encourage growers to recruit more workers than they actually need to hedge against uncertainties.

Recommended Administration Position:

There is agreement within the Administration that the H-2A program should generally track the worker protections included in the Migrant and Seasonal Worker Protection Act (MSPA). As noted, under the MSPA, migrant farmworkers are guaranteed 100% of the work contract period for which they were recruited. Thus, the 3/4 guarantee for H-2A workers is more flexible (and thus better for growers) than the 100% guarantee mandated for those who employ only U.S. workers.

It would seem inconsistent for us to endorse a standard substantially less for the H-2A program than that required under the MSPA. When asked why the growers could live with the 100% guarantee under MSPA, but not the 75% guarantee under the H-2A program, we were told by USDA that it is because the MSPA guarantee is never enforced, and the H-2A guarantee is.

Issue #5

Repatriation Incentive

Whether we support wage-withholding as an incentive for H-2A workers to repatriate.

Current Law:

Under current law, there is no mechanism for ensuring that H-2A workers return to their home country.

Wyden-Graham Bill:

Permits employers to withhold 20% of a workers wages, to be reclaimed upon the workers return to his home country.

Recommended Administration Position:

In general, there is agreement within the Administration that we should try to develop an effective way to ensure that guestworkers return to their home country after the termination of the contract. However, this wage deduction is a bad idea that would likely prove ineffective.

First, this would be the first time that the federal government authorized the withholding of worker wages as an incentive toward future behavior. Second, it is unclear whether many of these workers would be able to recover this money from the accounts in their home countries. In addition, there is no evidence that these amounts would serve as a disincentive for employees who intend to stay in the U.S.

According to Sen. Wyden, this provision is not important to the growers, but is key to the viability of his legislation in the Congress. Some members of Congress are concerned that a new guestworker program will lead to an increase in foreign workers in the U.S. and thus an increase in those that do not return to their home country. However, as noted, there is very little reason to believe that a worker who wants to overstay his visa will be deterred by this withholding. Thus, it only would serve to inconvenience (and possibly, disadvantage) those workers who want to work here and return home.

Issue #6

Transportation Reimbursement

Whether employers should continue to be required to provide reimbursement to workers for inbound transportation if they complete 50% of the contract, and for outbound transportation if they complete 100% of the contract.

Current Law:

Under current law, the employer must reimburse the H-2A worker for inbound transportation costs if the worker completes 50% of the contract and for outbound transportation costs if the worker completes 100% of the contract.

Wyden-Graham Bill:

Under the Wyden-Graham proposal, workers may receive such reimbursement from their employer, but the employer is under no obligation to pay. This change would simply shift the cost of transportation to and from the job from the grower to the worker.

Recommended Administration Position:

There is general agreement within the Administration that growers should be responsible for the transportation costs of their H-2A workers. Therefore, we strongly oppose allowing growers to have discretion in reimbursement. However, we could consider giving the grower options on how to reimburse the worker for transportation costs. For example, the grower could have a choice between providing the transportation outright, advancing the cost of transportation to the worker, reimbursing the worker for the transportation, or paying the worker a much higher wage (such as 120% of the prevailing wage) with the intent that the wage "bonus" would be sufficient to cover transportation costs. In addition, there is likely agreement that DOL could develop a pilot program to provide transportation advances for U.S. farmworkers.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

07-Dec-1995 09:33am

TO: (See Below)

FROM: Dinah Bear
 Council on Environmental Quality

SUBJECT: New Hogan rule includes Forest Plan sales

Distribution:

TO: T J Glauthier
TO: Elena Kagan
TO: Martha Foley
TO: Jennifer M. O'Connor
TO: Christine L. Nolin
TO: Ruth D. Saunders
TO: Brian J. Johnson

CC: Thomas C. Jensen

December 15, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Gene Sperling
Elena Kagan

SUBJECT: New Initiatives on Discretionary Side of Budget

OMB is working on finding an additional \$6 billion for discretionary spending. Within that constraint, the NEC and DPC have agreed on allocations that OMB has signed off on. While you may find that Department appeals call for decreasing the funds for new initiatives, we wanted you to see how your White House budget team would allocate funds under these constraints.

We already have given you detailed memos on most of these initiatives. If you approve the initiatives, you can announce any or all of them in the State of the Union.

Because so many of the new initiatives involve education, we are attaching an appendix to this memo that shows recommended funding levels for the Department of Education's major base programs.

Education

1. Education Opportunity Zones (\$225 million): This initiative will provide funding to about 25 high-poverty urban and rural school districts for agreeing to adopt a "Chicago-type" school reform agenda that includes ending social promotions, removing bad teachers, reconstituting failing schools, and adopting district-wide choice.
2. College-School Partnerships (\$150 million): This initiative, which builds on Eugene Lang's model of helping disadvantaged youth, will provide funding for college-school partnerships designed to provide mentoring, tutoring, and other support services to students in high-poverty schools, starting in the sixth grade and continuing through high school. The six-year funding path would provide help to nearly 2 million students. It will also include Chaka Fattah's idea of early notification to disadvantaged 6th graders telling them of their Pell Grant and loan eligibility.
3. Campaign on Access to Higher Education (\$20 million): This initiative will fund an intensive publicity campaign on the affordability of higher education. The goal of the campaign will be to make every family aware that higher education is now universally accessible -- and that it is the key to higher earnings. As part of this effort -- and to complement the college-school partnership program described above -- we will provide families at high-poverty middle schools with an official notification of the \$20,000 or more that is already available for their children to go to college.
4. Teacher Recruitment and Preparation (\$67 million): This initiative, which you previewed

last July at the NAACP Conference, will provide scholarships to nearly 35,000 new teachers over five years for committing to work in high-poverty urban and rural schools. It also will upgrade the quality of teacher preparation programs serving these communities.

5. Technology Teacher Training (\$222 million): This initiative increased the Technology Literacy Challenge from \$425 million to \$475 million and then dedicates 30 percent of the Technology Literacy Challenge Fund to ensure that at least one teacher in every school receives intensive training in the use of technology for education, so that they can train their colleagues. An additional \$80 million will begin an effort to train every new teacher in the latest technology.

6. Hispanic Education Action Plan -- (\$195 million or more): This initiative will increase funding for a number of existing programs to improve education for Hispanic Americans and other limited English proficient (LEP) children and adults. It would double our investment in training teachers to address the needs of LEP children; boost the Migrant Education Program by 16 percent; increase the TRIO college preparation program by 10 percent; and create a 5-year, \$100 million effort to disseminate best practices in ESL training for adults. We would accompany these program increases with administrative actions to help Hispanic students complete high school and succeed in college.

Child Care

We recommend placing most of the child care initiative -- in particular, the proposed increase in the Child Care and Development Block Grant and the establishment of a new Early Learning Fund -- on the mandatory side of the budget. The smaller pieces of the initiative that we propose placing on the discretionary side are the following:

1. After-School Program Expansion (\$150 million): This program expansion will increase funding of the 21st Century Community Learning Center Program (now funded at \$40 million) for before- and after-school programs for school-age children at public schools. Depending on the exact funding level chosen, this investment will create new programs in 1,500-4,000 schools.

2. Standards Enforcement Fund (\$100 million): This new fund will support state efforts to improve licensing systems and to enforce health and safety standards, particularly through unannounced inspections of child care settings. The fund also will enable states to issue report cards, for use by consumers, on the quality of the facilities inspected.

3. Provider Training (\$51-60 million): A new Child Care Provider Scholarship Fund, which you proposed at the Child Care Conference to fund at \$50 million annually, will support 50,000 scholarships each year to students working toward a child care credential. The students will commit to remaining in the field for one year for each year of assistance received, and will earn increased compensation or bonuses when they receive their credential. An additional \$1-10 million will allow the Department of Labor to expand its Child Care Apprenticeship Training Program, which funds providers combining work toward a degree with on-the-job practice.

4. Research and Evaluation Fund (\$10-30 million): This new fund will provide grants for research projects, establish a National Center on Child Care Statistics, and set up a national child care hotline.

5. Paid Leave Demonstration Fund (\$10 million): This small evaluation and demonstration fund will support communities and organizations that are testing and/or studying innovative approaches to providing financial assistance to parents who wish to stay home with their newborns.

6. Head Start and Early Head Start Expansion (\$334 million): This level of increased investment in the overall Head Start budget should permit doubling the set-aside for Early Head Start without reducing the resources available for children 3-5. The doubled set-aside would enable more than 35,000 additional children to receive Early Head Start services in 2002.

Welfare, Housing, Urban

1. Welfare-to-Work Housing Vouchers (\$283 million): This initiative will provide 50,000 new housing vouchers to help welfare recipients in public housing who need to move in order to find employment. HUD will distribute these vouchers on a competitive basis to public housing authorities working with local TANF agencies and/or grantees of the new \$3 billion welfare-to-work program.

2. Housing Portability/Choice (\$20 million): In addition to the new welfare-to-work housing vouchers discussed above, our proposed package on housing portability and choice expands Regional Opportunity Counseling sites and takes administrative actions to eliminate obstacles to portability in the Section 8 housing program.

3. "Play-by-the-Rules" Homeownership Proposal (\$30 million): This initiative would enable the Neighborhood Reinvestment Corporation to assist approximately 10,000 families who have a perfect track record of paying their rent on time become homeowners. This initiative will help families become homeowners through downpayment assistance, interest rate buydowns, or rehabilitation loans.

4. Homeownership Opportunity Fund (\$11 million): This initiative will allow HUD to develop a loan guarantee program to allow state and local governments to leverage current HOME funds with private-sector investments to fund large scale, affordable housing developments in distressed communities.

5. Community Empowerment Fund (\$400 million): This initiative establishes a public/private fund ("Eddie Mac"), which will invest in inner-city businesses and create a secondary market for economic development loans (like Fannie Mae).

Raise FHA Loan Limit (Raises \$150-\$200 million): The budget currently includes this proposal to raise the FHA loan limits, helping more middle-income Americans get home mortgages which have low downpayment requirements. The first \$150 million of revenue raised through this proposal would be used to pay for Round II of Empowerment Zones.

Homeless Assistance The budget currently includes a substantial increase in homeless assistance of approximately \$341 million (above FY98). This includes \$177 million to help 32,000 homeless receive Section 8 vouchers.

Homeownership Voucher Initiative (No Cost): The budget will include our proposal to allow Section 8 vouchers to be used for homeownership. This proposal was originally included in

our Public Housing Reform bill. You should know that Freddie Mac has already agreed to purchase up to 2,000 of these Section 8 voucher mortgages from lenders -- secondary market participation is essential to reassure, and therefore, recruit lenders. The downpayment for these mortgages would be set at 3 percent, to allow low and very-low income families to participate.

