Wednesday, February 18, 1998

1:05 PM	Children's Health Care Event	Tab A
	- Remarks	Tab B
	- Draft Executive Memorandum	Tab C
	- Participant List	Tab D
2:40 PM	Weekly Economic Briefing	Tab E
	- Background	Distributed Separately
3:05 PM	Foreign Policy Phone Call	Distributed Separately
3:30 PM	Video Taping for the Expansion of the United Nations "Oil-for-Food" Program for Iraq	Tab F To Be Forwarded
	- Script	Tab G
7:00 PM	Reception for Representative Jim Moran	Tab H
	- Talking Points	Tab I To Be Forwarded
	- Virginia Political Briefing	Distributed Separately
8:05 PM	DNC Dinner	Tab J
	- Talking Points	Tab K To Be Forwarded

SCHEDULE OF THE PRESIDENT
FOR
WEDNESDAY, FEBRUARY 18, 1998
Final Schedule

'98 FEB 17 PM 7:

SCHEDULING DIRECTOR:	STEPHANIE STREETT	
	HOME:	202-332-5651
	OFFICE:	202-456-2823
	WHCA PAGER:	4033
EVENT COORDINATOR: (Children's Health Care)	LAURA GRAHAM	
	HOME:	703-212-7642
	OFFICE:	202-456-2349
	WHCA PAGER:	4809
EVENT COORDINATOR: (DNC)	ANTHONY BERNAL	
	HOME:	202-232-8328
	OFFICE:	202-456-5307
	WHCA:	4416

WEATHER:

WASHINGTON, D.C.

Cloudy with rain showers in the morning, becoming mostly cloudy to cloudy with light rain in the afternoon. Winds southeast to southwest at 10 to 15 knots with gusts to 20 knots.
Low 40 to 45. High 53 to 58.

SCHEDULE OF THE PRESIDENT
FOR
WEDNESDAY, FEBRUARY 18, 1998
Final Schedule

9:00 am-
12:00 pm

PHONE AND OFFICE TIME
RESIDENCE/OVAL OFFICE

12:00 pm-
12:15 pm

MEETING
OVAL OFFICE
Staff Contact: Erskine Bowles

12:15 pm-
12:45 pm

BRIEFING FOR CHILDREN'S HEALTH EVENT
OVAL OFFICE
Staff Contact: Bruce Reed, Melanne Verveer

12:50 pm-

THE PRESIDENT and The First Lady depart The White House via motorcade en route Children's Hospital
[drive time: 15 minutes]

1:05 pm

THE PRESIDENT arrives Children's Hospital

Greeters: Ned Zeckman, President, Children's Hospital
Wayne Quinn, Chairman, Board of Directors, Children's Hospital
Jackie Bowens, Vice President, Government and Public Affairs, Children's Hospital

1:10 pm- 2:00 pm

REMARKS ON CHILDREN'S HEALTH CARE INITIATIVE
ATRIUM
Children's Hospital
Remarks: June Shih
Staff Contact: Bruce Reed, Melanne Verveer
Event Coordinator: Laura Graham
OPEN PRESS

Note: Approximately 150 guests in attendance.

-- Off-stage announcement of **the President** and the First Lady accompanied by Secretary Donna Shalala, Department of Human Health and Services, Ned Zeckman, President, Children's Hospital, and Linda Haverson, Parent.

-- Ned Zeckman, President, Children's Hospital gives brief welcoming remarks and introduces Secretary Donna Shalala.

-- Secretary Donna Shalala gives brief remarks and introduces The First Lady.

-- The First Lady gives brief remarks and introduces Linda Haverson.

-- Linda Haverson gives brief remarks and introduces **The President**.

-- **The President** gives remarks.

-- At the conclusion of his remarks, **The President** and The First Lady, accompanied by Secretary Donna Shalala, proceed to the signing table where **The President** will sign an executive memorandum.

-- **The President** and The First Lady work a ropeline and depart.

2:05 pm- 2:15 pm

MEET AND GREET
CHILDREN'S HOSPITAL
Staff Contact: Bruce Reed, Melanne Verveer
Event Coordinator: Laura Graham
CLOSED PRESS

-- **The President** and The First Lady greet 15 guests.

2:20 pm

THE PRESIDENT and The First Lady depart Children's Hospital via motorcade en route The White House
[drive time: 15 minutes]

2:35	pm		**THE PRESIDENT** and The First Lady arrive The White House
2:40 3:00	pm- pm		**WEEKLY ECONOMIC BRIEFING** OVAL OFFICE Staff Contact: Janet Yellen
3:05 3:25	pm- pm	(T)	**BRIEFING AND FOREIGN POLICY PHONE CALL** OVAL OFFICE Staff Contact: Sandy Berger
3:30 3:35	pm- pm		**VIDEO TAPING FOR THE EXPANSION OF THE UNITED NATIONS "OIL-FOR-FOOD" PROGRAM FOR IRAQ** CABINET ROOM Staff Contact: Sandy Berger, Brenda Anders
3:40 3:45	pm- pm		**MEETING** OVAL OFFICE Staff Contact: Stephanie Streett
3:45 5:30	pm- pm		**PHONE AND OFFICE TIME** OVAL OFFICE
5:30 6:30	pm- pm		**HOLD**
6:45	pm		**THE PRESIDENT** proceeds to the South Grounds
6:50	pm		**THE PRESIDENT** departs The White House via motorcade en route Private Residence [drive time: 10 minutes]
7:00	pm		**THE PRESIDENT** arrives Private Residence Greeters: Dr. Jim D'Orta Representative Jim Moran

7:05 pm- 7:30 pm	**PHOTO RECEIVING LINE** PRIVATE RESIDENCE Staff Contact: Craig Smith Event Coordinator: Anthony Bernal **CLOSED PRESS**

-- **The President** will greet 50 guests for photographs.

7:35 pm- 7:55 pm	**RECEPTION FOR REPRESENTATIVE JIM MORAN** PRIVATE RESIDENCE Staff Contact: Craig Smith Event Coordinator: Anthony Bernal **POOL PRINT REPORTER (REMARKS ONLY)**

Note: There will be approximately 225 guests in attendance.

-- **The President** accompanied by Representative Jim Moran and Dr. Jim D'Orta, reception host proceed to the toast lectern.

-- Dr. Jim D'Orta gives brief welcoming remarks and introduces Representative Jim Moran.

-- Representative Jim Moran gives remarks and introduces **The President**.

-- **The President** makes remarks and departs.

8:00 pm **THE PRESIDENT** departs Private Residence via motorcade en route Private Residence
[drive time: 5 minutes]

8:05 pm **THE PRESIDENT** arrives Private Residence

Greeters: Beth Dozoretz
Ron Dozoretz
Joshua Dozoretz

8:10 pm- 9:30 pm	**REMARKS TO THE DEMOCRATIC NATIONAL COMMITTEE DINNER** PRIVATE RESIDENCE Staff Contact: Craig Smith Event Coordinator: Anthony Bernal **POOL PRINT REPORTER (REMARKS ONLY)**

Note: Approximately 40 guests will be in attendance.

-- Beth Dozoretz makes welcoming remarks and introduces **The President**.

-- **The President** makes remarks and proceeds to mix and mingle with guests.

-- Upon conclusion of his remarks, **The President** will informally mix and mingle with guests during buffet dinner.

9:40 pm	**THE PRESIDENT** departs Private Residence via motorcade en route The White House [drive time: 10 minutes]
9:50 pm	**THE PRESIDENT** arrives The White House
BC/HRC RON	**THE WHITE HOUSE** **WASHINGTON, D.C.**

THE WHITE HOUSE

WASHINGTON

February 17, 1998

CHILDREN'S HEALTH INSURANCE OUTREACH EVENT

DATE:	February 18, 1998
LOCATION:	Children's Hospital
EVENT TIME:	1:10 pm - 2:00 pm
FROM:	Bruce Reed/Chris Jennings

I. PURPOSE

To announce the first states to join the Children's Health Insurance Program and new efforts by the federal government and private sector to enroll millions of uninsured children into Medicaid or other state-based children's health programs.

II. BACKGROUND

Over 10 million children in America are uninsured, with 3 million of them eligible for but not enrolled in Medicaid. To address this problem, you fought for and signed into law the Children's Health Insurance Program (CHIP) last year, which provides funding for states to expand health care coverage to uninsured children. This event will provide you with an opportunity to highlight steps the Administration is taking to implement this initiative; to detail your 1999 budget proposal to improve children's health outreach; to announce executive actions complementing this legislative proposal; and call attention to significant private sector commitments to children's outreach.

At this event, you will make the following specific announcements:

- **COLORADO AND SOUTH CAROLINA HAVE JOINED ALABAMA AS THE FIRST COVERAGE EXPANSIONS UNDER THE NEW CHIP PROGRAM.** You will announce that Colorado and South Carolina join Alabama as the first states to come into the children's health program. In late January, Alabama received approval to expand its Medicaid program to children ages 14 to 18 up to 100 percent of poverty. South Carolina will expand its Medicaid program to provide coverage to all children up to 150 percent of poverty. And, Colorado builds upon its current non-Medicaid program to cover children up to 185 percent of poverty. You will also announce that many more States are well on their way to expanding coverage to more uninsured children. Currently, 14 states have submitted plans to HHS for approval, and another 18 States have active working groups or task forces to design plans to address the needs of uninsured children.

- **A NEW PRESIDENTIAL DIRECTIVE TO LAUNCH A GOVERNMENT-WIDE EFFORT TO ENROLL UNINSURED CHILDREN.** At this event you will sign an executive memorandum to seven Federal agencies with jurisdiction over children's programs — the Departments of Agriculture, Interior, Education, HHS, HUD, Labor, and Treasury and the Social Security Administration -- that will direct the establishment of a multi-agency effort to enroll uninsured children. These agencies run programs such as WIC, Food Stamps, Head Start, and public housing that cover many of the same children who are uninsured and eligible for Medicaid or other health insurance. Your memorandum instructs these agencies: (1) to identify all their employees and grantees who might come into contact with these children and ensure that these individuals are aware of the health insurance programs available to children; (2) to develop an intensive children's outreach initiative, such as distributing information, coordinating toll-free numbers, and simplifying and coordinating application forms; and (3) to report back in 90 days on their plan to help enroll uninsured children.

- **NEW BUDGET PROPOSALS THAT PROVIDE MEDICAID ENROLLMENT INCENTIVES TO STATES.** Your FY 1999 budget invests $900 million over 5 years in children's health outreach policies, including the use of schools and child care centers to enroll children in Medicaid. The budget provides states with the option of automatically enrolling children in Medicaid even before having received all of the complicated eligibility and enrollment forms (a provision known as "presumptive eligibility"). It also expands the use of a Federally-financed administrative fund so that it can underwrite the costs for <u>all</u> uninsured children — not just the limited population allowed under current law.

- **A HISTORIC PRIVATE SECTOR COMMITMENT TO PROVIDE OUTREACH.** To complement the public outreach effort, you will announce unprecedented new contributions from the private sector to help ensure that all children who are eligible for health insurance receive it, including:

  - **A new toll-free number that directs families around the nation to their state enrollment centers.** You will announce that Bell Atlantic will establish and operate a toll-free number to help states enroll uninsured children. The number, which will be put in place during the upcoming months, will be used by the nation's Governors to help millions of families around the nation by directing them automatically to their local state Medicaid enrollment agency.

  - **Over $23 million in commitments from private foundations across the country.** The Robert Wood Johnson Foundation will spend $13 million over the next 3 years to fund innovative state-local coalitions to design and conduct outreach initiatives, simplify enrollment processes, and coordinate existing coverage programs. The Kaiser Family Foundation will spend up to $10 million over the next 5 years on studies to help understand why eligible children do not enroll in existing programs and how best to provide insurance coverage for these children. America's Promise, with support from the Robert Wood Johnson Foundation and the American Academy of Pediatrics, will mobilize corporations such as Smith Kline Beecham and Sheering Plough and local communities nationwide in children's health outreach efforts.

- **New initiatives from corporate and advocacy organizations to reach out to uninsured children.** Pampers has volunteered to include a letter in its child birth education packages, given to 90 percent of first-time mothers, giving families information about available health insurance options. Chain drug stores across the country will provide information about the new Bell Atlantic toll-free number to their customers. The National Education Association is launching an unprecedented effort to educate teachers on how they can inform children and their families about health insurance, through national newsletters, conferences, and special training sessions. The American Hospital Association's Campaign for Coverage will increase its nationwide initiative to engage hospitals in helping uninsured Americans, including children.

III. PARTICIPANTS

- The First Lady
- Secretary Shalala
- Ned Zechman, President and CEO of Children's Hospital
- Linda Haverson, parent whose son was recently enrolled in Medicaid because of a local outreach effort. Her son was able to have necessary ear surgery because of his coverage.

IV. PRESS PLAN

Open Press.

V. SEQUENCE OF EVENTS

- You will be announced onto the stage accompanied by the First Lady, Secretary Shalala, Ned Zechman, and Linda Haverson.
- Ned Zechman, President and CEO of Children's Hospital, will make welcoming remarks.
- Secretary Shalala will make remarks and introduce the First Lady.
- The First Lady will make remarks and introduce Linda Haverson.
- Linda Haverson will make remarks and introduce you.
- You will make remarks.
- You will sign the executive memorandum.
- You will work a ropeline and then depart to the holding room.
- You and the First Lady will briefly meet with private sector representatives who have made commitments to do children's health outreach. (Please see attached list.)

VI. REMARKS

Remarks provided by June Shih in Speechwriting.

PRESIDENT WILLIAM J. CLINTON
REMARKS ON CHILDREN'S HEALTH CARE INITIATIVE
WASHINGTON, D.C.
FEBRUARY 18, 1998

Acknowledgments: The First Lady, Sec. Shalala, [parent]

Last month, in my State of the Union, I asked the American people to strengthen our nation for the 21st century. It's a challenge for our government, our schools, and our families. And it is a challenge that is being met with no greater urgency than by the men and women of this hospital who work tirelessly to restore our most fragile children back to health, to give many of them second chances at life. This is a place where American medicine shines and miracles happen every day.

But it shouldn't take a miracle to ensure all children get the care and insurance they need to stay healthy. America's health care system is the finest in the world. But for millions of hard-working families, affording even the most basic health insurance has been nearly impossible. At the same time, millions of families who are already eligible still do not know they qualify for Medicaid.

Last summer's historic balanced budget agreement gave us an unprecedented opportunity to change this situation, to bring health insurance to more of our children and peace of mind to their parents. It's an opportunity we cannot afford to waste.

Our new children's health initiative is the remarkable product of a new vision of government. We recognized that if we were going to go strong into the next century, we had to put our fiscal house in order. But we also recognized that we had to do this in a way that didn't forsake our oldest values or weaken our families.

As a result, we have a balanced budget and made the most significant commitment to children's health care in over a generation. But these new laws will be just words on paper unless we act to bring the health care to our children. It would be a terrible tragedy if we were to allow ignorance about Medicaid eligibility to keep a child from getting the medical care she needed. All of us have an obligation -- an urgent duty -- to see to it that every single child who is eligible takes advantage of this unprecedented investment in their health and in their future.

I've come here to say that we -- the federal government -- will do our part. But states, businesses, and individual citizens must also step to the plate.

So today, I am launching an all-out effort to let every family know about the health insurance -- whether it's Medicaid or another program -- that is currently or soon will be available to their children. In a few minutes, I will sign an executive memorandum directing the seven Federal agencies who run children's programs to cooperate in a comprehensive effort to make sure that every family gets the information they need to enroll their children -- whether it's from agency employees or pamphlets, toll-free numbers or simplified application forms.

And I call on Congress to pass the new funds I am requesting in my next balanced budget to help states publicize their new programs and enroll children in Medicaid automatically -- even as they wait for final approval of their applications.

Next, every state must take responsibility for ensuring that every eligible child within their borders gets insured. Medicaid is one of the best ways we can expand health insurance coverage to more children -- and it's a state-run program. I am pleased to announce that Colorado and South Carolina will join Alabama as the first states to insure children whose parents' incomes place them above the poverty level but are still too small to afford insurance. We must not rest until all 50 states have followed their lead.

Finally, the private sector must help us get the job done. Many businesses and private foundations have already joined our efforts. Bell Atlantic will establish and operate a new 800-number that will direct families to the state agencies in charge of Medicaid. Drug store chains have agreed to put the 800-number on their shopping bags. Pampers has agreed to include a letter in their birth education packages. I thank all of you for being exemplary corporate citizens.

And I want to thank the Kaiser Family Foundation, the Robert Wood Johnson Foundation, America's Promise, the American Academy of Pediatrics, the American Hospital Association and the Nation Education Association for devising their own outreach efforts and working with us to spread the word about the children's health initiative.

This is an extraordinary partnership to ensure that every child gets the health coverage he or she needs to have a fair and healthy start at life. But it is only a first step. I challenge every parent, grandparent, doctor, nurse, health care provider, teacher, business leader, and community across America to find new ways to reach children who can be covered by Medicaid or the new children's health insurance programs.

Hillary and I know from experience that nothing can weigh more heavily on a parent's mind than a child's illness. Even the slightest cough, the most minor accident on the playground, can cause a great deal of worry. I can't even imagine what it would be like to also have to worry about finding the money to pay for the medical care my child would need to get better. Too many parents live with these worries every day, live with the impossible choice of buying medicine for a sick child or putting food on the table for the rest of the family. Let us all work to make sure that these are dilemmas no family will ever have to face in the 21st Century.

THE WHITE HOUSE

WASHINGTON

DRAFT

MEMORANDUM FOR THE SECRETARY OF THE TREASURY
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH AND HUMAN SERVICES
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY OF EDUCATION
THE COMMISSIONER OF SOCIAL SECURITY

SUBJECT: Children's Health Insurance Outreach

Over 10 million of our Nation's children are currently uninsured and, as a consequence, often cannot afford much-needed health care services such as doctor visits, prescription drugs, or, hospital care, when necessary. Last year, with bipartisan support, we took a major step toward solving this problem. The Balanced Budget Act of 1997 that I signed into law enacted the largest single expansion of children's health insurance in 30 years. The new Children's Health Insurance Program (CHIP) provides $24 billion over 5 years to cover millions of uninsured children in working families. It builds on the Medicaid program, which currently covers nearly 20 million poor children across the country.

We now face the serious task of enrolling uninsured children in both Medicaid and State-administered children's health programs. We know that well over 3 million uninsured children are eligible but not enrolled in Medicaid. This is largely due to a lack of knowledge about Medicaid eligibility and the difficulty of the enrollment process. These same problems could limit the potential of CHIP to successfully enroll millions of uninsured children.

To ensure that both Medicaid and CHIP fulfill their potential, I am calling for a nationwide children's health insurance outreach initiative involving both the private and public sectors. As illustrated by my announcement today, foundations, corporations, health care providers, consumer advocates, and others in the private sector are already responding to our challenge to make

DRAFT

every effort to enroll uninsured children in Medicaid or CHIP. In the public sector, my FY 1999 budget proposal includes policies to give States the flexibility and funding they need to conduct innovative outreach activities. The Health Care Financing Administration (HCFA) and the Health Resources and Services Administration (HRSA) should continue their focused efforts to promote outreach through administrative actions.

There is clearly more that the Federal Government can do to help the States and the private sector achieve our mutual goal of targeting and providing coverage to uninsured children. Many children who lack health insurance are the same children who benefit from programs your agency now administers. Eligibility for Medicaid and CHIP is often similar to that for programs such as WIC, Food Stamps, Head Start, tax programs, job training, welfare to work, Social Security, public housing, and homelessness initiatives. Thus, a coordinated Federal interagency effort is critical to providing greater health care coverage for children.

Therefore, to increase enrollment of uninsured children in Medicaid and CHIP, I hereby direct you to take the following actions consistent with the mission of your agency.

First, I direct you to identify all of the employees and grantees of your agency's programs who are likely to come into contact with low-income, uninsured children who may be eligible for Medicaid or CHIP.

Second, I direct you to develop and implement an educational strategy aimed at ensuring that your agency's employees and grantees are fully informed about the availability of Medicaid and CHIP to our Nation's children.

Third, I direct you to develop an agency-specific plan as part of our Administration-wide, intensive children's health insurance outreach effort. Your agency's plan should include distributing information and educating families about their options; coordinating toll-free numbers and other sources of information on public programs; simplifying, coordinating and, where possible, unifying the application process for related public programs; and working with State and local agencies on broadening the locations where families can apply for Medicaid and/or CHIP.

Fourth, I direct you to identify any statutory or regulatory impediments in your programs to conducting children's health insurance coverage outreach.

Finally, I direct the Department of Health and Human Services to serve as the coordinating agency to assist in the development and integration of agency plans and to report back to me on each agency's plan in 90 days with recommendations and a suggested implementation timetable. In so doing, I direct the Department to ensure that Federal interagency activities are complementary, aggressive, and consistent with the overall initiative to cover uninsured children.

'98 FEB 17 PM 7:

Kids Health Outreach Event
February 18, 1998

Speaker
Linda Havermann
Thomas Havemann
Raymond, age 6
Michael, age 3
Andrew, 18 months
Williamsburg, VA

Meet and Greet/VIP Seating
Edwin K. Zechman, CEO
Children's National Medical Center

Mr. Whayne Quinn
Chairman of the Board
Children's National Medical Center

Yasmina S. Vinci
Natl Association of Child Care Resource and Referral Agencies

Diane Shust
National Education Association

Sarah Shuptrine
Robert Wood Johnson Foundation

Barbara Lyons
Kaiser Family Foundation

Jackie Noyes
Director, American Academy of Pediatrics

Kurt A. Proctor
Senior Vice President, Pharmacy Policy and Operations
National Association of Chain Drug Stores

Dr. Irwin Redliner
President, The Children's Health Fund

Stephanie Nelson
National Director, Campaign for Coverage
American Hospital Association

John Rector
Sr. VP, Governmental Affairs and General Counsel
National Community Pharmacists Association

Stewart Scott
Manager, Public Affairs
Proctor and Gamble/Pampers

Robert W. Lively
Staff VP, Congressional Relations
Schering-Plough

Marie Ritzo
Children's Hospital

Barbara L. Connol
Vice President, Federal Affairs
Bell Atlantic

Greg TenEyck
Safeway Foods

SmithKline Beecham Representative

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20500

'98 FEB 17 PM6:5

THE CHAIRMAN

February 17, 1998

WEEKLY ECONOMIC BRIEFING

DATE:	Wednesday, February 18
LOCATION:	Oval Office
TIME:	3:40 - 4:00 p.m.
FROM:	Janet L. Yellen JLY

I. PURPOSE

You will be briefed by CEA Chair Janet Yellen and other members of your economic team on progress in the economic well-being of children. (Weekly Economic Briefing, February 6).

II. PARTICIPANTS

CEA Chair Janet Yellen
Treasury Secretary Rubin
OMB Director Franklin Raines
Deputy Treasury Secretary Larry Summers
NEC Director Gene Sperling
Assistant to the President for International Economic Policy Dan Tarullo
CEA Member-Nominee Rebecca Blank
CEA Senior Economist and Editor of the Weekly Economic Briefing Chad Stone

III. PRESS PLAN

closed

IV. REMARKS

none required

THE BRIEFING MEMO

FOR THE VIDEO TAPING

WILL BE FORWARDED

98 FEB 17 PM8:38

2/17/98 8 PM

PRESIDENT WILLIAM JEFFERSON CLINTON
VIDEO MESSAGE ON
EXPANSION OF UNITED NATIONS RESOLUTION 986
TAPED FEBRUARY 18, 1998

No people have suffered more at the hands of Saddam Hussein than the Iraqi people. I have been very moved – like so many others around the world – by their plight. Many are hungry. Many are sick. They are his worst victims.

