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Ethics Panel Names 4 to Probe Rep. Kim

California Republican Has Admitted Campaign Finance Violations

Associated Press

The House ethics committee named a four-member panel yesterday to investigate Rep. Jay Kim (R-Calif.), who pleaded guilty last August to campaign finance law violations.

Rep. Lamar S. Smith (R-Tex.) will head the investigation into whether Kim's actions violated House standards of conduct. Rep. Ed Pastor (Ariz.) will be the top Democrat on the panel, which also will include Reps. Edward G. Bryant (R-Tenn.) and Robert C. "Bobby" Scott (D-Va.).

In an August plea agreement, Kim—a three-term congressman—and his wife admitted to the misdemeanor charge of accepting and hiding $230,000 in illegal campaign contributions. They are scheduled for sentencing Jan. 14. Prosecutors recommended no more than six months in prison for the couple. The congressman could be fined $435,000 and his wife $200,000.

Kim acknowledged accepting a $50,000 loan from a Taiwanese citizen that was later used in his election campaign and contributing $83,248 from his engineering firm to his campaign. Under federal law, corporations and foreign citizens cannot contribute to federal candidates.

In November, Kim's campaign treasurer, Seokuk Ma, was sentenced to five years of probation, fined $12,000 and ordered to perform 2,500 hours of community service. Ma agreed to a plea bargain that reduced his felony convictions to misdemeanors in exchange for his testimony against Kim. He pleaded guilty to three counts of making and receiving illegal campaign contributions.

The Washington Post
FRIDAY, DECEMBER 19, 1997

Citing 'Public Safety Crisis,' Report Urges Doubling Police on Indian Reservations

Associated Press

American Indians receive less than half the police protection provided to other rural communities and face a "public safety crisis" because of soaring reservation crime rates, according to a Clinton administration report.

The report proposes doubling the size of reservation police forces and suggests that a Justice Department takeover of Bureau of Indian Affairs police functions could improve safety.

President Clinton has given the Interior and Justice departments until the end of the year to recommend a plan for dealing with reservation crime so he can put it in his 1999 budget. The report was prepared by a team of federal officials, U.S. attorneys and tribal leaders.

"Simply put, many American citizens living on Indian reservations do not receive even the minimum level of law enforcement services taken for granted in non-Indian communities," the report said.

The report stopped short of endorsing a Justice Department takeover of reservation law enforcement, but said that would ensure better congressional funding and higher standards. It also would bring "the full array of all DOJ resources to bear on the deplorable condition of Indian country law enforcement," the report said.

Tribes are deeply divided over the idea, however, and it is losing momentum within the administration, according to a Justice Department official who spoke on condition of anonymity.

Interior Secretary Bruce Babbitt has "effectively deferred this matter" to his new assistant secretary for Indian affairs, Kevin Gover, who oversees the BIA, the source said.

Gover, who has expressed concerns about dismantling the BIA, has not been convinced the Justice Department could obtain more money for law enforcement, said spokesman Thomas Sweeney.

Major tribes have come down on either side. Two of the largest, the Navajo Nation and the Oklahoma Cherokees, want the BIA to stay in control of law enforcement, while the Oglala Sioux and many other tribes in the Dakotas favor the Justice Department takeover. Many tribes took no position.

"We have 2.3 million acres throughout the reservation," said Charles Murphy, chairman of the Standing Rock Sioux, who favor the Justice Department plan. "It would be so much easier for us to get additional law enforcement people."

Nationwide, there are 1,600 BIA and tribal officers patrolling 56 million acres of Indian land, or 1.3 officers for every 1,000 residents, according to the report. That compares to an average of 2.9 officers per 1,000 residents in small non-Indian communities. On the Navajo reservation, there is less than one officer per 1,000 residents.

The report calls for adding 2,047 officers to reservations and increasing the number of criminal investigators from 270 to 496.

The homicide rate on Indian lands has soared 87 percent over the past five years, even as it has dropped 22 percent nationwide. In 1995, the murder rate on the Fort Peck Reservation in Montana was more than twice that of New Orleans, one of the nation's most violent cities, the report said.

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IRS Withheld $1.1 Billion In Delinquent Child Support

Money Distributed to Parents and States

Associated Press

The Internal Revenue Service withheld a record $1.1 billion in delinquent child support last year, channeling would-be refunds to parents and states.

The collections, up 10 percent from 1995, repay parents who supported their children on their own or, in cases of families collecting welfare, repay the state for supporting the family.

An average of $857 was collected on behalf of 875,000 families in 1996.

"The Clinton administration is sending a strong message to deadbeat parents that you will not escape supporting your children," Secretary of Health and Human Services Donna E. Shalala said in a statement.

The IRS collections make up about 9 percent of the total $12 billion in child support collected by federal, state and local agencies in 1996.

Under the program, in place since 1981, states send HHS the names of parents who owe child support, who are then notified that their tax refunds will be withheld if they do not pay.

The IRS withholds a tax refund for welfare families if a parent owes at least $150. In non-welfare cases, a parent must owe at least $500 for the refund to be withheld.

In 1995, a total of $15.3 billion in child support was owed nationwide on current obligations, with $35 billion in back child support due. That includes only money a court has ordered a parent to pay.

Agreement Ensures Handgun Checks in Ohio

Associated Press

Ohio Attorney General Betty Montgomery and the Justice Department worked out a deal yesterday to settle a dispute over checking the criminal histories of handgun buyers.

The Franklin County Sheriff's Department in Columbus will be paid to perform Brady Act checks throughout the state.

Montgomery had made the background checks voluntary after the Supreme Court ruled this year that Congress could not require states to conduct the reviews. With the agreement, Arkansas is the only state refusing to check the background of handgun buyers, although some 100 local jurisdictions, mostly with populations of 10,000 or less, have refused to voluntarily conduct the checks.

The Brady Act mandates a five-day waiting period to give local police time to check the backgrounds of people who are buying handguns. The Supreme Court struck down as unconstitutional a provision requiring local police to actually conduct the checks.

"We are greatly relieved that after a six-month interruption, Ohio has rejoined the vast majority of jurisdictions who are using background checks to keep guns out of the hands of criminals," said Sarah Brady, wife of former White House press secretary James Brady, for whom the law was named. "It took many months of negotiations to resume this common-sense measure to protect public safety."

Under the new arrangement in Ohio, the state will still check for criminal histories of handgun buyers who sign a form permitting it, and Franklin County will check on people statewide who refuse to sign the voluntary waiver. As an incentive, those who sign the waiver and clear the background check may pick up their guns in 48 hours, rather than having to wait five days.

The county will be paid $5 per background check.

"Our two-day check will continue to cover the majority of handgun purchasers who agree to a background check, while this federal-state-local cooperative agreement will check the backgrounds of the remaining 5 to 10 percent," Montgomery said.

U.S. Attorney General Janet Reno said in a statement the agreement with Ohio "recognizes that background checks are an important part of effective law enforcement. Ohio's 100 percent background check coverage will protect public safety and assist our efforts to curb violent crime."

Justice Department officials are talking with Arkansas officials to encourage them to agree to voluntarily make the checks, Deputy U.S. Attorney General Eric H. Holder said.

Since the Brady Act was enacted in 1993, some 250,000 people, mostly convicted felons, have been denied permission to buy handguns. About 1,000 were in Ohio.

The Washington Post

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EPA Report To Sound Alarm On Mercury

Consumption Levels Are Central Focus

By James Gerstenzang
Los Angeles Times

The hazards of mercury entering the environment from coal-burning utility plants is greater than previously believed, and its toxic effects raise new concerns about its place in the human diet, according to a Clinton administration report to be released today.

At issue in the report, being made public four years after a deadline set by Congress, is not the level of mercury in the food chain, but the level at which it should be considered hazardous, particularly for pregnant women and children, as well as those who eat large amounts of contaminated fish.

The study has been at the center of controversy as its publication drew near, with some critics attacking it as based on outdated or inappropriate data.

Sources who have reviewed the document said it avoids setting specific standards for mercury consumption. But a draft report from June 1996, in which few changes were said to have been made in the final report, highlights possible hazards for a person who consumes more than 0.1 micrograms of mercury each day per kilogram of body weight. That figure is one-fifth the amount currently recommended as a maximum by the World Health Organization.

For an average-weight male, this translates into eating approximately six ounces of tuna every five days.

The Environmental Protection Agency, which is issuing the report, had not previously focused on a specific consumption level.

Scientists say mercury poses particular risks for pregnant women and children because it can hinder fetal development and because children's lower body weight allows less consumption before damage would occur.

By one estimate, the EPA figure would suggest that to protect her fetus, a pregnant woman should not eat fish with a mercury level greater than 0.2 parts per million, and that this should be limited to no more than once a week. The Food and Drug Administration has established a safety level of 1.0 parts per million.

"If you eat a full can of tuna every five days, you're just fine," said Gina Solomon, a physician and senior scientist on the staff of the Natural Resources Defense Council in San Francisco. But "all those people who fish every weekend and feed their families the fish are at significant risk."

Mercury has been linked to damage to the brain and nervous system, affecting language, attention and memory. Its hazards have been widely feared for 40 years, ever since it spilled into heavily fished Japanese waters in one of the most serious incidents of industrial pollution up to that time.

The EPA, which is issuing the report, declined to discuss its contents. During revision of the Clean Air Act in 1990, the agency was instructed by Congress to report by the end of 1993 on the impact of mercury in the environment.

Four years after that deadline, the report draws a bead on such sources of mercury as emissions from coal-fired power plants and municipal incinerators, where the burning of such household and industrial waste as fluorescent light bulbs, batteries, thermometers and electrical relays release mercury into the atmosphere.

Mercury reaches the dinner plate when rainfall carries it into fresh water and oceans, where it enters the food chain accumulated in the fatty tissues of such fish as pike, bass, walleye, tuna, swordfish and shark.

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Work in Progress

As Welfare Rolls Drop, Changes Big and Small Hit a Housing Project

The Grocery Gets an ATM, Coupon-Clipping Is In; Zero Tolerance for Sloth

New Checkbook Instills Pride

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By Christopher Georges
Staff Reporter of The Wall Street Journal

SEAT PLEASANT, Md. – Two months ago, another man was shot dead in the open-air crack market outside the Pleasant Homes housing project. Across the street at the strip mall, roach spray is still a top seller at Family Dollar. And at Pleasant Homes, where all 285 families live rent-free, the project's grocery-shopping van still fills up just after the food stamps arrive.

But look carefully from the drug dealers' corner, into the window of Pleasant Homes' Apartment 201, and there is a silhouette of change. Four single mothers at the project – friends who meet regularly, trying to make the transition from welfare to work – are gossiping about a neighbor who won't take a job.

"I say cut . . . her . . . off . . . *now*," exhales Rashae Foster, 23 years old, who has been working on and off in part-time clerical jobs in recent weeks.

"Yeah, every last one of them," adds Shayna Reaves, 28, who for six months now, after six years on welfare, has worked the reception desk at a local Marriott hotel. "And that other girl," she continues, "is going to quit because they put her on evening. Now she's *stupid*."

"Yeah, stupid," echoes Ms. Foster, though she is still on welfare; her earnings are low enough to keep her on the rolls.

Daureen Greenwall, 38, fingers the frayed hem on her jacket. She says nothing, no longer sure what to think. She recently quit her $6.05-an-hour job washing dishes, her first job after 15 years on welfare, because she wouldn't work weekends. Vicki Jones, 38, catching Ms. Greenwall's confusion, attempts a rescue. "People are scared," she offers softly.

Falling Caseload

The success of welfare overhaul is usually measured in hard numbers: jobs taken, cases closed. Nationwide, and here in Prince George's County, just outside Washington, the caseload has dropped about 25% since 1995. Even at Pleasant Homes, where the average annual income is about $8,000, at least 25% of the welfare recipients have joined the work force.

But the impact of the landmark 1996 law, which imposed time limits on welfare benefits, can also be calibrated in more subtle ways. Welfare reformers set out not just to fill jobs, but also to engineer changes in attitude and behavior – changes that can be measured only in shades of gray.

For the women who meet in Apartment 201, a community unit where Pleasant Home residents can gather, the past year has brought changes not just in hours worked or income earned, but in their approaches toward marriage, children, money and work. The women have been nudged, sometimes shoved, onto the reformers' path – but not always, and never completely. There is new hope, but they still suffer from the old fears that a better life will remain beyond their reach.

A Dead End?

For Rashae Foster, it has been nearly a year since she entered job training – and six months since she mastered computer programs like Word and Lotus. Yet she is still searching for a full-time job.

Ms. Foster, the quickest and brashest of the group – she openly carries a pocketknife when crossing the Pleasant Homes grounds at night – is in her third year on welfare. For her, a mother of two sons, low-wage work isn't good enough.

"If things were different, she could have easily been sitting next to me in college," says Kim Emmons-Benjet of the Noah Group program, which provided job training to Ms. Foster and many other Pleasant Homes residents.

The question Ms. Foster faces: Is temporary clerical work a starting point or a dead end?

Once, she was sure of the answer. "I already took my brain to another level," she says, referring to her computer training. Since then, she has resisted the dreary trip back to the low-wage treadmill: shampooing heads for $3 each at Shazzi's salon, or salting fries at McDonald's. It isn't worth it for $6 an hour, she says.

Before settling for work at a Marriott earlier this year, Ms. Reaves had trained her sights, too, on computer classes. But eyeing her prospects, she shifted.