Fair Lending (No Cost): As described in previous memos, we are working on a fair-lending initiative which has no budgetary impact. The proposals being developed by an interagency working group include, for example, (1) an examination of the impact of credit scoring and risk-based pricing on the availability of credit/capital to lower-income and minority individuals; (2) a Presidential call to obtain more data on reasons for home mortgage loan denials; and (3) collection of race and income data as part of the CRA small business lending report requirement.

Fair Housing: The budget provides an additional \$8 million for enforcement which will help HUD meet the goal of doubling Fair Housing Enforcement actions. The budget also includes \$10 million for a new system of Metropolitan Area Testing to root out the vestiges of housing discrimination.

Labor and Workforce

1. Child Labor (\$89 million): This initiative is anchored by a \$30 million commitment -- up from \$3 million -- to the International Program on the Elimination of Child Labor (IPEC). The initiative also will include funding to improve Customs Service enforcement of U.S. law banning the import of goods made with forced or bonded child labor (\$3 million) and to double the Department of Labor's enforcement of child labor laws in the agricultural sector (\$4 million). Finally, the initiative will provide additional funding to the Migrant Education Program so it can reach 50,000 more migrant children (\$50 million). We are developing non-budget items to fill out the package.

2. Community Adjustment (\$50 million): This initiative will fund the creation of the Office of Community and Economic Adjustment (OCEA), which we proposed as part of the Fast Track debate. As you know, this office will be modeled after the Defense Department's Office of Economic Adjustment -- the Administration's first point of contact with communities experiencing a military base closure or defense plant closing. We expect the Office to help 35-40 communities in its first year of operation. The initiative also will fund a variety of other efforts to assist communities that face sudden and severe economic dislocation.

Health

1. 21st Century Trust Fund (\$1 billion): This initiative will provide substantial additional funding to NIH (\$750 million) and NSC (\$250 million), ramping up substantially over time, for research activities, including into the treatment and cure of diseases. We will provide you with a separate memo on this initiative in the next day or two. Funding for this initiative will come from comprehensive tobacco legislation.

2. AIDS Programs Expansion (\$165 million): A funding increase for the Ryan White Program of about 15 percent will go principally toward ADAP, to ensure that new and effective treatments of AIDS reach those who need them. Some of the funds will support education and prevention programs operated by states, cities, and community health centers, as well as by the CDC.

3. Racial Disparities in Health Care (\$80 million): This initiative will address racial disparities in six areas of health care: infant mortality, breast and cervical cancer, heart disease and stroke, diabetes, AIDS, and immunization. The proposal includes additional funding (\$50 million) to established public health programs to adapt and apply their prevention and education strategies to eliminate racial disparities. It also includes funding (\$30 million) for thirty local pilot projects to test innovative approaches to reach this goal.

Crime

1. Community Prosecutors (\$50 million): This initiative will provide grants to prosecutors for innovative, community-based prosecution efforts, such as Eric Holder adopted in the District of Columbia. A fill 80 percent of the grants will go to pay the salaries and training costs associated with hiring or reassigning prosecutors to work directly with community residents.

Race

A number of the above proposals -- e.g., education opportunity zones, university-school partnerships, housing vouchers -- can be presented as part of the race initiative, because they target predominantly minority areas or provide disproportionate benefits to members of minority groups. Other proposals described above -- the Hispanic dropout plan and the race and health initiative -- have obvious and explicit race connections. In addition:

1. Civil Rights Enforcement (\$68 million): This initiative will fund reforms to the EEOC and the civil rights offices at DOJ, HUD, HHS, Education, and DOL. Most importantly, additional funding of \$37 million will allow the EEOC to expand its mediation program (allowing more than 70 percent of all complainants to choose mediation by the year 2000), increase the average speed of resolving complaints (from over 9 months to six) and reduce the EEOCs current backlog (from 64,000 cases to 28,000). The initiative also will fund a dramatic expansion of HUDs civil rights enforcement office (in the 30th anniversary year of the Fair Housing Act) and improve coordination among the governments civil rights offices. We are preparing a number of non-budgetary administrative actions, especially involving fair housing and lending, to accompany our budget proposals in this area.

BBAppendix -- Education Base Programs

December 15, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Gene Sperling
Elena Kagan

SUBJECT: New Initiatives on Discretionary Side of Budget

As you know, OMB is trying to find an additional \$6 billion for discretionary spending. Assuming this money becomes available, the DPC and NEC recommend that you fund the new initiatives listed below -- in the amounts listed below -- in your FY 1999 budget. OMB has signed off on these recommendations. Some of the departments, however, may appeal for increases in base programs that would cut into the amount of money available for new initiatives.

We already have given you detailed memos on most of these initiatives. If you approve the initiatives, you can announce any or all of them in the State of the Union.

Because so many of the new initiatives involve education, we are attaching an appendix to this memo that shows recommended funding levels for the Department of Education's major base programs. In reviewing the education spending, you should note that the Department has just reestimated Pell Grant costs in a way that will free up additional monies. We had thought we would need a \$434 million increase in the Pell Grant Program to raise the maximum award from \$3,000 to \$3,100. The new estimates show we can finance these policies with between \$150 million and \$220 million less. We are currently considering whether to keep these funds in the Pell Grant Program to support a larger increase in the maximum award and make other policy changes, or alternatively to invest them in the After-School and Head Start components of the child care initiative.

Education

1. Education Opportunity Zones (\$225 million): This initiative will provide funding to about 25 high-poverty urban and rural school districts for agreeing to adopt a "Chicago-type" school reform agenda that includes ending social promotions, removing bad teachers, reconstituting failing schools, and adopting district-wide choice.
2. College-School Partnerships (\$150 million): This initiative, which builds on Eugene Lang's model of helping disadvantaged youth, will provide funding for college-school partnerships designed to provide mentoring, tutoring, and other support services to students in high-poverty schools, starting in the sixth grade and continuing through high school. The six-year funding path will provide help to nearly 2 million students. The proposal also will include Chaka Fattah's idea of early notification to disadvantaged 6th graders telling them of their Pell Grant and loan eligibility.
3. Campaign on Access to Higher Education (\$20 million): This initiative will fund an intensive publicity campaign on the affordability of higher education. The goal of the campaign will be to make every family aware that higher education is now universally

accessible -- and that it is the key to higher earnings.

4. Teacher Recruitment and Preparation (\$67 million): This initiative, which you previewed last July at the NAACP Conference, will provide scholarships to nearly 35,000 new teachers over five years for committing to work in high-poverty urban and rural schools. It also will upgrade the quality of teacher preparation programs serving these communities.

5. Technology Teacher Training (Approx. \$230 million): This initiative will dedicate 30 percent (about \$150 million) of the Technology Literacy Challenge Fund (which is being increased from \$425 to \$500 million) to ensure that at least one teacher in every school receives intensive training in the use of technology for education, so that those "master teachers" can train their colleagues. An additional \$80 million will begin an effort to train every new teacher in the latest technology.

6. Hispanic Education Action Plan -- (\$195 million or more): This initiative will increase funding for a number of existing programs to improve education for Hispanic Americans and other limited English proficient (LEP) children and adults. It would double our investment in training teachers to address the needs of LEP children; boost the Migrant Education Program by 16 percent; increase the TRIO college preparation program by 10 percent; and create a 5-year, \$100 million effort to disseminate best practices in ESL training for adults. We would accompany these program increases with administrative actions to help Hispanic students complete high school and succeed in college.

7. Distance Learning -- (\$50 million?): We are still in the process of developing a new initiative, related to Governor Romer's Western Governors University, to promote the use of technology to give people "anytime, anywhere" access to learning opportunities.

Child Care

We recommend placing most of the child care initiative -- in particular, the proposed increase in the Child Care and Development Block Grant and the establishment of a new Early Learning Fund -- on the mandatory side of the budget. The smaller pieces of the initiative that we propose placing on the discretionary side are the following:

1. After-School Program Expansion (\$100-200 million): This program expansion will increase funding of the 21st Century Community Learning Center Program (now funded at \$40 million) for before- and after-school programs for school-age children at public schools. Depending on the exact funding level chosen, this investment will create new programs in 1,500-4,000 schools with slots for between 75,000 and 200,000 children; at the same time, it will enable still more students to participate in other school-site activities.

2. Standards Enforcement Fund (\$100 million): This new fund will support state efforts to improve licensing and accreditation of providers, and to enforce health and safety standards -- particularly through unannounced inspections of child care settings. The fund also will enable states to issue report cards, for use by consumers, on the quality of the facilities inspected.

3. Provider Training (\$51-60 million): A new Child Care Provider Scholarship Fund, which you proposed at the Child Care Conference to fund at \$50 million annually, will support 50,000 scholarships each year to child care workers working toward a child care credential. The students will commit to remaining in the field for one year for each year of assistance received, and will earn increased compensation or bonuses when they receive

their credential. An additional \$1-10 million will allow the Department of Labor to expand its Child Care Apprenticeship Training Program, which funds providers combining work toward a degree with on-the-job practice.

4. Research and Evaluation Fund (\$10-30 million): This new fund will establish a National Center on Child Care Statistics, and provide grants for research projects and state and local child care hotlines and consumer education activities.

5. Head Start and Early Head Start Expansion (\$284-334 million): This level of increased investment in the overall Head Start budget should permit doubling the set-aside for Early Head Start over five years without reducing the resources available for children 3-5. The doubled set-aside would enable more than 50,000 additional children to receive Early Head Start services in 2003.

Welfare, Housing, Urban

1. Welfare-to-Work Housing Vouchers (\$283 million): This initiative will provide 50,000 new housing vouchers to help welfare recipients in public housing who need to move in order to find employment. HUD will distribute these vouchers on a competitive basis to public housing authorities working with local TANF agencies and/or grantees of the new \$3 billion welfare-to-work program. (A separate proposal, for which no new funding is needed, would allow families in public or assisted housing to use vouchers to buy a home; HUD expects this proposal to assist some 25,000 people become homeowners over two years, though OMB believes this figure to be exaggerated.)

2. Housing Portability/Choice (\$20 million): In addition to the new welfare-to-work housing vouchers discussed above, our proposed package on housing portability and choice expands Regional Opportunity Counseling sites and takes administrative actions to eliminate obstacles to portability in the Section 8 housing program.

3. "Play-by-the-Rules" Homeownership Proposal (\$30 million): This initiative will assist families that always pay their rent on time to become homeowners. The Neighborhood Reinvestment Corporation will provide downpayment assistance, interest rate buydowns, or rehabilitation loans to approximately 10,000 families.