The United States strongly supports the UN Secretary General's recommendation to more than double the amount of oil Iraq can sell in exchange for food, medicine and other humanitarian supplies. We will work hard to make sure those funds are used to help ordinary people, not Saddam's regime.

Since the Gulf War, our policy has been aimed at preventing Saddam from threatening his region or the world. We have no quarrel with the Iraqi people, who have suffered the most under his regime.

From the beginning, the international sanctions aimed at denying Saddam Hussein the funds to rebuild his military machine have permitted food and medicine into Iraq. The United States has led the way in trying to make sure Iraq had the resources to pay for them. In 1991, with our leadership, the UN Security Council encouraged Iraq to sell oil to pay for these critical humanitarian supplies. Saddam rejected that offer for four years, choosing to let his people suffer. What resources he had went not to caring for his people but to strengthening his army, hiding his weapons of mass destruction and building lavish palaces for his regime.

In 1995, America led a new effort to aid the Iraqi people. After refusing the proposal for a year, Saddam finally accepted UN Security Council Resolution 986 – permitting the sale of oil for food – and then engaged in delay and bureaucratic wrangling for yet another year before allowing it to take effect. Most egregiously, Saddam deliberately and repeatedly delayed the pumping of oil, which held up shipments of food and medicine to the Iraqi population. Even so, the international community has managed to deliver to the Iraqi people more than 3 million tons of food.

Just as Saddam deprives his people of relief from abroad, he represses them at home, – brutally putting down the Kurds and Shia uprisings after the Gulf War, attacking Irbil in 1996 and draining the marshes of Southern Iraq to suppress the Shia Arabs there.

Saddam's priorities are painfully clear: Not caring for his citizens, but building weapons of mass destruction -- and using them. Not once, but repeatedly in the terrible war Iraq fought with Iran. Not only against combatants, but against civilians. Not only against a foreign adversary, but against his own people. And he has targeted SCUD missiles against fellow Arabs and Muslims in Iran, Saudi Arabia and Bahrain. Now, he is trying to rid Iraq of the international inspectors who have done such a remarkable job finding and destroying his hidden weapons. If Saddam is allowed to rebuild his arsenal unchecked, none of the region's children will ever be safe again.

America is working very hard to find a diplomatic solution to this crisis Saddam has created. I have sent my Secretary of State, my Defense Secretary and my Ambassador to the United Nations literally around the world to work with our friends and allies. If there is a way to resolve this peacefully, we will pursue it to the end.

But from Europe to the Persian Gulf, we all agree on the bottom line: Saddam must allow the UN weapons inspectors to complete their mission with full and free access to any site they suspect may be hiding material or information related to Iraqi weapons of mass destruction programs. That is what Saddam agreed to as a condition for ending the Gulf War. Nobody wants to use force. But if Saddam refuses to keep his commitments to the international community, we must be prepared to deal directly with the threat these weapons pose to his people, his neighbors and the world. Either Saddam acts -- or we will have to.

Saddam himself understands that the international community places a higher value on the lives of the Iraqi people than he does. That is why he uses innocent women and children as human shields, risking what we care about – human lives – to protect what he cares about – his weapons. If force proves necessary to resolve this crisis, we will do everything we can to prevent innocent people from getting hurt. But make no mistake: Saddam Hussein will bear full responsibility for every casualty that results.

To all our Arab and Muslim friends, let me say: America wants to see a future of security, prosperity and peace for all the people of the Middle East. We want to see the Iraqi people free of the constant warfare and repression that have been the hallmark of Saddam's regime – living in a nation that uses its wealth not to strengthen its arsenal but to care for its citizens. That is what we'll keep working for – and what the people of Iraq deserve.

###

REPRESENTATIVE JIM MORAN'S
ANNUAL RECEPTION

'98 FEB 17 PM6:0

DATE:	Wednesday, February 18, 1998
LOCATION:	3032 N Street, NW Washington, D.C.
TIME:	7:00 p.m.
FROM:	Mame Reiley, Finance Director

I. PURPOSE

The purpose of this reception is to raise funds for Rep. Jim Moran's (D-08) congressional race.

II. BACKGROUND

This is Rep. Moran's annual fundraising reception. Rep. Moran has served in Congress since 1991 and represents the Northern Virginia area. He is a DLCer and has been supportive of your Fast Track efforts.

III. PARTICIPANTS

Approximately 60 persons are expected for a photo receiving line reception, and approximately 220 guests are expected at the reception/dinner. **YOU** will be greeted by Rep. Moran, his wife Mary, and the reception host, Dr. Jim D'Orta. Most of the guests are VIPs in the business community. Included in the guest list is MCI Center owner, Abe Pollin. Please acknowledge Rep. Moran, his wife Mary, former Rep. Jim Slatery (D-KS), and the reception host, Dr. Jim D'Orta (pronounced dee-OR-tah).

IV. PRESS PLAN

Pool print reporter for remarks only.

V. SEQUENCE OF EVENTS

- **YOU** arrive at 7:00 p.m.
- **YOU** are greeted by Rep. Jim Moran and Dr. Jim D'Orta, reception host.
- **YOU** greet approximately 60 guests in a photo receiving line.
- **YOU** proceed to the toast lectern into the main room for the reception/dinner, accompanied by Rep. Moran and Dr. D'Orta.
- Dr. D'Orta gives brief welcoming remarks and introduces Rep. Moran.
- Rep. Moran gives remarks and introduces **YOU**.
- **YOU** make remarks and depart.
- **YOU** depart at 8:00 p.m. via a motorcade en route Washington Harbor.

VI. REMARKS

Remarks to be provided by speechwriting.

THE TALKING POINTS

FOR THE RECEPTION FOR REPRESENTATIVE JIM MORAN

WILL BE FORWARDED

'98 FEB 17 PM6:0

DEMOCRATIC NATIONAL COMMITTEE
MAJOR SUPPORTERS DINNER
HONORING PRESIDENT CLINTON

Date:	Wednesday, February 18, 1998
Venue:	Beth and Ron Dozoretz Residence 3030 Washington Harbor, NW
Time:	8:00 p.m.
From:	Fran Katz, National Finance Director

I. PURPOSE

The purpose of this dinner is to raise funds and support for the Democratic National Committee (DNC).

II. BACKGROUND

This dinner is an opportunity to engage renewing major supporters of the DNC. The guests attending represent leaders in business and industry. Estimated attendance at the event is 50 guests.

III. PARTICIPANTS

Please see the attached guest list.

IV. PRESS PLAN

This event is open to the pool press via an audio-feed and one print reporter for remarks.

V. SEQUENCE

8:00 p.m.

- YOU arrive and are greeted by Beth, Ron and Joshua Dozoretz
- YOU proceed to podium for remarks
- PROGRAM
  - Beth Dozortez delivers welcome and introduces YOU
  - YOU deliver remarks
- YOU greet guests for an informal mix and mingle. Candid photos will be taken at this time.
- YOU depart.

VI. REMARKS

Your remarks will be provided by speechwriting.

THE TALKING POINTS

FOR THE DNC DINNER

WILL BE FORWARDED

Friday, February 20, 1998

10:05 AM	Health Care Event	Tab A
	- Remarks	Tab B
	- Draft Executive Memorandum	Tab C
	- Patient Bill of Rights	Tab D
12:30 PM	Meeting	No Paper
2:00 PM	Drop by Meeting with Ehud Barak, Israeli Labor Party Leader	Distributed Separately
4:15 PM	Foreign Policy Meeting	No Paper

SCHEDULE OF THE PRESIDENT
FOR
FRIDAY, FEBRUARY 20, 1998
Final Schedule

SCHEDULING DIRECTOR:	STEPHANIE STREETT	
	HOME:	202-332-5651
	OFFICE:	202-456-2823
	WHCA PAGER:	4033
EVENT COORDINATOR:	**LAURA GRAHAM**	
	HOME:	**703-212-7642**
	OFFICE:	**202-456-2349**
	WHCA PAGER:	**4809**
PRESS DESK:	**MEGAN MOLONEY**	
	HOME:	**301-951-7193**
	OFFICE:	**202-456-5664**
	WHCA PAGER:	**4483**
PRESS DESK:	**JEREMY GAINES**	
	HOME:	**202-362-5475**
	OFFICE:	**202-456-5771**
	WHCA PAGER:	**4194**

WEATHER: WASHINGTON, D.C.

Cloudy with a chance for rain beginning by early morning, becoming partly to mostly cloudy by mid-afternoon. Winds northwest at 5 to 10 knots. Low 41 to 46. High 57 to 62.

SCHEDULE OF THE PRESIDENT
FOR
FRIDAY, FEBRUARY 20, 1998
Final Schedule

9:00 am- 9:15 am	**MEETING** OVAL OFFICE Staff Contact: Erskine Bowles
9:15 am- 9:45 am	**BRIEFING** OVAL OFFICE Staff Contact: Bruce Reed
9:55 am	**THE PRESIDENT** departs The White House via Marine One en route Wheaton Landinz Zone [flight time: 15 minutes] **Note: This departure is closed to staff and guests.** **Note: The Vice President will depart immediately following The President from the Reflecting Pool.**
10:10 am	**THE PRESIDENT** arrives Wheaton Landing Zone
10:20 am	**THE PRESIDENT** departs Wheaton Landing Zone via motorcade en route Holiday Park Senior Center [drive time: 5 minutes] Greeters: Phil Smakula, Director, Holiday Park Senior Center Judy HouseKnect, Program Supervisor, Montgomery County Aging Committee
10:25 am	**THE PRESIDENT** arrives Holiday Park Senior Center

10:30 am-
11:30 am

REMARKS ON HEALTH CARE
GYMNASIUM
Holiday Park Senior Center
Remarks: Jordan Tamagni
Staff Contact: Bruce Reed
Event Coordinator: Laura Graham
OPEN PRESS

-- Off-stage announcement of **The President** and The Vice President, accompanied by Beth Layton, Dian Bower, and Marty Wish, to "Ruffles and Flourishes" and "Hail to the Chief."

-- Beth Layton, Vice Chair, Holiday Park Advisory Council, gives welcoming remarks and introduces Dian Bower.

-- Dian Bower gives remarks and intoduces Marty Wish.

-- Marty Wish gives remarks and introduces The Vice President.

-- The Vice President gives remarks and introduces **The President**, and presents him with a report.

-- **The President** gives remarks.

-- Upon conclusion of his remarks, **The President** and The Vice President, accompanied by Beth Layton, Dian Bower, and Marty Wish, proceed to the signing table (on stage) and signs five executive directives.

-- **The President** and The Vice President work a ropeline and depart.

11:35 am **THE PRESIDENT** departs Holiday Park Senior Center via motorcade Wheaton Landing Zone
[drive time: 5minutes]

11:40 am **THE PRESIDENT** arrives Wheaton Landing Zone

11:50 am **THE PRESIDENT** departs Wheaton Landing Zone via Marine One en route The White House
[flight time: 15 minutes]

12:05 pm **THE PRESIDENT** arrives The White House

12:30 pm- 1:00 pm	**MEETING** OVAL OFFICE Staff Contact: Thurgood Marshall, Jr.
1:15 pm- 1:30 pm	**BRIEFING** OVAL OFFICE Staff Contact: Sandy Berger
1:30 pm- 1:45 pm	**BRIEFING** OVAL OFFICE Staff Contact: Sandy Berger
1:50 pm- 1:55 pm	**MEETING** OVAL OFFICE Staff Contact: Stephanie Streett
2:00 pm- 2:15 pm	**DROP BY MEETING WITH EHUD BARAK, ISRAELI LABOR PARTY LEADER** SANDY BERGER'S OFFICE Staff Contact: Sandy Berger **OFFICIAL PHOTO ONLY**
2:15 pm- 4:15 pm	**PHONE AND OFFICE TIME** OVAL OFFICE **NOTE: The President may make Congressional phone calls during this time.**
4:15 pm 5:15 pm	**FOREIGN POLICY MEETING** CABINET ROOM Staff Contact: Sandy Berger
5:30 pm- 7:00 pm	**HOLD** Staff Contact: Stephanie Streett

EVENING OFF

BC/HRC RON	**THE WHITE HOUSE** **WASHINGTON, D.C.**

'98 FEB 19 PM10:2

THE WHITE HOUSE

WASHINGTON

February 19, 1998

HEALTH CARE CONSUMER BILL OF RIGHTS EVENT

DATE:	February 20, 1998
LOCATION:	Holiday Park Multiservice Senior Center
BRIEFING TIME:	9:15 am - 9:45 am
EVENT TIME:	10:30 am - 11:30 am
FROM:	Bruce Reed/Chris Jennings

I. PURPOSE

To highlight your leadership in bringing the Federal Government health plans into compliance with the Health Care Consumer Bill of Rights ("Patient Bill of Rights") and your commitment to making sure every American is afforded these rights.

You will be taking the following actions: (a) receive a report from the Vice President on the current status of compliance within the federal system with the commission's recommendations; (b) sign an Executive Memorandum directing all Federal health plans -- which serve over 85 million Americans -- to come into compliance with the Quality Commission's Patient Bill of Rights; and (c) re-issue your challenge to Congress to pass legislation that assures these patients' rights for Americans in private health plans.

II. BACKGROUND

You will be making remarks to approximately 150 senior citizens, representatives from health care groups, and federal employees. The center serves on a daily basis approximately 500 Montgomery County residents over 55 years old. The center provides a mulititude of services, including: educational programs, recreational, wellbeing and physical fitness, and a computer training program. The center is particularly strong in its health programs, which it provides in partnership with the Washington Hospital Center. Screening for blood pressure, diabetes, prostate cancer are some of the services provided.

(A) Report from the Vice President on Consumer Protections in Health Care

You will receive a report from the Vice President that shows that all of the Federal health programs, including Medicare, Medicaid, Indian Health Service, the Federal Employee Health Benefits Program, the Department of Defense Military Health Program, and the Veteran's Health Program are or will be in compliance with the Patient Bill of Rights. Because the Federal health plans are already largely in compliance their experience illustrates that implementing consumer protections to help Americans navigate a changing health care system, can be done without excessive costs or regulations.

(B)Taking Executive Action to Direct Agencies to come into Compliance.
You will sign an Executive Memorandum that does the following:

1. Directs HHS To Take Administrative Actions To Ensure That Medicare Comes Into Compliance With Rights, Including Access to Specialists By Next Year. Medicare currently has in place a number of consumer protections, including an internal and external appeals process. In 1997, HCFA issued a clarifying letter explicitly prohibiting so called "gag clauses" to restrict physician-patient communication about medically necessary treatment options and a 1996 letter that forbid financial arrangements that cause providers to limit necessary services. However, there are certain protections, such as access to specialists, and improved participation in treatment decisions, which are not currently guaranteed. You will direct HHS to issue directives in these and other areas by no later than next year to bring Medicare, which serves 38 million older Americans and people with disabilities, substantially into compliance.

Directs HCFA To Take Administrative Actions To Assure Greater Compliance for Medicaid, Including Access to Specialists, By Next Year. Similar to Medicare, you will direct HHS to issue directives to bring Medicaid -- which serves 36 million Americans -- into substantial compliance with the Patient Bill of Rights by no later than next year. These include ensuring that Medicaid beneficiaries are assured access to specialists and improved participation in treatment decisions.

Directs HCFA To Immediately Send Letter To States To Ensure That Emergency Room Services Are Covered. You will direct HCFA to immediately notify states emergency room services are covered.

2. Directs the Federal Employees Health Benefits Program (FEHBP) To Ensure 350 Participating Carriers Come Into Compliance With the Bill of Rights By Next Year. You will direct OPM, which manages FEHBP and serves 9 million people, to notify all 350 participating carriers that they must come into compliance with the Patient Bill of Rights, particularly with regard to access to specialists, continuity of care, access to emergency room services. You will also direct OPM to work with each participating carrier to ensure they come into full compliance with the Patient Bill of Rights by the end of next year. OPM issues a call letter each March which sets forth FEHB Program and policy changes. To meet this directive, this year's letter will specifically address new expectations for participating carriers in areas such as, access to specialists, continuity of care, disclosure of financial incentives, and access to emergency room services.

Directs OPM to Publish New Regulations Prohibiting "Gag Clauses." You will direct OPM to publish a regulation in the next three months to ensure that gag clauses, which restrict physician-patient communications about medically necessary treatment options, not be a part of any provider agreement that includes FEHBP enrollees.

3. Brings Veteran's Health Programs Into Compliance With the Bill of Rights Through A Series of Policy Directives. You will direct the VA to use administrative authority to ensure that an internal and external appeals process is in place consistent with the bill of rights and to issue a new directive to ensure that VA consumers have sufficient information -- consistent with the information disclosure recommendations in the Patient Bill of Rights. The VA already assures many protections, such as access to specialists. This new actions will bring the VA system, which served 3 million veterans in 1997 alone, in virtual compliance with the Patient Bill of Rights.

4. Brings Military Health Service Into Compliance Through A Series of Policy Directives and Contractual Modifications. You will direct DOD, which serves 6 million Americans to: (1) establish a strong grievance and appeal right for beneficiaries who have been denied by managed care companies that are in contract with the Military Health System; (2) to issue a directive to promote greater use of providers who have specialized training in women's health issues to serve as primary care managers for female beneficiaries; and (3) to issue a directive to ensure that this policy is being fully implemented throughout the military health system. These actions, to be completed by this fall, will bring the Military Health System in substantial compliance with the Patient Bill of Rights.

5. Directs the Department of Labor To Comply to the Extent Possible By Ensuring Adequate Information Disclosure and Strengthening Internal Appeals. DoL is responsible for the administration and enforcement of the Employee Retirement Income Security Act (ERISA) which governs approximately 2.5 million private sector health plans, that cover about 125 million Americans. However, ERISA focuses primarily on the pension abuses and does not provide extensive standards for health care plans. As a consequence, the Department of Labor has little to no ability to ensure that ERISA-covered health plans has sufficient consumer protections. You will direct DOL to improve information disclosure rights and strengthen the internal appeals process for all ERISA plans, consistent with the Commission's recommendations, this spring to ensure that decisions regarding urgent care are resolved within not more than 72 hours and generally resolved within 15 days for non-urgent care by this spring.

(C)Urge Congress to pass a federally-enforceable Patient Bill of Rights this year. Last November, you directed a review of the health care programs administered and/or overseen by the Federal government to assess the extent to which they are in compliance with the Patient Bill of Rights recommended by the Quality Commission. This report, which you are formally being presented with through the Vice President, underscores that the Federal government is well on its way to coming into full compliance with the consumer protections and can serve as strong models for health plans in the private sector. However, the Department of Labor which oversees the law that governs private sector plans, reported that Federal legislation is needed to ensure patient protections in the private sector. To assure these protections, Congress must act to pass a Patient Bill of Rights this year.

III. PARTICIPANTS

Briefing Participants:
The Vice President
Bruce Reed
Chris Jennings

Event Participants:
The Vice President
Beth Layton, Vice Chair of the Holiday Park Advisory Council
Marty Wish, Father whose son was denied emergency room care
Dian Bower, Spouse of Army service man, who has recently suffered a brain tumor but is successfully being treated under the military's managed care plan. She also served for 13 years in the Army.

IV. PRESS PLAN

Open Press.

V. SEQUENCE OF EVENTS

- **You** will be announced onto the stage accompanied by the Vice President and stage participants.
- Beth Layton, Vice Chair of the Holiday Park Advisory Council, will make welcoming remarks and introduce Dian Bower, spouse of Army service man.
- Dian Bower will make remarks and introduce Marty Wish, father of son denied emergency room coverage.
- Marty Wish will make remarks and introduce the Vice President.
- The Vice President will make remarks and introduce you. (*He will present **you** with the Report on Consumer Protections in federal health plans.)
- **You** will make remarks.
- **You** will then take your seat at the signing table on the stage. You will invite stage participants and a group of senior citizens seated in the front row to join you as you sign the Executive Memorandum.
- **You** will sign the Executive Memorandum.
- **You** will then work a ropeline and depart.

VI. REMARKS

Remarks Provided by Speechwriting.

VII. ATTACHMENTS

- Summary of the Commission's Consumer Bill of Rights and Responsibilities.

Draft 2/18/98 9:30pm

PRESIDENT WILLIAM J. CLINTON
REMARKS FOR PATIENTS BILL OF RIGHTS EVENT
HOLIDAY PARK MULTI SERVICE SENIOR CENTER
WHEATON, MARYLAND
February 20, 1998

Acknowledgments: VP Gore; Sec. Shalala; Sec. Herman; Lieutenant Governor Kathleen Kennedy Townsend; President of the County Council Isaiah Leggett; Beth Layton, Vice Chair, Holiday Park Advisory Council; And I want to thank Dian Bower and Marty Wish for reminding us why we are working so hard to give the American people a Patients' Bill of Rights.

I am very pleased to accept this report from the Vice President -- and very proud to learn how close we are to making sure that every federally managed health plan complies with the Patients' Bill of Rights. Today, I am directing all federal agencies to finish the job by taking the necessary steps laid out in this report.

I want all of you to think about what this really means and how many people's lives it will affect. With all the authority of the federal government, we are ensuring that a third of all Americans -- that's every person on Medicare, every federal employee, including military personnel, veterans, and all of their families, every Native American, every child or person with a disability on Medicaid -- are protected by a Patients' Bill of Rights that says just this. You have the right to know all your medical options, not just the cheapest; the right to choose the doctor you want for the care you need; the right to emergency room care, wherever and whenever you need it; the right to keep your medical records confidential; and the right to bring a formal grievance or appeal a health care decision you disagree with. And we are proving that we can make these rights real for those nearly 90 million Americans without burdening the system, increasing the deficit, or costing consumers a dime.

With this step, we are setting a standard for the nation. But we must not stop here. Now, the Congress must pass federally-enforceable legislation act to protect all Americans with a Patients' Bill of Rights. And I look forward to working together to give the American people the security they deserve.

The Patients' Bill of Rights is in keeping with our oldest obligations to our parents, to our children, to the neediest and most vulnerable among us. As the Vice President said, it is in keeping with our oldest ideals, enshrined in America's Bill of Rights. And it is an essential part of our efforts to strengthen our nation for the 21st Century.

The Vice President talked about some of the ways we have tried to increase the quality, affordability, and accessiblity of health care. We have ensured that Americans will not lose their health insurance when they change jobs or when a family member falls ill. The balanced budget agreement I signed into law last year extends the Medicare Trust Fund until 2010. And it contains an unprecedented $24 Billion to extend health care coverage to up to 5 million uninsured children. Just this week I directed federal agencies with programs with children to do everything they can to enroll as many of those children as possible.

The Patients' Bill of Rights is the next important step we must take to ensure that every American family has the quality health care it needs to thrive. This is especially important as our health care system changes to meet the needs of an emerging new economy. I believe that we have an obligation to give Americans the tools to meet these challenges -- and to make sure that whether they have traditional care or managed care, all Americans have quality care.

Thirty-five years ago, President Kennedy proposed a Consumer Bill of Rights to protect Americans from unsafe products, saying that "we share an obligation to protect the common interest in every decision we make." Those rights are still protecting us today -- every time we rent a car or use a credit card or buy a toy from a child. And the rights we are helping to establish with the Patients' Bill of Rights will be there to protect our children and our grandchildren -- every time they need it.

And now, I will sign the Executive Memorandum.

DRAFT

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE SECRETARY OF DEFENSE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH AND HUMAN SERVICES
THE SECRETARY OF VETERANS AFFAIRS
THE DIRECTOR OF THE OFFICE OF PERSONNEL MANAGEMENT

SUBJECT: Federal Agency Compliance with the Health Care Consumer Bill of Rights

Last November, I directed you to review the health care programs you administer and/or oversee and report to me on the level and adequacy of the consumer protections they provide. Specifically, I asked you to advise me on the extent to which those programs are in compliance with the Health Care Consumer Bill of Rights (the "Patient Bill of Rights") recommended by the Advisory Commission on Consumer Protection and Quality in the Health Care Industry ("the Quality Commission").