"You have to crawl before you can walk," she admonishes Ms. Foster.

"I have too many skills for that," Ms. Foster snaps back. "I'm not cleaning anyone's room. I don't wear uniforms."

"Yeah, I wanted a *big* job, just like you," says Ms. Reaves. "When they said hotels, I said 'No – computer class.' But at least I got this."

"I trained in computers," says Ms. Foster. "That's what I'm going to do."

Later, alone, Ms. Reaves is still kicking. "She wants a big job in a fancy building where she can wear nice clothes," she says of Ms. Foster. "I want it big like she does. But I'm better off taking what I can get now."

Until now, that has been very little. Years ago, she dropped out of high

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school and stocked shelves at a department store. She had two baby girls by the age of 22. Now, she has a steady Marriott job, and was front-page news in the Pleasant Homes newsletter: Shayna Reaves, success story.

For six months she has been getting roused out of bed at 4:30 a.m., hustling through a daily Marriott checklist and hearing that she can't have the afternoon off to take her baby to the doctor. "I take reservations. I check people in," she says. What else is there to explain? She pauses. Oh, yes, she adds: "I love my job."

Ms. Reaves makes about $1,200 a month. After factoring out her new expenses—babysitters, cab fare to work and the like—her monthly income is about $200 more than what she got last year on welfare.

She is far more frugal on many things. She buys store-brand cereal instead of Lucky Charms. The monthly wait for food stamps is out, but the weekly wait for Sunday coupons is in. On a recent trip to Shopper's Warehouse, she lingers before the case of Tombstone frozen pizzas, $3.67 each, but decides against it.

"It feels funny for me to spend my own money," she explains. Her $300 a month worth of food stamps "didn't seem like money. It was more like, you know, free."

The paycheck effect surfaces at the strip mall across the street, where Murry's supermarket is offering buy-one, get-one-free French toast sticks. "We're doing a lot more of that now," says store manager Werner Binding, explaining that without food stamps, shoppers press for pennies. Chicken sales are up 23%, he says, steak is down 10%. Murry's brand $1.99-a-box Fruit Rings are flying off the shelf—30 cases went last month, compared with two cases of the $4.19-a-box Froot Loops.

This past summer, an automated-teller machine made its debut at Murry's; all those paychecks mean more direct deposit. At the CVS pharmacy, overall sales are no higher this year, but in several recent months, sales stayed steady through the period. "Never seen that before," says store manager Tonya Brock. In the old days, business would cluster around the first of the month, when welfare checks were issued.

Though Ms. Reaves pinches pennies on groceries, she spends freely on newfound priorities. As a result, her savings over six months amounts to just $100.

She crosses the living room, passing the four-foot TV/VCR/stereo tower, to feed the fish—three new red devils chasing each other around the 40-gallon auto-filtered tank, almost a lake in this tiny apartment. The tank arrived three months ago, but Ms. Reaves waited until last month, after the wall-to-wall carpet was laid, to fill it. Fish fed, she settles back onto one of the two new black-vinyl couches (total cost $700) that frame the room.

She isn't complaining. How could she? From her bedroom, five-year-old Shakia approaches her mommy. The girl, tugging at her new Donna Karan blouse, demands to feed the already-fed fish.

Ms. Reaves treats herself well these days: Nordstrom's has replaced Kmart. Shoe boxes, with Timberlands on top, stack waist-high in her bedroom closet. Next June, she will take the girls to Disney World near Orlando, Fla., instead of Virginia's Kings Dominion. Christmas morning will be a two-layaway-plan event: dolls *and* a new bedroom dresser to rest them on.

Spending Habits

Back in Apartment 201, the spending adjustment takes a more ominous tone.

"We do a lot of dumb things, don't we?" says Ms. Jones.

"Yeah, I go through money like nothing," says Ms. Reaves.

"You're not saving. You're out shopping," says Ms. Jones.

"I need help. For real," says Ms. Reaves.

"I need one more picture for my wall," says Ms. Foster.

"You're just as bad," says Ms. Reaves.

"I'm going to get some white furniture. I always wanted white furniture," says Ms. Jones.

"It's clothes," says Ms. Reaves.

"Clothes," echoes Ms. Foster.

"Clothes for the kids. Clothes for the mommy," says Ms. Reaves.

"I'm broke," says Ms. Reaves. "It's not funny. I'm not doing it anymore. I just got a checkbook. I'm going to hide it."

But she does the opposite. She carries it always. Not to use—the account is nearly empty—but to wear like jewelry, simply because she has it. Indeed, the day her checkbook arrived, she showed it off to a visitor: "This is something I've always wanted," she said, producing the checks for inspection. "People pull out their checkbooks. Now I can, too."

'A Long Sit'

For Daureen Greenwall, a checkbook is still far off. Since quitting her dishwashing job in October, she has mounted a mostly symbolic effort to find new work. After 15 years on welfare, with three sons, Ms. Greenwall was a prime candidate for reform. So she signed up for job training a year ago and never missed a class.

She trained to prepare sumptuous dishes, but could only land a job washing them. It required a ride on the subway, which she had never taken. Indeed, she has never traveled more than a few miles beyond Seat Pleasant. "My heaven," she says, describing her tiny bedroom, covered wall to wall with tiny winged angels and verses of scripture. Her three boys share the other bedroom, which is decorated with a fish tank that has no fish.

Since quitting her job—too far away, too little pay, too many days—hope has dimmed for a new one.

One afternoon, she descends to the walk-in applicant desk at the downtown Washington Marriott. A six-deep line of job seekers offers little encouragement; the reminder on the wall, "Federal Minimum Wage Is Now $5.15 an Hour," offers even less.

"It's going to be a long sit," says a job seeker who sits beside her. At first, there is no response from Ms. Greenwall, who fussed with her hair all morning for what will be a cursory 10-minute interview. But the man keeps talking, and she warms up. He is an immigrant from Africa. He is open to the Marriott job, but really wants to work as a mechanic. Then, someone tries to cut in front of Ms. Greenwall, and her wait-mate steps in to defend her position in line. She is impressed.

Staying Single

Back in Apartment 201 that evening, Ms. Jones asks about the interview, but Ms. Greenwall's mind is elsewhere.

"No kids, and he was really nice looking," she says.

"You get a lot of maniacs out there," warns Ms. Jones.

"I was trying to wait for him to come out after. He was going for housekeeping, too. We'll meet again."

"Uh-huh," says Ms. Jones, knowing to step aside.

"I'm going to say something. Next time, I'm going to push myself," says Ms. Greenwall. "I got to."

Since the birth of her first boy 15 years ago, and the welfare checks that came with him, Ms. Greenwall has had little inclination to marry. Among the four women, three of whom say they suffered through abusive relationships, none expected, or even desired, to marry the fathers of their children. Ms. Jones broke ties with her mother rather than accept a proposal from her first baby's father. "Did I like him? Yes. Did I love him? No," she says. "There was no advantage to being married."

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One of the tenets of welfare reform has been erasing advantages to single parenthood: Simply put, being poor and single with children no longer triggers benefits. Still, at Pleasant Homes, the response to the marriage question remains the same. "When the time is right, I'll do it," says Ms. Foster, seated in her apartment a few feet from the television, stereo and VCR, all gifts from her new boyfriend. "Where does it say I should get married now?"

Ms. Foster delivers a secret to her friends. She has asked her boyfriend "to go to the justice of the peace and have a little wedding." Later, she says she has put an engagement ring on a layaway plan. "I'm not asking anything. Just put that fat ring on my finger," she tells her skeptical friends, who know her boyfriend.

"I'm not going to have any more kids until I get married. I want that man around. No more boyfriends. . . . It's too hard," says Ms. Greenwall.

"I try to think logical," says Ms. Jones. "I used to tell myself now is not the right time. But if you can do it now, now may be the right time."

Later, Ms. Greenwall offers her own conditions: "He has to have money, but he doesn't have to be rich. And a car. If he could accept my kids, I could accept him. And a car . . ."

No More Kids

Another shift can be detected in attitudes toward bearing more children.

"Not in my vocabulary," says Ms. Reaves, seated a few feet from the only reading material in her living room, "The Challenge of Toddlers." "I have enough struggles with the ones I have."

That is precisely the thinking that policy makers had in mind by ending the old policy that increased benefits for additional children. Researchers disagree over whether the new policies have had much effect. But among these women, all mothers by the age of 21, there are nine children, and no one plans to make it 10.

Ms. Reaves and her friends giggle in gossip over the neighbor they have nicknamed "The Breeder."

"Eight kids by eight daddies," Ms. Reaves chortles. Though Ms. Reaves will, this Christmas, grant her daughter's wish for the doll that comes with diaper changes, she openly wonders if the toy sends the wrong message.

"This is not the 1970s, having all these kids," says Ms. Foster. "You've got to be sick."

Still, there are measures brought on by welfare reform that the women in Apartment 201 resent. One of the most irksome is the requirement to provide the state with information about the fathers of their children.

Several of the women feel that the state's questions show little respect for their privacy or their dignity.

Ms. Reaves and Ms. Foster compare how they have, at times, dealt with welfare workers:

"I told them: 'I met him one time, got pregnant, and didn't see him again,' " says Ms. Reaves.

"Yep," says Ms. Foster.

" 'Do you know his name?' No," says Ms. Reaves, recalling her responses to the state's questionnaires.

"Nope," echoes Ms. Foster.

" 'Have you seen him on the street?' No," says Ms. Reaves.

"I say the same thing," says Ms. Foster.

" 'Do you know his mother?' No," says Ms. Reaves.

"They just want to know your business," says Ms. Foster.

"They want to stereotype us like we're lowly," says Ms. Reaves.

"Low life . . ." Ms. Foster interjects.

"And that's not true," says Ms. Reaves.

A New Attitude

As the group in Apartment 201 drifts further from welfare, their views of welfare mothers have grown harsher.

"It makes me mad," Ms. Reaves says. "Taking money out of my check and giving it to those ho's." She calls them "lazy" and "shiftless."

"One of them," she notes, "had the nerve to have a set of twins."

"The stuff they pull now," says Ms. Reaves.

"I've never seen anything like it in my life," adds Ms. Jones.

"They've got men in their house with their mothers. It's nasty," says Ms. Reaves.

"When I was 17, I took care of my own," says Ms. Foster. "My mother stayed with me, but I took care of my own. When it comes down to who the mother is, I'm the big mama."

"Big mama," echoes her five-year-old son Stephan, playing at her feet, hearing a phrase he recognizes.

Predawn Ritual

Crossing from welfare mother to working mother is tough.

At 5:37 a.m. one Tuesday, the Reaves home is in the middle of a boot crisis. Ms. Reaves yells after Shakia, five, who has retreated with her older sister into the kitchen: "You tell me. Just how could you lose your boots?" She doesn't wait for an answer. She is due at work, a 20-minute cab ride away, at 6. Ms. Reaves navigates around three bags of unwashed laundry that clog the hallway and disappears into the girls' room. The two girls work around the unwashed dishes, packing their premade Lunchables.

Ms. Reaves is proud of her new status: "When the girls ask me, 'Mommy do you have to go work today?' it feels good," she says. But not necessarily before dawn. The stress of juggling job and family is new to Ms. Reaves.

She wants a higher-paying job, but no more responsibility. How about a move up to manager? "Not interested," she says. "They have to do too much." She grumbles that her daily Marriott checklist is so long, she can no longer volunteer at her daughter's school. Face-to-face meetings with the girls' teachers have been replaced by phone conferences.

It spills from work to play. One Saturday night, the crowd at Dave's bar, just down the road from Pleasant Homes, has swelled into the parking lot and beyond the "No Loitering" sign. A year ago, Ms. Reaves rarely passed up Dave's Saturday night $5 zombie drinks. This night, three hours after getting home from work, she is in her apartment, her Marriott name tag still pinned to the uniform shirt she has yet to shed, watching professional wrestling with a girlfriend.

The phone rings. "I can't hang out late," she tells a friend. "I've got work tomorrow."

Up the Ladder

It is early December, and Ms. Foster has all but abandoned hope for a computer job. At a temp testing center, she works her way down the application: "Can you work weekends?" She checks NO. "Short notice?" NO again. "I really don't want to do this," she says aloud in the waiting area. "I'm tired of temping."

Ms. Greenwall is just tired. She has reapplied to Kmart, McDonald's, Marriott. Back on welfare, she has retreated to her old life, cooking for elderly neighbors, watching after her four-year-old, Leon. She has time again to build her collection, seven years in the making, of hundreds of ceramic figurines arranged in every nook of her apartment. There is "Cat City" under the living room table, "Dog City" by the door.

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She has a new plan: She will write fiction. Each morning in recent weeks, she has retreated to a tiny room—actually a walk-in closet dominated by a broken computer—to work on a story neatly penned on loose sheets of composition-book paper. It is about a girl, Miss Ann, and her housekeeper, Mrs. Andy, who is dying of cancer.

It begins this way: "This is the story about a young woman named Ann Dickson who grows up with a maid who wasn't just a housekeeper, but her best friend. She lived in California with her parents who are rich people, their house looks like a mansion. The inside of the home looks like a movie star's home. Well, as time goes on Miss Ann becomes a doctor in three years."

She hopes to get her stories published someday. "I need the money to build my dreams," she says. "If only someone can read them, I know they'll touch their heart."

And it would ease her own. "If only I could stay home and write, that would be my life," she says.