4. Homeownership Opportunity Fund (\$11 million): This initiative will provide funds for HUD to develop a loan guarantee program to allow state and local governments to leverage current HOME funds with private-sector investments to fund large-scale, affordable housing developments in distressed communities.

5. Community Empowerment Fund (\$300-400 million): This initiative establishes a public/private fund ("Eddie Mac"), which will invest in inner-city businesses and create a secondary market for economic development loans (like Fannie Mae).

6. Homeless Assistance (\$250-325 million): This level of increased investment includes \$177 million to help 32,000 homeless people receive Section 8 vouchers.

Labor and Workforce

1. Child Labor (\$89 million): This initiative is anchored by a \$30 million commitment -- up from \$3 million -- to the International Program on the Elimination of Child Labor (IPEC). The initiative also will include funding to improve Customs Service enforcement of

U.S. law banning the import of goods made with forced or bonded child labor (\$3 million) and to double the Department of Labors enforcement of child labor laws in the agricultural sector (\$4 million). Finally, the initiative will provide additional funding to the Migrant Education Program so it can reach 50,000 more migrant children (\$50 million). We are developing non-budget items to fill out the package.

2. Community Adjustment (\$50 million): This initiative will fund the creation of the Office of Community and Economic Adjustment (OCEA), which we proposed as part of the Fast Track debate. As you know, this office will be modeled after the Defense Departments Office of Economic Adjustment -- the Administrations first point of contact with communities experiencing a military base closure or defense plant closing. We expect the Office to help 35-40 communities in its first year of operation. The initiative also will fund a variety of other efforts to assist communities that face sudden and severe economic dislocation.

3. Out of School Youth Opportunity Program (\$250 million): Congress advance appropriated \$250 million for this program last year contingent on the passage of authorization legislation. The program will fund competitive grants for efforts to increase employment among out-of-school youth between the ages of 16 and 24.

Health

1. 21st Century Trust Fund (Approx. \$1 billion): This initiative will provide substantial additional funding to NIH (\$750 million) and NSF (\$250 million), ramping up substantially over time, for research activities -- particularly on the treatment and cure of diseases. We will provide you with a separate memo on this initiative in the next day or two. Funding for this initiative will come from comprehensive tobacco legislation.

2. AIDS Programs Expansion (\$165 million): A funding increase for the Ryan White Program of almost 15 percent will go principally toward ADAP, to ensure that new and effective treatments of AIDS reach those who need them. Some of the funds will support education and prevention programs operated by states, cities, and community health centers, as well as by the CDC.

3. Racial Disparities in Health Care (\$80 million): This initiative will address racial disparities in six areas of health care: infant mortality, breast and cervical cancer, heart disease and stroke, diabetes, AIDS, and immunization. The proposal includes additional funding (\$50 million) to established public health programs to adapt and apply their prevention and education strategies to eliminate racial disparities. It also includes funding (\$30 million) for up to thirty local pilot projects to test innovative approaches to reach this goal.

Environment

(Katie McGinty proposed and has further information about these initiatives)

1. Climate Change (\$400 million): To support our broader climate change initiative (including tax incentives), this funding will go to a number of departments in accord with PCASTs recommendations.

2. Second Generation Clean Water (\$450 million, including some on mandatory side): This initiative will assist in restoring 1000 watersheds that are too polluted for fishing or swimming. Funding will go to five agencies to support a variety of activities designed to

address polluted runoff and implement comprehensive watershed management strategies.

Crime

1. Community Prosecutors (\$50 million): This initiative will provide grants to prosecutors for innovative, community-based prosecution efforts, such as Eric Holder adopted in the District of Columbia. A full 80 percent of the grants will go to pay the salaries and training costs associated with hiring or reassigning prosecutors to work directly with community residents.

Race

A number of the above proposals -- e.g., education opportunity zones, university-school partnerships, housing vouchers -- can be presented as part of the race initiative, because they target predominantly minority areas or provide disproportionate benefits to members of minority groups. Other proposals described above -- the Hispanic dropout plan and the race and health initiative -- have obvious and explicit race connections. In addition:

1. Civil Rights Enforcement (\$72 million): This initiative will fund reforms to the EEOC and the civil rights offices at DOJ, HUD, HHS, Education, and DOL. Most important, additional funding of \$37 million will allow the EEOC to expand its mediation program (allowing more than 70 percent of all complainants to choose mediation by the year 2000), increase the average speed of resolving complaints (from over nine months to six) and reduce the EEOCs current backlog (from 64,000 cases to 28,000). The initiative also will fund a dramatic expansion of HUDs civil rights enforcement office (in the 30th anniversary year of the Fair Housing Act) and improve coordination among the governments civil rights offices. We are preparing a number of non-budgetary administrative actions, especially involving fair housing and lending, to accompany our budget proposals in this area.

Appendix -- Education Budget

The recommended funding level for all of the Department of Educations discretionary programs (including new initiatives) is \$30.9 billion, an increase of \$1.4 billion (4 percent above FY 1998). In addition to providing for the new initiatives described above, this recommended budget maintains or increases funding for the Departments major base programs, while reducing certain lower priority spending.

Major Base Programs

Education testing: \$16 million. The full amount needed to maintain progress on test development.

Pell Grants: \$7,779 million. A \$289 million increase would maintain higher independent student eligibility and raise the maximum award from \$3,000 to \$3,100. The additional \$150 million previously thought necessary to effect these policies would increase the maximum award by another \$50; alternatively, as noted earlier, we could use these funds to increase our investments in the After-School and Head Start components of the child care initiative.

America Reads, \$260 million. We did not get our America Reads bill in FY 1998. We did obtain increases for tutoring in the Corporation for National and Community Service. Congress did, however, "advance appropriate" \$210 million for FY 1999 for Education,

contingent upon enactment of new law. The increase to \$260 million reflects our original first year plan.

Title I, Education for the Disadvantaged, Grants to LEAs: \$ 7,725 million. A \$350 million (4.5 percent) increase over FY 1998 to serve an additional 400,000 children in poor communities. Secretary Riley requested a \$492 million increase.

Goals 2000: \$510 million. A \$10 million increase over FY 1998, to maintain momentum in the States for school reform.

Comprehensive School Reform: \$175 million. A \$30 million increase over FY 1998 for demonstrations of school reform models.

Adult Education: \$394 million. A \$33 million (9 percent) increase over FY 1998 for basic education and English language training for the disadvantaged, immigrants, and welfare recipients. This increase is part of Hispanic Education Action Plan discussed above.

Special Education: \$4,811 million. Same as the FY 1998 level, which was increased by \$775 million over FY 1997. States can spend the increase over 2 years. Secretary Riley has expressed concern about the lack of an FY 1999 increase. We are convinced that no increase will satisfy the advocates, and would prefer to negotiate this level in Congress, rather than use up scarce funds in your budget now.

College Work-Study, \$915 million. An \$85 million increase over FY 1998, make progress toward your goal of 1 million Work-Study positions by FY 2000. Given the reduction in Perkins loans (noted below), this increase keeps the campus-based aid programs at level funding from FY 1998.

Reductions in the Base

A number of programs have been reduced to make room for initiatives and major base programs, including: Impact Aid (-\$92 million), the Education Block Grant (-\$350 million), and Perkins Loans (-\$85 million). Each of these has a vocal constituency. We believe we can make the case that our funding of initiatives and base programs are all higher priority than these programs.

December 15, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: BRUCE REED
GENE SPERLING
ELENA KAGAN

SUBJECT: New Initiatives on Discretionary Side of Budget

Assuming OMB can come up with another \$5 billion for discretionary spending, the DPC, NEC, and OMB all recommend that you propose to fund the new initiatives listed below in your FY 1999 budget. We already have given you detailed memos on most of these initiatives. If you approve the initiatives, you can announce them in the State of the Union.

EDUCATION

Education Opportunity Zones (\$225 million): This initiative will provide funding to about 25 high-poverty urban and rural school districts for agreeing to adopt a "Chicago-type" school reform agenda that includes ending social promotions, removing bad teachers, reconstituting failing schools, and adopting district-wide choice.

Campaign on Access to Higher Education (\$20 million): We are preparing to conduct an intensive publicity campaign on the affordability of higher education. The goal of the campaign would be to make every family aware that higher education is now universally accessible, as well as to reiterate that higher education is the key to higher earnings. As a part of this effort, we would provide families at high-poverty middle schools with an official notification of the \$20,000 that is already available for their children to go to college.

College-School Partnerships (\$150 million): To provide children in poverty with more than the official notification of college aid (described above), this initiative will provide funding for college-school partnerships designed to provide mentoring, tutoring, and other support services to students in high-poverty schools, starting in the sixth grade and continuing until high school graduation. The six-year funding path would provide help to nearly 2 million students. This initiative builds on Eugene Lang's model of helping disadvantaged youth.

Teacher Recruitment and Preparation (\$67 million): This initiative, which you previewed last July, will provide scholarships to nearly 35,000 new teachers over the next five years for committing to work in high-poverty urban and rural schools. It also will upgrade the

quality of teacher preparation programs serving these communities.

Technology Teacher Training (\$222 million): This initiative dedicates 30 percent of the Technology Literacy Challenge Fund to ensure that at least one teacher in every school has intensive training in the use of technology for education, so that they can train their colleagues. An additional \$80 million will begin an effort to train every new teacher in the latest technology.

Hispanic Education Action Plan (\$195 million or more): This initiative will increase funding for a variety of existing programs to address the Hispanic dropout rate and improve education for Hispanic Americans and limited-English proficient (LEP) children and adults. It would double our investment in training teachers to address the needs of LEP children; boost the Migrant Education Program by 16 percent; increase the TRIO college preparation programs by 10 percent; and create a 5-year, \$100 million effort to disseminate the best practices in ESL training for adults. These and other program increases would be announced along with a number of administrative actions to help Hispanic students complete high school and succeed in college.

After-School Program Expansion (\$150 million): This part of a much larger child care initiative (most of which is funded on the mandatory side of the budget) will provide additional funding to the 21st Century Community Learning Center Program (now funded at \$40 million) for before- and after-school programs for school-age children at public schools. Depending on the exact funding level chosen, this investment will create programs in 1,500-4,000 new schools.

HOUSING

Welfare-to-Work Housing Vouchers (\$283 million): The budget included \$283 million for 50,000 new housing vouchers to help welfare recipients in public housing who need to move in order to find employment. We would distribute these vouchers on a competitive basis to public housing authorities working with local TANF agencies and/or grantees of the new \$3 billion welfare-to-work program.