Yesterday, you formally conveyed your reports to me through Vice President Gore. He advises me that each of your agencies is well on its way toward full compliance with the consumer protections recommended by the Quality Commission. By doing so, your agencies will serve as strong models for health plans in the private sector.

Under your leadership, we are showing that it is possible and desirable to ensure that patients have the tools they need to navigate through an increasingly complex health care delivery system. We are showing that common sense solutions for all too common problems in our health systems are the right prescription not only for beneficiaries of Federally administered programs, but for our private sector colleagues as well. Your efforts illustrate that consumer protections can be accomplished without excessive costs or regulations.

DRAFT

While the news is encouraging, your reports also indicate that we have not completed the job. Although Federal health programs are taking a leading role in providing protections to consumers, your report indicates we have the regulatory and administrative authority to come into substantial compliance with the Patient Bill of Rights, and I believe that this should be one of my Administration's highest priorities.

Therefore, I hereby direct you to take the following actions consistent with the missions of your agencies to come into compliance with the Patient Bill of Rights.

The Secretary of Health and Human Services shall:

- take all appropriate administrative actions to ensure that the Medicare and Medicaid programs come into substantial compliance with the Patient Bill of Rights, including access to specialists and improved participation in treatment decisions, by no later than December 1999; and

- notify all State Medicaid directors that emergency room care protections should be consistent with the Patient Bill of Rights.

The Director of the Office of Personnel Management shall:

- notify all 350 Federal Employees Health Benefits Plan (FEHBP) participating carriers that they must come into compliance with the Patient Bill of Rights, particularly with regard to access to specialists, continuity of care, and access to emergency room services by December 31, 1999; and

- with respect to participating carriers, propose regulations to prohibit within 90 days practices that restrict physician-patient communications about medically necessary treatment options.

The Secretary of Veterans Affairs shall:

- take the necessary administrative action to ensure that a sufficient appeals process is in place throughout the Veteran's Health System by September 30, 1998; and

- issue a policy directive to ensure that beneficiaries in the Veteran's Health System are provided information consistent with the Patient Bill of Rights by September 30, 1998.

The Secretary of Defense shall:

- establish a strong grievance and appeals process consistent with the Patient Bill of Rights throughout the military health system by September 30, 1998;

- issue a policy directive to promote greater use, within the military health system, of providers who have specialized training in women's health issues to serve as primary care managers for female beneficiaries and to assure access to specialists for beneficiaries with chronic medical conditions by September 30, 1998; and

- issue a policy directive to ensure that all patients in the military health system can fully discuss all treatment options. This includes requiring disclosure of financial incentives to physicians and prohibiting "gag clauses" by September 30, 1998.

The Secretary of Labor shall:

- propose regulations to strengthen the internal appeals process for all Employee Retirement Income Security Act (ERISA) health plans to ensure that decisions regarding urgent care are resolved within 72 hours and generally resolved within 15 days for non-urgent care; and

- propose regulations that require ERISA health plans to ensure the information they provide to plan participants is consistent with the Patient Bill of Rights.

'98 FEB 19 PM10:2

PATIENT BILL OF RIGHTS AND RESPONSIBILITIES

The Patient Bill of Rights consists of the following rights and responsibilities:

(1) **Access to Accurate, Easily Understood Information** about consumers' health plans, facilities and professionals to assist them in making informed health care decisions;

(2) **Choice of Health Care Providers** that is sufficient to assure access to appropriate high quality care. This right includes assuring consumers with complex or serious medical conditions access to specialists, giving women access to qualified providers to cover routine women's health services, and providing access to continuity of care for consumers who are undergoing a course of treatment for a chronic or disabling condition;

(3) **Access to Emergency Services** when and where the need arises. This provision requires health plans to cover these services in situations where a "prudent layperson" could reasonably expect that the absence of care could place their health in serious jeopardy;

(4) **Participation in Treatment Decisions** including requiring providers to disclose any incentives, financial or otherwise -- that might influence their decisions, and prohibits "gag clauses" which restrict health care providers' ability to communicate with and advise patients about medically necessary options;

(5) **Assurance that Patients are Respected and Not Discriminated Against,** including discrimination in the delivery of health care services consistent with the benefits covered in their policy based on race, gender, ethnicity, mental or physical disability, and sexual orientation;

(6) **Confidentiality** which assures that individually identifiable medical information is not disseminated and that also provides consumers the right to review, copy and request amendments to their own medical records;

(7) **Grievance and Appeals Processes** for consumers to resolve their differences with their health plans and health care providers -- including an internal and external appeals process; and

(8) **Consumer Responsibilities** which asks consumers to take responsibility by maximizing healthy habits, becoming involved in health care decisions, carrying out agreed-upon treatment plans, reporting fraud, among others.

Saturday, February 21, 1998

10:06 AM	Live Radio Address	Tab A
	- Remarks	Tab B
11:15 PM	Meeting [Berger]	No Paper

SCHEDULE OF THE PRESIDENT

FOR

SATURDAY, FEBRUARY 21, 1998

Final

SCHEDULING DIRECTOR:	**STEPHANIE STREETT**	
	HOME:	**202-332-5651**
	OFFICE:	**202-456-2823**
	WHCA PAGER:	**4033**

WEATHER: **WASHINGTON, D.C.**
Partly cloudy. Winds north at 5 to 10 knots. Low 36 to 41. High 51 to 56.

SCHEDULE OF THE PRESIDENT
FOR
SATURDAY, FEBRUARY 21, 1998
Final

9:45 am- 10:00 am	**BRIEFING** OVAL OFFICE Staff Contact: Ann Lewis, Megan Moloney
10:06 am- 11:00 am	**LIVE RADIO ADDRESS** OVAL OFFICE Staff Contact: Ann Lewis, Megan Moloney
11:15 am- 12:15 pm	**MEETING** CABINET ROOM Staff Contact: Sandy Berger

AFTERNOON OFF

BC/HRC RON	**THE WHITE HOUSE** **WASHINGTON, D.C.**

'98 FEB 20 PM4:5

THE WHITE HOUSE

WASHINGTON

February 20, 1998

TAPED WEEKLY RADIO ADDRESS

DATE: February 21, 1998
LOCATION: The Oval Office
TIME: 10:06 AM ET
FROM: Megan Moloney

I. PURPOSE

You will highlight a commitment contained in the FY '99 budget to deal with racial disparities in the health care system.

II. BACKGROUND

This 5 year commitment makes over $400 million available to fund services, outreach efforts and education programs that seek to address the troubling disparities in health care prevention, education and services within various ethnic and racial communities. The program seeks to test innovative approaches to curbing the problem and will target successful programs for nationwide implementation.

III. PARTICIPANTS

Briefing: Oval Dining Room 9:45 - 10:00 am
The President
Rahm Emanuel
Ann Lewis
Chris Jennings
Jordan Tamagni

Radio Address: Oval Office 10:06 am
The President
Megan Moloney
Rebecca Cameron
White House Communications Agency (WHCA) staff
White House Television(WHTV)
White House photographer
(Approx. 85 guests. See attached for list.)

IV. PRESS PLAN

The ABC, AP, C-SPAN, CBS, NBC/Mutual/Westwood One, NPR, UPI, USA, American Urban Radio Network, and Standard News networks will carry the address in its entirety to their thousands of stations across the country this Saturday at 10:06 AM ET.

STILLS ONLY: Immediately following the conclusion of the radio address, still photographers will enter the Oval Office for a brief photo session with you, Sec. Shalala, Dr. Satcher and some of the guests representing various health advocacy organizations.

V. SEQUENCE OF EVENTS

Briefing
Tape Radio Address
Greet Guests

VI. REMARKS

To be forwarded by the Office of Speechwriting.

'98 FEB 20 PM8:4

Draft 2/20/98 8:30pm

PRESIDENT WILLIAM J. CLINTON
RADIO ADDRESS ON
RACIAL DISPARITIES IN HEALTH CARE
THE WHITE HOUSE
February 21, 1998

Good morning. February is Black History Month ... the time when we celebrate the rich heritage of the African American community and rededicate ourselves to the value of equal opportunity for all Americans that is at the heart of the American ideal. Today, I want to talk about an important step we are taking to make sure that all Americans -- no matter what their background -- have a better opportunity to live healthier lives.

In the last six years, we have worked hard to make quality health care more accessible and affordable, and to increase prevention. Our approach is working. Since 1993, our nation's health has greatly improved: infant mortality has reached an all-time low; childhood immunization levels are at an all time high; and AIDS rates are falling for the first time in the history of the epidemic. Americans are living longer, and feeling better, than ever before.

This is good news that we should all celebrate -- but we must not be blind to the sobering fact that too many Americans do not share in the fruits of our progress. And nowhere are the divisions of race and ethnicity more sharply drawn than in the health of our people.

Consider: infant mortality rates are twice as high for African Americans than for white Americans ... African American men suffer from heart disease at nearly twice the rate of whites ... and the diabetes rate for all African Americans is 70% higher than for white Americans. Native Americans, too, suffer higher rates of infant mortality and heart disease, and their diabetes rate is three times the national average. Cancer fatalities are disproportionately high among blacks and Latinos. And research shows that overall, all these groups are less likely to be immunized against disease, less likely to be routinely screened for cancer screenings, and less likely to get regular check-ups.

We do not know all the reasons for this disturbing gap -- poverty, lack of public awareness, even personal choices based on cultural differences. But we do know this: racial and ethnic disparities -- no matter what the reason -- are unacceptable in a country that values equality and equal opportunity for all. And that is why we must act now, with a comprehensive initiative that focuses on health care and education for racial and ethnic minorities.

This is our national goal: by the year 2010, we must eliminate racial and ethnic disparities in infant mortality, diabetes, cancer screening and management, heart disease, AIDS, and immunization. My balanced budget plan would devote an unprecedented $400 million to help us meet this vitally important challenge. I am asking our top public health officials, led by Secretary Donna Shalala, to convene a task force to find new ways of targeting existing federal programs to reduce racial and ethnic health disparities. And our new Surgeon General, Doctor David Satcher, will launch a comprehensive campaign to educate the public and work with community leaders and health professionals to reach more Americans.

But to truly eliminate these disparities and ensure better health for all Americans, all Americans must do their part. I am pleased to announce that Grantmakers in Health -- a major private foundation of over 136 organizations across the country -- is joining our effort. Together, we will host national conference this Spring to help solve this national problem.

Above all, every American must take responsibility for their own health -- for good health is the greatest gift God can bestow, and it is each of our duty to protect it.

America has the best health care system in the world -- but we cannot take full pride in that in system until we know that <u>every</u> American has the best health in the world. With these steps, I am confident that we can meet that challenge, and go forward into the 21st Century, stronger and healthier than ever before.

Thanks for listening

Sunday, February 22, 1998

7:45 PM	National Governors Association Dinner	Tab A
	- Toast	Tab B

SCHEDULE OF THE PRESIDENT

FOR

SUNDAY, FEBRUARY 22, 1998

Final

SCHEDULING DIRECTOR:	STEPHANIE STREETT	
	HOME:	202-332-5651
	OFFICE:	202-456-2823
	WHCA PAGER:	4033
WEATHER:	WASHINGTON, D.C.	
	Partly cloudy. Winds variable at 3 to 5 knots. Low 34 to 49. High 50 to 55.	

SCHEDULE OF THE PRESIDENT
FOR
SUNDAY, FEBRUARY 22, 1998
Final

President Washington's Birthday
Winter Olympics Closing Ceremony

TBD **CHURCH**
LOCATION TBD

Note: The attire for the NGA Dinner is Black Tie.

7:45 pm **THE PRESIDENT** and The First Lady proceed down the Grand Staircase and pause for photograph
POOL PRESS

7:50 pm-
8:20 pm **RECEIVING LINE**
STATE FLOOR
Staff Contact: Mickey Ibarra, Capricia Marshall
Event Coordinator: Laura Schwartz
POOL PRESS

8:20 pm **THE PRESIDENT** and The First Lady proceed to the Blue Room upon conclusion of the receiving line for a brief hold.

8:30 pm- 9:30 pm	**NATIONAL GOVERNORS ASSOCIATION DINNER** STATE DINING ROOM Remarks: Staff Contact: Mickey Ibarra Event Coordinator: Laura Schwartz **POOL PRESS (REMARKS ONLY)**

-- Announcement of **the President** and The First Lady into the State Dining Room.

-- **The President** proceeds to the Eagle Lectern and offers a toast.

-- Governor George Voinovich, Chair, National Governor's Association, proceeds to the Eagle Lectern and offers a toast.

-- Dinner is served.

-- **The President** and The First Lady proceed to the Blue Room for coffee.

10:05 pm-	**NATIONAL GOVERNOR'S ASSOCIATION DINNER - ENTERTAINMENT** EAST ROOM Staff Contact: Event Coordinator: POOL PRESS

The President and The First Lady proceed to their seats in the front row.

-- Entertainment begins.

-- Upon conclusion of entertainment, **the President** proceeds to the stage to thank performer.

-- **The President** and The First Lady proceed to the Grand Foyer for the first dance and to mingle.

TBD **THE PRESIDENT** and The First Lady **depart** en route private living quarters

BC/HRC RON **THE WHITE HOUSE**
WASHINGTON, D.C.

A

'98 FEB 20 PM10:16

THE WHITE HOUSE

WASHINGTON

February 20, 1998

GOVERNORS' DINNER AND DANCING

DATE:	Sunday, February 22, 1998
TIME:	7:30 p.m - 9:00 p.m.
LOCATION:	State Floor
FROM:	Mickey Ibarra MI Fred DuVal

I. PURPOSE

You will host the traditional White House Governors' Dinner.

II. BACKGROUND

As you know, it is a long-standing tradition for the President and First Lady to host all of the governors and their spouses for a formal dinner at the White House during the National Governors' Association Winter Meeting. You and Governor George Voinovich (R-OH), Chair of the National Governors' Association, will give toasts after dinner.

III. PARTICIPANTS

See list provided by the Social Office

IV. PRESS PLAN

See Social Office Layout

V. REMARKS

To be provided by Speech Writing

VI. SEQUENCE OF EVENTS

See Social Office Layout

VII. ATTACHMENTS

List of Participants

'98 FEB 20 PM5:52

THE WHITE HOUSE

WASHINGTON

TO:	**THE PRESIDENT** **THE FIRST LADY**
WHAT:	NATIONAL GOVERNORS ASSOCIATION'S ANNUAL DINNER
WHEN:	SUNDAY, FEBRUARY 22, 1998
NOTES:	APPROX 130 GUESTS/POOL PRESS-TOAST ONLY/BLACK TIE
FROM:	CAPRICIA MARSHALL, LAURA SCHWARTZ

7:45 p.m. — **THE PRESIDENT and THE FIRST LADY** are announced to HONORS as they proceed down the Grand Staircase.

7:50 p.m.- 8:20 p.m. — **THE PRESIDENT and THE FIRST LADY** begin receiving line with the guests.

8:20 p.m. — **THE PRESIDENT and THE FIRST LADY** proceed to the Blue Room to hold briefly upon conclusion of receiving line.

8:30 p.m. — **THE PRESIDENT and THE FIRST LADY** are announced into the State Dining Room as they enter from the Cross Hall.

THE PRESIDENT proceeds to the Eagle Lectern to give toast.

Gov. George Voinovich, Chair of the NGA gives a toast.
***Notes:** Pool press for toasts only.*

Upon conclusion of toasts, dinner is served.

Approx. 9:40 p.m. — Following dinner, **THE PRESIDENT and THE FIRST LADY** proceed to the East Room for the first dance and to mingle with guests.

TBD — **THE PRESIDENT and THE FIRST LADY** depart.

B

'98 FEB 21 PM4:20

PRESIDENT WILLIAM J. CLINTON
TOAST AT NGA DINNER
THE WHITE HOUSE
February 22, 1998

Welcome to the White House. Hillary and I enjoy hosting this event every year for a couple of reasons -- first, because it reminds us of the time when I was a governor and we were a little bit younger; and second, because it gives us the chance to put business aside and meet socially with the nation's governors.

I want to congratulate you on all you have achieved this past year. As I told the Congress last month, the State of our Union is strong, in no small measure due to your efforts. Our economy is thriving, with nearly 15 million new jobs, unemployment and inflation at their lowest in decades, and rising incomes and homeownership. Crime is down, welfare is down, teen pregnancy is down -- our social fabric is mending. There is much work left to do, but I'm sure you'll let me know about that tomorrow.

Tonight let us agree to build a new social compact for Americans in the Information Age. Let us recognize that both state and national government have essential roles to play in giving our people the tools they need to make the most of their own lives. As I said to you last summer, I think our major challenge is to develop new ways of thinking about our problems, to move beyond the false choices imposed on us by limited thinking and old conflicts. And I think that all of you in this room are meeting that challenge, in the unique ways your unique states require.

We must be bold in our efforts to prepare for the future during this era of prosperity. Let us pledge to meet our two greatest obligations -- to stay on the path of fiscal responsibility, and to prepare our nation and our children for the 21st Century. As I tackle my share of this task, I am grateful that I can count on every one of you for frank and insightful counsel.

I am particularly grateful for the privilege of working this past year with the chairman and vice-chairman of the National Governor's Association, Gov. George Voinovich of Ohio and Gov. Tom Carper of Delaware. I thank them for their leadership, and I offer a toast to them, to their wives Janet and Martha, and to a rich and productive partnership between all of us in the year to come.

Monday, February 23, 1998

9:30 AM	National Governors' Association Annual Meeting	Tab A
	- Remarks	Tab B
	- Seating Chart and Participants	Tab C
	- Talking Points/Q's and A's	
	- Education	Tab D
	- Transportation	Tab E
	- Tobacco	Tab F
	- Workforce Development	Tab G
	- Child Care	Tab H
	- Internet Taxation	Tab I
	- Indian Gaming	Tab J
	- Patient Bill of Rights	Tab K
	- Regulatory Reform	Tab L
	- Governor by Governor Issues	Tab M
	- Political Update on Governors	Tab N
2		
2:15 PM	Foreign Policy Meeting	No Paper
1 ~~5~~:15 PM	Meeting	No Paper
7:25 PM	Meeting with Governor Pedro Rossello of Puerto Rico	Tab O
	- Talking Points	Distributed Separately
7:50 PM	Democratic Governors' Association Dinner	Tab P
	- Remarks	Tab Q To Be Forwarded

A

'98 FEB 22 PM2:32

THE WHITE HOUSE

WASHINGTON

February 22, 1998

ROUND TABLE DISCUSSION WITH THE NATIONAL GOVERNORS' ASSOCIATION (NGA)

DATE:	Monday, February 23, 1998
TIME:	9:30 a.m. - 11:15 a.m.
LOCATION:	East Room
FROM:	Mickey Ibarra MI Emily Bromberg EB Fred DuVal FD

I. PURPOSE

You will host the bipartisan group of the nation's governors, the Vice President, and several Cabinet Members for a round table discussion on education, transportation, tobacco, workforce development and child care.

II. BACKGROUND

The National Governors' Association (NGA) is convening in Washington for their annual Winter Meeting from February 21 - 24, 1998. This is the first time you will meet with this bipartisan group in a formal setting since you introduced your FY99 Budget proposal. Governor George Voinovich (R-OH) is the current Chair and Governor Tom Carper (D-DE) is the current Vice Chair of the NGA. This NGA meeting will focus primarily on issues related to tobacco, transportation, tax reform, regulatory reform, block grants and education.

In your opening comments (to be provided by Speech Writing) you will announce a directive to the Department of Education asking them to publish a guide book on how to end social promotion; a Department of Education study on class size; the expansion of Ed Flex, which will allow all states to waive federal statutory and regulatory requirements in grades K-12; and Secretary Riley's intent to appoint Governor John Engler (R-MI) to the National Assessment Governing Board (NAGB). After the departure of the press, you will lead a discussion on your proposed education initiatives. Governor Edward Schafer (R-ND) will then lead a discussion on transportation. The next discussion, regarding tobacco, will be led by Governor Lawton Chiles (D-FL). Then, Governor Tom Ridge (R-PA) will lead a discussion on workforce development. The final discussion, regarding child care, will be led by Governor Frank O'Bannon (D-IN). **Talking points regarding each of these topics are included in this briefing notebook.**

Time permitting, the discussion will then open up to other topics. Governors will likely ask questions about Internet taxation, the Department of Interior's rule on Indian gaming, the Health Care Bill of Rights and the Levin-Thompson Bill on regulatory reform. **Talking points regarding each of these topics are included in this briefing notebook.**

Based on discussions with governors yesterday and today, Internet taxation and Indian gaming concerns are gaining momentum. It is likely that both issues will be raised at tonight's White House Dinner. Regarding Indian gaming, the governors want assurance that their strong opposition to the proposed Interior rule will be considered directly by you. These issues will be discussed with your advisors in the pre-event briefing.

The governors arrived on Saturday, February 21, and participated in an opening news conference and internal committee meetings. Also Saturday, the Democratic Governors' Association meeting included a discussion by Chief of Staff Bowles on your priority agenda items, a discussion on the Administration's tobacco position led by Bruce Reed, and a discussion of your proposed education initiatives led by Secretary Riley. Last night, the governors attended a reception in their honor hosted by the Canadian Ambassador Raymond Chretien. The Democratic governors attended a dinner with the Vice President at his residence.

On Sunday, February 22, the opening plenary session included panels on the Federal budget, Internet taxes and tax reform led by several leading academics. That afternoon, the governors participated in internal committee meetings on ISTEA, Global Climate Change and regulatory reform, among other topics.

The governors-only session on Sunday, February 22, will focus on tobacco and Internet taxes. The governors demand that tobacco settlement funds negotiated to settle state lawsuits must go to the states. While they recognize that the federal government is entitled to a portion of the revenues gained from national tobacco legislation, they believe that it should not interfere with the state portion negotiated by the state attorneys general. Most specifically, the governors think that the federal government should not try to recoup a portion of this money under existing Medicaid liability rules, even if the government intends to return this money to the states for use in specified block grant programs.

III. PARTICIPANTS

Pre-brief participants:
Mickey Ibarra
Emily Bromberg
Fred DuVal
Secretary Riley
Frank Raines

Pre-brief participants, continued:
Bruce Reed
Gene Sperling

Event participants:
See attached list

IV. PRESS PLAN

Pool press for your opening remarks and those of Governor Voinovich, Governor Carper, and the Vice President. Following the Round Table, Governors Voinovich and Carper will be available to the press at the stakeout.

V. SEQUENCE OF EVENTS

- You and the Vice President proceed into the East Room
- You deliver opening remarks
- Governor George Voinovich (R-OH; NGA Chair) delivers remarks
- Governor Tom Carper (D-DE; NGA Vice Chair) delivers remarks
- The Vice President delivers remarks
- Press departs
- You lead a discussion on education
- You ask Governor Voinovich to moderate the remainder of the presentations/discussions
- Governor Edward Schafer (R-ND) leads a discussion on transportation
- Governor Lawton Chiles (D-FL) leads a discussion on tobacco
- Governor Tom Ridge (R-PA) leads a discussion on workforce development
- Governor Frank O'Bannon (D-IN) leads a discussion on child care
- Open question and answer period moderated by Governor Voinovich

VI. REMARKS

To be provided by Speech Writing

VII. ATTACHMENTS

Participants List
Seating Chart
Sequence of Events
Talking Points/Questions and Answers on Discussion Topics
Talking Points/Questions for Open Discussion Period

B

'98 FEB 22 PM5:39

PRESIDENT WILLIAM J. CLINTON
TALKING POINTS FOR THE NATIONAL GOVERNORS ASSOCIATION ROUNDTABLE
WASHINGTON, D.C.
February 23, 1998

As I said in my State of the Union last month, the Information Age, above all, is an Education Age. Therefore, the most important thing we can do to strengthen our nation for the 21st century is to build the best education system in the world.