Shayna Reaves wants the opposite: to move to a job closer than a $10 cab ride, to shifts that begin after sunrise, and, just maybe, to $8 an hour. She hears about an opening at a closer Marriott with higher pay and better hours. She is determined to set an appointment on a day off. But three weeks running, she fails to make it: Sick children, extra training sessions and holiday shopping all intercede. The job gets filled by someone else, and Ms. Reaves puts off her search until next month. Instead, she will apply for emergency food stamps.

One evening, Ms. Jones senses Ms. Reaves's frustration.

"You've got to go for it," says Ms. Jones, who is gunning for a promotion herself, adding "management people don't have to work so hard."

Ms. Reaves straightens up but says nothing.

Ms. Jones continues, detailing the job she wants (one floor up, in the administrative office) and even the date (Feb. 1) that she plans to confront her boss about it. "I know the job. I know the person who's got it, and I can do it better than her," she says. "And I'll tell her, 'I have no problem with taking your job.' "

She has squeezed a laugh out of Ms. Reaves, maybe more. "You're right. I'll go for it," Ms. Reaves says. "I'll get it. I've got to." ❖

THE WALL STREET JOURNAL
FRIDAY, DECEMBER 19, 1997

4/4

THE WHITE HOUSE

WASHINGTON

12-30-97

'97 NOV 20 PM1:1

November 20, 1997

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: SAMUEL BERGER
JOHN HILLEY

SUBJECT: Response to Letter from Representative Hilliard on Recent Visit to Libya

Purpose

To respond to a letter from Representative Hilliard.

Background

Representative Hilliard wrote to give a report of his recent trip to Libya. He feels we will make no progress in finding closure on Lockerbie if we do not engage in dialogue. He also believes the Libyan government is ready to put Lockerbie issues behind them, but cites their concerns on finding a fair venue.

Your response thanks Representative Hilliard for writing, but disagrees with his decision to make the trip. You state that we cannot do business with a country that uses terrorism to forward its goals or that continues to delay justice in the Pan Am 103 case. You also note that this visit will send the wrong signal to Libya and that the government must realize there can be no dialogue until Libya complies with Security Council Resolutions.

RECOMMENDATION

That you sign the letter at Tab A.

Attachments
Tab A Letter to Representative Hilliard
Tab B Incoming Correspondence

Copied
Berger
Hilley
wwdesk
Bowles

cc: Vice President
Chief of Staff

THE WHITE HOUSE

WASHINGTON

Dear Earl:

Thank you for your letter concerning your recent visit to Libya.

I should begin, however, by saying that I respectfully disagree with your decision to make the trip. The sanctions and passport restrictions we have in place serve to send an important message to the government of Libya, specifically, that we cannot do business with a country that uses terrorism to further its goals. The families affected in the Lockerbie tragedy feel strongly about this issue, and so do I.

Since the terrorist attack on Pan Am 103 that claimed the lives of 270 innocent men, women and children, the United States has sought to bring those responsible to justice. This has been a long process, but we have secured the tools that will bring about Libya's compliance with relevant Security Council resolutions. The sanctions regime currently in place is vital to achieving our main objectives vis-à-vis Libya. The Libyan government must turn over the Libyan intelligence officers suspected in the case to stand trial in the United States or Scotland.

In your letter you write that you believe the Libyan government is ready to get the issues of Lockerbie behind them. The clear way for them to achieve that goal is to turn the suspects over for trial. Libya cites fears that the suspects will be unable to receive a fair trial. I believe our criminal justice system affords ample

protection under the law for the accused. The Libyans even admitted as much to the United Nations Secretary General in 1993. This is just another tactic to stall justice. It is time for this case to proceed.

If Libya wants a dialogue and a non-confrontational relationship a must find a way for the two accused on the Pan Am case to return to their country as quickly as possible. So far it has not been willing to take the decision to do so.

Sincerely,

The Honorable Earl F. Hilliard
House of Representatives
Washington, D.C. 20515-0107

EARL F. HILLIARD
7TH DISTRICT, ALABAMA

COMMITTEE ON AGRICULTURE

SUBCOMMITTEE ON DEPARTMENT OPERATIONS, NUTRITION, AND FOREIGN AGRICULTURE

SUBCOMMITTEE ON LIVESTOCK, DAIRY, AND POULTRY

COMMITTEE ON INTERNATIONAL RELATIONS

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY AND TRADE

6781

Congress of the United States
House of Representatives
Washington, DC 20515–0107

September 29, 1997

1314 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225–2665

DISTRICT OFFICES:

THE PENICK BUILDING
319 17TH STREET, NORTH
SUITE 204
BIRMINGHAM, AL 35203
(205) 328–2841

1118 GREENSBORO AVENUE
SUITE 204
TUSCALOOSA, AL 35401
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3800 NORMAN BRIDGE RD.
MONTGOMERY, AL 36105
(334) 281–0513

109 FEDERAL BUILDING
908 ALABAMA AVENUE
SELMA, AL 36701
(334) 872–2684

The Honorable William Jefferson Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

OCT 3 AM11:52

Dear Mr. President:

As you are aware, I recently met with ministers of the Libyan government in Libya. As a member of the House International Relations Committee, I believe it is the responsibility of every member of the committee to be personally acquainted with key international issues that deeply affect our nation. I am most concerned about our relations with all African countries. I also believe that while dialogue may not solve all our differences, neither will a lack of dialogue solve any of our problems.

You should know that I discussed the issues on which we have deep disagreement as nations, and explained United States policy. Among the key persons with whom I met, there is a strong interest in resolving many of the issues that separate us. Although I did not meet with Libyan leader Moammar Gadhafi, I did meet with those persons in the government closest to him. However, I should note that I did not meet with any military personnel nor his Chief of Security.

Mr. President, it is my belief that the Libyan government is ready to get the issues behind them regarding the tragedy over Lockerby, Scotland. In my meeting with Libyan officials it was stated several times that the suspects involved should be brought to trial. In the event that the suspects are found guilty, the families of the victims would be compensated. The Libyans feel strongly that the suspects would not receive a fair trial in the United States, Britain or France. They believe that severe adverse media publicity would prevent the suspects from receiving a fair trial.

Libyans desire to become members of the world community; therefore, they are willing to discuss and negotiate any issue that concerns the United States. I strongly encourage dialogue and an opportunity to begin talks on these issues. The Arab League Council adopted a resolution at its meeting in Cairo on September 20-21, 1997, which I ask you give support and favorable consideration when it appears before the Security Council of the United Nations.

PRINTED ON RECYCLED PAPER

The members of the cabinet with whom I met were surprisingly open about the shortages they are now facing. For instance, only two planes in Libya are still operable, over a thousand tractors are not working, and there are no spare parts available. The cabinet members also believe that their oil industry is near collapse. It is clear that some of our allies are active in Libya in building construction and working on projects in the desert. It was noted that the British have over four billion dollars of investments in Libya.

You are aware of my deep personal commitment to human rights, and because of that commitment, I am not unaffected by the nature of some elements of the Libyan government. At the same time, I am more aware now about the enormous potential for American jobs should our problems be solved to the point of normalization. The Libyans understand the complexity of the problem and are hopeful that a resolution may be possible.

I should also note that I spent several days in Tunisia and was impressed by that nation as well as the very difficult role it plays in the region. It is a nation that clearly wants to work with the United States. I had a good meeting with the new Foreign Minister and have committed myself to several projects involving my district and Tunisia.

I am willing to be of service and am quite prepared to meet with members of your administration to discuss the trip. Please feel to call on me should you have any questions at (202) 225-2665.

Sincerely,

Earl F. Hilliard

Earl F. Hilliard
Member of Congress

c.c. The Honorable Madeleine Albright
Secretary of State

The Honorable Bill Richardson
Ambassador to the United Nations

7928

THE WHITE HOUSE

WASHINGTON

'97 DEC 9 PM9:27

December 9, 1997

ACTION

12-30-97

MEMORANDUM FOR THE PRESIDENT

FROM: SAMUEL BERGER

SUBJECT: Letter to Angelo Tsakopoulos

Copied
Berger
WWDesk
Bowles

Purpose

Respond to letter from Angelo Tsakopoulos.

Background

Mr. Angelo Tsakopoulos expressed concern about Aegean tensions and criticism of U.S. support for Turkey. He offered to assemble a group of experts to meet with you to discuss U.S. policy options. We recommend that instead of a meeting with you, we invite Mr. Tsakopoulos to the next outreach briefing we hold on regional issues, which will probably take place in the spring.

RECOMMENDATION

Sign the letter at Tab A.

We'll see him as a group Thursday or Friday in the Green Room — he's been down a couple times — I think we should meet w/ Bob Greenway Holbrooke — We need to push Cyprus along

RC

Attachments
Tab A Letter to Mr. Tsakopoulos
Tab B Incoming correspondence

cc: Vice President
Chief of Staff

THE WHITE HOUSE

WASHINGTON

Dear Angelo:

It was good to hear from you. I appreciate your continued support for U.S. efforts to resolve the Cyprus conflict and reduce Aegean tensions.

We are working closely with all countries and other interested parties in the region to facilitate progress on these issues. Dick Holbrooke has traveled to the region twice this fall, and we look forward to further progress in the spring after February elections on Cyprus.

Turkey and Greece are both essential to any breakthrough on Cyprus, as well as to lessening Aegean tensions. They are taking steps in the right direction, but greater efforts are needed if we are to build a more stable region. I have invited Prime Minister Yilmaz to visit Washington this month to discuss a range of important issues, including how we can work together towards concrete results on Cyprus and the Aegean.

We periodically organize opportunities for interested individuals, such as yourself, to discuss regional developments in more detail than is possible by letter. The next briefing will probably take place in the spring, and I have asked Christine Stanek in the Office of Public Liaison to ensure that you are included. I know that senior policy officials will find your participation valuable.

Thank you again for your support.

Sincerely,

Bill Clinton

Mr. Angelo K. Tsakopoulos
7700 College Town Drive
Suite 101
Sacramento, California 95826

Copied
Bergen
NSC WW
Desk
COS

THE SACRAMENTO
CAPITOL CLUB
400 Capitol Mall, Suite 600
Sacramento, CA 95814

11-19-97

7928

DEC 1 11:26

ANGELO K. TSAKOPOULOS

7700 COLLEGE TOWN DRIVE
SUITE 101
SACRAMENTO, CA 95826
Tel 916 383-2500
Fax 916 383-0552

THE PRESIDENT 1997
11-19-97

November 15, 1997

The Honorable William Jefferson Clinton
The White House
Washington, D.C. 20050

Dear Mr. President:

I write to you regarding your continued concern over recent developments affecting U.S. and NATO interests in southeastern Europe.

That concern is best reflected by Special Envoy Richard Holbrooke's recent visits to Ankara and Nicosia, to begin the difficult work of achieving a just and lasting end to the occupation and division of Cyprus. As Turkish officials escalate their threats to attack Cyprus if a defensive weapons system is installed, Greek officials declare their intention to defend Cyprus under a joint defense pact signed four years ago. At the same time, aggressive Turkish actions against Greece--in blatant violation of the Madrid non-aggression agreement brokered by the State Department in July--have increased bilateral tensions to an alarming level, at which consideration of war is a conceivable option.

The increasing risk of military conflict between our two NATO allies over Turkish designs on Greece and Cyprus may lead to a larger conflict in the region, threaten the planned enlargement and very integrity of the alliance, and even require the deployment of American military forces to establish and maintain a cease-fire between Greece and Turkey's highly advanced armed forces. Ankara's refusal to reconsider its policies further clarifies the source of your next potential foreign policy crisis.

Regional stability and the prevention of hostilities must be premised upon the guiding principles espoused by our nation and promoted in our foreign policy: respect for international law and international treaties, territorial integrity, the inviolability of borders, and the peaceful settlement of disputes. Of the three nations, only Greece and Cyprus conduct their foreign policy in accordance with these fundamental American principles. Similarly, both Greece and Cyprus fully respect human and civil rights, and uphold a judicial system which respects the human rights and constitutional liberties of their citizens.

In sharp contrast, Turkey is a systematic violator of basic human and civil rights, where Turkish citizens, politicians, intellectuals and journalists are jailed or killed, and Kurdish men and women are tortured or murdered by Turkish armed forces. Ankara's electoral system merely masks the ultimate national power of the Turkish military, which employs American armaments to harass and intimidate its peaceful and democratic neighbors, Greece and Cyprus.

U.S. willingness to tolerate Turkey's occupation and colonization of the sovereign Republic of Cyprus, its belligerent and systematic violations of Greece's national sovereignty, its claims against Greece's territorial integrity, and its emphasis on the threat and use of force to achieve its objectives, is perceived by the Turkish General Staff as your Administration's unconditional support regardless of any consequences.

ANGELO K. TSAKOPOULOS

7700 COLLEGE TOWN DRIVE
SUITE 101
SACRAMENTO, CA 95826
Tel 916 383-2500
Fax 916 383-0552

War between Greece and Turkey must never take place. Besides their important parallel roles as NATO allies, Greece represents the best hope for economic and political leadership in the war-torn Balkans, and Turkey is crucial in checking adversarial regimes in the Middle East. If continued Turkish provocations trigger a war with Greece, the European Union will likely refuse Turkish membership--the basis for continued pro-Western ties--for decades to come. In fact, stridently anti-Greece and Cyprus forces in Turkey may be paving the way for permanent Islamist fundamentalist rule. Therefore, U.S. policy should encourage improved Turkish relations with Greece and Cyprus in a manner consistent with our long-term strategic interests in the region.