Housing Portability/Choice (\$20 million): In addition to the new welfare-to-work housing vouchers discussed above, the package on housing portability and choice includes \$20 million for Regional Opportunity Counseling (ROC) sites; encourages the use of exception rents (rents up to 120 percent of the "fair market rent") as a tool for opening up more expensive suburban housing markets; and eliminates obstacles to portability of Section 8 vouchers.

Community Empowerment Fund (\$400 million): The budget provides \$400 million for a public/private ("Eddie Mac") fund which will invest in inner-city businesses and create a secondary market for economic development loans (like Fannie Mae).

Homeownership Opportunity Fund (\$11 million): HUD will develop a loan guarantee program to allow state and local governments to leverage current HOME funds with private-sector investments to fund large scale, affordable housing developments in distressed communities.

"Play-by-the-Rules" Homeownership Proposal (\$30 million): The budget includes a \$30-million increase in the budget of the Neighborhood Reinvestment Corporation. This increase could be used for a new "Play-by-the-Rules" homeownership initiative that would

help 10,000 families become homeowners in FY99. We are going to help families that have a perfect track record of paying their rent on time with downpayment or closing costs assistance, a second mortgage, interest-rate buydowns, or rehabilitation loans.

Raise FHA Loan Limit (Raises \$150-\$200 million): The budget currently includes this proposal to raise the FHA loan limits, helping more middle-income Americans get home mortgages which have low downpayment requirements. The first \$150 million of revenue raised through this proposal would be used to pay for Round II of Empowerment Zones.

Homeless Assistance The budget currently includes a substantial increase in homeless assistance of approximately \$341 million (above FY98). This includes 32,000 Section 8 vouchers earmarked to help the homeless move into housing.

Homeownership Voucher Initiative (No Cost): The budget will include our proposal to allow Section 8 vouchers to be used for homeownership. This proposal was originally included in our Public Housing Reform bill. You should know that Freddie Mac has already agreed to purchase up to 2,000 of these Section 8 voucher mortgages from lenders -- secondary market participation is essential to reassure, and therefore, recruit lenders. The downpayment for these mortgages would be set at 3 percent, to allow low and very-low income families to participate.

Fair Lending (No Cost): As described in previous memos, we are working on a fair-lending initiative which has no budgetary impact. The proposals being developed by an interagency working group include, for example, (1) an examination of the impact of credit scoring and risk-based pricing on the availability of credit/capital to lower-income and minority individuals; (2) a Presidential call to obtain more data on reasons for home mortgage loan denials; and (3) collection of race and income data as part of the CRA small business lending report requirement.

Fair Housing: The budget provides an additional \$8 million for enforcement which will help HUD meet the goal of doubling Fair Housing Enforcement actions. The budget also includes \$10 million for a new system of Metropolitan Area Testing to root out the vestiges of housing discrimination.

LABOR/WORKFORCE

Child Labor (\$89 million): The budget includes \$89 million (FY 99) for a comprehensive Child Labor Action Plan, anchored by a \$30 million commitment each year for five years to the International Program on the Elimination of Child Labor (IPEC). The initiative will include a stepped up Customs program to enforce U.S. law banning the import of goods made with forced or bonded child labor; increased support for the Migrant Education Program to support elementary and secondary education to an additional 50,000 hardest-to-serve migrant children. The budget also includes funds for the Department of Labor to double its enforcement of child labor laws in the agricultural sector. We will continue to develop non-budget items to complement the budget items.

Community Adjustment (\$50 million): As part of the Fast Track debate, we proposed the creation of the Office of Community and Economic Adjustment (OCEA). As you know, this office will be modeled after the Defense Departments Office of Economic Adjustment (OEA) -- the Administrations first point of contact with communities experiencing a military base closure or defense plant closing. We provide \$10 million for the first-year of this office, helping 35-40 communities. In addition, we provide an additional \$40 million to help

communities deal with sudden and severe economic dislocations, such as plant closings.

OTHER PROGRAMS

Out of School Youth Opportunity Program: Last year, you proposed an innovative approach to targeting inner city (and rural) youth joblessness. The program calls for competitive grants for efforts to substantially increase employment among out of school youth between the ages of 16 & 24. Congress advance appropriated \$250 million for the program in FY 1999 contingent on the passage of authorization legislation. The Senate Workforce Investment Partnership Act includes the necessary authorization and is expected to come to the floor sometime early next year.

December 15, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Gene Sperling
Elena Kagan

SUBJECT: New Initiatives on Discretionary Side of Budget

As you know, OMB is trying to find an additional \$6 billion for discretionary spending. Assuming this money becomes available, the DPC and NEC agree that we should fund the new initiatives listed below in your FY 1999 budget. OMB has signed off on these recommendations. Some of the departments, however, may call for decreasing the amount of money spent on new initiatives.

We already have given you detailed memos on most of these initiatives. If you approve the initiatives, you can announce any or all of them in the State of the Union.

Because so many of the new initiatives involve education, we are attaching an appendix to this memo that shows recommended funding levels for the Department of Education's major base programs. In reviewing the education spending, you should note that we have just discovered a calculation error whose correction will free up additional monies. We had thought we would need a \$434 million increase in the Pell Grant Program to raise the maximum award from \$3,000 to \$3,100. New cost estimates show we can finance these policies with \$224 million, leaving \$210 million for other spending. We are currently considering options to keep these funds in the Pell Grant Program to support a larger increase in the maximum award level, or to invest them in the After-School and Head Start components of the child care initiative.

Education

1. Education Opportunity Zones (\$225 million): This initiative will provide funding to about 25 high-poverty urban and rural school districts for agreeing to adopt a "Chicago-type" school reform agenda that includes ending social promotions, removing bad teachers, reconstituting failing schools, and adopting district-wide choice.
2. College-School Partnerships (\$150 million): This initiative, which builds on Eugene Lang's model of helping disadvantaged youth, will provide funding for college-school partnerships designed to provide mentoring, tutoring, and other support services to students in high-poverty schools, starting in the sixth grade and continuing through high school. The six-year funding path will provide help to nearly 2 million students. The proposal also will include Chaka Fattah's idea of early notification to disadvantaged 6th graders telling them of their Pell Grant and loan eligibility.
3. Campaign on Access to Higher Education (\$20 million): This initiative will fund an intensive publicity campaign on the affordability of higher education. The goal of the campaign will be to make every family aware that higher education is now universally

accessible -- and that it is the key to higher earnings.

4. Teacher Recruitment and Preparation (\$67 million): This initiative, which you previewed last July at the NAACP Conference, will provide scholarships to nearly 35,000 new teachers over five years for committing to work in high-poverty urban and rural schools. It also will upgrade the quality of teacher preparation programs serving these communities.

5. Technology Teacher Training (\$222 million): This initiative will dedicate 30 percent (\$142 million) of the Technology Literacy Challenge Fund (which is being increased from \$425 to \$475 million) to ensure that at least one teacher in every school receives intensive training in the use of technology for education, so that those "master teachers" can train their colleagues. An additional \$80 million will begin an effort to train every new teacher in the latest technology.

6. Hispanic Education Action Plan -- (\$195 million or more): This initiative will increase funding for a number of existing programs to improve education for Hispanic Americans and other limited English proficient (LEP) children and adults. It would double our investment in training teachers to address the needs of LEP children; boost the Migrant Education Program by 16 percent; increase the TRIO college preparation program by 10 percent; and create a 5-year, \$100 million effort to disseminate best practices in ESL training for adults. We would accompany these program increases with administrative actions to help Hispanic students complete high school and succeed in college.

Child Care

We recommend placing most of the child care initiative -- in particular, the proposed increase in the Child Care and Development Block Grant and the establishment of a new Early Learning Fund -- on the mandatory side of the budget. The smaller pieces of the initiative that we propose placing on the discretionary side are the following:

1. After-School Program Expansion (\$100-200 million): This program expansion will increase funding of the 21st Century Community Learning Center Program (now funded at \$40 million) for before- and after-school programs for school-age children at public schools. Depending on the exact funding level chosen, this investment will create new programs in 1,500-4,000 schools, serving between 75,000 and 200,000 children.

2. Standards Enforcement Fund (\$100 million): This new fund will support state efforts to improve licensing systems and to enforce health and safety standards, particularly through unannounced inspections of child care settings. The fund also will enable states to issue report cards, for use by consumers, on the quality of the facilities inspected.

3. Provider Training (\$51-60 million): A new Child Care Provider Scholarship Fund, which you proposed at the Child Care Conference to fund at \$50 million annually, will support 50,000 scholarships each year to students working toward a child care credential. The students will commit to remaining in the field for one year for each year of assistance received, and will earn increased compensation or bonuses when they receive their credential. An additional \$1-10 million will allow the Department of Labor to expand its Child Care Apprenticeship Training Program, which funds providers combining work toward a degree with on-the-job practice.

4. Research and Evaluation Fund (\$10-30 million): This new fund will provide grants for research projects, establish a National Center on Child Care Statistics, and set up a

national child care hotline.

5. Head Start and Early Head Start Expansion (\$284-334 million): This level of increased investment in the overall Head Start budget should permit doubling the set-aside for Early Head Start without reducing the resources available for children 3-5. The doubled set-aside would enable more than 35,000 additional children to receive Early Head Start services in 2002.

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1. Welfare-to-Work Housing Vouchers (\$283 million): This initiative will provide 50,000 new housing vouchers to help welfare recipients in public housing who need to move in order to find employment. HUD will distribute these vouchers on a competitive basis to public housing authorities working with local TANF agencies and/or grantees of the new \$3 billion welfare-to-work program. (A separate proposal, for which no new funding is needed, would allow families in public or assisted housing to use vouchers to buy a home; HUD expects this proposal to assist some 25,000 people become homeowners over two years.)

2. Housing Portability/Choice (\$20 million): In addition to the new welfare-to-work housing vouchers discussed above, our proposed package on housing portability and choice expands Regional Opportunity Counseling sites and takes administrative actions to eliminate obstacles to portability in the Section 8 housing program.

3. "Play-by-the-Rules" Homeownership Proposal (\$30 million): This initiative will assist families that always pay their rent on time to become homeowners. The Neighborhood Reinvestment Corporation will provide downpayment assistance, interest rate buydowns, or rehabilitation loans to approximately 10,000 families.

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6. Homeless Assistance (\$341 million): This level of increased investment includes \$177 million to help 32,000 homeless people receive Section 8 vouchers.