You and I know that the most important work, the most innovative reforms in education over the past few decades have taken place on the state level. The reforms that we spurred in the 1980s are now making a major difference in schools all across the country. And I thank you for your leadership.

Last year, I called on all Americans to leave politics at the school house door and work together to pass a 10-point plan to improve education. Today, most of those points have become law. With tuition tax deductions, Education IRAs, expanded Pell Grants, and new Hope Scholarships -- modeled after Gov. Zell Miller's scholarships of the same name -- every American who is willing to work and study hard can now afford college.

We've thrown open the doors to higher learning. Now, we must continue working to make sure all our children can walk through them and seize the opportunities of the future. That is why in my balanced budget, I am proposing the largest commitment to K-12 education in history -- a comprehensive plan to raise standards, raise expectations and raise accountability in our schools.

Our top priority for education this year must be to reduce class size in the early grades. If we really expect all our children to meet the highest academic standards, if we believe in the potential of all our children, then our schools must have classes that are small enough for learning. We must make it our national goal to cut class size down from an average of 22 to 18 students in the first, second and third grades.

I know many of you have already launched your own drives to cap class size. I want to work with you to get the job done right. My balanced budget will provide local districts the resources to hire 100, 000 new teachers who have passed state competency tests.

Fifteen years ago, when Hillary and I were leading school reform efforts in Arkansas, we traveled to local school districts for town hall meetings. It was self-evident to all of the parents there that cutting down class size was the best way to improve schools.

Today, in too many classrooms across America, teachers are supervising more than 30 children at a time. Teaching classes of curious, active, six-year olds should not be like herding flocks of sheep. But in crowded classrooms, teachers are often forced to spend more time keeping students in line and than in getting to know them as individuals, leading them in hands-on activities, or tailoring lessons to their strengths and weaknesses. Teachers are forced to teach to the middle. And the children who need the most encouragement are left behind.

We know that smaller classes in the early grades works. In Tennessee, they found that test scores were consistently higher among students who were placed in smaller classes. These children kept that edge even as they moved on to larger classes in later years. New studies from Wisconsin are also confirming Tennessee's experience. There, smaller classes have led to better reading scores for children, reinvigorated teachers and satisfied parents.

So I want to take the lessons of Tennessee and Wisconsin to every state in our union. And I call on each of you to make smaller classes and better teaching a reality for all our children.

The smaller classes we create must also be headed by well-qualified teachers. Good teachers can make all the difference in a child's academic progress. That is why my proposal also includes funds to boost teacher training and testing.

Smaller classes and more teachers also means more classrooms. So, I am proposing new tax incentives to help communities modernize and build more than 5,000 new schools, and I hope you will work with me to pass it. To compete in the information age, we must have state-of-the art schools that will bring out the best in our children.

And we must continue making progress on national standards -- standards that will help us make sure all our children are mastering the basics and prepared to compete in the global economy. Last year, we took the crucial first steps toward setting national standards in 4th-grade reading and 8th-grade math. I am pleased to announce that Sec. Riley will appoint Governor Engler to the independent non-partisan board that will develop the tests to measure these standards.

I am committed to exploring every possible way to make sure that all our students meet the same high national standards of academic achievement. Last year, I agreed with Rep. Goodling that we should see if states could use their own existing tests as part of the national standards program. I still think it's worth looking into. The issue is not whether we have a single test or several tests, the issue is whether we provide every parent, every teacher and every school the tools to ensure our children are learning what they need to succeed.

Even as we raise standards and expectations in our classrooms, we must also demand accountability from our schools, our teachers and our students. We must end the destructive practice of social promotion. No child should be allowed to pass to the next grade unless he or she has mastered the material. Before the next school year starts, Secretary Riley will issue guidelines on how schools can end social promotion, boost efforts to ensure more students learn what they need the first time around, and help those who don't with extra tutoring and summer school. Our goal must not be to hold students back but to lift them up.

When it comes to education reform, states and individual school districts know better than Washington what their schools need. So I will send to Congress legislation to expand Ed-Flex -- the program that frees states from federal regulations so long as they set high academic standards, waive their own regulations for local schools, and hold schools accountable for results.

One last thing. As you know, I've launched a national initiative on race to help us make our growing diversity our greatest strength in the 21st Century. I am delighted that my Initiative is working with the Governors and the YWCA to convene Statewide Days of Dialogue on Race on April 30. I want to thank the YWCA, whose CEO, Dr. Prema Mathai-Davis, is with us this morning, for helping us launch these dialogues. Several of you have already agreed to join us and I call upon all governors to support these Days of Dialogue. Judith Winston, the Executive Director of my Initiative on Race, is also here today, and I encourage you to seek her out to learn more about this effort.

C

GERINGER
Wyoming

HULL
Arizona

SCHAFER
North Dakota

CHILES
Florida

RIDGE
Pennsylvania

SLATER
Transportation

HUNT
North Carolina

O'BANNON
Indiana

JOHNSON
New Mexico

BATT
Idaho

SUNIA
American Samoa

CARLSON
Minnesota

GILMORE
Virginia

KEVIN THURM
HHS

PATAKI
New York

ALMOND
Rhode Island

EDGAR
Illinois

KING
Maine

HUCKABEE
Arkansas

SCHEPPACH
NGA

SCHNEIDER
Virgin Islands

BRANSTAD
wa

WILSON
California

UNDERWOOD
West Virginia

BRUCE REED
DPC

NELSON
Nebraska

PATTON
Kentucky

MICKEY IBARRA
IGA

LEAVITT
Utah

KEATING
Oklahoma

NATIONAL GOVERNORS' ASSOCIATION
1998 WINTER MEETING
Seating Chart for White House Round Table Discussion

KNOWLES
Alaska

DEAN
Vermont

SUNDQUIST
Tennessee

FORDICE
Mississippi

CARNAHAN
Missouri

ENGLER
Michigan

BUSH
Texas

FRANK RAINES
OMB

THOMPSON
Wisconsin

GRAVES
Kansas

ROMER
Colorado

RICHARD RILEY
Education

RACICOT
Montana

ALEXIS HERMAN
Labor

LOCKE
Washington

TENORIO
Northern Mariana Islands

BEASLEY
South Carolina

CELLUCCI
Massachusetts

GENE SPERLING
NEC

MILLER
Georgia

ROSSELLO
Puerto Rico

ROWLAND
Connecticut

CARPER
Delaware

THE VICE PRESIDENT

THE PRESIDENT

VOINOVICH
Ohio

ERKSINE BOWLES
Chief of Staff

MILLER
Nevada

WHITMAN
New Jersey

GLENDENING
Maryland

DAN GLICKMAN
Agriculture

SHAHEEN
New Hampshire

National Governors' Association
Round Table Participants

Democratic Governors

Governor Tony Knowles	Alaska
Governor Tauese Sunia	American Samoa
Governor Roy Romer	Colorado
Governor Thomas Carper	Delaware
Governor Lawton Chiles	Florida
Governor Zell Miller	Georgia
Governor Frank O'Bannon	Indiana
Governor Paul Patton	Kentucky
Governor Parris Glendening	Maryland
Governor Mel Carnahan	Missouri
Governor Benjamin Nelson	Nebraska
Governor Bob Miller	Nevada
Governor Jeanne Shaheen	New Hampshire
Governor James Hunt Jr.	North Carolina
Governor Pedro Rossello	Puerto Rico
Governor Howard Dean	Vermont
Governor Gary Locke	Washington

Republican Governors

Governor Jane Dee Hull	Arizona
Governor Mike Huckabee	Arkansas
Governor Pete Wilson	California
Governor John Rowland	Connecticut
Governor Philip Batt	Idaho
Governor Jim Edgar	Illinois
Governor Terry Branstad	Iowa
Governor William Graves	Kansas
Governor Paul Cellucci	Massachusetts
Governor John Engler	Michigan
Governor Arne Carlson	Minnesota
Governor Kirk Fordice	Mississippi
Governor Marc Racicot	Montana
Governor Christine Todd Whitman	New Jersey
Governor Gary Johnson	New Mexico
Governor George Pataki	New York
Governor Edward Schafer	North Dakota
Governor George Voinovich	Ohio

Governor Frank Keating	Oklahoma
Governor Tom Ridge	Pennsylvania
Governor Lincoln Almond	Rhode Island
Governor David Beasley	South Carolina
Governor Don Sundquist	Tennessee
Governor George Bush	Texas
Governor Michael Leavitt	Utah
Governor Roy Schneider	Virgin Islands
Governor Jim Gilmore	Virginia
Governor Cecil Underwood	West Virginia
Governor Tommy Thompson	Wisconsin
Governor Jim Geringer	Wyoming

Independent Governors

Governor Angus King	Maine
Governor Pedro Tenorio	Northern Mariana Islands

National Governors' Association

Executive Director Raymond Scheppach

Cabinet Members

Agriculture Secretary Dan Glickman
Labor Secretary Alexis Herman
Education Secretary Richard Riley
Transportation Secretary Rodney Slater
OMB Director Franklin Raines
HHS Deputy Secretary Kevin Thurm

White House Staff

Erskine Bowles
Mickey Ibarra
Bruce Reed
Gene Sperling

D

Education Talking Points

Making K-12 Education System Among the Best in the World

- Working with the Congress, last year we made an historic investment to help families pay for college. As a result, we have now opened the doors to college for all Americans; in the next century, two years of college will be as universal as high school graduation is today.

- Now we must make sure that our students are academically prepared to take advantage of this opportunity. That is why in my budget for this year I have proposed an ambitious agenda to help make our K-12 education system the best in the world. Our efforts at the national level are designed to support and build upon your efforts in the states to raise standards, raise expectations, and increase accountability.

- This year I am proposing:

<u>Programs Funded Through States</u>

- **A National Effort to Reduce Class Size.** I have proposed a national effort to reduce class size to a national average of 18 in grades 1-3, to give our students the trained teachers, individual attention, and more disciplined environment that will help them learn to read well and get a good grounding in the basics. This $12.4 billion initiative over 7 years ($7.3 over 5 years) will provide the funds to help local school districts hire 100,000 well prepared teachers.

- **Modern School Buildings to Improve Student Learning.** I have also proposed a $22 billion school modernization initiative to help states and local communities provide the space for smaller classes, repair and renovate crumbling schools, and build new schools.

<u>Competitive Programs for High Poverty Urban and Rural Communities</u>

- **Education Opportunity Zones: Helping Students in Poor Communities Reach High Standards.** My budget will provide funds to high-poverty urban and rural school systems with a track record of improving student achievement. I want to invest in school systems that are serious about raising standards, and will end social promotions, intervene in failing schools, and provide choice throughout their schools. These education opportunity zones can provide a model to the nation for how our urban school systems can work.

- **High Hopes for College.** To inspire more of our young people to have high expectations, to stay in school and study hard, and to go to college, I have proposed a new initiative that will promote partnerships between colleges and middle or junior high schools in low-income communities. This initiative will let students and their families know that there is enough financial aid available to make college affordable and will provide them with the mentoring and support services needed to keep them on track.

- **Attracting and Preparing Tomorrow's Teachers.** I have proposed a $350 million initiative to attract talented people into teaching at low-income schools, and to dramatically improve the quality of training and preparation given to our future teachers. This new initiative will help bring nearly 35,000 outstanding new teachers into high-poverty urban and rural areas, through partnerships between institutions of higher

Education Questions & Answers

QUESTION: *Is the voluntary national test dead? If not, how do you plan to move the proposal forward.*

ANSWER: The testing proposal is very much alive and moving forward. Last Fall, Congress appropriated funds for continued development of the tests, and endorsed my proposal to place the independent, bipartisan NAGB in charge of the tests. NAGB has taken charge and is moving forward. I will continue to work with the Congress to secure funding for test development and implementation, and I will veto any effort to stop work from moving forward. At the same time, I am open to other approaches to accomplishing the objective of measuring individual student learning in the basics against national standards--such as using existing state tests that can be linked to NAEP, and I will urge NAGB, ACHIEVE and the governors to pursue this.

QUESTION: *You have proposed new federal education initiatives for school construction, class size reduction, school mentoring, urban education and other areas. Yet, you haven't proposed any increased funding for IDEA, the biggest unfunded federal mandate in education. At the same time, the Education Department is proposing burdensome new rules, which go beyond the intent of the bill you signed into law last year. Will you work with us to ensure that the Special Education rules will not be unduly burdensome? Will you consider scaling back your new initiatives and putting the funds into special education -- so that we at the state and local level can have more control over how we spend our own money?*

ANSWER: The special education law I signed last year provides states and school districts with significantly more flexibility than did the previous law. It will reduce paperwork, reporting requirements, and litigation. It places a stronger emphasis on results. And it protects the safety of all students in the classroom while retaining the essential rights and protections of disabled students. The Education Department has proposed regulations to carry out the law, and has received quite a few comments back. I am sure Secretary Riley will review those comments carefully before issuing final regulations.

Funding for the special education program has increased by 64% over the past three years, a substantial increase in the investment the federal government has made in helping states and local communities pay for special education services.

While we have not proposed additional increases in special education, a number of other initiatives we have proposed will help address the needs of special education. Our class size reduction initiative will help students with disabilities who are mainstreamed in regular classes get the extra attention they need, and should reduce costs that occur when students who mainly need extra help are instead wrongly identified as requiring special education services. In addition, our school modernization initiative will help schools make the accommodations to their facilities necessary for students with disabilities.

QUESTION: *Will you support block grant legislation so that states can have more flexibility in the use of federal education funds, and not be constrained by the requirements of separate categorical programs?*

ANSWER: I will look carefully at the block grant proposal that the NGA has developed.

Most federal education funding is in a handful of programs with clearly defined and important purposes, such as providing extra help to disadvantaged or disabled students, training teachers, raising academic standards, helping states start charter schools, and helping schools use technology. Within these purposes, I am in favor of providing maximum flexibility in our programs, along with accountability for results.

Since Secretary Riley and I have taken office, we have worked hard to increase the flexibility and reduce the regulatory burden in federal education programs. We have eliminated 67 percent of the pages of regulations that govern major elementary and secondary education programs, and have run Goals 2000 and School-to-Work without issuing a single new regulation. We have approved almost 250 waiver requests from 49 states, and through the Ed-Flex program have granted 12 states the ability to waive federal requirements on their own. As I indicated earlier, I am prepared to ask Congress for the authority to grant Ed-Flex to all 50 states.

E

Transportation Talking Points

• **I said in 1992 that I would emphasize investment in infrastructure in order to "rebuild America," and I have done that, even while balancing the budget:**

--Annual highway spending [in my FY99 budget] is up 42% over average levels in the previous Administration and up more than 13% over the average for the first 5 years of my Administration.

--Transit spending is up 35% over the previous Administration's level.

--National Highway Traffic Safety Administration funding is up 21% over FY98.

• **By balancing the budget, we have lowered interest rates significantly, making your dollars go farther.**

--30-year rates are 5.8%, down from 8.2% (on average) in the last Administration.

--Lower interest rates have meant faster business investment growth (11.2% average annual growth during my Administration) and more investment by state and local governments, increasing America's productivity and spurring economic growth.

• **To maintain those investments, we need an ISTEA reauthorization bill that protects the priorities we share. Both the Senate and House reauthorization bills reflect the priorities contained in the NEXTEA (National Economic Crossroads Transportation Efficiency Act) bill that I introduced nearly a year ago:**

--Emphasizing safety
--Protecting the environment
--Investing to move people from welfare to work
--Strengthening urban communities
--Encouraging participation by disadvantaged businesses

[Although I am requesting $600 million for welfare-to-work transportation services, I recently sent governors a letter urging use of existing funds for this purpose wherever possible. Both the TANF block grant and the welfare-to-work grants created by the Balanced Budget Act of 1997 offer flexibility to provide certain transportation services.]

• **And we need a reauthorization bill *soon* -- a multi-year bill that conforms to the balanced budget agreement. I have strongly urged the Congress to send me a bill reauthorizing ISTEA before the 6-month extension expires in May.**

--If Congress continues to fight about money for ISTEA, key programs will come to a halt, and state and local governments will miss a construction season.

Transportation Questions & Answers

QUESTION: *Your FY99 budget proposes funding for surface transportation (highways, highway safety and transit) that is significantly below what many in Congress support. How do you justify such funding levels?*

ANSWER: Although my request ($27 billion/year) is essential the same as the FY98 enacted level, keep in mind that these are high funding levels by historic standards, and they are significantly higher than those assumed in the Bipartisan Budget Agreement (BBA). Funding for these programs has grown rapidly even as overall discretionary spending has declined.

--For surface transportation, my FY99 budget requests $1.7 billion, or 7%, more than the 1999 level assumed in the BBA. For ***all*** transportation programs, my budget request is $2.4 billion above what is assumed in the BBA.

--Highway spending in my FY99 budget is up 42% over what it averaged in the last Administration; for transit, the comparable figure is 35%. If you look at all transportation infrastructure -- airport grants and rail capital, as well as highways and transit -- the level I'm requesting is 42% higher than it was in the Bush Administration.

QUESTION: *The 6-month extension of ISTEA effectively expires on May 1. What is your Administration doing to get a new bill?*

ANSWER: I introduced my Administration's ISTEA reauthorization bill last March -- nearly a year ago. I have strongly urged Congress to send me a bill reauthorizing ISTEA by May 1. Because a lapse of authorization could have profoundly adverse impacts on transportation safety, construction and other programs, I will continue to push for rapid action?

QUESTION: *What are your views on proposals to ensure that each state receives a guaranteed amount of transit funding ("minimum allocation") based on its payments into the Mass Transit Account of the Highway Trust Fund.*

ANSWER: I strongly oppose any minimum allocation. The current formulas are based on transit needs, rather than on contributions to the Highway Trust Fund, so as to maximize the overall benefits to the Nation. Adoption of a minimum allocation approach would seriously harm many transit systems, especially those in the most transit-dependent areas.

F

Tobacco Talking Points

- **I have challenged Congress to pass sweeping tobacco legislation to reduce teen tobacco use significantly. That legislation will build on the extraordinary efforts of the nation's attorneys general, who helped create an historic opportunity for progress in reducing smoking, especially by youth. Tobacco legislation must include five key elements:**

  - A Comprehensive Plan to Reduce Youth Smoking, Including Tough Penalties If Targets Are Not Met. The central goal of tobacco legislation must be a comprehensive, nationwide effort to reduce teen smoking. I am calling for:

  - Tough Penalties and Price Increases to Reduce Youth Smoking. I support a combination of industry payments and penalties to increase the price of cigarettes by up to $1.50 a pack over the next decade as necessary to meet youth smoking reduction targets. Stiff penalties that give the tobacco industry the strongest possible incentive to stop targeting kids are an important part of this proposal. Legislation should set ambitious targets to cut teen smoking by 30% in 5 years, 50% in 7 years, and 60% in 10 years, and impose severe financial penalties that hold tobacco companies accountable to meet those targets.

  - A Public Education and Counter Advertising Campaign. Legislation must provide for a nationwide effort to deglamorize tobacco, warn young people of its addictive nature and deadly consequences, and help parents discourage their children from taking up the habit.

  - Expanded Efforts to Restrict Access and Limit Appeal. I support legislation codifying the FDA's efforts to reduce youth access to tobacco, and imposing even stronger restrictions on youth access and advertising consistent with the Constitution.

  - Full Authority for FDA to Regulate Tobacco Products. The Administration supports federal legislation that affirms efforts by the Food & Drug Administration (FDA) to regulate tobacco like any other drug or device and that provides FDA with sufficient flexibility to meet changing circumstances.

  - The Tobacco Industry Must Change The Way Its Does Business. I have challenged the tobacco industry to stop marketing and promoting tobacco to children, provide broad document disclosure -- especially of those documents relating to marketing tobacco to children -- and set up comprehensive corporate compliance programs that will reinforce the incentives created by the youth and smoking penalties.

  - Progress Toward Other Public Health Goals. Federal tobacco legislation provides an opportunity to meet other public health goals: the reduction of second-hand tobacco smoke, the expansion of smoking cessation programs, the strengthening of international efforts to control tobacco, and the provision of funds for health research.

  - Protection for Tobacco Farmers and Their Communities. My Administration is committed to working with members of Congress in both parties to ensure that we protect the financial well-being of tobacco farmers, their families, and their communities.

Tobacco Questions & Answers

QUESTION: *Are you concerned by comments by some members of Congress that tobacco legislation may be getting stalled -- that you may not be serious about getting a bill -- and that you should take a more active role in pushing legislation?*

ANSWER: I am committed to enacting comprehensive bipartisan tobacco legislation that will reduce teen smoking, and we are making good progress toward this goal. I've proposed a very clear set of principles about what should be in the bill. I've met personally with senior members involved in this. Our staff has met with members of both parties and will continue to do so. And my budget contains a great deal of details on how I think we should get this done -- on how much money the tobacco companies should pay and where it should go. This has been a long battle we have been fighting and we will stay with it, and it will make a difference to the health of millions of children over the next few years.

QUESTION: *Many Members and public health advocates have come out against tobacco legislation that would grant the industry limits on liability. Do you favor a settlement that would include limits on industry liability?*

ANSWER: I will evaluate tobacco legislation as a whole to determine whether it protects the public health. I would prefer a comprehensive tobacco bill without liability limits. But if I get everything else I want in a tobacco bill -- if I get a comprehensive bill that satisfies each of my five principles -- then reasonable limits on liability will not be a dealbreaker. What's most important is that we enact a comprehensive bill that includes, for example, a large per-pack price increase, penalties for marketing to children, and broad restrictions on children's access to tobacco. Liability limits are not necessarily a deal-breaker for us. What's important is achieving comprehensive legislation that includes, for example, a large per-pack price increase, penalties for marketing to children, and broad restrictions on children's access to tobacco.

I hope that these kinds of statements (statements by Republican senators on liability) don't mean that some members are seeking to walk away from their responsibility to protect children by enacting comprehensive tobacco legislation.

Piecemeal legislation won't accomplish our goal. It's not enough just to say we did something if we don't pass comprehensive legislation that really accomplishes our goals.

QUESTION: *Doesn't your budget deprive the states of the rewards of their lawsuits? Wouldn't your budget take tobacco funds for the federal government, even though the federal government declined to bring suit against the tobacco companies? How much money is there for states in the budget?*

ANSWER: Under my budget, the states will receive as much money over the next five years as they would have received under the original settlement agreement. A large part of this money will be unrestricted; states can use it for whatever purposes they choose. The rest of the money will go to states for state-administered programs to provide child care subsidies and reduce class size. This money represents the usual federal share of Medicaid recoveries, which I believe should go back to the states to assist children in recognition of the important role the states played in bringing about this legislation.

QUESTION: *In September, you said the focus of tobacco legislation should not be about money. In the budget you recently unveiled, more than 60 percent of the proposed increase in discretionary spending is paid for by tobacco legislation. Why have you changed course?*

ANSWER: My course has not changed -- Congress should send me legislation that will dramatically reduce youth smoking. Experts all agree the single most important step we can take to reduce youth smoking is to raise the price of a pack of cigarettes significantly. That is why last September, and again in the State of the Union speech, I called for Congress to pass legislation that raises cigarette prices by up to $1.50 per pack over the next ten years as necessary to reduce youth smoking. Our budget simply scores that part of the plan, and allocates the revenues to programs that promote public health and assist children.