Instead, current U.S. policy sustains Turkish aggression and frustrates our allies and partners in Athens and Nicosia, who exert every effort to resolve any disputes with Turkey through peaceful, lawful and appropriate mechanisms. Unchanged, American policy in the region can lead to disastrous outcomes, including war.

Mr. President, as the next several months will prove decisive for the region, we would appreciate the opportunity to assemble a select group of strategists and regional experts to meet with you regarding options and recommendations for strengthening U.S. foreign policy in Greece, Turkey and Cyprus, and preserving the peace in southeastern Europe.

Please know that your interest in the region is recognized and applauded. I stand ready to assist you in this effort, and look forward to your response.

Yours truly,

Angelo K. Tsakopoulos

'97 DEC 19 PM1:1

THE WHITE HOUSE

WASHINGTON

December 18, 1997

THE PRESIDENT HAS SEEN
12-30-97

MEMORANDUM TO THE PRESIDENT

FROM RAHM EMANUEL

SUBJECT EXECUTIVE ACTIONS AND ACCOMPLISHMENTS

Attached is the document that you requested concerning all executive actions and legislative accomplishments. Please let me know if you feel there is any initiative missing from this list and if you believe there is something else we should do in this document.

Rain is good
Great amount too.
Minimum regulation
We left a few things
Gun — ~~bill~~ GAP to discuss
Good - need to discuss
How to Market

Also meeting on
pensions → 401(k)
+ pension portability
See other notes on
summary

copied
Emanuel
Bowles

EXECUTIVE ACTIONS AND
ACCOMPLISHMENTS OF THE CLINTON ADMINISTRATION
DRAFT, December 19, 1997

The following data describes specific effects of significant executive orders, memorandums, and actions. Each section briefly lists the relevant Administration program, its goals, and the results it has produced. The information is divided into the following topic areas: education; children and families; crime; welfare reform; environment; service and volunteerism; consumer protection; farming and the food supply; and aid to small businesses.

I. Education

Charter Schools

- *Advocating and Funding Charter Schools.* When President Clinton took office there was one charter school in existence, as of the 1997-1998 school year, there are more than 800 charter schools.
  - By the end of the 1997-98 academic year, there will be more than 900 charter schools in existence, with the Administration supporting more than 800 of these schools. Source: Department of Education.
  - The average size of charter schools is 200 students. With over 800 schools currently operating, there are over 160,000 students in charter schools. Source: Department of Education's National Study of Charter Schools.
  - The Administration has met approximately 70% of the estimated need for start-up funding for charter schools. These federal funds represent about 6% of the total operating costs for charter schools. Source: Department of Education.

School Uniforms

- *Memorandum on the School Uniforms Manual, Memorandum for the Secretary of Education* (February 23, 1996). Helped to deter school violence, promote discipline, and foster a better learning environment by promoting school uniforms. Disseminated *Manual on School Uniforms* to 15,000 school districts in 1996. In addition, 9,167 copies of the manual were distributed to persons who requested them.
  - In Miami, 196 out of 328 public schools now require school uniforms. Source: Department of Education.
  - In New York City, it is expected that 25% of all public schools will require school uniforms by the end of the 1997-98 school year. Source: Department of Education.
  - In Chicago, 4 out of 5 public schools require school uniforms. Source: Department of Education.
  - In Boston, out of 125 schools, 58 have voluntary school uniform policies

and 18 have mandatory policies. Source: Department of Education

School to Work

- *School-to-Work Program.* Helped prepare students to succeed in the new economy by connecting what goes on in the classroom to future careers, real work situations, and opportunities for post-secondary education training.
  - Local Partnerships report that between December 1995 and June 1996, the number of businesses participating in school-to-work partnerships increased by 50% from 135,000 to 200,000. The number of work-based learning opportunities offered by businesses increased from 53,000 in December 1995 to 119,000 in June 1996. Source: Department of Labor.
  - Of the approximately 13 million secondary school students in the country, state data indicate that one million, or 8%, participated in one or more school-based school-to-work activities between January and June 1996. Based on the national evaluation study, 250,000 of these students could be described as having participated in comprehensive school-to-work activities, i.e., a career major with integrated curricula, and paid or unpaid work experience linked to school. Source: Department of Labor.
  - Of the 111,500 elementary and secondary schools in the U.S., state data indicate that 23 percent offer at least one component of school-to-work as of June 1996. Source: Department of Labor.

Literacy

- *America Reads.* Recognizing the importance of involving all Americans in the lives of the nation's children, the President challenged colleges and universities to commit work-study students as reading tutors. Over 800 colleges and universities have already committed to provide tens of thousands of work-study students as reading tutors in the current school year as part of America Reads.
  - Americorps members are working in 94 programs across the country to tutor and mentor, set up after-school and summer programs, and recruit parents and community volunteers as tutors. In the District of Columbia, over 1,000 college students, volunteers, seniors, and parents will tutor first grade children in 16 of the neediest schools in the City. The Corporation for National Service is also launching a new "Seniors in Schools" initiative in nine cities using 700 senior volunteers as literacy tutors in some of the nation's poorest elementary schools.

- *Read*Write*Now! Summer Pilot Program*
  - The Department of Education distributed 1.5 million basic *Read*Write*Now!* Kits for grades K-6 as part of the program to have children read throughout the summer. In addition, 120,000 Spiderman workbooks, 63,022 Early Childhood Family Kits, and 23,121 Early Childhood Caregiver Kits were distributed. Thousands of black and white versions of the above products were also distributed, and the kits were also

available on the Internet.

- There were fourteen summer pilot sites throughout the country. These sites served 85,000 children with help from schools, colleges, churches, literacy organizations, and hundreds of other community organizations.

Prayer in School

- *Memorandum on Religious Expression in Public Schools, Memorandum for the Secretary of Education and the Attorney General* (July 12, 1995). Protected the religious expression of students by distributing a statement of principles addressing religious activity and expression in public schools. This statement of principles, *Religious Expression in Public Schools*, was sent to every public school superintendent; the leadership of private elementary and secondary schools; national religious and school organization leadership; and all chief state school officers.
  - Following the development of *Religious Expression in Public Schools*, the National School Boards Association reported that inquiries regarding how Christmas celebrations can be accommodated in public schools decreased dramatically.

Internet-Based Education Resources.

- *Promoting the Wiring of Schools.* Helping to connect every school and classroom in America to the information superhighway. A telecommunication survey in 1994 showed only 9% of schools and 3% of classrooms wired to the Internet.
  - 65% of schools and 14% of classrooms are now wired for the Internet. Source: National Center for Education Statistics.
  - 72% of schools and 29% of classrooms have access to the Internet. Source: Quality Education Data (QED).

- *Memorandum on Expanding Access to Internet-based Educational Resources for Children, Teachers, and Parents* (April 18, 1997).
  - The Department of Education is chairing an interagency effort to create a gateway to all federal educational resources that will debut in early 1998.
  - A segment of the Justice Department web page entitled *Hateful Acts Hurt Kids*, which promotes the discussion of prejudice and discrimination among children, parents, and teachers, was unveiled during the White House Conference on Hate Crimes on November 10, 1997. During its first week, the web page received nearly 10,000 hits.

- *Educational Technology: Ensuring Opportunity for all Children in the Next Century, Executive Order 12999* (April 17, 1996). Providing access to modern computers for all teachers and students. Launched the "Computers for Learning" program, which is a unique partnership between federal agencies, schools, and non-profits across the country to move more than 70,000 computers into the nation's neediest classrooms.

- *Directive on Federal Resources OnLine in Education.* More than 30 agencies are participating in the working group and the pilot site will be unveiled in early 1998. The Department of Education's web site receives over 6 million hits a month from over 300,000 computers.

- *Internet Summit.* Assisting parents in learning about the Internet. The *Parents Guide to the Internet* was released at the Internet Summit on December 2, 1997. Approximately 200,000 copies of the guide will be distributed by the Education Department's toll-free number request service, Family Partnership for Learning members, and the Consumer Information Center.

Student Loans

- *Direct Lending.* A total of 2.36 million borrowers have received Direct Loans. 1.86 million of these borrowers were students, 260,000 were parents, and 240,000 were borrowers consolidating their FFEL loans into Direct Consolidation Loans. Source: Department of Education Management Information Reports.

- *Reforming Student Loans.* Through the period fiscal years 1994-97, student borrowers have saved $1.657 billion from changes in the Student Loan Reform Act. For the period fiscal years 1994 through 2002, the Department estimates total student borrower savings to be approximately $5 billion. Source: Department of Education.
  - An estimated 374,000 borrowers have selected the income contingent repayment plan. Of those who consolidated into Direct Loans, more than one-third chose income contingent repayment. About 41 percent of consolidation loans made as of September 30, 1997, were for borrowers that had previously defaulted on a FFEL loan. Source: Department of Education.
  - During the period fiscal year 1996-98, the Department of Education will spend $407 million for Direct Loan administration, out of a total post-secondary education management budget of $1.8 billion. Source: Department of Education.

Quality Education

- *Directive on Improved Teaching.* The Department of Education developed *Excellence and Accountability in Teaching: A Guide to U.S. Department of Education Programs and Resources.* This guide has been widely distributed, including to the Chief State School Officers and to approximately 600 individuals and organizations interested in teacher quality issues; and has been included in the Department of Education's web site. [The Department of Education will soon release a publication that describes the most promising practices in teacher recruitment, preparation, initial licensing, ongoing professional development, teacher recognition, and accountability measures in teaching. In addition, the Department will issue a biennial report on teacher quality beginning next year to report on the nation's progress.].

- *New Resources for Teachers*. Funded two new centers to improve the quality of teaching: a $7.5 million Center for the Study of Teaching and Policy to serve as a resource to policy makers and a $23 million Partnership for Excellence and Accountability in Teaching that will launch a comprehensive national effort to support and sustain long-term improvements in teaching and learning.

- *Keeping Schools Open Late.* Provided additional safe havens and extended learning opportunities for children and their families at schools around the country. The Department of Education has developed a guidebook of promising practices and ideas on how to start and organize after-school programs entitled *Keeping Schools Open as Community Learning Centers*. In fiscal year 1998, the Administration will be able to fund 300 after-school programs serving a total of 30,000 children.

- *Memorandum on Preparing Students to Meet National Standards of Excellence in Eighth Grade Math and Improving Math and Science Education, Memorandum to the Secretary of Education and the Director of the National Science Foundation* (March 6, 1997). Produced an action strategy for improving mathematics and science education. [The National Science Foundation and the Department of Education plan to formally submit the strategy to the White House in early 1998 and to publicly release it shortly thereafter.] NSF and the Department of Education have each requested an additional $40 million for fiscal year 1999 to support the initiatives laid out in the action strategy.

- *Directive on Fixing Failing Schools* (October 28, 1997). By early next year, the Department of Education will make available in print and on the Department's web page, a guide for how to turn around low-performing schools.

II. Children and Families

Child Support

- *Tax Offset*. In 1997, over $2.1 billion has been collected, of which over $1.2 billion is child support debt and nearly $950 million is federal debt. Source: Department of Treasury.

- *Memorandum on the Child Support Initiative, Memorandum for the Secretary of Health and Human Services* (June 18, 1996). Strengthened child support operations by toughening paternity establishment requirements for applicants for welfare and by enabling states to locate, and withhold wages from, obligors who have taken a job in another state -- reforms that became law along with other tough new rules as part of welfare reform. The Clinton Administration collected a record $12 billion in child support in 1996 through tougher enforcement, an

increase of $4 billion, or nearly 50%, since 1992. In 1996, the number of child support cases with collections also rose to 4 million, an increase of 43%, from 2.8 million in 1992. In 1996, the number of paternities established rose to nearly 1 million, almost double, from 516,000 in 1992.

- *Requiring HHS and the U.S. Postal Service to implement a policy of posting "Wanted Lists" in post offices of parents who owe child support* (1996). In 1997, the following 12 states displayed "Wanted Lists" for delinquent child support offenders: California, Connecticut, Indiana, Kansas, Maryland, Massachusetts, Mississippi, Nevada, New Hampshire, North Carolina, Oregon, and South Dakota.

- *Child Support Enforcement System Web Site* (1996). Used the Internet to help people access the child support enforcement system more easily and effectively -- and to help find those parents who are not paying the child support they owe. In 1997, the Child Support Enforcement web page received over 238,000 hits.

- *Supporting Families: Collecting Delinquent Child Support Obligations, Executive Order 13019* (September 28, 1996). Facilitated the collection of delinquent child support obligations from persons who may be entitled or eligible to receive certain federal payments or assistance. The first administrative offset was taken on June 10, 1997. To date, 843 payments have been offset, and $186,581 has been collected through the Administrative Offset Program.

Child Care

- *Memorandum on Improving the Quality of Child Care in the United States, Memorandum for the Secretary of Defense* (April 17, 1997). Directed the Department of Defense to share the expertise and lessons learned from the Military Child Development Programs with Federal, State, tribal, and local agencies, as well as with private and nonprofit groups, that are responsible for providing child care. The October 15 Interim Report to the President on this initiative cited a variety of steps taken, including creation of a toll free number (1-888-CDP-3040) for civilian programs to order DOD training materials and training over 100 personnel to serve as speakers for the DOD Child Development Program Speakers' Bureau.