Labor and Workforce

1. Child Labor (\$89 million): This initiative is anchored by a \$30 million commitment -- up from \$3 million -- to the International Program on the Elimination of Child Labor (IPEC). The initiative also will include funding to improve Customs Service enforcement of U.S. law banning the import of goods made with forced or bonded child labor (\$3 million) and to double the Department of Labor's enforcement of child labor laws in the agricultural sector (\$4 million). Finally, the initiative will provide additional funding to the Migrant Education Program so it can reach 50,000 more migrant children (\$50 million). We are developing non-budget items to fill out the package.

2. Community Adjustment (\$50 million): This initiative will fund the creation of the

Office of Community and Economic Adjustment (OCEA), which we proposed as part of the Fast Track debate. As you know, this office will be modeled after the Defense Departments Office of Economic Adjustment -- the Administrations first point of contact with communities experiencing a military base closure or defense plant closing. We expect the Office to help 35-40 communities in its first year of operation. The initiative also will fund a variety of other efforts to assist communities that face sudden and severe economic dislocation.

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1. 21st Century Trust Fund (\$1 billion): This initiative will provide substantial additional funding to NIH (\$750 million) and NSC (\$250 million), ramping up substantially over time, for research activities -- particularly on the treatment and cure of diseases. We will provide you with a separate memo on this initiative in the next day or two. Funding for this initiative will come from comprehensive tobacco legislation.
2. AIDS Programs Expansion (\$165 million): A funding increase for the Ryan White Program of about 15 percent will go principally toward ADAP, to ensure that new and effective treatments of AIDS reach those who need them. Some of the funds will support education and prevention programs operated by states, cities, and community health centers, as well as by the CDC.
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Crime

1. Community Prosecutors (\$50 million): This initiative will provide grants to prosecutors for innovative, community-based prosecution efforts, such as Eric Holder adopted in the District of Columbia. A full 80 percent of the grants will go to pay the salaries and training costs associated with hiring or reassigning prosecutors to work directly with community residents.

Race

A number of the above proposals -- e.g., education opportunity zones, university-school partnerships, housing vouchers -- can be presented as part of the race initiative, because they target predominantly minority areas or provide disproportionate benefits to members of minority groups. Other proposals described above -- the Hispanic dropout plan and the race and health initiative -- have obvious and explicit race connections. In addition:

1. Civil Rights Enforcement (\$68 million): This initiative will fund reforms to the EEOC and the civil rights offices at DOJ, HUD, HHS, Education, and DOL. Most important, additional funding of \$37 million will allow the EEOC to expand its mediation program (allowing more than 70 percent of all complainants to choose mediation by the year 2000), increase the average speed of resolving complaints (from over nine months to six) and reduce the EEOCs current backlog (from 64,000 cases to 28,000). The initiative also will

fund a dramatic expansion of HUD's civil rights enforcement office (in the 30th anniversary year of the Fair Housing Act) and improve coordination among the governments civil rights offices. We are preparing a number of non-budgetary administrative actions, especially involving fair housing and lending, to accompany our budget proposals in this area.

Appendix -- Education Base Programs

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Education Technology: \$659 million. A \$75 million increase over FY 1998 to continue support for school investments and development of new software and teaching techniques.

Title I, Education for the Disadvantaged, Grants to LEAs: \$ 7,725 million. A \$350 million increase over FY 1998 to serve an additional 400,000 children in poor communities.

Goals 2000: \$510 million. A \$10 million increase over FY 1998, to maintain momentum in the States for school reform.

Comprehensive School Reform: \$175 million. A \$30 million increase over FY 1998 for demonstrations of school reform models.

Adult Education: \$394 million. A \$33 million increase over FY 1998 for basic education and English language training for the disadvantaged, immigrants, and welfare recipients.

Special Education: \$4,811 million. Same as the FY 1998 level, which was increased by \$775 million over FY 1997. States can spend the increase over 2 years. Secretary Riley has expressed concern about the lack of an FY 1999 increase. We are convinced that no increase will satisfy the advocates, and would prefer to negotiate this level in Congress, rather than use up scarce funds in your budget now.

College Work-Study, \$915 million. An \$85 million increase over FY 1998, make progress toward your goal of 1 million Work-Study positions by FY 2000.

Reductions in the Base

A number of programs have been reduced to make room for initiatives and major base programs, including: Impact Aid (-\$92 million), the Education Block Grant (-\$350 million), and Perkins Loans (-\$85 million). Each of these has a vocal constituency. We believe we can make the case that our funding of initiatives and base programs are all higher priority than these programs.

MEMORANDUM

TO: Sally Katzen
Elena Kagan

FROM: Andrew Pincus

DATE: June 19, 1998

RE: Privacy Proposal

This memorandum sets forth a package of proposals for enhancing privacy protection in the information age, which follow up on the Vice Presidents speech on this topic last month.

I. Creation of Federal Privacy Entity

There are currently several different Executive Branch agencies that are responsible for developing, explaining and promoting the U.S. government position on privacy. For example, the U.S. Department of Commerce has taken the lead in representing the federal government position on privacy to private industry and the commercial sector generally. The Office of Management and Budget is responsible for giving Federal agencies guidance on implementation of the Federal Privacy Act, but has only occasionally addressed public audiences. A number of other government offices represent the U.S. position on privacy before our international trading partners, including NTIA/DOC, ITA/DOC, OPD/WH, and the State Department.

Given the complexity of privacy issues and the breadth of responsibility for privacy protection, we propose the creation of a Federal Privacy Entity located in the Executive Office of the President that could serve the following functions.

Advising - provide experts to respond to privacy policy questions raised by government agencies (i.e., when considering legislation or drafting regulations) and private sector entities (i.e., when developing personnel practices or new information products).

Advocating - monitor privacy policies that affect consumers and promote improvements through public appearances, media presence, writing to organizations about whom complaints are received, and involvement in litigation on behalf of groups and/or as amicus curiae.

Representation - explain and promote U.S. government position on privacy policy domestically and internationally, advancing the Administrations privacy message, and providing coherence to Administration testimony and public position.

Coordination - apprise appropriate government agencies of emerging privacy issues and ensure that the issues are addressed; ensure that the views of appropriate agencies are represented on privacy policy issues, both domestically and internationally.

Education - provide privacy information to citizens, industry, and government.

II. Initiatives to Protect Specific Types of Information

The Administration already has announced its support for legislation to ensure the privacy of medical information, and the Vice President discussed this issue in his speech last month.

Recently, the Acting Comptroller of the Currency announced plans to address privacy issues with respect to personal financial information. Perhaps additional details regarding this effort could be included as part of the Administrations announcement of its privacy program.

III. Initiatives to Address Specific Activities

A. Profiling

1. Background

Profilers compile information about individuals and then sell that information. Last December, fourteen such services agreed with the FTC to abide by principles governing disclosure of nonpublic information. [Note that FTC agreed not to seek legislation in order to allow time to assess this self-regulatory venture.]

2. Proposal

That the Administration seek legislation

requiring that all persons engaged in profiling participate in a self-regulatory system with standards along the lines of the FTCs look-up services agreement, and

giving FTC authority to tighten look-up service standards based upon a determination that the existing standards do not strike an appropriate balance between protection of personal privacy and other interests.

B. Marketing of Information

1. Background

Marketers purchase various lists to identify targets for mail order/telephone/Internet sales pitches. The Direct Marketing Association has adopted a number of principles governing the activities of its members, including a right to opt-out of such solicitations.

2. Proposal

That the Administration propose legislation

requiring that all persons engaged in marketing participate in a self-regulatory system with standards along the lines of the DMA principles, and

giving FTC authority to tighten standards based upon a determination that the existing standards do not strike an appropriate balance between protection of personal privacy and other interests.

C. Solicitation of Information from Children

1. Background

Solicitation of information from children raises issues different from the situation in which information is solicited from adults because children generally lack the ability to provide legally-binding consent.

2. Proposal

propose legislation authorizing the FTC to issue rules prohibiting collection of personal information from children under 13 without prior parental consent

D. Credit Reporting

1. Background

The Fair Credit Reporting Act governs activities of credit reporting agencies that furnish reports to third parties. As more databases are available directly to companies, and companies themselves share information directly, there is some concern that the Act may become outdated because companies no longer will purchase credit reports from a central bureau, but rather will obtain information directly from the individual sources. Also, the FTC is concerned that provision of the Act permitting sharing of information between "affiliates" may lead to abuses, especially as financial services companies combine.

2. Proposal

announce study to determine whether FCRA contains the protections needed in the electronic age. This study could be broadened to cover all federal laws/regulations governing private sector treatment of personal information.

E. State Government Data Releases

1. Background

Federal law prohibits the disclosure of personal information by the Federal government. States are one of the main sources of personal information entering the public domain, because most States do not have laws analogous to the federal Privacy Act. Many State FOI/public record laws were created prior to the ease of access to information in the technology era and, in addition, many States sell personal information. Federal laws in some circumstances require States to collect social security numbers and other personal information.

2. Proposal

announce plans to initiate a "privacy dialogue" with the States regarding the privacy of personal information collected by governments

analyze the State laws that require the collection of social security numbers and personal information and Federal laws that require States to collect social security numbers and personal information

Then initiate discussions leading up to a privacy summit at which one or more of the following could be discussed and/or agreed to:

States enact privacy laws similar to the Privacy Act to protect personal information gathered by States

Extend the Privacy Act to social security numbers collected by States.

Ask States to reevaluate and redefine the meaning of "public records" in light of new technology.

Propose that States develop a policy of redacting social security numbers from documents before they are put into the public domain.

Issue a memorandum to public schools reiterating obligations imposed by the Family Educational Rights and Privacy Act of 1974 ("FERPA"). (Under FERPA, public schools that accept federal funds are prohibited from disclosing a students social security number and personal information without the students consent.)

F. Social Security Numbers

1. Background

The use of the social security number by the private sector in connection with a variety of transactions allows profilers, marketers and others to combine discrete bits of information to create a portrait of an individual. These portraits have legitimate uses -- law enforcement, credit assessments, debt collection, etc. -- and we therefore must tread cautiously to avoid upsetting an information structure that is fairly well established. Also, the FTC recently has indicated to Congress that "the cat may be out of the bag" with respect to private sector use of social security numbers.

2. Proposal

announce study of private sector use of social security numbers [state governmental use will be addressed through prior initiative]. Study would assess when and why the numbers are requested, whether the purpose is legitimate, whether privacy is considered, if the information is being sold without the individuals consent, the effect of prohibiting collection of social security number, and whether there is an alternative to the collection of social security numbers. It also would assess the availability and possible use of alternative identifiers, such as biometric information.

G. PSA Program

1. Background

Our privacy policy relies in large part on choice -- an individual has the option to protect his or her privacy. It is not clear, however, that most Americans are aware of their ability to choose.