QUESTION: *Why is it that some of the programs funded with tobacco revenues have no relation to tobacco?*

ANSWER: Most of the spending is directly related to tobacco, such as health-related research and smoking cessation programs. The rest goes to programs that will assist our children. I wanted to ensure that states get a substantial share of the resources, because of the states' contribution in negotiating the original proposed settlement. It is this state-directed money that goes to children's programs -- to improve child care and reduce class size -- in recognition that these are shared federal and state goals.

QUESTION: *How much money do you expect to raise from tobacco legislation next year? What about over five years? How did you come to this figure?*

ANSWER: This budget is designed to reduce youth smoking by 30% in five years and 50% in seven years, which are the goals I've set out. We calculate that the necessary increase in the price per pack will result in about $10 billion in revenue next year and $65 billion over five years.

QUESTION: *How much does your plan increase the cost of cigarettes?*

ANSWER: In order to reach the goal of reducing youth smoking by 30% in five years, and 50% in seven years, my budget projects about a $1.10 increase in the price of cigarettes over five years.

G

Workforce Development Talking Points

- Start by emphasizing that we should keep working to resolve our differences and that -- except for the co-mingling education funds -- there is room to work out a compromise.

- Explain that if we do not reach agreement on a bill, appropriators could lose faith in the underlying programs, threatening their continued funding. (NB: Congressional appropriators have been reluctant to keep funding the "old" system and are pressing very hard for reforms. For the last three years, we have pointed to the pending reform legislation to demonstrate our commitment to improving the system. It is not clear how much longer they will go along with our strategy. When they approved the advance appropriation for Out-of-School Youth, they made it contingent on the passage of authorizing legislation.)

- While you can be understanding about their desire for a broad block grant, you need to be firm that including Vocational Education and Adult Education *threatens the whole bill.* Voc Ed is the major Federal funding available for high schools, and Adult Education is the primary route for funding English-as-a-Second Language and GED courses. Threatening these funding sources would cause major constituency groups and Members of Congress to oppose the bill. Therefore, we should focus on the job training programs.

- Remind the governors that the legislation in Congress would make significant improvements in the current system: codifying the One Stop systems that virtually all of you have begun implementing and putting control in the hands of individuals with individual training accounts and report cards for providers and a more robust labor market information system, and universal access to core services like job search assistance.

- Several reforms are very attractive specifically to governors, including: the creation of *permanen*t waiver authority, enhanced flexibility in designating their local service delivery area, and more flexibility in using a larger pool of state reserve funds to finance priority activities.

- We are creating a Presidential Commission on Workers and Economic Change in the New Economy, which would be one vehicle for considering further reforms. (Specifically, the Commission will study best practices and opportunities for improving trade-related training programs.)

- The legislation has bipartisan support in both the House and Senate. The bill passed the House 343 to 60 and was voted unanimously out of the Senate Labor Committee.

Workforce Development Questions & Answers

QUESTION: *You have said you're for consolidation. We want the same thing and we are willing to require that governors and the chief state school officers agree. Given that, why won't you support us on consolidation?*

ANSWER: I think that it is important that we not take away funds that high schools need for vocational education, and that recent immigrants need for learning English, and that we continue our efforts to provide hope to individuals who have some of the most severe disabilities.

QUESTION: *We agree with you that the workforce development system needs more accountability. However, we think a system of performance measures that requires each of us to be judged using the same standards is unfair and insensitive to variations across states. Why is your administration supporting legislation that does this?*

ANSWER: While I understand your concerns, it is vitally important that we have a level playing-field from which to judge the performance of each state. Just as we were able to develop high performance bonus standards for TANF that maintain a level playing-field, so I am confident that we can develop acceptable standards for workplace development.

QUESTION: *A number of us have enacted significant reforms at the state level. We need legislation which preserves the gains we made, instead of undermining them. The Senate bill heads in the wrong direction. Why are you supporting it?*

ANSWER: While I understand your need for flexibility, we must also maintain federal responsibility. Thus, I prefer to deal with these issues on a waiver basis, rather than with automatic grandfathering, in order to insure that key aspects of the reform are not compromised.

QUESTION: *A number of us feel that our systems would function better if we competitively bid certain functions, like the employment service.*

ANSWER: Secretary Herman has indicated to me that the Department of Labor will be making an assessment of the appropriate scope of privatization, if any, with respect to employment services. In the course of that assessment, the Department of Labor will be consulting with workforce development stakeholders about the appropriate scope of privatization.

H

Child Care Talking Points

- I believe we have an historic opportunity to pass legislation this year to make child care better, safer, and more affordable for working parents. I know that there are important efforts underway in many of your states -- that's why my plan is geared toward supporting child care improvements on the state level.

- Included in my balanced budget proposal is a significant investment in child care -- $21.3 billion over five years -- which is the single largest investment in child care in our nation's history.

- My plan will: (1) make a significant new investment in the child care block grant, so that states can provide child care subsidies for more children of low-income working families; (2) establish a state-administered fund to enforce state health and safety standards in child care, through, for example, increasing unannounced inspections; (3) establish a state-run Child Care Scholarship Fund; (4) create an Early Learning Fund to provide challenge grants through states to communities for activities that improve child care quality and safety and promote early learning; (5) double the number of children served by Early Head Start and expand Head Start; (6) build the supply of after-school programs through a significant investment in the 21st Century Community Learning Center program; (7) provide greater tax relief for three million working parents with child care costs through reforms to the Child and Dependent Care Tax Credit; and (8) establish a new tax credit for businesses that offer child care services to their employees.

- I was delighted to have Governor Almond with me here at the White House when I announced this plan.

- I am grateful to all of you -- and to the leadership of the NGA -- for your important work in bringing early childhood development issues to the top of the national agenda. I am eager to work together with you and with Members of Congress on a bipartisan basis this year on child care. I am particularly eager to work with you on promoting healthy childhood development and early learning and on improving child care safety and quality for our youngest children.

Child Care Block Grant Increase		$7.5 billion over five years
Child and Dependent Tax Credit Reform		$4.8 billion over five years
Tax Credit for Businesses		$500 million over five years
After-School Program		$800 million over five years
Early Learning Fund		$3.0 billion over five years
Head Start Increase		$3.8 billion over five years
Standards Enforcement Fund		$500 million over five years
Child Care Provider Scholarship Fund		$250 million over five years
Research and Evaluation Fund		$150 million over five years
	TOTAL:	**$21.3 billion over five years**

Child Care Questions & Answers

QUESTION: *What is your position on the various congressional proposals to give a tax break to stay-at-home parents?*

ANSWER: I have always believed that we should respect and support parents in whatever choice they make -- whether to work or to stay at home. My plan was developed to respond to the reality that most parents don't have that choice today -- many can't afford the child care they would want for their children and instead have to rely on care that doesn't make the grade. I hope that first and foremost we can do something for these hardworking, loving parents who want to do the best they can by their children.

Now, if there are also ways that we can support parents who make a different choice -- or ways we can enable them to make the choice to stay at home -- I'm open to ideas. But in the months leading up to the announcement of my child care initiative, we explored a number of these options and found most to be impossible in the context of a balanced budget. Also, I think it's important to look at this issue in terms of the entire tax code, and in terms of our overall strategy to give greater choices to parents. I've tried to do that through a variety of actions to increase family income, such as expanding the Earned Income Tax Credit, increasing the minimum wage, and passing the $500 per-child tax credit.

I believe that by continuing to work together on a bipartisan basis and by taking the best proposals from both sides of the aisle, we will achieve legislation that benefits all America's families and children.

QUESTION: *Since much of the funding of this proposal is based on the tobacco settlement, aren't you counting your chickens before they've hatched? What will you do if the tobacco settlement does not go through?*

ANSWER: First, the initiative is paid for in a number of ways -- only one part comes from tobacco revenues. Second, and more important, we believe that a national tobacco settlement will pass. I support strong tobacco legislation, and many Republicans and Democrats alike are working vigorously to craft comprehensive legislation. And if Congress does not pass comprehensive tobacco legislation, we will work with Congress to find other offsets. Child care is a high Administration priority, and we will find an effective funding mechanism.

QUESTION: *Some conservatives claim that your child care initiative promotes institutionalized, center-based day care. Is this true?*

ANSWER: No. My proposal supports individual choice and state flexibility. Today, parents choose a wide range of child care situations -- be it relative care, family day care, or center-based care. My child care initiative makes child care more affordable by expanding both the Child Care and Development Block Grant and the Child and Dependent Care Tax Credit. Through the block grant, states provide vouchers to parents, which they may use for any and all forms of paid child care. The Child and Dependent Care Tax Credit is similarly flexible, providing a credit for family day care, center-based care, or paid relative care. My entire package is tailored to provide maximum flexibility to parents so that they can make whatever choices are best for their families.

I

Internet Taxation Questions & Answers

QUESTION: *Mr. President, we are strongly opposed to the Cox-Wyden Internet Tax Freedom Act because we think that it will erode our tax base and discriminate against businesses on Main Street. Can we have a commitment from you that your Administration will not actively support the Cox-Wyden legislation?*

ANSWER: As you know, my Administration has supported the "goals and principles" of the legislation. We think that avoiding inconsistent taxation of the Internet will lead to economic growth and the creation of high-tech jobs. Since there are over 30,000 tax jurisdictions in the U.S. -- if everyone decided to tax the Internet and electronic commerce in a different way -- we could slow down the growth of this exciting new industry. The U.S. is the clear leader in this area and we ought to keep it that way.

I know that Mickey Ibarra and Larry Summers -- our Deputy Treasury Secretary -- have met with you to see what specific concerns you have with the bill.

I want you to know that regardless of how we come out on this legislation -- we are going to be open to your legitimate concerns about this legislation -- such as whether existing taxes are grandfathered by the bill.

[Note: You should know that you have received a decision memorandum on this issue, and may be announcing your support for this legislation on February 26 in Silicon Valley - so you should avoid making any commitment to the governors that would make it impossible to do this.]

J

Talking Points on DOI Rulemaking on Indian Gaming Compacts

- DOI published a **proposed** rule on January 22, 1998, which would give the Secretary of Interior the authority to approve gambling operations where the State has refused to negotiate gaming compacts "in good faith," as required by the Indian Gaming Regulatory Act (IGRA) of 1988.

- The comment period on this proposal ends on April 22, 1998. Your participation, through comments to Interior, is crucial to the rulemaking process. No decisions have been made and will not be made until everyone, including the State, local, and tribal governments, have had an opportunity to review our proposal and let us know what they think. Because it is a rule-making proceeding, I can not and will not violate this process.

- The OMB Office of Information and Regulatory Affairs reviews all of these regulations and our Office of Intergovernmental Affairs will ensure you have an opportunity to meet with OMB to express your views directly.

Background

- IGRA sets forth the means by which Indian gaming operations are regulated. Class III gaming (all games more serious than bingo) is to be operated through a Tribal-State compact negotiated by the tribe and the State and approved by the Secretary. This process has worked as intended in many cases. However, IGRA envisioned that some States would not negotiate "in good faith" and provided the tribes a process by which to force the issue, by bringing suit in Federal district court. A recent Supreme Court case, *Seminole Tribe of Florida v. State of Florida*, struck down this process by declaring that Congress could not force States to submit to a suit brought by the tribes.

- This proposed rule follows from a request for comments on the issue published on May 10, 1996, soon after *Seminole*.

- The Governors are strongly opposed to the proposed rule because they feel that it eliminates their ability to negotiate compacts with the tribes under which their gaming operations would be regulated, as envisioned in IGRA, and is a unilateral expansion of the Secretary's power beyond his legal authority. Disputes between tribes and States are likely to be over exactly which games are allowed under State law and which other issues (like taxing tribal revenue or concessions on tribal rights) a State can raise during negotiations. In both these kind of cases, advocates for Indian gambling believe the State is not negotiating "in good faith."

- Tribes want this rule because they believe they have no other negotiating power.

- Bills to prevent the promulgation of this rule have been introduced in both Houses by Sen. Bryan (D-NV) and Rep. Gibbons (R-NV) (Cosponsored by Sen. Enzi (R-WY), Sen. Reid (D-NV), Sen. Sessions (R-AL), and Rep. Ensign (R-NV).

K

Health Care Bill of Rights Talking Points

- I am challenging Congress to enact Federally enforceable consumer protections before it adjourns this fall.

- "Consumer Bill of Rights" Legislation Should Include a Range of Protections Including:

  - Guaranteed Access To Needed Health Care Providers to ensure that patients are provided appropriate high quality care. This right includes giving women access to qualified providers to cover routine women's health services, providing consumers with complex or serious medical conditions with access to specialists, and ensuring that chronically ill people are protected against sudden changes in provider participation in health plans that threaten continuity of care;

  - Access to Emergency Services when and where the need arises. This provision requires health plans to cover these services in situations where a "prudent layperson" could reasonably expect that the absence of care could place their health in serious jeopardy;

  - Confidentiality of Medical Records to ensure that individually identifiable medical information is not disseminated and to provide consumers with the right to review, copy, and request amendments to their own medical records.

  - Grievance and Appeals Processes for consumers to resolve their differences with their health plans and health care providers -- including an internal and external appeals process.

- Although many states have passed legislation in this area, this patchwork of protections is not sufficient, particularly because tens of millions of Americans are covered by plans that are not governed by state law.

- Democrats and Republicans alike recognize the need for national, federally-enforceable consumer protections. In fact, legislation sponsored by Congressman Norwood has the support of nearly 100 Republican House Members. In addition, Democrats and Republicans in state legislatures across the country have passed consumer rights legislation into law. Forty-three states have enacted into law one or more of the basic protections outlined above, and over 25 of these states have Republican Governors.

Health Care Bill of Rights Questions & Answers

QUESTION: *Why do we need a Health Care Consumer Bill of Rights?*

ANSWER: The nation's health care system is undergoing historic transformations that are affecting the way millions of Americans receive their health care. Some of these changes have been quite beneficial. They have lowered costs and improved preventive benefits.

At the same time, for too many Americans these changes are also causing turmoil and distrust. A recent Kaiser study showed that Americans believe that managed care is making it harder for people to see specialists and to get access to emergency room care.

A Health Care Bill of Rights will give Americans newfound confidence in their health care. It will give them much-needed protections -- such as a sense of security that they will have access to emergency services in an expedited fashion; that they will have access to the specialists they need; and that there is a rigorous process in place when they have health care grievances.

QUESTION: *Many businesses have said they can come into compliance with the bill of rights voluntarily. Why do you need Federally enforceable legislation?*

ANSWER: There are some businesses that will come into compliance voluntarily, and we welcome their commitment to do so. However, these rights should be made real for all Americans, and voluntary compliance cannot assure that outcome.

QUESTION: *Business and some Congressional leaders are saying that this Patients Bill of Rights represents Clinton Care II. Do you agree?*

ANSWER: No. The people who use this kind of inflammatory rhetoric are the people who don't want to make needed changes in our health care system. My proposal will provide Americans with essential protections and give them confidence in their health care system.

Democrats are unified on the need for legislation, and nearly 100 Republicans have co-sponsored legislation that focuses on these issues. Moreover, each of the rights I have proposed has been enacted by a Republican Governor.

The Bill of Rights is a sensible, moderate approach to fixing some of the problems that are plaguing consumers, providers, and health plans as we move through this historic transition.

Members have indicated their interest in modifying their legislation before Congress comes back. We look forward to working with all Republicans and Democrats as we move forward throughout this process.

QUESTION: *There are bipartisan bills in the Congress that make these consumer protections legally enforceable. The Administration has been silent on this issue. How will the administration propose to make these rights real?*

ANSWER: The Administration believes that consumers should have adequate remedies when they have been harmed by health plan decisions. We have not yet determined the best enforcement tool for addressing this concern, but we are currently evaluating options.

L

Regulatory Reform Questions & Answers

QUESTION: *Are you willing to give us the flexibility we need to pursue regulatory innovations?*

ANSWER: We are strong supporters of innovation, flexibility, and streamlining in regulation at all levels of government. As you know, we have made major efforts along these lines, and I know that many of you have undertaken similar efforts. We are interested in providing you with as much flexibility as possible, and we will do everything we can to make sure proposals for such state flexibility get a fair hearing from the federal program managers. For example, we worked with you on the Edflex Initiative, under which states have consolidated and streamlined requirements for Federal education programs, providing better services to students at lower costs and reduced burden.

QUESTION: *The Governors will support the regulatory reform legislation that is moving through Congress now? Are you willing to support it since what it basically does is promote reasoned analysis and requires federal agencies "to consider risks, costs, and benefits" while formulating regulation.*

ANSWER: First, I want to say that we already support reasoned analysis of costs, benefits, and risks when regulating. In our Executive Order on regulatory review, we require agencies to do just such analysis for all important regulations. We also require our agencies to work with those affected by a regulation, to ensure that it is tailored to solve the problem, with the least disruption possible to all parties, including state governments. We have supported and I have signed legislation that makes major reforms in particular regulatory areas, such as Safe Drinking Water and FDA reform.

And, we have supported several major comprehensive regulatory bills that were very important to state and local officials -- most importantly, the Unfunded Mandates law. In fact, in the last few years, there appears to have been far fewer regulations imposing unfunded mandates on states, and our agencies are doing a very good job of consulting with your representatives when there may a potential issue of unfunded mandates.

All this is by way of saying we strongly support the principles you mention, and have demonstrated this over the past six years. We support further reform, as well, as long as it is done the right way, and in fact improves rather than impairs the government's ability to protect public health, safety, and the environment.

QUESTION: *What about the Thompson-Levin Bill?*

ANSWER Senators Levin and Thompson have made a thoughtful, good faith effort to draft comprehensive reg reform legislation. We applaud this effort, and believe their recent substitute bill contains significant improvements. We are still looking at this draft. I understand that while they have responded to some of our concerns, there are important issues remaining. One of the problems with comprehensive legislation is that so many different kinds of rulemaking are affected. We want to be sure that any new law in fact reforms the regulatory system, and does not impair agencies' ability to do their jobs, creating more paperwork, more red tape, and more delay. We are interested in working with the Congress to see if we can find the common ground.

M

THE WHITE HOUSE

WASHINGTON

February 21, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Mickey Ibarra MI
Emily Bromberg EB
Fred DuVal FD

SUBJECT: Governor-by-Governor Issue Briefing

CC: The Vice President

Governor Tony Knowles (D-AK)

- The State of Alaska is waiting for a decision from the Department of the Interior's Bureau of Land Management on the amount of land on the North Slope of the National Petroleum Reserve which will be designated available for oil extraction. He favors a more liberal extraction policy and is concerned with the economic impact of insufficient development of these oil reserves.

- Secretary Bruce Babbitt proposed a rule on Indian gaming that Governor Knowles fears would usurp his authority to enter into compact negotiations on gaming with the Indian tribes.

- Governor Knowles made a request for Alaska to be declared a major disaster area as a result of the extremely poor salmon returns to the Bristol Bay and Kuskokswim River drainages in 1997. The State of Alaska did receive aid from the Commerce Department under the Magnuson Stevens Act, however, those funds fell short and Alaska is awaiting a Stafford Act declaration from the Federal Emergency Management Agency.

- The states of Alaska, Oregon and Washington have been asked by Ambassador Mack McLarty to resume Salmon negotiations among themselves and the affected Indian tribes prior to further negotiations with the Canadians.

Governor Tauese (Tau-s-a) Sunia (D-AS)

- Governor Sunia's priority request is for you to visit the Territory in connection with its Centennial under the U.S. flag in 2000. He recalls you saying that you would try during the 1997 National Governors' Association (NGA) Annual Meeting.

- The Department of the Interior has substantial responsibility for and subsidizes Samoa.

Governor Jane Dee Hull (R-AZ)

- Governor Hull was sworn in last fall following the resignation of former Governor Fife Symington (R) who was recently sentenced to 2 ½ years in prison. Hull had been Secretary of State and prior to that, Speaker of the Arizona State House.

- The Governor is worried that Phoenix is and will likely remain out of attainment on air quality. Governor Hull is fearful that this may trigger sanctions from the EPA.

- There are environmental concerns about how the Administration will dispose of explosives and other dangerous chemicals seized in September 1997. This issue is being jointly reviewed by the Department of Justice, Treasury and the Governor's office. Governor Hull may express concern that everything be done to protect Arizona citizens from harm and you should certainly assure her of that.

- Governor Hull is concerned with the reorganization of the Department of Housing and Urban Development, which includes the reduction of the Phoenix HUD office. The Governor feels that since Arizona is one of the fastest growing states in the country, the reduction of the HUD programs is unwarranted and will hurt Arizona citizens.

- In its waiver proposal, the State of Arizona wanted to use $400 million in historical managed care savings from a 1983 Medicaid waiver to expand to single adults up to 100% of poverty. The proposal was rejected because it was not budget neutral. Arizona recently submitted a new budget neutrality proposal, but HCFA and OMB have not begun negotiations with the State on its new proposal.

Governor Pete Wilson (R-CA)

- Governor Wilson stresses the need for consistent action concerning the CALFED Bay-Delta Program. This program was developed to solve the water concerns facing the San Francisco Bay region. He is concerned that actions taken by the United States Bureau of Reclamation (USBR) and the United States Fish and Wildlife Service (USFWS) will threaten the Accord. Governor Wilson also urges you to extend the Delta Accord for one year to make it concurrent with the State's plans.

- The Headwaters agreement is a major concern to Governor Wilson. Together, the Federal government and the State of California have appropriated $380 million to acquire the Headwaters. This is the largest grove of ancient Redwoods which is also home to many threatened species, such as the Marbled Murrelet and the Soho Salmon. The Governor supports your commitment to ensure that the proposed Habitat Conservation Plant is based on sound science and if Maxaam Corporation does not agree to these policies, then there will be no agreement. We are waiting for a commitment from the Maxaam Corporation.

Governor Roy Romer (D-CO)

- Governor Romer has led efforts to create a Western University. This project involves multi-state long distance learning largely over the Internet. DPC staff is assisting in coordinating the Federal response to this proposal.

- The Governor endorsed your testing initiative and has created standards of education for the State of Colorado.

- Governor Romer participated in the Child Care Conference at the White House in October, 1997.

- In 1994, the State of Colorado adopted legislation allowing companies to conduct voluntary environmental audits. The EPA is now conducting an investigation to determine whether the State can adequately protect public health through the self-audits. Environmental groups believe that the self-audit law prevents the State from meeting statutory and regulatory requirements.

Governor John Rowland (R-CT)

- Governor Rowland is one of the most outspoken on ISTEA renewal and on Amtrak funding. He is also eager to obtain as much Department of Transportation funding as possible for the Bradley International Airport in Hartford.

- Governor Rowland is very interested in your urban affairs package. He is actively seeking ways to support the urban revitalization of Hartford, New Haven and Bridgeport.

- Governor Rowland may raise the issue of pension reform with you. On behalf of insurance companies, Connecticut's largest employer, he may argue that your proposal creates an unfair economic hardship for these companies.

- The Governor has requested that the Department of Defense reconsider its plans for the purchase of Joint Surveillance Target Attack Radar System (JointSTARS). Governor Rowland urges the Defense Department to purchase nineteen JointSTARS for FY99.

Governor Tom Carper (D-DE)

- Governor Carper may ask you to attend the Jefferson-Jackson Day Dinner in Delaware. We urge you to avoid commitment. Your Political Affairs staff is very uncomfortable with the idea, and has an alternative to propose for the Governor.

- As a member of the Amtrak board, Governor Carper demonstrated great leadership in the negotiations ensuring the evasion of a strike. He is now upset that the Administration is not, in his view, funding Amtrak at the level committed to in state negotiations. He is concerned that OMB is supporting the operating budget with the capital budget funds. OMB has assured us, and the Governor, that this will not happen.