Protecting Children

- *Memorandum on Child Safety Lock Devices for Handguns* (March 5, 1997). Required that a child safety lock device be issued to every Federal employee who carries a firearm on official duty. By October 1997, all federal agencies with law enforcement agents reported that they were in compliance with the President's directive, including approximately 30,000 Justice Department employees from the FBI, DEA, INS, and Marshals Service, and about 20,000 Treasury law

enforcement personnel. Source: Department of the Treasury; Department of Justice.

- Under the President's leadership, 8 major handgun manufacturers who make the vast majority of handguns in the country, have agreed to provide child safety devices with each handgun sold.

- *Memorandum on the Development of a National Sexual Offender Registration System, Memorandum for the Attorney General* (July 25, 1996). Improved the safety and protection of children through creation of a national sex offender registry. As of December 1, 1997, 20 states, representing 44.2% of the U.S. population, have contributed to the national registry which now includes information on approximately 27,000 offenders.

Balancing Work and Family

- *Memorandum on Expanded Family and Medical Leave Policies* (April 11, 1997). In April 1997, the President asked federal agencies to implement his expanded leave policy immediately for federal workers. Source: Department of Labor.
  - In years 1995 and 1996, a total of 226,554 employees took leave under FMLA at the Department of Defense, of which 134,768 (59.5%) were men and 91,786 (40.5%) were female. Source: Department of Defense.
  - In 1995, 33,218 Department of Treasury employees used 410,373 hours under FMLA for family care or bereavement purposes. In 1996, the number increased to 44,060 employees and 535,515 hours. Source: Department of Treasury.

- *Memorandum on Implementing Federal Family Friendly Work Arrangements* (June 21, 1996). Supported agencies in promoting family-friendly work arrangements including alternative work schedules, "flexiplace" (telecommuting), job sharing, career part-time employment, child care, leave sharing, transportation subsidies, and employee assistance programs.
  - Approximately 46% of the Department of Commerce workforce are working under some form of alternative work schedule. Source: Department of Commerce.
  - Over 50% of the Department of Defense workforce are working under some form of alternative work schedule. Over 300,000 Department of Defense employees are on flex time, and approximately 3,000 employees telecommute. Source: Department of Defense.
  - Eighty-five% of the Department of Labor's employees are on some form of alternative work schedule (flexitime or compressed schedule). In addition, 22% telecommute. Source: Department of Labor.
  - Approximately 95% of the Department of Transportation's employees are eligible for some form of alternative work schedule (flexitime or compressed schedule). In addition, there are currently over 900 employees who telecommute at least once a week. Source: Department of Transportation.

- Over 70,000 employees at the Department of the Treasury use the various types of flex time. Source: Department of Treasury.

Health Care

- *Immunization.* As a result of the President's 1993 Childhood Immunization Initiative, childhood immunization rates have reached an historic high. According to the Centers for Disease Control and Prevention, 90% or more of America's toddlers in 1996 received the most critical doses of each of the routinely recommended vaccines -- surpassing the President's 1993 childhood vaccination goal.
  - *Immunization-Child Care Initiative* (July 23, 1997). Continued to improve child immunization through beginning work on an integrated immunization registry system so that when children change doctors, the new doctor will have access to the child's immunization record. In 1997, the President also announced that all children in federally-subsidized child care centers are required to be immunized.

- *Ending Drive-Thru Deliveries* (1996). Spearheaded legislation requiring insurance companies to cover at least 48 hour hospital stays following most normal deliveries and 96 hours after a Caesarean section.[For the most part, this is being implemented by the states, and HHS will have no direct program data.]

- *Expanded FDA Review and Approval of New Drug Products.* Under the reinventing government initiative, U.S. drug approvals are now as fast or faster than any other industrialized nation. Average drug approval times have dropped since the beginning of the Administration from almost three years to just over one year. In 1997, virtually all breakthrough drugs will be approved within six months without compromising safety standards.

- *Ensuring the Safety of Medications Used To Treat Children* (August 13, 1997). Unveiled a new FDA regulation that will protect children by requiring manufacturers to study the safety and appropriate dosage levels of drugs for pediatric populations and requiring proper labeling of drugs for use in children. Even though many drugs affect children differently than adults, most drugs have not been tested on pediatric populations. Many drugs commonly given to children have not been tested on children including: Ritalin, and drugs for asthma, allergic reactions, HIV/AIDS, and ear infections. These drugs, taken together, are given to over five million children each year. The percentage of drugs being tested on children decreased by over one-third between 1991 and 1996.

- *Eliminated Gag-Rules in Medicare and Medicaid* (February 20, 1997). Ensured that Medicare and Medicaid beneficiaries have the right to know all their treatment options by making it illegal for health plans to prohibit doctors from

discussing options with their patients. Protected 13 million Medicaid beneficiaries in managed care plans -- children, people with disabilities and elderly Americans -- and 5.7 million Medicare beneficiaries in managed care plans.

- *Moratorium on Home Health Providers* (September 15, 1997). Placed moratorium on home health providers to allow HHS to enact strong new regulations to keep fly-by-night providers out of the system. This action was consistent with strong evidence that the best way to stop fraud and abuse in Medicare program is to prevent bad providers from entering the program. Home health care is the most rapidly expanding part of Medicare, with nearly 100 new home health providers entering Medicare each month.

- *Covered Millions of Uninsured American Through Medicaid Waivers.* Approved 18 Medicaid waivers to cover more than two million previously uninsured Americans.

- *Memorandum on Importation of RU-486, Memorandum for the Secretary of Health and Human Services* (January 22, 1993). Directed assessing initiatives by which the Department of Health and Human Services can promote the testing, licensing, and manufacturing in the United States of RU-486 or other antiprogestins. On September 18, 1996, the Food and Drug Administration (FDA) issued an approval letter to the Population Council for mifepristone (commonly referred to as RU-486), when used in combination with misoprostol, for the termination of early pregnancy. The Population Council has not yet submitted the manufacturing control or chemistry information identified as required in the approval letter. When the FDA receives all the information identified in the approval letter, it will have up to six months to make a decision on the application.

Child Worker Labels

- *Child Worker Labels* (August 1996). Because the child labor labeling programs are relatively recent, and definitive data on costs and benefits as well as consumer demand are not available, the newest report does not attempt to make quantitative assessments of their effectiveness.

Adoption

- *Memorandum on Adoption and Alternative Placement of Children in the Public Child Welfare System, Memorandum for the Secretary of Health and Human Services, the Secretary of the Treasury, the Secretary of Labor, the Secretary of Commerce, the Director of the Office of Personnel Management* (December 14, 1996). Bipartisan legislation, the Adoption and Safe Families Act of 1997, was based largely on the recommendations of the Administration's Adoption 2002

report. The legislation will help thousands of children waiting in foster care move more quickly into safe and permanent homes. The Act makes clear that the health and safety of children must be the paramount concerns of state child welfare services.

- *Children With Special Needs.* Signed the Small Business Job Protection Act of 1996, which provides a $5,000 tax credit to families adopting children, and $6,000 tax credit for families adopting children with special needs. Since President Clinton took office, the number of children with special needs who have been adopted with federal adoption assistance has risen by 60%.

Teen Pregnancy

- *National Strategy to Reduce Teen Pregnancy.* Since 1993, President Clinton has supported innovative teen pregnancy strategies. The National Campaign to Prevent Teen Pregnancy, a private non-profit organization, was formed in response to the President's 1995 State of the Union. HHS-supported programs reach about 30% or 1,410 communities in the United States. Data shows that we are making progress in reducing teen pregnancy.
  - The U.S. birth rate for teenagers in 1996 was 54.7 births per 1,000 women aged 15-19 years, down 4% from 1995 (56.8). The teenage birth rate has declined by 12% since 1991 (62.1). Source: National Center for Health Statistics, preliminary 1996 statistics (September 1997).
  - Birth rates for teenagers 15-19 years declined between 1991 and 1995 in all states and the District of Columbia, echoing the national trends during this time. Rates fell by 12% or more in 12 states; declines in 5 states exceeded 16%. Source: National Center for Health Statistics, preliminary 1996 statistics (September 1997).

Domestic Violence

- *Violence Against Women.* Legislation provides for hiring more prosecutors and improving domestic violence training among prosecutors, police officers, and health and social services professionals. Established a nationwide 24-hour domestic violence hotline providing immediate crisis intervention and local shelter referral to victims that has received over 140,000 calls since February 1996. The Clinton Administration has granted states, territories, and Native American tribes nearly $300 million to support the system of 1,400 emergency shelters, safe homes, and related services nationwide.

Housing Opportunity

- *FHA Fees.* The President has cut FHA home mortgage insurance premiums four times. One reduction, applying to all first-time home buyers, will save home buyers $200 in closing costs on the average FHA mortgage of $85,000. Another will save first-time home buyers in central cities who participate in home ownership counseling an additional $200. In all, cuts approved by President

Clinton have lowered average FHA closing costs for first-time home buyers by $1,200 around the country and will cut closing costs by $1,400 in central cities. Last year, FHA provided financing for 800,000 homeowners, many of whom were first-time home buyers.

- *Making It Easier to Qualify for Mortgage Loans.* The FHA has eliminated unnecessary and overly strict requirements under its loan program that made it difficult for many families to qualify for mortgage loans.

- *Financing.* Provided financing to help 40,000 rural people buy single-family homes, including the construction of 14,000 homes under the Self-Help Housing program, in which low-income people gain "sweat equity" by participating in the construction of their own homes. USDA also financed the building of 7,900 units of multiple-family housing. In total, USDA's Rural Housing Service invested more than $2.6 billion either as loans, guaranteed loans, or grants in rural housing last year. More than 58,000 jobs were created as a result of housing construction generated by USDA programs. Source: U.S. Department of Agriculture.

- *Rental Assistance.* Provided $540 million in rental assistance to help nearly 40,000 rural, low-income households obtain well-built, safe housing. Fifty percent of the rental program beneficiaries were elderly, with average annual income of less than $7,300. Source: U.S. Department of Agriculture.

III. Welfare

- *Memorandum on Government Employment for Welfare Recipients* (March 8, 1997). In seven months, 2,229 employees have been hired off of public assistance by the federal government, about one-fifth of the goal of hiring 10,000 persons by the year 2000. **These numbers have not been released yet.**

Welfare-to-Work
Commitments and Hires through November 22, 1997
as Reported by the U.S. Office of Personnel Management

AGENCY	Total Commitment Thru 2000	1997 Hires Reported Thru 10-22-97	% of Total Year 2000 Commitment Hired Since 3-8-97
Commodity Futures Trading Commission	---	2	---
Department of Agriculture	375	127	34%
Department of Commerce	4180	80	2%
Department of Defense	1600	375	23%
Department of Education	21	7	33%

Department of Energy	55	12	22%
Department of Health & Human Services	300	148	49%
Department of Housing & Urban Development	200	41	21%
Department of the Interior	325	69	21%
Department of Justice	450	68	15%
Department of Labor	120	54	45%
Department of State	220	1 0	5%
Department of Transportation	400	106	27%
Department of the Treasury	405	57	14%
Department of Veterans Affairs	800	635	79%
Environmental Protection Agency	120	32	27%
Equal Employment Opportunity Commission	---	5	---
Executive Office of the President	6	6	100%
Federal Emergency Management Agency	125	27	22%
General Services Administration	121	50	41%
National Aeronautics & Space Administration	40	8	20%
National Credit Union Administration	---	4	---
National Labor Relations Board	---	1	---
Office of Personnel Management	25	31	124%
Railroad Retirement Board	---	1	---
Securities & Exchange Commission	10	6	60%
Small Business Administration	120	33	28%
Social Security Administration	600	218	36%
U.S. Information Agency	20	15	75%
U.S. Nuclear Regulatory Commission	---	1	---
TOTAL	**10638**	**2229**	21%

- *Coalition to Sustain Success.* Vice President has led a new partnership of civic organizations that is working with state and local government to mentor families seeking to leave welfare for work.

- *The Welfare to Work Partnership.* Mobilized over 2500 businesses to hire

welfare recipients.

- *Small Business and Welfare to Work.* SBA has received 800 pledges from small businesses willing to hire former welfare recipients through the work of Small Business Development Centers.

Food Stamp Fraud

- *Anti-Fraud Program.* Issuance error rates for food stamps have declined in each of the past three years, resulting in total savings of $660 million. In June 1997, the 1996 error rate dropped to 9.2% from the previous year's 9.7%, resulting in a single-year savings of more than $85 million for the program.

- *Pre-Authorization Screening of Retailers; Tougher Post-Authorization Controls; and Stiffer Penalties for Violators.* During fiscal year 1997, the Food Stamp Program conducted 4,627 investigations of stores, and fired or disqualified 1,584 retailers for program violations. Of those, 712 retailers, with redemptions of $79.5 million, were identified as having engaged in trafficking, or having exchanged food stamps for cash.

- *Operation Talon.* Organized a nationwide sting to arrest more than 2,100 fugitives felons who were illegally receiving food stamps. This initiative will save millions of taxpayer dollars. "Operation Talon" was made possible by the welfare reform law which permits local food stamp offices to release the addresses of fugitive felons to law enforcement officers.