2. Proposal

Public Advertisement Campaign - identify private sector partners to develop an advertising campaign to inform individuals of this choice and how to effectuate it. Part of the campaign would be the creation of an electronic one-stop opt out service.

place op-eds in newspapers to inform individuals of the choices and how to effectuate them

H. Identity Theft

The Department of Justice, in conjunction with the Treasury Department, is working to formulate an Administration proposal for criminalizing identity theft.

III. Activities to Protect Privacy Online

This element will be addressed in the context of the Report to the President on the one year anniversary of the issuance of the Framework for Global Electronic Commerce.

MEMORANDUM FOR ELENA KAGAN

FROM:KATHLEEN WALLMAN

SUBJECT:DOCUMENTS POTENTIALLY RESPONSIVE TO CLINGER COMMITTEE SUBPOENA DESCRIBED IN MEMO FROM QUINN AND SHERBURNE DATED FEBRUARY 1, 1996

DATE:FEBRUARY 6, 1996

I have looked through the files located in my office and have located the documents transmitted with this cover note that are or may be responsive to the subpoena. I don't have any White House files at home or in archival storage (although I sent a few files down there today after my search).

March 26, 1998

MEMORANDUM FOR BRUCE LINDSEY AND CHERYL MILLS

FROM: CYNTHIA RICE, DOMESTIC POLICY COUNCIL

CC: ELENA KAGAN

RE: DEPARTMENT OF JUSTICE REVIEW OF S. 1415

As you know, we have been consulting the Department of Justice as part of our tobacco policy process. Attached for your information is the Departments review of S. 1415, Senator McCains original bill reflecting the proposed tobacco settlement.

September 17, 1997

To: Bruce Reed, Elena Kagan

From: Cynthia Rice

Subj: Draft Interim State Guidance for \$3 billion Welfare to Work Program

I have reviewed the attached draft interim state guidance and believe that with the attached revisions it is ready to be shared with states on a "draft" basis. If you would like to make additional changes before this draft guidance is provided to states, please let me know by 4:00 today if possible so I can provide feedback to DOL by the end of the day or ask them to delay their schedule. We will of course also be able to make revisions in the guidance between the "draft interim" version shared selectively this week and the "interim" version to be distributed more widely next week, and will have many opportunities to weigh in on the regulations between now and the end of October.

I am sharing these draft comments with the key people in Intergovernmental Affairs, OMB, and NEC, who may have additional suggestions.

The one significant policy call made in this guidance is the issue regarding the state and local match. The draft interim guidance allows states to use in-kind contributions for up to one-third of the 33% match. If this does not create heartburn for the Ways and Means Committee (we'll hear back today) I think this is a reasonable compromise between those that want complete state flexibility and those that want to ensure states, PICs, and community organizations can participate in the program. This guidance would mean that a state would have to put up \$.67 in cash match and \$.33 in in-kind match for every \$2 in federal funds it receives. States can pay the match themselves or require the local PICs to do so.

For your information, there is a problem with the match that we do not seem to have to authority to fix without a statutory change. The statute requires states to spend all matching funds within the fiscal year of the federal grant award. The law provides grants in FY 1998 and FY 1999 and allows states and PICs to spend the funds over a three year period. This means that although the state and local entities have up to three years to spend the federal funds, they must spend all of their match in the first of those three years. I think we should seek a legislative change to require the match to be spent at the same rate as the federal funds.

EECYTNHIA RICE -- DRAFT 9:00 am Wednesday 9/17
Domestic Policy Council Changes to
9/15/97 Interim Planning Guidance and
Instructions for Submission of Annual State Plans
Fiscal Year 1998 Welfare to Work Formula Grants

[Places where these changes would be made are marked on attached copy of guidance.]

Introduction page 1, first paragraph: Add at the beginning of the paragraph: "President

Clinton has made welfare reform a top priority of his Administration. During his first four years in office, the President granted federal waivers to 43 states to require work, time-limit assistance, make work pay, improve child support enforcement, and encourage parental responsibility."

Introduction page 1, third paragraph: Add at the end of the paragraph: "This program is a key part of the Administration's efforts to create jobs to move people from welfare to work, which include mobilizing the business community to hire welfare recipients, working with civic, religious and non-profit groups to mentor families leaving welfare for work, and hiring our fair share of welfare recipients in the federal government."

Introduction page 2, first paragraph: After the first sentence, revise to read [some reordering; new words are underlined]:

"A State is allowed to retain 15 percent of the money for welfare-to-work projects of its choice. States are required to pass through 85 percent of the money to local Private Industry Councils (PICs) which are also known as workforce development boards in some areas. These funds must be distributed using a substate formula based on the following three factors. Between 50 and 100 percent of the funds distributed to local areas must be based on the area's share of the excess population of poor, i.e., the number of poor individuals in excess of 7.5 percent of the total population. Between 0 and 50 percent may be distributed based on one or a combination of the following factors: (1) the number of adults receiving TANF or AFDC assistance for 30 months or more and (2) the number of unemployed in the SDA. Because of the threshold established in the law, an SDA that would receive less than \$100,000 under such a formula will receive no funds.

Introduction page 2, fifth paragraph, second line: delete "the" so revised text reads: "program to that group..."

And under paragraph #1, the following revision is suggested for clarity:

"1. At least 70 percent of the grant funds must be spend on individuals who:
a) i) are long term welfare recipients (with 30 or more months of receipt) or who face termination from TANF assistance within 12 months; AND ii) who face two of three specified labor market deficiencies (lack of high school diploma or GED and low reading or math skills; requiring substance abuse treatment for employment; have a poor work history); OR
b) are a noncustodial parent of minors whose custodial parent meets criteria (a) (i) and (a) (ii).

FR

Introduction page 4, third bullet point: Delete entire sentence at end of paragraph: "[The regulations which are issued for WtW will make it clear....subsidized or unsubsidized job.]" It is premature to say what the regulations "will" do.

Introduction page 4, fourth bullet point: In second sentence, add at end "to the individual participants receiving WtW services."

Planning guidance page 4, after second paragraph: Insert statutory language regarding \$100,000 threshold which follows that listed here and which begins: "(II) DISTRIBUTION OF FUNDS-- (aa) IN GENERAL - If the amount allocated by the formula to a service delivery area is at least \$100,000....."

*September 26, 1997

To: Bruce Reed
From: Cynthia Rice
cc: Elena Kagan, Diana Fortuna
Subj: Today's Meeting with Mayor Archer

Yesterday, the U.S. Conference of Mayors provided us with a more detailed description of their concerns (see attached memo).

This morning, I chaired an 8:00 am WH-DOL-HHS conference call to discuss how to respond to Mayor Archer at this afternoon's meeting. The plan is for you and Secretary Herman and Kevin Thurm (if he attends) to assure them that we are on their side -- as we were throughout the budget fight. Ray Uhalde will be there to provide some more specific feedback on their comments along these lines:

*The vast majority of funds (85% of formula and 100% of competitive) are targeted at PICs and local governments.

*The statute provides the private industry councils with "sole authority, in coordination with the chief elected official [the mayor]...to expend the amounts described..."

*We can clearly revise the language of our guidance to better stress the role of the PICs and the importance of local flexibility.

*But because Republicans insisted that these funds be part of TANF, the formula funds flow through the states. States must submit a state plan developed in consultation and coordination with local officials which contains "assurances" by the governor that it will "coordinate" these expenditures with expenditures under TANF. Governors can rescind funds from PICs who do not do so.

*Our draft guidance does not define what it means for the state to assure coordination of expenditures, but the regulations will.

*We believe, however, that this authority to assure coordination with TANF does not give the governor the authority to tell PICs on which activities or populations to spend the funds. PICs have the freedom to choose from among the eligible activities and individuals in the statute.**

*The statute does appear to give states the authority to set other state-wide policies, monitor the expenditure of funds, and enforce the 15% cap on administrative expenses, which the mayors oppose. The extent of this authority will be defined the regulations.

** This is preliminary, pending review by DOL lawyers.

RF

September 25, 1997

To: Bruce Reed
From: Cynthia Rice
cc: Elena Kagan, Diana Fortuna
Subj: Draft Welfare to Work Guidance: Issues Raised by U.S. Conference of Mayors

As you know, the U.S. Conference of Mayors released a press release on Monday protesting "in the strongest possible terms" the "state bias" in the Administrations welfare to work draft interim guidance. Today, they provided us with the more detailed comments. (Both are attached, along with the letter they sent Secretary Herman.) As described below, many of their proposed changes are simply semantics; however, others reveal differences in understanding of the statute. One -- regarding what percentage of the match can comprised of in-kind contributions (they want a half instead of a third) -- is a straight-forward policy disagreement.

Issues of Semantics

Most of their suggested changes are changes not of substance, but of semantics. For example, when page one of the introduction gives a short description of the two kinds of grants, they want to replace "formula grants to states" with "formula pass-through grants to states, with 85 percent to be passed through to PICs." In many places they added "and PICs" where the guidance now only says "states." This linguistic "state bias" was due to the fact that it is the states under the statute who file plans and receive funds from the Dept. of Labor and the purpose of the guidance is to tell states what they have to include in those plans. However, we can obviously make these changes.

Issues of Statutory Interpretation

The mayors raise a more serious issue over what is the state role in setting overall policy and in providing oversight to the PICs. This firestorm was fueled by a letter Governor Tom Ridge sent to Mayor Rendell which said in part that the state "will provide detailed program guidelines within which the PIC will operate the program under the grant" and noting that "the law requires that as Governor I make assurances that the funds will be spent in conjunction and in coordination with TANF programs."

The dispute centers around the fact that the law requires states to file a plan developed in consultation and coordination with local officials which contains "assurances" by the governor that it will "coordinate" these expenditures with expenditures under TANF. Governors can rescind funds from PICs that do not do so. At the same time, the statute says that the "private industry council for a service delivery area in a state shall have sole authority, in coordination with the chief elected official [the mayor]...to expend the amounts described..." Governors interpret this to mean that they set statewide policy which PICs must follow; the mayors believe that this means that the state plan should be simply a compilation of the plans developed by the PICs. Our current draft guidance essentially repeats the statute, not clarifying this issue. The mayors want us to insert at all relevant points that the state plan shall be "based on the programs developed by the PICs" etc.

The Department of Labor believes that the governors authority to assure coordination with TANF does not give them the authority to tell PICs on which activities or populations to spend the funds. PICs have the freedom to choose from among the eligible activities and

individuals in the statute. However, they currently believe that the statute gives states the authority to set other state-wide policies, monitor the expenditure of funds, and enforce the 15% cap on administrative expenses, which the mayors oppose. Thus, a state cannot be forced simply to compile the PIC plans and submit them as its state plan. These matters of interpretation have not been defined in the guidance and are still under discussion at the Department in the development of the draft regulations.