- Governor Carper was the first governor to participate in a race town hall in conjunction with the YWCA. He has offered to support the Initiative in any way appropriate.

- You can expect Governor Carper to raise NGA priority issues:
  1. ISTEA funding
  2. Tobacco money to the states
  3. More block grants
  4. Reform the FLSA to weaken the work requirement

Governor Lawton Chiles (D-FL)

- One of Governor Chiles' main priorities is to resolve the ongoing struggle between the Federal government and the State of Florida concerning tobacco settlements. Florida settled a lawsuit and gained $11.3 billion dollars and the Federal government is trying to recover a 55% share of the settlement for Medicaid. The Governor has planned to utilize these funds to support a new children's health initiative which will cover 300,000 uninsured Florida children.

- In light of the tobacco settlement, the State of Florida sold its $840 million in tobacco stock. This move was quite controversial since the stock had been owned under the Florida Retirement System Trust Fund which covers almost all of the state's retired and current teachers, police officers, firefighters and city, county and state employees.

- Governor Chiles is concerned with NASA's downsizing. The Governor feels that the smaller staff may not be wise for safety reasons, and the downsizing directly affects Florida due to the 400 layoffs that will occur at Kennedy Space Center.

Governor Zell Miller (D-GA)

- After a year-long investigation, the Justice Department issued a report which denounced the State of Georgia for its juvenile detention facilities. The State's facilities are cited for being dangerous, overcrowded and also for failing to provide adequate health care and education. Governor Miller was very displeased to learn of the report in the newspaper. We contacted the Justice Department to respond to the Governor's concerns -- Acting Assistant Attorney General Bill Lann Lee has written a letter to the Governor and Attorney General Reno spoke with the Governor. Both have agreed to meet with the Governor soon.

- Governor Miller is one of the Appalachian Governors most opposed to the creation of a new Delta Commission which, under our proposal, would share Appalachian Regional Commission chairs and staff.

- Governor Miller was pleased with the recent handling of the Georgia freeway dispute between the EPA and the Department of Transportation. The White House facilitated a compromise to build certain Atlanta freeways, but not others.

- The Governor urges you to exert your influence to ensure that the Voluntary Ozone Action Plan will be a successful program for the Metro Atlanta region. This area has not yet met state and Federal air quality standards for the ozone.

Governor Philip Batt (R-ID)

- Governor Batt has expressed concern about Section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. This section requires the INS to establish entry-exit control systems at borders. The Governor feels that this could have an unforseen devastating impact on the border states.

Governor Jim Edgar (R-IL)

- Governor Edgar may mention humorously, but with a point, that your State of the Union roll out travel day has included Illinois each of the last two years on the same day as his own State of the State. Your visits have impeded the media coverage of his speech.

- Much of your new package on adoption is similar to the Governor's Illinois program which has been spearheaded by Mrs. Edgar.

- The Governor is very anxious about the Kyoto Treaty on Climate and its effects on Illinois energy production and air quality as they make the transition from nuclear power to other forms of power.

- Governor Edgar is very involved in the Federal protection of the Illinois River and seeks both CREP money from the Department of Agriculture and designation as a Heritage River by CEQ.

- The Governor requested an allocation of $20 million in emergency supplemental funds from the Health and Human Services budget under the Low Income Home Energy Assistance Program Block Grant. The request was made because the State of Illinois had almost completely exhausted its funds.

Governor Frank O'Bannon (D-IN)

- Governor O'Bannon is a lead proponent of ISTEA reauthorization and full dedication of Highway Trust funds for transportation.

- The Governor was an active supporter of Fast Track and is still very active in this effort.

- Governor O'Bannon is the Vice Chair of the Democratic Governors' Association and will be chair in 1999.

- Governor O'Bannon has expressed strong interest in obtaining a share of $500 million from the Community Development Block Grant (CDBG) funding which is available through the Emergency Supplemental Appropriations Bill from June 1997. The final figure allocated to Indiana was significantly lower than the requested amount.

Governor Terry Branstad (R-IA)

- Governor Branstad is returning as the nation's senior governor with sixteen years of service. He is chairing a PAC for Lamar Alexander.
- The Governor has written you for support on Ethanol tax credits, which you have supported.

Governor Paul Patton (D-KY)

- Governor Patton is one of the Appalachian Governors opposed to the creation of a new Delta Commission which would share Appalachian Regional Commission chairs and staff.
- Governor Patton has requested that a specific dollar amount be earmarked in the budget for tobacco farmers' relief in national tobacco legislation.
- The Governor has asked you to participate in a National Summit on Farming to be held in Kentucky. We have declined, but Secretary Glickman is confirmed to participate.
- Kentucky's V.I.N.E. (Victim Information and Notification Everyday) has proven extremely successful. The Governor believes that the program should be utilized as a model for a national program.
- Governor Patton has expressed an interest in commemorating the Underground Railroad and having Kentucky designated as a site for an Underground Railroad Museum.

Governor Mike Foster (R-LA)

- Governor Foster has requested assistance in resolving the price crisis facing milk producers in Louisiana. He would like the Federal government to initiate an export marketing order so that the industry may develop overseas.
- The Louisiana Department of Environmental Quality is under investigation for allegedly violating the civil rights of residents of Convent, Louisiana by issuing

permits for a chemical plant proposed by Shintech, Inc. The conclusion of the investigation and the release of preliminary findings are scheduled for early April. The Governor is concerned about the implications of this case for economic development in Louisiana.

Governor Angus King (I-ME)

- The State of Maine was declared a major disaster area after a terrible ice storm this January. Governor King requested a release of funds from the Low Income Home Energy Assistance Program Emergency Fund to help Maine citizens after this disaster. Maine has not yet had a sufficient temperature deviation or energy rate increase to trigger this release. Last week Governor King increased his original request of $6,000,000 to $12,000,000.

- The Governor is very grateful for the Vice President's recent visit and assistance to the State of Maine.

- The Maine Legislature enacted a state statute which would prohibit discrimination based on sexual preference in housing, employment and other areas. Through a recall petition, the statute was invalidated last week. Governor King opposed the invalidation -- he supports equal rights for gays. He may ask you to support these rights at a national level. We, in fact, do support amending Federal civil rights laws so as to punish hate crimes based on sexual preference, although the legislation has not yet been transmitted and we should be careful how we discuss the issue since some elements could criticize you for not moving quickly enough.

Governor Parris Glendening (D-MD)

- Governor Glendening has requested that the Federal government provide 100% of the funds needed for the renovations of the Woodrow Wilson Bridge. The Administration has proposed $400 million as the Federal share in NEXTEA. There is currently a Congressional dispute concerning the funding of this project with the Senate proposing $900 million in its draft bill and the House failing to include it. Prior to the obligation of funds, an agreement between Maryland, Virginia and the Department of Transportation needs to be settled. However, a settlement is unlikely until the reauthorization of ISTEA.

- The State of Maryland has received $13 million dollars in Federal research appropriations to study the toxic Pfiesteria. The Governor is very pleased with the Federal response to this issue.

- The Governor is concerned that the Port of Baltimore, specifically Poplar Island

and the Brewerton Channel project, will not be fully funded in the FY99 Budget. $19.5 million is needed in 1999 to fully fund these two projects.

- Frances Glendening is an employee of the FEC and is a candidate for the position of Executive Director of the Woodrow Wilson Foundation.

Governor John Engler (R-MI)

- Although the Department of Labor has disapproved Michigan's proposal to privatize the state Employment Service, Governor Engler has moved ahead with his privatization plans. As a result, the Department of Labor threatened to block Federal funding for the plan. Michigan then brought suit in Federal court. On February 10, a Federal judge refused to enjoin the Department from withholding funds. On April 15, the judge will hold a hearing on the merit-staffing issue.

- Governor Engler strongly opposes the growth and nature of TANF regulations.

- The Governor may press you on two NGA priorities:
  1. ISTEA reauthorization and funding
  2. Providing more unrestricted money for the states in the tobacco settlements

- Governor Engler has expressed concern about Section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. This section requires the INS to establish entry-exit control systems at borders. The Governor feels that this could have an unforseen devastating impact on the border states.

Governor Arne Carlson (R-MN)

- Governor Carlson will likely raise three NGA issue priorities:
  1. More unrestricted tobacco money to the states
  2. Objection to the Seminole decision on Indian gaming
  3. More Highway Trust Fund money into transportation in ISTEA authorization

- The Governor is a proponent of tax credits for child care, and already provides this at the state level. He is anxious that Minnesota will not receive full advantage of the Federal program as a result.

- Governor Carlson has expressed concern about Section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. This section requires the INS to establish entry-exit control systems at borders. The Governor feels that this could have an unforseen devastating impact on the border states.

Governor Kirk Fordice (R-MS)

- Governor Fordice is one of the Appalachian Governors opposed to the creation of a new Delta Commission which, under our proposal, would share chairs and staff with the Appalachian Regional Commission.

Governor Mel Carnahan (D-MO)

- Governor Carnahan is anxious to receive approval for his children's health waiver proposal. The Governor would like to use the leverage of the White House's desire to quickly implement new children's health programs as a means for approving Missouri's use of provider taxes as a way to fund this program. This cannot and will not be permissible under current Federal law. Their provider tax proposal is the only item holding up their waiver at this time. Governor Carnahan wants to meet with the Department of Justice to negotiate the money in provider taxes that Missouri owes to the Federal government. Justice must approve any provider tax settlement. HCFA Administrator Nancy Ann Min DeParle is interested in being helpful to Governor Carnahan. You can encourage Governor Carnahan to call Jerry Stangler, Medicaid Director ,and have him contact Nancy Ann DeParle.

- The EPA has reclassified St. Louis for ozone smog. Since the City failed to reach the deadline, their moderate status has been escalated to serious for this environmental problem. In other environmental concerns, St. Louis has begun its nuclear waste cleanup, however, long-term plans are still not established due to the uncertainty of funds for this expensive process. (The cleanup process is estimated to cost the City $600 million.)

Governor Marc Racicot (R-MT)

- Governor Racicot is at the center of a controversial debate concerning the Yellowstone National Park bison. Farmers and ranchers fear the bison carry a bacterial disease, so the State is at a loss for what measure to take when the animals wander out of the park. The Governor supports that the bison should be shot when they leave the park, a position that has come under attack by the animal rights activists.

Governor E. Benjamin Nelson (D-NE)

- Governor Nelson is a leading governor in support of full funding of the Federal Aid Highway program and also the reauthorization of ISTEA.

- Governor Nelson is serving as the Co-Chair of Goals 2000.

- The Governor met recently with beefpackers and processors to establish a plan to preserve their reputation after USDA's largest meat recall. The hamburger patties had been produced in Columbus, Nebraska.

Governor Bob Miller (D-NV)

- Governor Miller is the most visible critic of the proposed Interior Department rule on Indian gaming that would give tribes a legal remedy at the Interior Department when a state successfully applies a Sovereign Immunity Defense against a tribal suit stemming from compact negotiations.

- Early in 1997, the Department of the Interior revived a rulemaking -- initiated in the Bush and Reagan Administrations -- to upgrade environmental protection and avoid future expensive, taxpayer-funded cleanups of hardrock mines (gold, silver, lead, zinc, uranium, etc.) on Interior-managed public lands in the West. Governor Miller thinks that the governors of the Western states have not been consulted enough, but the rulemaking process is still in an early phase. A final ruling is not expected until late 1999.

Governor Jeanne Shaheen (D-NH)

- Governor Shaheen is seeking to use a contribution from the Blue Cross conversion fund for New Hampshire's share of the Children's Health Insurance Program. We recently received the State's legal brief on this request and have requested lawyers at the White House and HHS to review it. HCFA has committed to do everything that it can to work with Governor Shaheen and examine every way possible to make this proposal work legally. However, if this fails, we plan to work together on a legislative strategy.

  As you know, the Administration is already pushing for Congress to pass legislation that would give the Secretary of Health and Human Services greater authority to waive states' past liability in return for future compliance with the provider tax laws. The Vice President is willing to work with Governor Shaheen on the possibility of using the vehicle to provide authority to states on a limited basis to use financial mechanisms such as Governor Shaheen's for that purpose. It should be suggested to the Governor that she give HCFA a week to work on this and if they have not been contacted, to set up a meeting.

- The State of New Hampshire faced serious ice storms in January and received declaration of a major disaster area. The Governor has requested that LIHEAP contingency funds be released to help with the recovery efforts. OMB, however, has determined that the temperatures recorded so far have not qualified for LIHEAP relief.

- Governor Shaheen began a kindergarten program for the State which is mostly funded through a new cigarette tax. The Governor also faces other school funding issues as the Claremont School District took the State of New Hampshire to court. The state Supreme Court ruled that property taxes were not constitutional in funding school districts due to the great economic disparity between the districts.

- The Governor strongly opposes an OMB proposal that she believes will eliminate a multi-year contracting authority for states in highway and other transportation projects. It appears that we have mollified her concerns.

- The State of New Hampshire was recently awarded a $2 million grant for a One-Stop Career Center System.

- New Hampshire also recently received grants totaling almost $4.5 million from the Department of Transportation for the Portsmouth and Manchester airports.

Governor Christine Todd Whitman (R-NJ)

- Governor Whitman believes that the EPA is pressing too hard on New Jersey's auto inspection program. Due to delays in the implementation of New Jersey's enhanced inspection and maintenance program (I/M) and its plans to reduce volatile organic compound (VOC) emissions by 15%, New Jersey may not be able to meet its commitments to the EPA and now the State faces a number of serious consequences, such as limiting growth and placing designated Federal funds in jeopardy.

- Governor Whitman is a strong supporter of ISTEA reauthorization and full funding of the transportation budget. She is also very concerned that Amtrak capital money may be used for operational expenses.

- Governor Whitman strongly objects to the growth in the number and expansiveness of TANF regulations which have quadrupled in the past few years.

- The State of New Jersey will be seeking a HCFA waiver for its proposal of using foundation money (from the Robert Wood Johnson Foundation) for its state match for the Children's Health Insurance Program. This program is called Bright Beginnings.

- The Governor supports the new Ozone/Particulate Matter rule. Her support has proven to be very helpful.

- Governor Whitman wants more state control over Superfund cleanup.

Governor Gary Johnson (R-NM)

- You recently visited Los Alamos to address the strong research and technology components in your Federal budget proposal.

Governor George Pataki (R-NY)

- The State of New York had five counties declared major disaster areas after the severe ice storms in the first week of January. To aid with the recovery efforts, Governor Pataki requested that funds for aid be released from the LIHEAP for disaster relief. New York has not received these funds, because under the formula, New York has not yet qualified.

- The Governor continues to maintain that New York provider taxes are legal and that our efforts at compromise have been inadequate.

- As the lead governor for transportation for the Coalition of Northeastern Governors, Governor Pataki is seeking clarification to a report that the Administration's FY99 budget may not be consistent with provisions in the Amtrak Reform and Accountability Act of 1997.

Governor James Hunt (D-NC)

- Governor Hunt is concerned with the plight of the tobacco farmers as tobacco settlements loom. He has requested that money be specifically earmarked for tobacco farmers in tobacco legislation.

- The Governor is very interested in the pending appointment of the Director of the Tobacco Grading Service at the USDA. He has a candidate in mind for the job. We have informed the Governor that the position is a career position so the White House is prohibited from involvement. He has been referred to Secretary Glickman.

- The Governor is concerned about the impact that a Delta Commission as proposed by OMB will have on the Appalachian Regional Commission.

Governor Edward Schafer (R-ND)

- Governor Schafer is a leader in the NGA in support of ISTEA and full funding of transportation.
- Governor Schafer has expressed concern about Section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. This section requires the INS to establish entry-exit control systems at borders. The Governor feels that this could have an unforseen devastating impact on the border states.
- Governor Schafer is very supportive of the new CREP (Conservation Reserve Enhancement Program) clean water initiative and will be applying for Federal funding from this program in the near future.

Governor Pedro Tenorio (I-NMI)

- Governor Tenorio took office last month. He previously served from 1982-90.
- You joined with Representative George Miller (D-CA) and Senator Daniel Akaka (D-HI) in proposing the phase-in of Federal immigration and minimum wage laws in the Marianas and tariffs on the substantial imports of garments from the Islands made by foreign workers there.
- We agreed with Governor Tenorio's proposal that there be formal talks on the legislation and designated Ed Cohen of the Interior Department to represent you. The Governor now, however, wants to delay the talks for several months. This would prevent action in Congress this year and we join Interior officials in recommending against it.

Governor George Voinovich (R-OH)

- As Chairman of the NGA, Governor Voinovich can be expected to raise states' rights issues, including tobacco, the newly proposed TANF regulations, more block grants and Indian gaming.
- Governor Voinovich endorses the Thompson/Levin Regulation Reform bill. This bill provides for the analysis of major regulatory rules by Federal agencies. *He will talk about this in his opening remarks at the White House Round Table.*

Governor Tom Ridge (R-PA)

- Governor Ridge and Mayor Edward Rendell (D-Philadelphia, PA) were very pleased with a recent $28 million grant from the Department of Labor. The Administration also facilitated bringing a Norwegian shipbuilder, Kvaerner, to the United States and they will be settling in the Philadelphia Naval Shipyard.

- Governor Ridge is the Vice Chair of the Committee on Human Resources and is currently emphasizing fatherhood.

Governor Pedro Rossello (D-PR)

- House Republicans finally agreed to Floor action on a bill to enable Puerto Ricans to choose their status. Governor Rossello hopes for a choice this year, the Centennial of the taking of the islands. You have called for such a bill.

- Representative Gerald Solomon (R-NY) has proposed requiring English usage under statehood. The Administration has opposed this but favors increasing English education.

- The Governor has cooperated in our efforts with Representative George Miller (D-CA) to have the bill more fairly treat the Commonwealth proposals. Our major issues with the bill have now been addressed and it enjoys broad Democratic support.

- Senate sponsor Bob Graham (D-FL) has pressed Senator Frank Murkowski (R-AK) to act on the Senate bill and he has agreed if the House passes a bill.

- Governor Rossello was very pleased with your budget initiatives which would: open the ("Sec. 30A") tax credit to new investments and continue it after 2005; transfer the full amount of taxes on insular rum -- increasing the transfer $34-70 million a year; and increase Puerto Rico's share in Children's Health Care from $10 million to $41 million next year.

Governor Lincoln Almond (R-RI)

- Governor Almond participated in the January Child Care announcement at the White House.

- The Governor is very interested in after school programs and developing programs that could take children off the streets in the afternoon when they are most prone to getting into trouble.

- Governor Almond has established his own very successful Race Initiative in Rhode Island.

Governor David Beasley (R-SC)

- Governor Beasley and the State of South Carolina should be commended for their commitment to improving racial relations. There have been eleven town meetings across the State and a report was completed this past December as a result of these meetings. The Governor and his staff are now working on initiatives detailed in the report.

- The Governor is strongly in favor of full Federal funding of surface transportation.

Governor Don Sundquist (R-TN)

- The State of Tennessee was declared a major disaster area and received Federal assistance after flooding occurred in early January of this year.

- Governor Sundquist held an Economic Summit: "Tennessee: Tuned-in To Tomorrow" this past October. The conference was attended by hundreds of professionals and volunteers as well as elected officials, experts in technology and commerce, community leaders and representatives from the State's major economic sectors.

Governor Michael Leavitt (R-UT)

- Governor Leavitt has emerged as the lead Governor opposing the Cox-Wyden Internet Tax Freedom Act, which proposes a moratorium on new taxes on the Internet. Governors are concerned that untaxed Internet commerce will leave state and local governments with declining sales tax revenues. NGA has, thus far, rejected our offers of compromise on the legislation. We expect you to make an announcement at a February 26 event in the San Francisco Bay Area.

- Governor Leavitt will also be a leading voice on other states' rights issues, such as proposed Indian gaming regulations and transportation funding.

- So far, the Governor has not lent his support to the litigation concerning the Escalante National Monument.

Governor Howard Dean (D-VT)

- The State of Vermont was declared a major disaster area after an ice storm devastated the many counties across the State in early January.

- Governor Dean is under the state's Supreme Court order to rectify the disparity in education funding. The Governor has developed a new education funding law called Act 60. This new law involves a one time tax transition package and it will be funded through Vermont's General Fund surplus.

Governor Roy Schneider (I-VI)

- Governor Schneider was pleased with your FY99 budget initiatives for the Virgin Islands, including the full transfer to the Territory of taxes on the Islands' rum -- which would hike the transfer $3 per gallon as of October 1, providing $12 million a year, more than quadrupling the set-aside for the insular areas in Children's Health Care.

- The Virgin Islands has very serious overspending and cash-flow problems. Your FY99 budget initiatives will help, but Governor Schneider also wants taxes on gasoline refined in the Territory transferred and a doubling of the Medicaid cap for the Islands. The gas tax involves much more money than the rum tax and the Virgin Islands lost a claim to it in the Supreme Court. Your initiative got the Medicaid cap increased last year by a quarter with Congress declining to raise the tax.

Governor James Gilmore (R-VA)

- Governor Gilmore believes that the Federal government is not meeting its commitment to fully fund the repairs and restoration of the Woodrow Wilson Bridge, however, the Administration has proposed $400 million as the Federal share in NEXTEA. There is a Congressional dispute concerning the funding of this project with the Senate proposing $900 million in its draft bill and the House failing to include it. Prior to the obligation of funds, an agreement between Maryland, Virginia and the Department of Transportation needs to be settled. However, a settlement is unlikely until the reauthorization of ISTEA.

- School construction is a major priority for Governor Gilmore, as is support for his tobacco farmers. He can be expected to raise the tie between the two in our budget.

- Governor Gilmore is a minority voice among governors in support of the Cox-

Wyden Internet Tax Freedom Act which places a moratorium on taxes on the Internet; he shares our position.

- There is an ongoing dispute between the State of Virginia and the Department of Health and Human Services concerning the funding for the State Automated Child Welfare Information System (SACWIS). The former Governor George Allen wrote a letter to Secretary Shalala at the end of his term in an attempt to resolve this disagreement before he left office. No written response has been sent to the State of Virginia. We are unable to facilitate a resolution in this dispute because it is a legal issue.

Governor Gary Locke (D-WA)

- The states of Alaska, Oregon and Washington have been asked by Ambassador McLarty to resume Salmon negotiations among themselves and the affected Indian tribes prior to further negotiations with the Canadians.

- Governor Locke has expressed concern about Section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. This section requires the INS to establish entry-exit control systems at borders. The Governor feels that this could have an unforseen devastating impact on the border states.

Governor Cecil Underwood (R-WV)

- Governor Underwood is the leading governor in organizing opposition against the recent EPA proposal to reduce transported air pollution. The rule targets 37 states known as the Ozone Transport Assessment Group (OTAG) and does not mandate which pollutant sources must be reduced, allowing the states to decide how to meet the standards. OTAG and EPA have determined that electric power plants will be a likely and cost-effective candidate for these controls.

Governor Tommy Thompson (R-WI)

- The State of Wisconsin is celebrating the 150th Anniversary of statehood. Significant celebrations are planned throughout the year. Governor Thompson may ask you to participate in one of them.

- Governor Thompson is interested in a reappointment to the Amtrak board.

- Secretary Bruce Babbitt proposed a rule on Indian gaming that Governor Thompson fears would usurp his authority to enter into compact negotiations on gaming with the Indian tribes.

N

'98 FEB 20 PM 10:19

February 19, 1998

MEMORANDUM FOR THE PRESIDENT AND VICE PRESIDENT

FROM: Craig T. Smith

SUBJECT: Political Update on Governors

ALABAMA **Fob James (R)**

Governor Fob James is seeking reelection this year. Moderate businessman Mac McAllister (R) is challenging James for the Republican nomination. Although McAllister is a credible candidate, James' strong support among conservatives, particularly among the religious right, is expected to propel him to an overwhelming victory in the primary. Current polls show James in a dead heat against the likely Democratic nominee for governor, Lt. Governor Don Siegelman. Siegelman has nearly $3.5 million on hand, compared to James, who has under $200,000.