IV. Crime

Guns

- *Memorandum on Implementation of the Youth Crime Gun Interdiction Initiative* (July 8, 1996). Traced approximately 93,477 guns from 27 communities (17 original sites and 10 new sites) through the use of an innovative computer software system that examines crime gun trace information and provides law enforcement officers with crucial investigative leads about the sources of these guns. Source: Department of Treasury. **Note: These numbers are updated from the numbers released in July 1997.**

- *Memorandum on Gun Dealer Licensing, Memorandum for the Secretary of the Treasury* (August 11, 1993) This initiative strengthened the system of licensing gun dealers, and assured their compliance with applicable rules. The Brady law and the Violent Crime Act of 1994 codified the directive and further reformed the gun dealer licensing system. As of December 10, 1997, the total number of federal firearms licensees (FFLs) is 106,997, down from 279,839 in April 1994, and the total number of FFL dealers is 88,590 down from 252,799. Source: Department of the Treasury.

Note: We don't think these numbers have been released.

- *Memorandum on Enforcing the Youth Handgun Safety Act, Memorandum for the Secretary of the Treasury* (June 11, 1997). A notice of proposed rulemaking concerning warning signs on guns and juveniles to be posted by federally licensed gun dealers was published in the Federal Register on August 27, 1997. Final regulations are being drafted and are expected to be completed in early 1998.

- *Enforcing Zero Tolerance for Guns and Other Weapons in Schools.* In October 1994, President Clinton signed into law the Gun-Free Schools Act, and issued a Presidential Directive later that month to enforce "zero tolerance" for guns in schools -- if a student brings a gun to school, that student will be expelled for a year. Under the President's Zero Tolerance gun policy, preliminary estimates show that approximately 6,000 students have been expelled for bringing weapons to schools, and the vast majority of those expulsions involved guns.

- *Presidential Initiative Requiring Greater Proof of State Residency Before Purchasing a Firearm* (March 5, 1997). Following the February 23 shooting at the Empire State Building, the President asked the Secretary of the Treasury to examine what might be done to prevent unlawful firearms purchases by aliens legally in the United States. ATF responded on April 21, 1997 by amending the firearms purchase form and related regulations to require purchasers to declare their citizenship status, and to require aliens to present photo identification and documentary evidence establishing their 90-day residence in the state of purchase. [Data, however, is not available on this initiative as gun dealers are not required to report information on denial rates.]

- *Ban on Chinese Assault Weapons and Ammunition.* In 1994, the President used his authority under the Arms Export Control Act to stop the potential importation of millions of assault-type rifles (SKS) and high-capacity magazines.

<u>Housing</u>

- *Memorandum on the "One Strike and You're Out" Guidelines, Memorandum for the Secretary of Housing and Urban Development* (March 28, 1996). Denied admission to applicants and evicted tenants in public housing authorities (PHAs) who have engaged in illegal drug use or other criminal activities. The guidance permits PHAs to institute and enforce tough rules to protect the safety of families living in public housing.
  - Of the 1,859 out of 3,192 (58%) total PHAs responding to the Department of Housing and Urban Development's Office of Public and Indian Housing March 1997 survey, 1,392 PHAs had implemented "One Strike" programs. These 1,859 PHAs completed 3,847 evictions in the six months after "One Strike" took effect. [It should be noted that these evictions did

not necessarily result from PHAs' One Strike practices, and no eviction statistics for prior years are available for comparison purposes. The responding PHAs also reported that 19,589 people were denied admission to public housing for criminal or drug-related activity in the six months following enactment of One Strike. Again, these actions did not necessarily result from One Strike, and no figures for comparison are available.] Source: Department of Housing and Urban Development's Office of Public and Indian Housing survey (March 1997).

- *Boosting Homeownership and Fighting Crime.* The "Officer Next Door" program provides incentives for police officers to live in the communities where they work by offering a 50% discount on the purchase of HUD-owned foreclosed properties in designated revitalization areas. HUD has accepted 261 sales contracts and closed 59 deals in HUD-held properties under this initiative.

- *Zero Tolerance for Waste, Fraud, and Abuse in Housing.* The "Get Tough" campaign has resulted in the debarment of nearly 90 bad landlords -- compared with only 15 in 1996; the debarment of 26 bad public housing officials -- a 100% increase over 1996; and more than 1,400 arrests for crime and drugs in public housing.

- *Memorandum on Federal Arrestee Drug Testing* (December 18, 1995). Increased drug testing of criminal defendants. In fiscal year 1997, data from 24 districts indicated that 9,308 defendants, or 56% of defendants, were tested, which is a dramatic increase over the 4,929 defendants, or 28% of defendants, tested in fiscal year 1996. 1,252 defendants received drug treatment, which is an 190% increase over the 431 defendants treated in fiscal year 1996. Source: Department of Justice.

- *National Community Policing Number of Non-Emergency Calls (311)* (July 23, 1996). Assisted in more efficient use of police resources by encouraging use of 311 for non-emergency calls. During its first year of operations in Baltimore, 911 calls for police services have declined 24.8% and 50,000 hours of police officer time has been saved. Dallas and San Jose, CA, have recently announced they are launching 311 systems.

- *Promoting Curfews.* Promoted increasing the number of curfews in American cities, by disseminating a bulletin entitled *Curfew: An Answer to Juvenile Delinquency and Victimization?* 71% of 1,649 respondents to the Justice Department's Office of Juvenile Justice and Delinquency Prevention's October 1997 survey of recipients of the curfew bulletin reported that they live in a jurisdiction with a curfew. Source: Justice Department Office of Juvenile Justice and Delinquency Prevention survey (October 1997.

  - In 1997, 276 of 347 cities (80%) have a nighttime curfew, and 72 have a daytime curfew as well. In 1995, 272 of 387 cities (70%) had a nighttime

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curfew. Source: U.S. Conference of Mayors Survey (1997).

- 88 percent (263) of the cities reported that curfew enforcement helped make streets safer and 83% (222) reported that curfews helped curb gang violence. Source: U.S. Conference of Mayors Survey (1997).

- *Cracking Down on Truancy.* The Administration has provided a *Manual to Combat Truancy* to the 15,000 school districts in the country and to 51,000 other persons who requested copies. A copy of the manual has also been placed on the Safe and Drug Free Schools' web page.

V. Environment

Parks

- *Saving Yellowstone from Mining.* In August 1996, President Clinton announced an agreement to protect Yellowstone National Park from a proposed mine just outside the park which would have endangered the quality and quantity of waters flowing into the park.

- *Memorandum Ordering Planning (with DOI) for Demonstration Transportation Systems in 3 Parks* (April 22, 1996) On Earth Day 1996, President Clinton asked the Secretary of the Interior and the Secretary of Transportation to develop a plan to enhance resource protection and the quality of the visitor experience in national parks though innovative transportation planning. Plans are in place for parks at Zion, Yosemite, and the Grand Canyon.

would like to run on the Headwaters Forest Redwoods Treaty Envelopes

Protection of the Old Growth California Redwoods. The United States and State of California are acquiring the Headwaters Forest -- the largest privately held stand of old growth redwood trees. Together with buffer areas, the governments will preserve 7,500 acres of significant habitat for several endangered species, including the marbled murrelet and coho salmon. [Negotiations are continuing on the Habitat Conservation Plan.]

Toxics and Pesticides

- *Memorandum on Community Right-to-Know Initiatives, Memorandum for the Administrator of the Environmental Protection Agency and the Heads of Executive Departments and Agencies* (August 8, 1995). President Clinton directed EPA to consider whether to add to the list of industries covered under the Community Right-to-Know Toxic Release Inventory reporting program. EPA published a final rule on May 1, 1997 which added seven industries to the list of industries covered under the reporting program: metal mining; coal mining; electric generating facilities that combust coal and oil; hazardous waste treatment facilities regulated under Resource Conservation and Recovery Act Subtitle C; wholesale chemical distributors; wholesale petroleum distributors; and solvent

recovery facilities.

- *Restrictions on Pesticides.* In 1993, the Clinton Administration stated its commitment to safer biological and reduced-risk pesticides. In 1996, President Clinton signed into law the Food Quality Protection Act (FQPA) which includes a consistent, health-based standard for pesticide residues, use of an additional safety factor to ensure protection of children, and revisions to the pesticide risk assessment process. Since FQPA was passed, EPA has registered 29 new pesticides, 20 of which were safer reduced-risk and biological pesticides.

- *Protection of Children from Environmental Health Risks and Safety Risks, Executive Order 13045* (April 21, 1997). The executive order directed EPA to ensure that the Agency's regulatory actions address the disproportionate risks to children from environmental threats. In May 1997, Administrator Browner created the Office of Children's Health Protection. In September 1997, EPA hosted the first-ever national conference on "Preventable Causes of Childhood Cancer." In September 1997, EPA and HHS announced $10 million in joint funding for six research centers to examine children's environmental health issues. EPA has drafted regulatory guidance for the Agency to ensure adequate protection of children from environmental threats.

VI. Service and Volunteerism

- *Presidents' Summit for America's Future.* The 1997 Summit brought together private sector, non-profits, and state and local government in a campaign to promote service. Over 150 cities and states are holding mini-summits.
  - 77 organizations answered the President's challenge and offered to sponsor 10,000 new AmeriCorps members. In June, the Corporation approved 8,900 of these scholarships, ahead of a first-year plan for 5,000 scholarships.

- *Cell Phones for Community Watch Groups.* The President helped launch Communities on Phone Patrol (COPP) with cell phones donated by the wireless technology industry. One year later, in October 1997, 7,850 watch patrols had received almost 9,000 phones -- allowing 300,000 volunteers to use COPP phones to help protect 50 million Americans.

- *National Service Scholarships.* Awarded to over 1,600 high school students with outstanding records of community service. Next year, the Administration hopes that 10,000 high schools in the nation will participate -- almost half of all high schools.

- *Memorandum on Public-Private Partnerships for Protection of the National*

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Parks (April 26, 1996). In the past five years, the 376 National Park units have benefitted from hundreds of new partnerships. The National Park Service is aided by 93,000 volunteers, 65 cooperating associations, over 150 Friends groups and numerous corporate and philanthropic supporters. Overall, gifts of time and money are worth over $100 million to the National Parks every year.

VII. Consumer Protection

Food Safety

- *Comprehensive Food Safety.* The President has implemented a comprehensive initiative to improve the safety of nation's food supply and detailed a $43 million food safety program, including measures to improve surveillance, outbreak response, education, and research. Other significant actions:
  - August, 1996 -- Signed Safe Drinking Water Act of 1996. The law requires drinking water systems to protect against dangerous contaminants like cryptosporidium, and gives people the right to know about contaminants in their tap water.
  - July, 1996 -- Announced new regulations that modernize the nation's meat and poultry inspection system for the first time in 90 years. New standards help prevent E.coli bacteria contamination in meat.
  - December, 1995 -- Issued new rules to ensure seafood safety. Utilizes HACCP regulatory programs to require food industries to design and implement preventive measures and increase the industries' responsibility for and control of their safety assurance actions.

Consumer Health

- *Amendment to Executive Order 13017, Advisory Commission on Consumer Protection and Quality in the Health Care Industry, Executive Order 13040* (March 25, 1997). Established the President's Advisory Commission on Consumer Protection and Quality in the Health Care Industry which promotes and assures consumer protection and health care quality.
  - *Report.* On November 20, 1997, the Commission issued its Interim Report outlining a proposed Consumer Bill of Rights and Responsibilities.
  - *Federal Compliance.* Directed the Department of Health and Human Services, the Department of Labor, the Department of Defense, the Department of Veteran Affairs, and the Office of Personnel Management to review the programs they administer and the plans they oversee to ensure they are consistent with the consumer bill of rights recommended by the President's Health Care Quality Commission. These agencies will report back on the status of this directive by February 1998.

Increasing Seatbelt Use

- *Memorandum on Increasing Seatbelt Use, Memorandum for the Secretary of Transportation* (January 23, 1997). Requires seat belt use by federal employees on-the-job.
    - The Department is developing a Report to Congress to reflect the activity to date on the Presidential Initiative for Increasing Seat Belt Usage Nationwide. The Report will include the progress made towards reaching the new national seat belt and child safety seat goals.
    - In 1997, three primary seatbelt laws went into affect (Maryland, Oklahoma, and the District of Columbia) bringing the total to 13 states and Puerto Rico that allow a driver to be stopped primarily because the seatbelt was not being used. Source: Department of Transportation.
    - [There are no new data at this time to reflect a change in safety belt usage as a result of the Presidential Initiative for Increasing Seat Belt Usage Nationwide. Safety belt usage data will not be available until early 1998.]

VIII. Food and Farming

Nutrition and Hunger Programs

- *Goal for WIC Program to Reach Full Participation of 7.5 million.* Participation in WIC has expanded nearly 30%, from 5.7 million at the start of fiscal year 1993 to almost 7.4 million at the end of fiscal year 1997. Source: U.S. Department of Agriculture

- *Reducing WIC Costs.* WIC state agencies have contracted with infant formula manufacturers to obtain rebates on infant formula. These competitively-bid contracts have reduced food costs, increasing WIC participation without increasing WIC appropriations. In fiscal year 1997, this resulted in $1.2 billion in savings, permitting service to 1.6 million additional participants. Source: U.S. Department of Agriculture.

- *Gleaning.* Helped to feed the hungry through the promotion of food recovery and gleaning.
    - A joint USDA-Department of Defense initiative, announced in September 1997, has recovered over $1.4 million worth of food, and channeled it through 29 state agencies. An additional $10 million of food is anticipated to be recovered over the next 18 months. Source: U.S. Department of Agriculture.
    - Over 15,000 pounds of food have been recovered from USDA's farmers' markets for distribution to food banks. Source: U.S. Department of Agriculture.