Issues of Policy Disagreement

The mayors would like up to half, rather than one-third, of the match to be in-kind contributions. The Department of Labor is sympathetic; to date, we, along with OMB and HHS, have resisted allowing more than one-third.

January 26, 1996

MEMORANDUM FOR DISTRIBUTION

FROM:Debbie Fine

SUBJECT:Smith/Dole Amendment to H.R. 1833

Attached, fyi, are one-pagers from NARAL and the Women's Legal Defense Fund that you may not have seen that discuss the language of the Smith/Dole Amendment passed by the Senate (adds a life exception to H.R. 1833). They are helpful in showing how the groups are talking about the amendment and why it is not a straightforward life exception, and of course is not a health exception either.

DISTRIBUTION:

Carol Rasco
Jeremy Ben-Ami
Jennifer Klein
James Castello
Elena Kagan
George Stephanopoulos
Alexis Herman
Betsy Myers
Judy Gold
Janet Murguia
Barbara Chow
Tracey Thornton
Peter Jacoby
Martha Foley
Nancy Ann Min
John Hart

DPC Meeting with Civil Rights Agencies: HD staff attended a meeting convened by Elena Kagan with civil rights enforcement agencies in HHS, Labor and Education, to discuss: 1) how to improve and enhance civil rights enforcement; and 2) to discuss ideas agencies might have for possible initiatives for FY 1999; and 3) how the Administration can help these agencies with Congressional appropriators (a concern being that the Budget has requested more money than Congress has been appropriating for these offices in recent years). The DPC is searching for civil rights initiatives to include in the Presidents Initiative on Race and will probably ask for OMBs assistance in any initiatives they develop.

March 12, 1997

MEMORANDUM FOR CHIEFS OF STAFF AND MEMBERS OF THE INTERAGENCY WORKING GROUP ON EARLY CHILDHOOD DEVELOPMENT

FROM: Elena Kagan
Deputy Assistant to the President for Domestic Policy

SUBJECT: Interagency Working Group on Early Childhood Development and the White House Conference on Early Childhood Development and Learning: What New Research on the Brain Tells Us About Our Youngest Children

Tomorrow (Thursday) the President will announce the date and themes of the White House Conference on Early Childhood Development and Learning: What New Research on the Brain Tells Us About Our Youngest Children. You will be sent a fact sheet and Q&A on the announcement.

Because we will be sending invitations to attend and participate in the Conference shortly, any agencies that have not yet submitted information on specific people they think should be included, must do so Thursday morning. The Conference will be held in the East Room and space will be extremely limited.

Equally important, any agencies that have not yet submitted the written preview of their response to the Presidents memorandum, which I asked for a couple of weeks ago, should do so by close of business tomorrow (Thursday). This preview should focus on actions and proposals that could be announced before, during, or after the Conference. It is essential that the final agency responses are submitted by the March 24 deadline set in the Presidents memorandum to department heads.

Finally, if your agency has or will have written materials that could be distributed in conjunction with the Conference, please send us a copy and description of those materials as well.

The requested information should be faxed to Pauline Abernathy on the DPC staff at 456-2878. Please feel free to contact me or Pauline with any questions. Thank you.

June 26, 1997

BILL SIGNING CEREMONY FOR THE DRUG-FREE COMMUNITIES ACT

DATE:Friday, June 27
LOCATION:Roosevelt Room
TIME:12:00 p.m.
FROM:John Hilley
Peter Jacoby
Senior Staff Persons signature/initials.

I. PURPOSE State purpose of meeting. Paper should be written as if you were talking to the President - in 2nd person (i.e. "you will meet with ...").

To sign the Drug-Free Communities Act of 1997 and highlight the Administrations anti-drug efforts. You will also have the opportunity to respond to the Supreme Courts decision on the constitutionality of the Brady handgun legislation. Finally, you will also announce the formation of the Presidential taskforce charged with reviewing the tobacco settlement.

II. BACKGROUND State relevant context in which meeting arises, issues of special concern to parties, as appropriate, previous participation, etc.

The Drug-Free Communities Act represents a targeted effort by Congress to rechannel existing federal drug-control money into community-based programs focused on preventing and treating teenage substance abuse. The measure, authored by Congressman Rob Portman (R-OH) and originally cosponsored by Congressman Sandy Levin (D-MI), Congressman Hastert (R-IL) and Congressman Rangel (R-NY,) engendered broad bipartisan support as evidenced by a 420-1 vote in the House and Senate passage by voice vote. The measure represents a significant collaboration between Congressman Portman and the Office of National Drug Control Policy which has resulted in a strong Congressional endorsement of community-based drug prevention programs.

In brief, the measure will authorize the Office of National Drug Control Policy (ONDCP) to spend up to \$143.5 million over five years (\$10 million in FY98 with increasing amounts in each fiscal year culminating in \$43.5 million for FY 2002) to support long-term, community-based substance abuse programs that meet the following criteria:

- 1) programs must show a comprehensive approach and community-wide leadership and commitment for reducing and preventing drug abuse;

- 2) programs must develop a self-evaluation process and raise funds to match the federal grant dollar for dollar (grants are capped at \$100,000);
- 3) programs must maintain substantial volunteer involvement from youth, parents, schools, religious leaders, police officials and others; and
- 4) programs must develop and demonstrate financial support that will continue after the federal grant is expended.

Finally the bill would establish an 11 member commission to advise the Director of ONDCP on the design and implementation of the grant program established by the bill. The President will appoint the members who have a demonstrated interest and expertise in substance abuse reduction programs.

By signing this bill you will underscore the importance of bipartisan cooperation to reduce adolescent drug use. This will be especially important during the coming months as the Administration works to procure funding from Congressional appropriators both for this initiative and for other Administration anti-drug efforts. This bill also demonstrates that the federal government alone cannot fully address this challenge and that local communities must be both enlisted and assisted in this effort.

During the signing event you will also be announcing that Bruce Reed and Secretary Shalala will be overseeing the Administrations tobacco settlement review process. HHS and the White House have convened four working groups -- Regulatory Issues (chaired by Elena Kagan); Program and Budget Issues (chaired by Chris Jennings); Legal Issues (chaired by Elena Kagan); and Industry Performance and Accountability (chaired by Bruce Reed). You will be announcing that you have asked a review team will focus on public health questions, outline the working groups, and announce that Secretary Shalala and Bruce Reed will host a number of White House meetings with leading health experts and Members of Congress over the next several weeks to benefit from their expertise.

Finally, you will be able to respond to the Supreme Courts decision on the constitutionality of the Brady waiting period legislation. Should the Brady legislation be struck down by the Court you will announce that you have directed Secretary Rubin and Attorney General Reno to: 1) contact law enforcement officials to inform them that they may continue to voluntarily conduct background checks and; 2) convene a meeting of law enforcement experts and officials to develop a set of recommendations to ensure that background checks will continue to be conducted.

III. PARTICIPANTS List all participants including White House Staff.

The congressional sponsors and co-sponsors of this legislation will be standing behind you. A list is attached.

The audience consists of leaders in prevention, treatment, and law enforcement. A list is attached.

IV. PRESS PLANS Specify press coverage, photo opportunity, no press coverage, etc.

Pool press.

V. SEQUENCE OF EVENTS Outline meeting agenda and Presidents role using bullet points.

The Vice President makes opening remarks and introduces General Barry McCaffrey.

General McCaffrey makes remarks and introduces you.

You make remarks.

At the conclusion of your remarks, you sign the bill and distribute the pens to the Members of Congress that are flanking you.

VI. REMARKS To be provided by Speechwriters,
Talking points attached, or
None required

To be provided by Speechwriting.

May 28, 1998

NOTE FOR ERSKINE BOWLES

BRUCE REED

JACK LEW

LARRY STEIN

ELENA KAGAN

FROM: GENE SPERLING

RE: Gramm Amendment

As we discussed at yesterday's meeting, it would be helpful for us to take Gramm's words--1 in 3 dollars-- and establish that at the outset as a restricting principle to reduce the substantial risk that the size of any tax cut grows as it goes through the process. Attached is a transcript from the Congressional Record of Gramm making this point repeatedly that should be shared with Daschle.

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DRAFT DRAFT DRAFT

October 9, 1997

MEMORANDUM FOR ERSKINE BOWLES

FROM: ANDREW MAYOCK AND PETER RUNDLET

SUBJECT: Meeting on Race Initiative Plan

I. PURPOSE:

This meeting is being held so that you may do the following:

- 1) ensure the Presidents Initiative on Race (PIR) is receiving the appropriate focus
- 2) encourage the attention and involvement of senior staff
- 3) prod and motivate White House and PIR staff
- 4) provide guidance on the direction of the Initiative

II. BACKGROUND:

Over the past two weeks, Sylvia and Judy have convened members of the White House and PIR staffs in an effort to both identify concrete goals for the Initiative to accomplish by the end of the year and to establish the appropriate work framework for our staff resources to accomplish these goals. The following seven concrete goals have been identified to help focus the efforts of the PIR and the Advisory Board:

- (1) Identify potential policies to develop and initiate
- (2) Recruit leaders from various sectors to advance the mission of the PIR
- (3) Identify promising practices
- (4) Identify Tough Issues for the President and Board to address
- (5) Promote dialogue in communities throughout the country
- (6) Assist the President in producing a living Report
- (7) Encourage the participation of youth in the PIR

In order to develop these goals in detail and create a process for achieving them, a

working group was created for each of these seven goals. Working groups consist of members of both White House and PIR staffs. In addition to these seven working groups, three other working groups were convened to handle ongoing functions that need special, coordinated attention: Press/Communications, Cabinet Affairs, and Advisory Board.

Over this past week, each of these ten working groups developed a work plan for their areas. These work plans are attached, although Judy and Sylvia have not yet had the opportunity to review them. These work plans include the goals, products, process and resources that are involved for making significant accomplishments in each area.

At this meeting, you will receive presentations from each of the working groups about their goals and strategies for achieving their goals. At this point, there is a general sense that significant progress has been made in the last week. However, more progress remains to be made.

After these work plans are refined, a smaller group will meet with the President at the end of the month to discuss the goals and activities of the Race Initiative. Your meeting with this group should help them prepare and focus for the meeting with the President.

Paul and Sid have recently become involved in the race initiative effort, and Sylvia would like for you to reinforce their commitment.

III. PARTICIPANTS:

See attached list.