ALASKA **Tony Knowles (D)**

Governor Tony Knowles (D) currently has an approval rating of 77%, making him one of the most popular governors in Alaska's history. He has no primary opposition and is heavily favored to win reelection this year. The Republican candidates include state Senator Robin Taylor (R), former state Rep. John Lindauer, and National Committeeman Wayne Anthony Ross (R).

ARIZONA **Jane Dee Hull (R)**

Governor Jane Dee Hull, who replaced former Governor Fife Symington last September after he was found guilty of bank fraud, is seeking election to a full term this year. She will face nominal primary challenges from Maricopa Supervisor Tom Rawles (R) and former TV-weatherman Jim Howl (R). A poll conducted in January gave Hull a job performance rating of 56 % "excellent," 24 % "fair," and 3 % "poor." Former Phoenix Mayor Paul Johnson (D) likely will win the Democratic nomination. Hull is favored to win the general election.

ARKANSAS **Mike Huckabee (R)**

Governor Mike Huckabee (R) is seeking reelection this year. Although he is under investigation for ethics violations, he enjoys a favorability rating in the 50's and is heavily favored to win reelection. He has no challenger to date. Attorney Bill Bristow (D) is considering the race.

CALIFORNIA **Pete Wilson (R)**

Governor Pete Wilson (R) is term-limited. His top priorities have been education, immigration, and crime. He supports the California ballot initiative which would require written permission before union dues are used for political or legislative purposes. Wilson is not considered to be a popular governor. In the race to succeed Wilson, Attorney General Dan Lungren (R) will run unopposed in the Republican primary. There are three announced Democrats in this race: Lt. Governor Gray Davis, former Northwest Airlines Executive Al Checchi (pronounced "checkee"), and Congresswoman Jane Harman. The primary is a toss-up, with Checchi and Harman generally favored over Davis.

COLORADO **Roy Romer (D)**

Governor Roy Romer (D) is term-limited. Lt. Governor Gail Schoettler (D) is expected to win the Democratic gubernatorial primary over state Senate Minority Leader Mike Feeley (D). State Treasurer Bill Owens, Speaker of the House Chuck Berry, Senate President Tom Norton, and publisher Terry Walker are running for the Republican nomination. Owens is favored to win the GOP nomination. A Schoettler-Owens general election race will be close.

CONNECTICUT **John Rowland (R)**

Governor John Rowland (R) is seeking reelection this year. Two polls taken last week showed Rowland's approval rating at 71% and 63%. The frontrunner for the Democratic nomination is Rep. Barbara Kennelly. The only other announced Democrat in the race is little-known real estate executive John Nussbaum. Bridgeport Mayor Joseph Ganim (D) is still considering the race. Recent polls have shown Rowland with an early lead over Kennelly (as high as 26 points), but the general election is expected to be close.

DELAWARE **Thomas Carper (D)**

Governor Thomas Carper (D) won reelection in 1996 to his second term with 69.5% of the vote. He remains very popular.

FLORIDA **Lawton Chiles (D)**

Governor Lawton Chiles (D) is term-limited. Chiles is serving his second term as governor and served three terms in the U.S. Senate. He first won notoriety as "Walkin' Lawton" by walking the state in his first campaign for the Senate. Lt. Governor Buddy MacKay (D) is considered the favorite to win the Democratic nomination in this year's race to succeed Chiles. Other Democratic candidates include state Senator Rick Dantzler (D) and state Representative Keith Arnold (D). Businessman and 1994 gubernatorial nominee Jeb Bush (R) is the only Republican candidate in the race. A January poll showed Bush leading MacKay 47% to 42%.

GEORGIA **Zell Miller (D)**

Governor Zell Miller is serving his second term and is term-limited. Currently, his job approval rating is at an all-time high of 77%. Miller considers his education initiatives, specifically the HOPE scholarship program, and tax-cutting measures as the major accomplishments of his administration. Three Democrats are vying to succeed Miller: veteran state Rep. Roy Barnes, Secretary of State Lewis Massey, and former Labor Commissioner David Poythress. Poythress will be a factor, but either Barnes or Massey is expected to win the nomination. The three announced GOP candidates in the race are former Attorney General Michael Bowers, '94 gov./'96 U.S. Senate nominee Guy Millner, and conservative activist Nancy Schaefer. Millner is the GOP frontrunner. The general election is expected to be close.

HAWAII **Ben Cayetano (D)**

Governor Ben Cayetano (D) is running for reelection and could face a primary challenge from Honolulu Mayor Jeremy Harris (D), who is expected to make his final decision about the race in July. A recent poll showed Harris leading the Governor, 51% to 40%. Maui Mayor Linda Lingle (R) may face former Honolulu Mayor Frank Fasi (R) in the Republican primary. Although a primary between Cayetano and Harris would damage Democratic prospects, the seat likely will remain Democratic due to the Democrats' significant edge in voter registration.

IDAHO **Phil Batt (R)**

Governor Phil Batt (R) announced his retirement last September. Sen. Dirk Kempthorne (R), the most popular public official in the state with a favorability rating of 63%, will face a nominal challenge from David Sheppard (R), who has unsuccessfully run for congress four times. There are no Democrats in this race, and no one of any stature is interested in running against Kempthorne.

ILLINOIS **Jim Edgar (R)**

In August of last year, Governor Jim Edgar made the surprise announcement that he would retire from politics rather than run for re-election or challenge Senator Carol Moseley-Braun (D). Secretary of State George Ryan is the presumptive Republican nominee for governor this year and is unchallenged in the primary. On the Democratic side, Representative Glenn Poshard, John Schmidt (former Associate U.S. Attorney General/former Daley Chief of Staff), former U.S. Attorney James Burns, and former Attorney General Roland Burris, will square off in the March 17th primary. They are all considered to be viable and credible challengers.

INDIANA **Frank O'Bannon (D)**

Frank O'Bannon (D), who served as Lt. Governor under popular Governor Evan Bayh (D), came from behind to win the governor's seat in 1996 with 51.5%. O'Bannon has continued Bayh's successful welfare reform, child care, and education initiatives, and enjoys high favorability ratings.

IOWA **Terry Branstad (R)**

Terry Branstad (R) won election to his fourth term in 1994 with 57%. After considering running for reelection or for the U.S. Senate, Branstad announced last year he would seek neither office in 1998. In this year's race to succeed him, four candidates are vying for the Republican nomination: David Oman, a wealthy businessman and former Republican state chair, former U.S. Rep. Jim Lightfoot, who ran a strong campaign against Sen. Tom Harkin (D) in 1996, Secretary of State Paul Pate, and Lt. Gov. Joy Corning. Lightfoot, a favorite of the Christian Coalition, is expected to win the Republican nomination. State Sen. Tom Vilsack (D) and former Iowa Supreme Court Justice Mark McCormick (D) are campaigning for the Democratic nomination, but neither is considered a strong contender against Lightfoot. Iowa has not elected a Democratic governor since 1962.

KANSAS **Bill Graves (R)**

Moderate Governor Bill Graves (R) has an approval rating of 74% and is expected to win reelection this year. Graves will face a nominal primary challenge from conservative House Speaker Tim Shallenburger (R). Democrats are generally pleased with the governor's performance, and no one of stature is expected to run.

KENTUCKY **Paul Patton (D)**

Paul Patton (D) won election to his first term with 51% in 1995. An investigation into alleged campaign finance violations on the part of the Patton campaign and the state Democratic Party is still ongoing. Patton, who repeatedly has denied any wrongdoing, recently testified before the grand jury investigating the matter. The investigation has not significantly impacted Patton. He has been very successful pushing through his initiatives, and is expected to seek a second term in 1999. He is particularly proud of the great strides he has made in the area of higher education. Though the Administration's effort to curb the marketing and use of tobacco is very controversial in Kentucky, Patton has been very supportive of the President and Vice President.

LOUISIANA **Mike Foster (R)**

Mike Foster, Jr. (R) won election to his first term in 1995 with 63% after switching parties only weeks before entering the race. He consistently has posted high favorability ratings since his election, averaging 70%. Foster, who has not taken an active role in the state's ultra-conservative Republican Party, is supporting Democratic Senator John Breaux's reelection bid this year

MAINE **Angus King (I)**

Governor Angus King (I) is running for reelection in 1998. Former state Representative James Bowers is the only Democrat who has officially announced his candidacy. Attorney Thomas Connolly (D) is still collecting nomination signatures. Other candidates include state Rep. Henry Joy (R), Maine Taxpayers' Party candidate Bill Clarken, and independent talk show host Pat LaMarche. King is very popular and is heavily favored to win reelection.

MARYLAND **Parris Glendening (D)**

Governor Parris Glendening (D), whose current approval rating is at 36%, is seeking reelection this year. In the Democratic primary, Glendening is being challenged by Harford County

Executive Eileen Rehrmann, former Washington Redskin Ray Schoenke and physician Jerry McGuire. Currently, Glendening leads his top opponent, Rehrmann, by 26 points. Two Republicans have formally announced their candidacies -- 1994 gubernatorial candidate Ellen Sauerbrey, the frontrunner for the Republican nomination, and Howard County Executive Chuck Ecker. Recent polls show Glendening with a narrow 3-point lead over Sauerbrey (43%, 40%). This race is considered a toss-up.

MASSACHUSETTS **Paul Cellucci (R)**

Governor Paul Cellucci (R) is serving out the remainder of Governor William Weld's (R) term. He is making a bid for a full term this year. He is being challenged by state Treasurer Joe Malone (R) in the Republican primary. The Democratic candidates in the race are Attorney General Scott Harshbarger, former Rep. Brian Donnelly, former Boston Mayor Raymond Flynn, and former state Senator Patricia McGovern. Cellucci is considered the favorite in the general election. According to a January poll, Cellucci leads Harshbarger 41% to 27%, and Cellucci leads McGovern 41% to 27%.

MICHIGAN **John Engler (R)**

John Engler (R), who was elected to a second term in 1994 with 61%, is seeking a third term this year. Former East Lansing Mayor Larry Owen and former U.S. Department of Labor official Doug Ross are vying for the Democratic nomination. Recent polls show both Ross and Owen holding Governor Engler below 50% in general election matchups, but still lagging far behind.

MINNESOTA **Arne Carlson (R)**

Arne Carlson (R), who was elected to a second term in 1994 with 64%, is considered a liberal Republican, due to his support of abortion rights and gay rights. He is retiring this year and many candidates, Republican and Democratic, are vying to succeed him. On the Republican side, the top candidates are Lt. Governor Joanne Benson (R) and St. Paul Mayor Norm Coleman (R), who switched parties last year. Hennepin County Attorney Mike Freeman, former state Senator Ted Mondale, Attorney General Skip Humphrey, and millionaire department store heir Mark Dayton are seeking the Democratic nomination. The general election is expected to be close.

MISSISSIPPI **Kirk Fordice (R)**

When Kirk Fordice (R) was first elected in 1991, it had been 118 years since Mississippi had last elected a Republican as its governor. He won a second term in 1995 with 56%. He is prohibited from seeking reelection in 1999 due to term limits. Though he has not announced his candidacy, Attorney General Mike Moore (D) is widely regarded as the frontrunner in the race to succeed Fordice.

MISSOURI **Mel Carnahan (D)**

Governor Carnahan (D) was elected to a second term in 1996 with 57%. He enjoys high favorability ratings, and is considering a run for the U.S. Senate in 2000 when Senator Ashcroft's current term ends. On the issue of abortion, Carnahan, who is pro-choice, is constantly at odds with the Democrat-controlled state House and Senate, of which a majority of the members are anti-choice.

MONTANA **Marc Racicot (R)**

Governor Marc Racicot (R), whose term is not up until 2000, is generally regarded as the nation's most popular governor. His job approval rating was as high as 80% last year.

NEBRASKA **Ben Nelson (D)**

Governor Ben Nelson (D) is term-limited. In the race to succeed him, Rep. Jon Christensen (R) is expected to win the Republican primary over state Auditor John Breslow (R) and Lincoln Mayor Mike Johanns (R). Democratic candidates include Bill Hoppner, '90 gubernatorial candidate and chief of staff to both Senators Jim Exon and Bob Kerrey, and Jim McFarland, Executive Director for the state's Common Cause chapter. Hoppner is the Democratic frontrunner, but he is not likely to defeat Christensen.

NEVADA **Bob Miller (D)**

Governor Bob Miller (D) is term-limited. State Democrats have been unable to identify a significant challenger to run against Kenny Guinn (R), a businessman and former president of the University of Nevada, Las Vegas. Guinn, who is expected to win the Republican primary over Hollywood producer Aaron Russo (R), has secured the support of labor leaders, the business community, and the gaming industry, and is considered a heavy favorite in the general election.

NEW HAMPSHIRE **Jeanne Shaheen (D)**

Governor Jeanne Shaheen (D) is running for reelection in 1998. Announced Republican candidates are state Senator Jim Rubens (R) and businessman Jay Lucas (R). Potential Republican candidates include Rockingham County Commissioner Tom Battles (R), businessman Jay Brooks (R), and attorney Gerard Boyle (R). Shaheen is a heavy favorite for reelection. Her approval rating is over 70%, and New Hampshire traditionally reelects first-term governors.

NEW JERSEY **Christine Todd Whitman (R)**

Governor Christine Todd Whitman (R) won reelection in 1997 by barely defeating Woodbridge Mayor Jim McGreevey (D). Whitman continues to have problems with the issues of auto insurance and property taxes.

NEW MEXICO **Gary Johnson (R)**

Governor Gary Johnson (R) is running for reelection and faces no primary opponent. The crowded Democratic field includes former Albuquerque Mayor Marty Chavez, former Governor Jerry Apodaca, state Auditor Robert Vigil, state Rep. Gary King (son of former Governor Bruce

King), former state Rep. Ben Chavez, and Santa Fe attorney Reese Fullerton. Marty Chavez is the frontrunner, but polling shows that 30% remain undecided. Chavez will present a significant challenge to Governor Johnson. The general election is expected to be close.

NEW YORK **George Pataki (R)**

Governor George Pataki (R) is seeking reelection in 1998. So far, the only Democrat who has officially announced his candidacy for governor is former New York Transportation Commissioner James Larocca. The prominent Democrats considering running are: New York City Council President Peter Vallone, real-estate developer Richard Kahan, Brooklyn District Attorney Charles Hynes, and Lt. Governor Betsy Ross. Pataki is favored to win reelection. In a February poll, Pataki's favorability rating was 54%, and he has raised more than $12.9 million for his campaign.

NORTH CAROLINA **Jim Hunt (D)**

Governor Jim Hunt won a fourth-term in 1996 against textile tycoon Robin Hayes by a margin of 56%-43%. Hunt's popularity ratings are consistently high. His child care, education, and welfare reform initiatives (specifically "Smart Start" and "Work First") have received considerable attention. His term ends in 2001. Lt. Governor Dennis Wicker (D), Attorney General Mike Easley (D), former Charlotte Mayor Richard Vinroot (R), Raleigh Mayor Tom Fetzer (R), and state House Majority Leader Leo Daughtry (R), all appear to be considering running for Govenor in 2000. Wicker (D) has nearly $1.3 million on hand.

NORTH DAKOTA **Ed Schafer (R)**

Governor Ed Schafer (R) was reelected in 1996 with 66%. His priorities include streamlining the state's road system (it has more roads per capita than any other state), working on the international marketing of North Dakota products, and setting higher standards for public schools.

OHIO **George Voinovich (R)**

Governor George Voinovich (R), who currently enjoys an approval rating of 69%, is running for the U.S. Senate. He currently leads his Senate opponent, former Cuyahoga County Commissioner Mary Boyle, 59%-31%. In the race to succeed Voinovich as governor, Secretary of State Bob Taft (R) is the frontrunner. Taft faces no opposition in the Republican primary, and he is very well-funded. Vying for the Democratic nomination are former Attorney General Lee Fisher (D) and wealthy Toledo businessman Bruce Douglas (D). A recent poll showed Taft leading Fisher by 11 points, and Douglas by 27 points.

OKLAHOMA **Frank Keating (R)**

Governor Frank Keating (R), who was elected with only 47% of the vote in 1994, is seeking reelection this year. The state Ethics Commission charged Keating with 32 counts of misusing state vehicles, and for failing to turn over travel records to the Commission. State Rep. Laura Boyd (D) has announced her candidacy and will likely face a primary challenge from Jack

Mildren, the '94 gubernatorial nominee and a former football star. Despite all his problems, Keating is expected to win reelection.

OREGON **John Kitzhaber (D)**

Governor John Kitzhaber (D) is seeking reelection in 1998. Kitzhaber has a 68%/26% approval/disapproval rating and is not expected to face a primary challenge. Bill Sizemore (R), the Executive Director of Oregon Taxpayers United, is not expected to face a challenge for the Republican nomination. While Sizemore received a great deal of publicity for two 1996 tax reduction ballot initiatives, he has never run for office and is not considered a significant threat. Kitzhaber is a heavy favorite to win reelection.

PENNSYLVANIA **Tom Ridge (R)**

Governor Tom Ridge (R) is seeking reelection in 1998. So far, the only Democrats who have stepped forward to challenge Ridge are former state Auditor General Don Bailey, state House Minority Whip Ivan Itkin, and attorney Phil Berg. Marguerite "Peg" Luksik, an anti-choice activist who ran against Ridge in 1994 as an Independent and won 13 percent of the vote, likely will challenge him again as a member of the Constitutional Party. Ridge is a heavy favorite and has over $5 million on hand. According to an October poll, Ridge enjoys a favorability rating over 50%.

RHODE ISLAND **Lincoln Almond (R)**

Governor Lincoln Almond (R) is running for reelection in 1998. 1994 Democratic nominee Myrth York (D) announced that she will seek a rematch with Almond. No other Democratic candidates have announced. Most observers believe that this race will be very close. A poll conducted in January showed York leading Almond 37% to 35%.

SOUTH CAROLINA **David Beasley (R)**

Governor David Beasley (R) is seeking reelection in 1998. State House Minority Leader Jim Hodges (D) is the only Democratic candidate in the race. Hodges may benefit from the recent entrance of Lexington County Sheriff James Metts (I) as an Independent candidate. Metts is a conservative with Republican leanings, and will likely draw votes away from Beasley. However, Beasley is still a heavy favorite. A December poll showed Beasley leading Hodges 53% to 23%.

SOUTH DAKOTA **Bill Janklow (R)**

While Governor Bill Janklow (R) remains popular, it is unclear whether he will run for reelection. He has stated that he will make his intentions clear in late March. If he does not run, state Attorney General Mark Barnett (R) and state Rep. Dick Brown (R) will run. Of the two, Barnett is considered the frontrunner. State Senator Bernie Hunhuff (D) has announced his candidacy and will likely be the Democratic nominee. Should Governor Janklow not seek reelection, this could be a competitive race.

TENNESSEE **Don Sundquist (R)**

Governor Don Sundquist is seeking reelection in 1998. While Sundquist is not considered to be very popular, he has an intimidating, possibly insurmountable, war chest. This month, the Chair of the Tennessee Racing Commission and Covington lawyer Mike Whitaker (D) announced that he will challenge Sundquist. He is a former law partner of Lieutenant Governor John Wilder (D) and later of '96 Senate candidate Houston Gordon (D). Whitaker is the first Democrat to formally announce his candidacy for the race. Although Whitaker is well-connected in Tennessee politics, he is not considered to be a viable candidate. The Tennessee Democratic Party is still recruiting candidates.

TEXAS **George Bush (R)**

Governor George W. Bush (R), who currently enjoys a job approval rating of 81%, is seeking reelection this year. The Bush administration prides itself on the $1 billion in tax relief passed by the legislature in 1997. The only Democratic challenger is Land Commissioner Garry Mauro. A poll conducted two weeks ago showed Bush (R) with a 42-point lead (65%-23%) over Mauro. Bush has a $13 million campaign war chest and is a heavy favorite to win reelection. However, it should be noted that no Texas governor has been elected to a second consecutive term since 1964.

UTAH **Mike Leavitt (R)**

Governor Mike Leavitt (R) was elected to a second term in 1996 with 75% of the vote and is the most popular governor in Utah's history. His top priority has been the Utah Winter Olympics in 2004. He is seriously considering running for a third term in 2000.

VERMONT **Howard Dean (D)**

Governor Howard Dean (D) is seeking his fourth full two-year term this year. Dean's approval rating dropped 20 points (down to 47%) last year due to speculation that Dean might run for president in 2000, but his numbers have rebounded since his January announcement that he had decided not to run. To date, Dean has no Republican opponent. State Senator Barbara Snelling (R) and little-known businessman Bernard Rome (R) are the only Republicans considering the race. A recent poll showed Dean leading Snelling 43%-35%, and Dean leading Rome 52%-25%.

VIRGINIA **James Gilmore (R)**

Governor James Gilmore (R) was elected in 1997 by handily defeating Lt. Governor Don Beyer (D). Gilmore is now battling to push through his car tax cut proposal.

WASHINGTON **Gary Locke (D)**

Governor Gary Locke (D) won election to his first term in 1996 by defeating Ellen Craswell (R), 58%-42%. Within months of taking office, Locke enacted a $66 million program to provide food assistance to the more than 15,000 legal immigrants no longer eligible for the federal food stamp program. He also passed legislation to provide benefits to an estimated 8,500 disabled legal immigrants who lost their benefits under federal SSI laws.

WEST VIRGINIA **Cecil Underwood (R)**

Governor Cecil Underwood was first elected governor of West Virginia in 1956 at the age of 34 Underwood was elected again in 1996 by a margin of 52%. Underwood currently enjoys high approval ratings, and is considering running for another term in 2000. Underwood was one of the first governors in the country last year to sign on to the President's education standards and testing program. His top issue is increasing the use of high technology in state government. Underwood enjoys a fairly good relationship with the Democrats in the legislature. In fact, some Democrats in the legislature quietly supported Underwood, a moderate, over the more liberal Democratic nominee in the 1996 gubernatorial race.

WISCONSIN **Tommy Thompson (R)**

Governor Thompson (R) is popular and with $1.5 million in his war chest, he will be hard to beat this year. His only competitor so far is 1986 U.S. Senate candidate Ed Garvey (D), whose grassroots campaign organization limits contributions to $100. Fearing a big loss, some Democratic party leaders tried unsuccessfully to recruit Sen. Herb Kohl (D) for the race. A recent poll showed Thompson leading Garvey (D) 60%-23%, with 16% undecided.

WYOMING **Jim Geringer (R)**

Governor Jim Geringer (R) will seek reelection this year and is favored to win. University of Wyoming history professor Paul Roberts (D) is expected to announce his candidacy in May. Roberts will not pose a significant challenge to Geringer.

0

'98 FEB 22 PM2:31

THE WHITE HOUSE

WASHINGTON

February 21, 1998

MEETING WITH GOVERNOR PEDRO ROSSELLO (D-PR)

DATE:	February 23, 1998
LOCATION:	Diplomatic Reception Room
TIME:	7:25 - 7:40 p.m.
FROM:	Mickey Ibarra MI Craig Smith Fred DuVal FD Jeffrey Farrow

I. PURPOSE

You will meet with Governor Pedro Rossello [D-Puerto Rico; Chairman, Democratic Governors' Association (DGA)], to discuss the DGA agenda. He also plans to raise current legislation to establish a process for resolving Puerto Rico's status issue.

II. BACKGROUND

The meeting is scheduled to occur just prior to the annual DGA Dinner.