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Assisting Agricultural Communities

- *Loan Guarantees.* Provided loans and loan guarantees totaling $2.3 billion to over 27,000 family-sized farmers. Direct operating loans totaling $65 million were provided to over 1,900 socially-disadvantaged farmers (SDA), exceeding the initial targeted allocation for SDA farmers by 22%. Direct operating loans made to SDA farmers increased by 11% from fiscal year 1996. Source: U.S. Department of Agriculture.

- *Emergency Aid.* Provided $3.5 million to nearly 4,000 farmers in North and South Dakota whose livestock were in danger of perishing due to severe winter storms. Provided over $22 million in cost share assistance for emergency livestock feed to approximately 30,000 farmers in North Dakota, South Dakota, and Minnesota. Source: U.S. Department of Agriculture.

- *Expanded Crop Insurance and Crop Revenue Coverage.*
  - Expanded the crops covered under the crop insurance program. For the 1997 (1998 citrus) crop year, 29 different crops with permanent programs established were added to the crop insurance program in 343 counties in 25 states. For the 1998 (1999 citrus) crop year, coverage will be expanded on 25 different crops in 144 additional counties in 16 states. Source: U.S. Department of Agriculture.
  - The Federal Crop Insurance Corporation (FCIC) Board of Directors approved the expansion of Crop Revenue Coverage (CRC) for the 1997 and 1998 crop years for corn, cotton, grain sorghum, and wheat. CRC is now available on almost 90% of the corn, wheat, cotton, soybeans, and grain sorghum acres in the U.S.

Creating Rural Jobs

- *Rural Business-Cooperative Service.* Financed the start-up or expansion of 1,183 rural businesses or cooperatives, creating or preserving more than 53,000 jobs in the process. About $936 million was extended by USDA's Rural Business-Cooperative Service as loans, guaranteed loans, or grants to rural businesses and cooperatives. Source: U.S. Department of Agriculture.

- *Rural Empowerment Zones.* Invested more than $60 million in the nation's three rural Empowerment Zones and 33 rural Enterprise Communities. As a result of these efforts, over 7,000 jobs have been created or saved; 1,100 public service facilities have been built or renovated; and more than 700,000 rural citizens are now receiving additional services. Source: U.S. Department of Agriculture.

- *Telecommunications and Rural Americans.* Loaned $380 million for 79 rural telecommunications projects that provided improved service to more than 211,000 rural households and businesses, including more than 43,000 new customers.

Ag Summit
Action Items

These investments created over 8,700 new jobs. Source: U.S. Department of Agriculture.

IX. Helping Small Business

- *Increasing Small Business Access to Capital and Credit.* In 1997, SBA achieved the highest program level ever in its 7(a) business loan guarantee program. SBA guaranteed $9.5 billion in loan guarantees. SBA's combined 7(a) business loan and 504 economic development loan approvals were also the highest ever at $10.9 billion. A total of 49,419 small businesses received assistance in 1997.

- *Small Business Investment Companies.* SBICs invested a record $2.4 billion in 1997. SBICs financed 2,733 small business, with more than 90% of the investments in the form of equity. Industry analysts estimate that the number of SBA supported investments is 28% more than those made by private venture capital firms.

- *SBA's One-Stop Capital Shops.* SBA now administers 15 One-Stop Capital Shops in low-income communities across the country. Small business owners and individuals hoping to start a new business can walk in the door and have access to a range of governmental services, business information, counseling and assistance, and lending services.

- *Microloans.* SBA has provided over 6,300 microloans totaling $65 million through 103 intermediary lenders and 22 non-lending technical assistance providers.

- *Regulatory Reform.* SBA revised all of its regulations, converting them to plain English and eliminating more than half of the pages. SBA has eliminated more than two-thirds of the total pages in the Standard Operating Procedures (SOPs), from 25,000 pages to 8,000 pages.

- *Improving Customer Service.* SBA's PRO-*Net* system – an on-line service to link small businesses with federal procurement opportunities – has gone operational with more than 171,000 small businesses listed on the system. SBA has created ACE-*Net* – an on-line service that links investors with emerging small businesses seeking equity investments. Eight non-profit operators located throughout the country are now operating the system. The goals are to have an operator in each of the 50 states as issues of consistency with state securities laws are resolved.

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Councilman Noach Dear

4424 16th Avenue
Brooklyn, New York 11204
Telephone (718) 633-9400 • Facsimile (718) 633-9403

Sandy
I think
we should do
this -
Bill

December 10, 1997

President William Jefferson Clinton
The White House
Washington, DC 20502

Dear Mr. President:

I know we've talked about this issue many times, but I feel it is important that I bring it to your attention once again. It's time you meet with a group of business and community leaders who have very strong ties to Israel.

Just last night I attended an event hosted for me by the prominent Reichmann family, who are very important business and community leaders. Many people came to me and said 'you have to tell your friend the President that we are unhappy about the pressure being placed on Israel.'

Other important people are also coming to me and saying 'if we have to turn Republican, we will.' These are the same people who supported your candidacy in 1992, in part because they were unhappy with what former President George Bush was doing.

It's important that you do not hesitate to meet with this group, which has tremendous financial ties and close family ties to Israel. As I've said in the past, I will provide you with a list of the people with whom you should speak.

This group's influence in Israel should not be underestimated. It is vitally important that you sit down with this group and have a frank discussion. Time is of the essence in this matter, and we must arrange a meeting right away. Thank you.

Sincerely,

Noach Dear

I hope we can arrange for this meeting soon.

copies
Berger
Bowles

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THE WHITE HOUSE

WASHINGTON

Copied
Reed
Sperling
Kagan
Waldman
Bowles

December 15, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Gene Sperling
Elena Kagan

SUBJECT: New Initiatives on Discretionary Side of Budget

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

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

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

Education

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

2. College-School Partnerships ($150 million): This initiative, which builds on Eugene Lang's model of helping disadvantaged youth, will provide funding for college-school partnerships designed to provide mentoring, tutoring, and other support services to students in high-poverty schools, starting in the sixth grade and continuing through high school. The six-year funding

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path will provide help to nearly 2 million students. The proposal also will include Chaka Fattah's idea of early notification to disadvantaged 6th graders telling them of their Pell Grant and loan eligibility.

3. Campaign on Access to Higher Education ($20 million): This initiative will fund an intensive publicity campaign on the affordability of higher education. The goal of the campaign will be to make every family aware that higher education is now universally accessible -- and that it is the key to higher earnings.

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

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

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

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

Child Care

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

1. After-School Program Expansion ($100-200 million): This program expansion will increase funding of the 21st Century Community Learning Center Program (now funded at $40

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million) for before- and after-school programs for school-age children at public schools. Depending on the exact funding level chosen, this investment will create new programs in 1,500-4,000 schools with slots for between 75,000 and 200,000 children; at the same time, it will enable still more students to participate in other school-site activities.

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

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

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

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

Welfare, Housing, Urban

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

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

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portability in the Section 8 housing program.

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

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

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

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

Labor and Workforce

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

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

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

Health

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

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

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

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

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

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

Crime

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

Race

A number of the above proposals -- e.g., education opportunity zones, university-school

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

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

Appendix -- Education Budget

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

Major Base Programs

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

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

America Reads, $260 million. We did not get our America Reads bill in FY 1998. We did obtain increases for tutoring in the Corporation for National and Community Service. Congress did, however, "advance appropriate" $210 million for FY 1999 for Education, contingent upon enactment of new law. The increase to $260 million reflects our original first year plan.

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

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

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

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

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

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

Reductions in the Base

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

HEALTH INVESTMENT OPTIONS IN THE BUDGET

MEDICARE

USES		SOURCES	
Pre-65 Initiative Options:	$1 - 2 billion	**Anti-Fraud**:	$1.5 - 2 billion
Clinical Cancer Trial Care:	$1.7 billion	**Income-Related Premium:**	$6 - 19 billion
Medicare Improvements: [e.g., Mammography coinsurance, annual physical]	$0.2 - 3 billion		
Private Long-Term Care Options:	$0.1 - 4 billion		

COVERAGE

USES		SOURCES
State Incentives to Enroll Medicaid-Eligible Children:	$2 billion	**[Cost Allocation, Reserve or Tobacco?]**
Workers' Transitions Options:	$2 - 5 billion	
Voluntary Purchasing Coops:	$0.1 billion	

NOTE: All scoring is preliminary and subject to change.

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MANDATORY EXPENDITURES

(Five-Year Costs)

CHILD CARE	**$6.0-$12.0 Billion**
- Child Care Block Grant = 66%-75%	
- Early Learning Fund = 25%-33%	
CLASS SIZE	**$6.0-$9.0 Billion**
FOOD STAMPS	**$2.0-$3.5 Billion**
HEALTH CARE	
- **Medicare Pre-65 Initiative**	**$2.0 Billion**
- **Medicare -- Clinical**	**$2.0 Billion**
- **Long-Term Demonstration**	**$0.5 Billion**
- **Children's Outreach**	**$1.0-$2.0 Billion**
COLLEGE AID	**$1.3-$1.7 Billion**
SCHOOL CONSTRUCTION	**$5.0 Billion**
EMPOWERMENT ZONES (Rural or Urban)	**$0.562 Billion**
FAST TRACK/TAA	**$0.697 Billion**
AG-ENVIRONMENTAL (Crop Insurance, Environmental Conservation, Forest Service)	**$0.720 Billion**
MISCELLANEOUS	**$0.462 Billion**
- Veterans	
- Transportation	
- District of Columbia	
- Social Security Administration	

TOTAL: $28.6-$40.5 Billion

TOTAL (w/ School Construction As Tax Cut): $23.6-$35.5 Billion

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SOURCES OF FUNDING FOR NEW INITIATIVES

(preliminary estimates, dollars in billions)

	FY 1999	5 years
Mandatories:		
Veterans tobacco (INCREASE to the deficit)	0	6.4
Cost allocation	0.5	2.9
Education reform	0.9	3.6
State bank fees	0.1	0.5
Child support enforcement	0.06	0.3
Agriculture	0.3	1.6
Subtotal	**1.9**	**15.3**
Limited Use Mandatories:		
Directed State use of tobacco settlement	**2.3**	**14.9**
TOTAL, MANDATORIES	**4.2**	**30.2**
Medicare:		
Medicare error reduction/modest policy changes	0.2	2
Medicare income-related premiums	2	12
Subtotal	**2.2**	**14.0**
Revenues:		
Options from the FY 1998 budget	**2.8**	**19.9**

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THE WHITE HOUSE

WASHINGTON

December 6, 1997

MR. PRESIDENT:

According to the Pastor of the Lutheran Church in Paducah, Kentucky, Rev. Paul Donner, the information on the family of Michael Carneal, the accused young man, is as follows:

Parents: John and Ann Carneal
3650 Maxon Road
Paducah, Kentucky 42001
(502) 442-9603

Sister: Kelly

Rev. Donner can be reached at home at (502) 442-5218 or at his church at (502) 442-8343.

Sean Maloney

Copied Maloney Bowles

Received with WJC to Q

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

Kaines
Bowles
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THE DIRECTOR

December 26, 1997

12-30-97

MEMORANDUM FOR THE PRESIDENT

FROM: Franklin D. Raines

SUBJECT: FY 1999 Budget Wrap-Up

On December 12, we met with you to review recommended FY 1999 discretionary levels for base programs and new initiatives. This memorandum describes the dollars we have added to settle most of the agency appeals and seeks your final decision on the remaining appeals. It also reviews the final composition of the Investments Funds for America, the major mandatory spending initiatives, and the offsets we use to pay for both mandatory and discretionary spending increases.

In mid-November, we passed back to the agencies $560 billion in preliminary funding for base programs. This "passback" provided the minimum funding necessary to continue basic operations, but reserved additional dollars for you to spend on your highest priorities. Since passback, we have added $6.3 billion to fund continuing and new priorities and to settle agency appeals -- with the exception of the eight agencies that appealed to you last Friday.

Presidential Appeals

Below is a brief summary of the eight pending appeals and our recommendations to resolve them:

- **ONDCP.** ONDCP has appealed for more funds for drug treatment, school coordinators, port and border security, Andean coca reduction, and a Caribbean initiative. We have approved increases of $762 million (+5 percent) over 1998, which we believe is a responsible level of commitment. If you would like to provide additional drug funding, we recommend adding $100 million to the Substance Abuse Block Grant, which would provide treatment for approximately 600,000 individuals by 2003.

  OMB recommendation ✓ Let's discuss _____

- **Health and Human Services.** Secretary Shalala wants $1.3 billion in addition to the $1.5 billion we have added over 1998 enacted levels. We recommend adding $21 million for Early Head Start slots and $100 million to the Substance Abuse Block Grant (as part of the ONDCP appeal). We also recommend $10 million for a North Dakota drug prevention project sought by Senator Daschle and that HHS spend an additional $65

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million to prevent infectious diseases, by reprogramming excess State immunization dollars.

OMB recommendation ✓ Let's discuss _____

- **Education.** Secretary Riley wants $800 million more than the $1.6 billion over 1998 levels that we have allocated to the Department of Education. This is a smaller discretionary increase than in past years; we have larger increases for education in other parts of budget -- +$5 billion in school construction through tax benefits and $7.7 billion in mandatory spending to increase the number of teachers. In our meeting two weeks ago, you expressed some concern that we had added funds to new initiatives at the expense of core education programs. The joint OMB/NEC/DPC recommendation reallocates funds to Title I and Afterschool Programs (+$100 million each) and to Early Head Start (+$21 million).