VII. ATTACHMENTS:

Race Initiative Plan Agenda
Meeting Participants
Summaries and Outlines by Working Groups

☐☐

October 10, 1997

AGENDA

Presentations and Discussion on the Following Goals and Processes:

Goals

1. Policy
2. Recruiting Leaders / Outreach
3. Promising Practices
4. Hard Questions
5. Dialogue in Communities

6. Living Report

7. Youth

Processes

1. Advisory Board - Minyon Moore / Judy Winston

2. Cabinet Affairs - Michelle Cavataio / Goody Marshall

3. Communications / Press - Claire Gonzales / Ann Lewis

Team Leaders on the Goals Working Groups

1. Policy - Elena Kagan / Lin Liu / Gene Sperling

2. Recruiting Leaders / Outreach - Maria Echaveste / Mickey Ibarra / Mike Wenger

3. Promising Practices - Susan Liss / Lin Liu

4. Hard Questions - Chris Edley / Judy Winston

5. Dialogue in Communities - Claire Gonzales / Ann Lewis

6. Living Report - Chris Edley / Judy Winston

7. Youth - Minyon Moore / Michael Sorrell

Team Leaders on the Process Working Groups

1. Advisory Board - Minyon Moore / Judy Winston

2. Cabinet Affairs - Michelle Cavataio / Goody Marshall

3. Communications / Press - Claire Gonzales / Ann Lewis

RF

Race Initiative Meeting Participants

2:00 pm Room 180 OEOB

White House Staff Working on the Race Initiative and Race Initiative Staff

Michele Cavataio

Maria Echaveste

Chris Edley

Mickey Ibarra

Claire Gonzales

Elena Kagan

Ann Lewis

Susan Liss

Lin Liu

Goody Marshall
Sylvia Mathews
Andrew Mayock
Minyon Moore
Peter Rundlet
Mike Sorrell
Gene Sperling
Mike Wenger
Judith Winston

Senior Staff
Paul Begala
Sidney Blumenthal
Rahm Emanuel
John Hilley
Ron Klain
Mike McCurry / Joe Lockhart
Cheryl Mills
John Podesta
Doug Sosnik
Melanne Verveer
Michael Waldman

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October 9, 1997

MEMORANDUM FOR ERSKINE BOWLES

FROM: ANDREW MAYOCK AND PETER RUNDLET

SUBJECT: Meeting on Race Initiative Plan

I. PURPOSE:

This meeting is being held so that you may do the following:

- 1) ensure the race initiative is receiving the appropriate focus
- 2) encourage the attention and involvement of senior staff
- 3) prod and motivate the White House staff and race initiative staff
- 4) provide guidance on the direction of the initiative

II. BACKGROUND:

At this meeting, you will receive presentations on the seven main goals of the race initiative: 1) Policy; 2) Recruiting Leaders / Outreach; 3) Promising Practices; 4) Hard Questions; 5) Dialogue in Communities; 6) Living Report; and 7) Youth.

Soon after this meeting, a smaller group will meet with the President to discuss the goals and activities of the race initiative. Your meeting with this group should help them prepare and focus for the meeting with the President.

Over the past two weeks, Sylvia and Judy have convened the appropriate White House staff and the Race Initiative staff in an effort to pull together planning and implementation on concrete actions in these seven areas. In order to carry this out, a working group for each goal was established. Also, three other working groups were convened to handle ongoing functions that need special, coordinated attention: Press/Communications; Cabinet Affairs and Advisory Board. Over this past week. Each of these groups developed a work plan in their areas. (Attached, although Judy and Sylvia have not yet reviewed.) These work plans include the goals, products, process and resources that were involved for making significant accomplishments in each area.

Heading into this meeting with you, there is a general sense that progress has been made. However, there is a ways to go still.

Paul and Sid have recently become involved in the race initiative effort, and Sylvia would like for you to reinforce their commitment.

III. PARTICIPANTS:

See attached list.

VII. ATTACHMENTS:

Race Initiative Plan Agenda
Meeting Participants
Summaries and Outlines by Working Groups

☐☐

October 10, 1997

AGENDA

Presentations and Discussion on the Following Goals and Processes:

Goals

1. Policy
2. Recruiting Leaders / Outreach
3. Promising Practices
4. Hard Questions
5. Dialogue in Communities
6. Living Report
7. Youth

Processes

1. Advisory Board - Minyon Moore / Judy Winston
2. Cabinet Affairs - Michelle Cavataio / Goody Marshall
3. Communications / Press - Claire Gonzales / Ann Lewis

☐☐ Team Leaders on the Goals Working Groups

1. Policy - Elena Kagan / Lin Liu / Gene Sperling
2. Recruiting Leaders / Outreach - Maria Echaveste / Mickey Ibarra / Mike Wenger
3. Promising Practices - Susan Liss / Lin Liu
4. Hard Questions - Chris Edley / Judy Winston
5. Dialogue in Communities - Claire Gonzales / Ann Lewis
6. Living Report - Chris Edley / Judy Winston
7. Youth - Minyon Moore / Michael Sorrell

Team Leaders on the Process Working Groups

1. Advisory Board - Minyon Moore / Judy Winston
2. Cabinet Affairs - Michelle Cavataio / Goody Marshall
3. Communications / Press - Claire Gonzales / Ann Lewis

RF

Race Initiative Meeting Participants

2:00 pm Room 180 OEOB

White House Staff Working on the Race Initiative and Race Initiative Staff

- Michele Cavataio
- Maria Echaveste
- Chris Edley
- Mickey Ibarra
- Claire Gonzales
- Elena Kagan
- Ann Lewis
- Susan Liss
- Lin Liu
- Goody Marshall
- Sylvia Mathews
- Andrew Mayock
- Minyon Moore
- Peter Rundlet
- Mike Sorrell
- Gene Sperling
- Mike Wenger
- Judith Winston

Senior Staff

- Paul Begala
- Sidney Blumenthal
- Rahm Emanuel
- John Hilley

Ron Klain
Mike McCurry / Joe Lockhart
Cheryl Mills
John Podesta
Doug Sosnik
Melanne Verveer
Michael Waldman

October 2, 1997

MEMORANDUM FOR: ELENA KAGAN
GENE SPERLING
JUDITH WINSTON

FROM: ERSKINE BOWLES AND SYLVIA MATHEWS

SUBJECT: MEETING ON THE RACE INITIATIVE

We are calling a meeting on the Race Initiative for next Friday. The purpose of the meeting is twofold:

(1) Articulate in concrete terms the goals the Race Initiative intends to accomplish by the end of the year-long effort. (The policy councils will present in the policy areas.)

(2) Determine how our resources will be applied to achieve these concrete goals; establish a structure to strengthen the way in which PIR and White House staff work together.

The meeting will last about one hour and take place at 2:00 p.m. on Friday, October 10. Carole Parmelee will contact you about the location of the meeting.

MEMORANDUM FOR ERSKINE BOWLES

THROUGH: Jack Lew

FROM: Donald R. Arbuckle

SUBJECT: Heads-Up on Final Child Care Development Fund Rule

We are about to conclude review of an HHS/Administration for Children and Families final rule for child care. This is the first rule resulting from the 1996 welfare reform law and thus may receive significant attention. Per legislation, this rule combines four funding streams into one coordinated fund, the Child Care Development Fund (CCDF).

Two key provisions of this rule have never before been required and are central to the new child care rule. Immunizations are required of all children to prevent infectious diseases. In addition, consumer information about health and safety provider options must be provided to all families so that parents can make informed choices relating to child care.

There were limited public comments and few changes were made from the proposed rule. As a result, the rule is likely to be well received.

cc: Maria Echaveste
Rahm Emanuel
Larry Stein
Ron Klain
Thurgood Marshall, Jr.
Ann Lewis
Sally Katzen
John Podesta
Bruce Reed
Gene Sperling
Elena Kagan
Barry Toiv
Michael Waldman
Janet Yellen
Mickey Ibarra
Danny Mendelson

February 22, 1999

MEETING WITH ECONOMIC ADVISORS

DATE: February 22, 1999
TIME: 1:00-2:00pm
LOCATION: Cabinet Room
FROM: Gene Sperling

I. PURPOSE

To discuss a prototype Universal Savings Account (USA) plan, that will be included in a packet to be distributed at the meeting, that reflects the recommendations of your economic team and extensive ongoing work and policy development by the Treasury Department. The proposal compares well with the leading alternative tax cut proposals in terms of fairness, fiscal responsibility, and promoting savings and economic growth

II. BACKGROUND

As you know as part of your overall Social Security Reform framework you proposed to reserve \$536 billion or 12 percent for tax credits to create New Universal Saving Accounts (USA Accounts) so that all working Americans can build wealth to meet their retirement needs. To help Americans save and to strengthen our current pension system, you would provide Americans a flat tax credit to make contributions into their USA Account. In addition, you would provide additional tax credits to match a portion of an individuals savings -- with more help for lower-income workers.

III. PARTICIPANTS

YOU

John Podesta
Jack Lew
Secretary Rubin
Sylvia Mathews
Maria Echaveste
Steve Ricchetti
Ken Apfel
Gene Sperling
Janet Yellen
Ron Klain
Larry Stein
Paul Begala
Bruce Reed
Elena Kagan
Karen Tramontano
Sally Katzen
Doug Sosnik

Jon Talisman
Len Burman
Mark Iwry
Jeff Liebman
Chuck Marr

IV. SEQUENCE OF EVENTS

-YOU will meet with your economic policy advisors in the Cabinet Room.

V. PRESS COVERAGE

Closed.

VI. REMARKS

NA.

April 28, 1999

MEETING WITH ECONOMIC ADVISORS

DATE: April 29, 1999
TIME: 10:50-11:50am
LOCATION: Cabinet Room
FROM: Gene Sperling

I. PURPOSE

To meet with your economic to discuss options for moving ahead on Social Security reform.

II. BACKGROUND

We want to use this meeting to walk through possible substantive and strategic options for moving forward on your Social Security plan, as well as discuss the details of the Archer-Shaw plan. Attached is a draft of the paper that we will use as the basis for our discussion with you tomorrow.

III. PARTICIPANTS

YOU
John Podesta
Jack Lew
Secretary Rubin
Deputy Secretary Summers
Sylvia Mathews
Maria Echaveste
Steve Ricchetti
Ken Apfel
Gene Sperling
Janet Yellen
Ron Klain
Larry Stein
Doug Sosnik
Bruce Reed
Elena Kagan

Karen Tramontano
Bill Dauster
Jeff Liebman

IV. SEQUENCE OF EVENTS

-YOU will meet with your economic policy advisors in the Cabinet Room.

V. PRESS COVERAGE

Closed.

VI. REMARKS

NA.

ATTACHMENT

Social Security Options packet