DGA Agenda

The purpose of the DGA Dinner is to raise funds for the 1998 Democratic governors' races. The DGA dinner is scheduled to begin at 8:00 pm on Monday, February 23, 1998.

This year is an important election year for governors, and particularly, the DGA. Gubernatorial elections will be held in 36 states this year. These 36 states represent more than 75 percent of the nation's population. Currently, of those 36 states, there are 11 Democratic governors. Only six of these 11 Democratic governors are eligible for reelection.

Puerto Rico Issues

Status Choice Bill:

House Republicans plan Floor action on the Puerto Rico status choice bill soon, perhaps March 4. The bill calls for a vote among Commonwealth, nationhood, and statehood options. If a status change is selected, it calls for transition and implementation bills and referenda. If a change is not selected, it calls for future votes. If there is a majority for Commonwealth, there would also be consideration of Puerto Rican economic proposals. The bill is sponsored by Resources Chairman Don Young (AK), Ranking Democrat George Miller (CA), Speaker Gingrich, Minority Leader Gephardt, Puerto Rico's Carlos Romero-Barcelo (D), Representative Jose Serrano (D-NY), and over 80 others. Although it passed through committee 44-1, it has been delayed by the objections of some conservative Republicans to the statehood option. Their objections are due to Puerto Rico's Hispanic culture.

Governor Rossello, who heads the statehood party, wants a referendum this year, which is the Centennial of the acquisition of the Islands. You have supported this and pledged to work for a bill that provides a process for resolving the issue, implementing a majority choice. The Administration's major concern with the bill had been that the Commonwealth definition was not based on the Commonwealth party's proposal. But Chairman Young has agreed to a substitute that provides a reasonable response. With Representative Miller's help, we also negotiated other amendments on Commonwealther concerns. Governor Rossello accepted our efforts in this regard in spite of some personal concerns and resistance from others in his party.

The Commonwealth party's officers want the bill to die since that would be understood in Puerto Rico as a U.S. rejection of statehood and, thus, be a major blow to the popular governor and his party. Other Commonwealthers, however, want to amend the bill to replace their party's proposal with one for national sovereignty in a close association with the U.S. We have offered to consider any party amendments.

Representative Gerald Solomon (R-NY) is expected to offer an amendment requiring English usage under statehood. The Administration has opposed a proposal for the exclusive use of English in the schools, suggesting increasing English education instead. Other anti-statehood amendments may come from Representatives Dana Rohrabacher (R-CA) and Luis Gutierrez (D-IL). Senate Energy Chairman Murkowski (AK) plans action on a similar bill by Senators Bob Graham (D-FL), Larry Craig (R-ID), and 13 others if the House passes its bill.

Budget Initiatives:

Governor Rossello is very appreciative of your FY99 budget initiatives for Puerto Rico:

- opening the tax credit based on wages paid in Puerto Rico (Section 30A) to new investments and repealing the sunsetting of it in 2005;
- transferring the full amount of taxes on insular rum to Puerto Rico, increasing the transfer \$34 - \$70 million a year; and
- quadrupling the set-aside for Puerto Rico in the new Children's Health Insurance Program, increasing the Islands' share from \$10 million to \$41 million next year.

House Ways and Means Chairman Archer resisted our efforts to restore the Section 30A incentive last year and has not changed his position. You have said that not restoring it is a mistake, given a Puerto Rican unemployment rate three times the national rate. There is no known opposition to the other initiatives.

Personal:

Governor Rossello's 1996 election margin was the largest since 1964. His willingness to seek re-election in 2000 may depend on the fate of the status issue. He also heads the Southern Governors' Association and the Council of State Governments. A pediatric surgeon, he became an active national Democrat in 1994, citing admiration for you.

III. PARTICIPANTS

Pre-Brief Participants

Governor Pedro Rossello (D-Puerto Rico; Chairman , Democratic Governors' Association)
Alvaro Cifuentes, Principal Adviser to Governor Rossello
Katie Whelan, Executive Director; Democratic Governors' Association
Craig Smith
Fred DuVal
Jeffrey Farrow

Meeting Participants

Governor Pedro Rossello (D-Puerto Rico; Chairman , Democratic Governors' Association)
Alvaro Cifuentes, Principal Adviser to Governor Rossello
Katie Whelan, Executive Director; Democratic Governors' Association
Mickey Ibarra
Craig Smith
Fred DuVal
Jeffrey Farrow

IV. PRESS PLAN

Photo by Governor Rossello's photographer

V. SEQUENCE OF EVENTS

- You enter Diplomatic Reception Room
- You meet with Governor Rossello
- You depart with Governor Rossello for the dinner

VI. REMARKS

Talking Points attached

P

98 FEB 22 P4:29

23 February 1998

DEMOCRATIC GOVERNORS' ASSOCIATION DINNER

DATE:	February 23, 1998
LOCATION:	WASHINGTON CONVENTION CENTER
TIME:	7:45 -9:15 pm
FROM:	Craig T . Smith and Mona Pasquil

I. PURPOSE

The purpose of this dinner is to celebrate the 15th anniversary of the Democratic Governor's Association (DGA). This year's dinner is the most successful in the history of the DGA, and will raise funds to support Democratic Governors and gubernatorial nominees.

II. BACKGROUND

This year is an important election year for governors, and particularly, the DGA. Gubernatorial elections will be held in 36 states this year. These 36 states represent more than 75 percent of the nation's population. Currently, of those 36 states, there are 11 Democratic Governors. Only six of these 11 Democratic Governors are eligible for reelection.

III. PARTICIPANTS

The expected attendance is 1500 guests. 15 Democratic Governors will be attending the dinner. You will participate in a photo receiving line of 120 supporters and friends.

IV. PRESS PLAN

This event is open to the pool press for remarks only.

V. SEQUENCE OF EVENTS

- **YOU** arrive at the Washington Convention Center and proceed to the Parlor Room for the photo receiving line.

- Upon conclusion, **YOU** will proceed to the stage with Governor Rossello. An off stage announcement of **YOU** and Governor Rossello will be made to (Ruffles and Flourish" and "Hail to the Chief."

- **YOU** will be greeted on stage by 15 Democratic Governors.

- **YOU** will proceed to **YOUR** seat and dinner is served.

- Governor Rossello makes welcoming remarks and introduces **YOU.**

- **YOU** make remarks, work a ropeline and depart.

VI. REMARKS

Your remarks are provided by Speechwriting.

VII. ATTACHMENT

- A list of photo receiving line participants is forthcoming.

- A list and diagram of dinner participants is forthcoming.

Q

The Remarks for the
Democratic Governors' Association Dinner
Will Be Forwarded

Tuesday, February 24, 1998

11:00 AM	Address to the National Council of Jewish Women	Tab A
	- Remarks	Tab B
12:20 PM	Photo Opportunity	Tab C

SCHEDULE OF THE PRESIDENT
FOR
TUESDAY, FEBRUARY 24, 1998
Final

98 FEB 23 PM 7:13

SCHEDULING DIRECTOR:	**STEPHANIE STREETT**	
	HOME:	**202-332-5651**
	OFFICE:	**202-456-2823**
	WHCA PAGER:	**4033**
EVENT COORDINATOR:	**AVIVA STEINBERG**	
	HOME:	**202-362-1813**
	OFFICE:	**202-456-2920**
	WHCA PAGER:	**4022**
PRESS DESK:	**JEREMY GAINES**	
	HOME:	**202-362-5475**
	OFFICE:	**202-456-5771**
	WHCA PAGER:	**4194**

WEATHER: **WASHINGTON, D.C.**

Cloudy and windy, becoming partly cloudy during the afternoon. Winds northwest at 15 to 25 knots. Low 36 to 41. High 45 to 50.

SCHEDULE OF THE PRESIDENT
FOR
TUESDAY, FEBRUARY 24, 1998
Final

9:00 am- 9:15 am	**MEETING** OVAL OFFICE Staff Contact: Erskine Bowles
9:15 am- 9:30 am	**BRIEFING** OVAL OFFICE Staff Contact: Sandy Berger
9:30 am- 9:45 am	**BRIEFING** OVAL OFFICE Staff Contact: Sandy Berger
10:00 am- 10:05 am	**MEETING** OVAL OFFICE Staff Contact: Stephanie Streett
10:10 am- 10:40 am	**BRIEFING/SPEECH PREPARATION FOR NCJW ADDRESS** OVAL OFFICE Staff Contact:Bruce Reed, Maria Echaveste
10:45 am	**THE PRESIDENT** departs The White House via motorcade en route the Hyatt Regency Hotel [drive time: 10 minutes]
10:55 am	**THE PRESIDENT** arrives Hyatt Regency Hotel
11:00 am- 11:05 am	**GREET NCJW OFFICERS** HALLWAY Hyatt Regency Hotel

11:10 am- 11:50 am	**ADDRESS TO THE NATIONAL COUNCIL OF JEWISH WOMEN** BALLROOM Hyatt Regency Hotel Remarks: Lowell Weiss Staff Contact: Bruce Reed, Maria Echaveste Event Coordinator: Aviva Steinberg **OPEN PRESS**
	-- Off-stage announcement of **the President** accompanied by Nan Rich to "Ruffles and Flourishes" and "Hail to the Chief."
	-- Nan Rich gives remarks and introduces **The President**.
	-- **The President** givs remarks, works a ropeline and departs.
12:00 pm	**THE PRESIDENT** departs Hyatt Regency Hotel via motorcade en route The White House [drive time: 10 minutes]
12:10 pm	**THE PRESIDENT** arrives The White House
12:20 pm- 12:30 pm	**PHOTO OPPORTUNITY** SOUTH PORTICO [RAIN SITE: NORTH PORTICO] Staff Contact: Maria Echaveste
12:30 pm- 6:30 pm	**PHONE AND OFFICE TIME** OVAL OFFICE
BC/HRC RON	**THE WHITE HOUSE** **WASHINGTON, D.C.**

FEBRUARY 23, 1998

ADDRESS TO THE NATIONAL COUNCIL OF JEWISH WOMEN

DATE:	TUESDAY, FEBRUARY 24
LOCATION:	REGENCY BALLROOM, HYATT REGENCY HOTEL 444 NEW JERSEY AVENUE, NW WASHINGTON, DC
TIME:	11:05-11:50 AM
FROM:	MARIA ECHAVESTE DEBORAH MOHILE

I. PURPOSE

You will address the triennial Washington Institute 1998 of the National Council of Jewish Women to build support for child care initiatives.

II. BACKGROUND

The National Council of Jewish Women (NCJW), founded in 1893, is the oldest Jewish women's organization and has nearly 90,000 members in 37 states. At the turn of the century, NCJW focused on educating new immigrants and advocating child labor laws and has since expanded their advocacy to include a broad range of issues affecting women and children including early childhood education, quality day care, family planning, reproductive rights, pay equity, separation between church and state and a strong US-Israel relationship, among others.

NCJW has worked hard on many of your legislative priorities including Family and Medical Leave Act (FMLA), Religious Freedom Restoration Act (RFRA), the Brady Bill and Assault Weapons Ban, minimum wage increase, Freedom of Access to Clinic Entrances (FACE), Violence Against Women Act (VAWA), Head Start expansion, Earned Income Tax Credit (EITC) and Goals 2000, to name a few.

NCJW is also responsible for bringing HIPPY (Home Instruction Program for Preschool Youngsters) to America from Israel and, most notably, to Arkansas. HIPPY was developed at the NCJW Research Institute for Innovation in Education at the Hebrew University in Jerusalem in 1969. NCJW in America helped bring HIPPY to a number of states and in 1986 Nan Rich met with you and Mrs. Clinton about bringing HIPPY to Arkansas. HIPPY currently serves 16,000 families this year.

Mrs. Clinton spoke to NCJW in 1996 in Detroit at their annual convention. Attorney General Reno, a member of the Miami section of NCJW, spoke at their last triennial Washington Institute in 1995.

Many administration officials will speak at the conference over the course of four days, including Bill Lann Lee, Ida Castro and Carol Rasco, to name a few. NCJW will honor T. Berry Brazelton for his work on early childhood development, Liz Claiborne, Inc. for anti-sweatshop efforts, and Dennis Ross for his work on the Middle East peace process Tuesday evening.

You are addressing the conference participants immediately before they depart for visits to their Members of Congress.

III. PARTICIPANTS

Event participants:
The President
Nan Rich, President of NCJW

12 additional dais participants- top officers and staff of NCJW (list attached)
700 conference participants

Pre-brief participants:
Maria Echaveste
Bruce Reed
Deborah Mohile

IV. PRESS PLAN

Open press.

V. SEQUENCE OF EVENTS

10:25 AM- 10:40 AM	Oval Office Briefing
10:45 AM	Depart South Lawn en route the Hyatt Regency Hotel
10:55 AM	Arrive Hyatt Regency Hotel *(Note: President and staff arriving by motorcade must descend long flight of stairs)*
11:00 AM	**President** is greeted by Hyatt Manager, Gary Dollens, and Assistant Director of Security, Neal Qualls;

President proceeds to meet and greet with dais participants (list attached);

President and Nan Rich proceed to hold;

Offstage announcement of the **President** accompanied by Nan Rich to "Ruffles and Flourishes" and "Hail to the Chief" (proceed to stage from stage left);

Nan Rich gives remarks and introduces the **President**;

The **President** gives remarks, works a ropeline (from stage right) and departs;

Note: Pool Press use same exit as the **President** so he must hold momentarily until the press is out of the hotel; the **President** greets hotel convention staff, Amy Dorf and Jacki Smith.

11:55 AM The **President** departs Hyatt Regency via motorcade en route The White House.

VI. REMARKS

To be provided by Speechwriters.

VII. ATTACHMENT

List of dais participants.

ATTACHMENT A

Phyllis Snyder	Brookfield, CT
Anne Oppenheimer	Olympia Fields, IL
Sheila Miller	Clearwater, FL
Felicia Anchor	Nashville, TN
Jan Schneiderman	Omaha, NE
Sammie Moshenberg	Washington Director- Alexandria, VA
Nan Rich	Weston, FL- President of NCJW
The President	
Susan Katz	Executive Director- New York, NY
Marilyn Flanzbaum	Warren, NJ
Deedee Ostfeld	Houston, TX
Donna Gary	Washington, DC
Marsha Atkind	Upper Montclair, NJ
Barbara Zuckerberg	New York, NY

Draft 2/20/98 7pm

PRESIDENT WILLIAM J. CLINTON
REMARKS TO THE NATIONAL COUNCIL OF JEWISH WOMEN
WASHINGTON, DC
February 24, 1998

Acknowledgments: Nan Rich; Ann Lewis, Maria Echaveste, Lynn Cutler, HHS Ass't Sec. for Children & Families Olivia Golden.

In a way, I'm here to say "thank you" -- 12 years after the fact. In 1986, Nan Rich came to Arkansas. She told Hillary and me about a new program begun in Tel Aviv called HIPPY, that taught parents how to teach their young children. She asked us to bring it to Arkansas. And she was pretty persuasive. Today, as you know, HIPPY is one our proudest accomplishments. It has helped thousands of children. It has expanded to 26 states. I am committed to sharing the message of HIPPY -- that learning must begin at birth and continue throughout a lifetime, that every parent must take responsibility, and that no child should be left behind -- to every family in every community. I thank you for your leadership, your inspiration, and your support.

The graduates of HIPPY and all today's children will live out their lives in the 21st Century. This is a moment of hope and possibility unparalleled in our history. And it is not a time to rest; it is a time to build. We have it in our power to strengthen our nation for the 21st Century so that all our people can join in this moment of hope.

I know you will visit Capitol Hill this afternoon. And I hope you will add your voice to the demand for campaign finance reform. For years, special interests have blocked campaign finance reform. Today and tomorrow, the Senate will vote, up or down, on the McCain-Feingold bill -- real, bipartisan reform. And today there's a breakthrough: a group of Republicans led by Sens. Olympia Snowe and Jim Jeffords have announced support for the bill. A vote for McCain-Feingold is a vote to end soft money. If a majority of the Senate backs this bill, then only the obstruction of a minority will keep campaign reform from moving forward.

Today, I want to talk to you about the greatest challenge our nation faces: the work we still must do to educate our children, to care for them, to challenge them, and to give them the brightest possible future. Let me begin by underscoring the urgency of this mission.

Today, Secretary Riley is announcing the results of the Third International Math and Science Study. This test measures the performance of American children against children all around the world. Past TIMSS tests have shown that in the fourth grade, our children do quite well. By the eighth grade, they begin to lag. And by the 12th grade, their performance plummets. According to the test results announced today, U.S. 12th graders outperform only two out of the 21 nations studied -- Cyprus, and South Africa.

This is unacceptable. The Information Age is above all the Education Age. And America cannot go strong into the 21st Century until all our children can read, until all our children can master the basics, until all our children have the skills and the self confidence they need. And <u>that</u> is a challenge for us, their parents.

Our responsibility to teach our children begins in the earliest years, even before our children go to school. Governments don't raise children; parents do. And we must help parents meet their responsibilities at home and at work.

The first month I took office, I signed into law the Family and Medical Leave Act. Up to 15 million Americans have taken advantage of this law to care for a newborn child or a sick relative. Over the past five years, we have expanded Head Start and extended child care to 1 million children. Last year, I signed a bipartisan balanced budget agreement that extended health coverage to five million uninsured children -- made college affordable for every American -- gave parents a $500 per child tax credit. It was a balanced budget that reflected our values.

Now, I ask our nation to rise to the challenge of helping parents find and afford quality child care. Today, most families rely on two incomes to make ends meet. Too many parents juggle unstable child care arrangements with the uncompromising demands of work. Five million children return to empty homes after school, increasing the chances that they will try drugs, alcohol and tobacco or be victims of crime. Child care costs can drain as much as a quarter of a working family's income. And good child care is often hard to find.

So my balanced budget for 1999 launches a comprehensive and fiscally-responsible plan to make child care more affordable and accessible, raise its quality, and assure its safety.

We must make child care more affordable, doubling the number of low income children receiving subsidies, and giving 3 million more working families an expanded child care tax credit. If Congress passes my plan, a family of four making $35,000 a year with high child care costs will no longer pay a penny in federal income tax.

We must improve the safety and quality of child care. For bad providers, there should be criminal background checks. And for good providers, there should be scholarships. These people care for our children, and they deserve our support.

We must recognize that childcare isn't about babysitting -- it's about learning. As researchers told us at last year's White House Conference on Early Learning, how we care for our children in the earliest years will affect their emotional and intellectual development for the rest of their lives. So I am proposing an Early Learning Fund to reduce child-to-staff ratios in child care centers, to train child care workers, and to educate parents. As you know, when parents are taught to teach their infants and toddlers colors, numbers, and letters, their lives can be transformed forever. If my child care plan passes, the lessons taught through HIPPY can be taught in homes across America.

And we must make sure that every child has somewhere to go after school. Most juvenile crime takes place between the time the schoolbell rings and the time parents come home. So we should expand before-and after-school programs to help some 500,000 children say no to drugs and alcohol and crime -- and yes to reading, soccer, computers and their future.

All of these steps will help our children prepare to learn. And I ask your support for a comprehensive effort to raise standards and expectations in our schools. Teachers must be better trained; students must take more challenging courses; exams must be more rigorous. We need nothing less than a new ethic of accountability in America's schools.

That is why I have proposed a balanced budget that makes the largest commitment to K-12 education in history.

We must reduce class size in America. Today, in too many classrooms, teachers are supervising more than 30 children at a time. Smaller class size leads to stronger performance, especially for poorer children, and the benefits last throughout a school career. So we must set and meet a national goal: every first, second, and third grader should be in a class of 18 or less. My balanced budget will hire 100,000 new teachers -- teachers that pass state competency tests. And it will provide tax cuts to help modernize or rebuild 5000 schools.

And we must move toward national standards to make sure all our children master the basics. Last year, we took the first steps toward national standards in 4th-grade reading and 8th-grade math. I ask every state to test their children on these basics -- and I ask for your support.

We must end the destructive practice of social promotion. We do our children no favors when we pass them from grade to grade without mastering the material. Our goal must not be to hold students back but to lift them up.

And we must continue to connect every classroom and library in America to the Information Superhighway by the Year 2000. If we do, for the very first time in history, children from the poorest inner city, the most isolated rural area, and the most affluent suburb will have access to the same universe of knowledge.

And we will continue to make college available to every young American. Over the past five years we have expanded Pell Grant scholarships, made student loans cheaper and easier to repay, and given families tax cuts to pay for tuition, for the very first time, every American can go to college regardless of cost. I ask your help: spread the word -- tell your friends, your neighbors, your children, that they can go on to college. We can make college as universal in the 21st Century as high school is today. And that will change the face of America.

Yes, the challenges are different than they were in 1893 when the NCJW was founded -- but in so many ways, they are the same. Bringing millions of new immigrants into the American mainstream. Harnessing the power of economic change so that it works for our people. Entering a new century with confidence that the American Dream of opportunity for all, responsibility from all, can be made real for our children.

The Talmud says: Every blade of grass has its angel that bends over it and whispers, "grow, grow." Our children are those blades of grass. And we must be their better angels. Thank you, and God bless you all.

'98 FEB 23 PM 7:

February 24, 1998

Photo-Op with African American White House Staff

DATE: February 24, 1998
LOCATION: South Portico
TIME: 12:20 pm
FROM: Ben Johnson

I. PURPOSE

To participate in a photo-op with African Americans working in the White House.

II. BACKGROUND

Black History month is celebrated annually in February and is considered to be a great opportunity to showcase the African American staff serving with you in the White House. You have appointed more African Americans to White House positions than any other president in the history of the nation. The photo-op is a way of demonstrating your record on diversity.

The photo will be released to the African American specialty press and is expected to run in most newspapers and magazines. Jet magazine has expressed an interest in using the photo to tie diversity and your African American appointments to the success of your administration.

III. PARTICIPANTS

List of participants attached

IV. PRESS PLAN

White House photo only

V. SEQUENCE

- o You greet participants
- o You take a group photo
- o Participants depart

VI. REMARKS
none

VII. PARTICIPANTS
see attached

AFRICAN AMERICANS WORKING IN THE WHITE HOUSE

1. Betty Currie
2. Charles Duncan
3. Dawn Chirwa
4. Ben Johnson
5. Elisabeth Steele
6. Karl Racine
7. Alphonso Maldon
8. Richard Hayes
9. Cheryl Mills
10. Ada Posey
11. Maurice Daniel
12. Ann Walker
13. Janie Jeffers
14. Karen Finney
15. Carol Thompson-Cole
16. Sharon Farmer
17. Frank Raines
18. Judith Winston
19. Mark Lindsay
20. Bob Nash
21. Minyon Moore
22. Cecily Williams
23. Sharolyn Rosier
24. Demond Martin
25. Lori Hendricks
26. Rosemary Evans
27. Janis Kearney
28. Ruth Eaglin
29. Mike Williams
30. Robin Sanders
31. Helen Robinson
32. Thurgood Marshall Jr.
33. Samantha Speights
34. Darren Peters
35. Cecilia Rousse, NEC
36. Jennifer Ferguson, OMB
37. Julie Fernandes, DPC
38. J. Ken Bryant, General Services
39. Sterling Washington, Gen Services
40. Jena Roscoe
41. Beverly Barnes
42. Tanya Martin, DPC

43. Marjorie Black
44. David Campt
45. Linda Gray
46. Audrey Hutchinson
47. Allison King
48. Lydia Sermons
49. Michael Sorrell
50. Chandler Spaulding
51. Leroy Jones
52. Leanne Johnson
53. Woyneab Wondwossen
54. Essence Washington
55. Jeannetta P. Allen
56. Kim Harold
57. Trooper Sanders
58. Ja-Lair Flynn
60. Ed Rice
61. Michelle Melton
62. Darrien Boulton