  OMB recommendation ✓ Let's discuss _____

- **Transportation.** Secretary Slater has appealed for $4.5 billion above the passback. In our meetings with Erskine and the budget group, we have added $3.0 billion to bring highways, highway safety, transit programs, and airport grants to the 1998 enacted level. We have also started in 2000 new fees of $1.7 billion annually.

  OMB recommendation ✓ Let's discuss _____

- **Veterans Affairs.** Our preliminary mark for VA, including both mandatory and discretionary spending, is more than $500 million higher than 1998 enacted levels. Acting Secretary Gober is appealing for another $220 million because the discretionary portion of the VA budget alone is that much less than the 1998 level. The VA proposes to spread the $220 million among research, benefits administration, and construction. If you want to bring the VA discretionary budget up to the 1998 level, we suggest adding dollars for medical and prosthetic research ($66 million); medical administration ($2 million); smoking cessation ($87 million); and general operating expenses ($65 million).

  Add $220 million ✓ Let's discuss _____

- **Agriculture.** Secretary Glickman has appealed for a new mandatory initiative to provide free breakfasts to all children through Grade 3, regardless of income, and to increase the reimbursement rates and number of meals in existing feeding programs. We have already included in the 1999 budget $2.5 billion in Food Stamp benefit restorations for vulnerable immigrant families with children and refugees and asylees. We recommend not including USDA's proposal in the budget because there is no compelling need for this program and because it does not have support among your senior advisors or the constituency groups that normally support nutrition programs.

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OMB recommendation ✓ Let's discuss _____

- **Environmental Protection Agency -- Clean Water.** Carol Browner has appealed for funding in a number of areas, and particularly for $450 million more annually in EPA's water State Revolving Funds, which we have reduced to pay for the new Water Quality Initiative. As a result of our discussions with Ron Klain, we have raised funding for this initiative to $2.45 billion over five years -- more than the amount by which we reduced the SRFs. We recommend adding another $150 million in budget authority (and no outlays) to the SRFs, and believe that Ron Klain would support this increase.

  OMB recommendation ✓ Let's discuss _____

- **Commerce -- Census 2000.** Secretary Daley has appealed for $128 million to prepare for both possible types of Census enumeration (sampling and traditional house-to-house). We recommend an additional $36 million to fully fund the agreement with Congress on the dual-track census demonstration through February 1999. We have ***not*** included funds for infrastructure (e.g., field offices) to support traditional full enumeration. Our position, which is supported by your senior advisors, is that the 1999 budget should include funds for the dual track approach, consistent with the agreement, but not include funding that pre-judges the decision about which enumeration method we will use.

  OMB recommendation ✓ Let's discuss _____

Other Outstanding Issues

In addition to the major agency appeals, there are several smaller outstanding issues:

- **Army Corps of Engineers.** The Corps' 1999 construction budget of $864 million is $605 million (40 percent) below 1998 enacted. This level allows us to fund continuing water projects at about $18 million each in 1999, after protecting a limited number of Administration priority projects. This funding level would accommodate projects in which you have expressed an interest.

  Below is more information on the two projects we discussed with you:

  -- **Kill Van Kull Project (New York and New Jersey)** -- In July 1996, the Vice President announced a plan to help ensure the long-term competitiveness of the Port of New York and New Jersey, including studying the viability of a 50-foot deep Port. Construction of the 45-foot Kill Van Kull project was not a commitment in the plan. However, local sponsors believe it is implicit in the commitment to study a 50-foot port, and CEQ believes strongly that the Administration should fund construction of the project.

We recommend providing $10 million for this project in 1999, which can be accommodated within our total Corps budget. Including even a low funding level in 1999 means a commitment to eventually fund the full $505 million Federal cost. A second option is to fund the project at the Corps' requested level of $32 million, which would make the Port of New York and New Jersey the Administration's highest priority port and would be considered unfair by other ports that will get minimal 1999 funding, some of which have been under construction for several years. A third option is to not include any funds for Kill Van Kull, which would allow limited available funds to be focused on completing projects that are further along in construction.

-- **Grand Prairie and Bayou Meto Projects (Arkansas)** -- Senator Bumpers met with you on December 19 to discuss these two segments of a large agricultural water supply project in Arkansas. The total cost is $507 million, of which $330 million is Federal and $177 million is non-Federal. The project would transfer surface waters in certain basins to water-depleted areas where the original water source has been nearly exhausted as a result of intensive, long-term pumping for agricultural use.

As currently designed, this project is inconsistent with long-standing Administration policy not to propose the study or construction of single-purpose municipal or agricultural water supply projects. However, the Corps could work with State and local interests to modify the design to include more environmental features and make it a model of sustainable ground water and surface water uses, making the project more consistent with Corps policy. These changes are likely to increase the costs of what is already an expensive project. Our recommendation is based on Corps estimates that $14 million in 1999 and $215 million for 1999-2003 would be an optimum construction schedule for these two segments.

OMB recommendation _____ Let's discuss _____

- **Constitution Center.** Mayor Rendell of Philadelphia has urged you to include funds to build a new National Constitution Center (NCC) museum on Philadelphia's Independence Mall. Rendell is seeking $65 million in Federal funds to cover half of the $130 million that NCC plans to raise. We recommend $500,000 in National Park Service (NPS) technical assistance to develop much-needed detailed construction plans and cost estimates. An alternative would be to provide Federal matching funds for costs directly related to construction (excluding funds for an endowment and other non-construction items), which would suggest a Federal share of about $30-45 million over three years. This would be much more expensive than typical NPS projects, and without the required planning, it is difficult for us to judge whether the estimates are sound.

OMB recommendation ______ Let's discuss _____ 12-30-97

Other Policy Changes

We have also added or reallocated funds to address specific concerns raised in our meeting with you on the 12th:

- **Food Stamps.** Last week, you approved a $2.5 billion restoration of Food Stamp benefits for all immigrant children and their families, regardless of whether they entered the country before or after August 1996 (consistent with our policy that this cut-off date is arbitrary). Since then, we have heard from immigrant groups and other advocates who argue that -- while they strongly support this policy -- it will be difficult to achieve in Congress. They also argue that it will be divisive within the immigrant community unless we also restore benefits for the disabled and elderly population entering the country prior to August 1996.

  In light of their strong views, we recommend a reconfiguration of the $2.5 billion to partially restore Food Stamps for the elderly and disabled. We can do this with only slight alterations in the children's benefit policy (e.g., deeming where there is a binding affidavit of support) coupled with some noncontroversial reductions in other programs. NEC, DPC, and OMB jointly recommend this change, provided that the constituency groups join us in recommending that the children's benefit restoration is the highest priority. We will consult with these groups after the holidays.

- **International Programs.** You specifically asked about funding levels for New Independent States, Eastern and Central Europe, and the Agency for International Development. We have added $368 million to these programs in aggregate:

  -- +$175 million for New Independent States, for a total of $946 million, 23 percent over 1998 enacted;

  -- +$85 million for Development Assistance (Agency for International Development programs), for a total of $1,774 million, 3 percent over 1998 enacted;

  -- +$28 million for Central and Eastern European States, for a total of $465 million, 4 percent below 1998 (due to the successful completion of country programs in some northern countries) and level with 1998 for Bosnia programs; and

  -- +$80 million for Economic Support Funds, for a total of $2,449 million, 1 percent over 1998.

- **Millennium Programs.** The table at TAB A shows all of the programs we have identified as contributing towards recognition of the Millennium. You and the First Lady have been particularly interested in the following component programs:

  -- We have included $50 million in 1999 and 2000 in Interior's existing Historic Preservation Fund to support Federal, State, local, and private preservation activities related to recognition of the Millennium. We will propose legislative language to facilitate transfer of these funds to other Federal and non-Federal entities, with coordination by a new Millennium Council.

  -- We have included $178 million -- $28 million more than the $150 million requested in 1998 and more than $1 billion over five years -- to finance backlog construction projects in the National Parks. (In 1998, Congress added $76 million in unrequested, low-priority, non-backlog construction.)

  -- We have discussed with Archivist John Carlin whether relocating the Charters of Freedom to the Smithsonian, even on a temporary basis, might provide better security and more opportunity for the public to see these historic documents. Carlin asked for more time to review the issue. We have provided Carlin a total of $75 million, of which $71 million is to renovate the main Archives building on the Mall and $4 million is to re-encase the Charters of Freedom. We are discussing with him establishment of a Presidential Commission that would recommend ways to increase access to and security for the Charters.

- **Climate Change.** The Vice President was also concerned about funding for climate change. The total program is currently $2.5 billion in discretionary funding and $3.5 billion on the tax side. We are funding increased R&D to reduce carbon-dioxide emissions through the use of solar and renewable energy and increased energy efficiency in buildings, industry, and transportation. We are also providing incentives for deployment of the best available technologies, research to reduce industrial emissions of greenhouse gases other than carbon-dioxide, and research on agricultural and industrial methods of removing carbon-dioxide from the atmosphere.

- **Courthouses.** The 1999 budget does not include any funds for courthouse construction; instead, we spend the limited dollars available in the Federal Buildings Fund ($44 million) on high priority Federal construction projects. The Federal government spent $3.2 billion on courthouse construction between 1990 and 1997; since then, Congress has been critical of escalating courthouse costs and the need for non-courthouse Federal construction. Both the Congress and the Administration have pressed the Courts to do better utilization studies to measure the need for additional courthouse space. Thus far, the Courts have been unwilling to do these studies. Our strategy for 1999 -- consistent with the position taken by the Appropriations Committee in 1998 -- is to withhold further construction dollars while we continue to encourage the Courts to do these studies.

- **Local Law Enforcement Block Grant.** We include no funding in 1999 for this program, for which Congress appropriated $523 million in 1998. We proposed to eliminate this program in your 1998 budget. We can expect some criticism from local law enforcement groups for this reduction.

- **Cancer clinical trials.** After much internal discussion of how to configure a new program to pay for the medical costs of clinical trials, your senior advisors have settled on a formulation that would use tobacco receipts to finance a three-year HCFA demonstration limited to NIH-sponsored trials. We estimate this demonstration will cost $750 million over three years.

Investment Funds for America

We propose to showcase investments in the your budget and establish a mechanism to offset discretionary spending with mandatory offsets by creating a set of Investment Funds. Each Fund is financed by reducing the discretionary caps **and** by new or expanded dedicated revenues and/or mandatory offsets.

The **Research Fund for America** includes all of the National Institutes of Health and the National Science Foundation, and certain research activities of the Departments of Energy, Commerce, Agriculture, Veterans Affairs, and NASA.

-- The Research Fund is financed in part by tobacco tax revenues, an extension of the tax on gasahol, and the repeal of VA tobacco-related compensation.

-- The Fund spends $28 1 billion in 1999 (a 8.4 percent increase over 1998) and $154.4 billion over five years. NIH's National Cancer Institute (NCI) increases by 65 percent by 2003, and the rest of NIH increases by 48 percent over the same period.

In addition, the Research fund increases National Science Foundation spending by 10 percent in 1999 and approximately the rate of inflation annually thereafter. It also increases funding for research by the Food and Drug Administration, the Centers for Disease Control, the Agency for Health Care Policy and Research, NASA, Veterans health care, Interior, Commerce, USDA, and Education.

The **Environmental Resources Fund for America** includes enhanced construction, maintenance, and land acquisition for Interior's and USDA's land management agencies (including national parks and forests); the new multi-agency water quality initiative for ` and watershed restoration; water infrastructure, including EPA's Clean Water and Drinking Water State Revolving Funds (SRFs) and USDA's water/wastewater assistance; and EPA's Superfund program to clean up hazardous waste sites.

-- The Environmental Resources Fund is financed in part by extension of the Superfund tax.

-- The Fund spends $8.2 billion in 1999 (a 12 percent increase over 1998), and $38.6 billion over five years. The largest increases in the Fund are $1.6 billion over five years for the multi-agency water quality initiative, which will provide assistance to States, farmers, and Federal land management agencies to restore up to 1,000 U.S. watersheds over the next several years; and $2.4 billion over five years for land, water, and facility restoration programs to address critical facility maintenance and construction needs of Federal land management agencies (including national parks), and conserve priority resources through Federal land acquisition from willing sellers.

The **Transportation Fund for America** includes the Department of Transportation's surface transportation activities, and all of the Federal Aviation Administration. The

-- The Transportation Fund is financed in part by new FAA user fees.

-- The Fund spends $36.7 billion in 1999 (1.7 percent more than in 1998), and $189.0 billion over five years. Surface transportation is funded at the 1998 enacted level of $27.1 billion. FAA airport grants are funded at the 1998 enacted level of $1.7 billion, and fully-financed by user fees starting in 2000. FAA air safety programs -- including air traffic control modernization and security -- are funded at the levels recommended by the Gore Commission through 2003.

Because we use revenues and mandatory savings -- the tobacco tax, VA tobacco, the gasahol tax, Superfund, and FAA fees -- to offset the new spending in the Funds, we are able to reduce the discretionary caps by less than the amount in the Funds, which leaves room to finance your other priorities.

Mandatory Initiatives

Last Friday, we showed you a schedule for raising the tobacco excise tax that would produce $65.6 billion in additional revenues (above current law) over five years. The Research Investment Fund is financed by $32.5 billion of these new revenues, which leaves the remaining $33.1 billion to finance mandatory initiatives. We propose to combine these remaining tobacco revenues with $17 billion in other mandatory savers and Medicare error-reduction proposals (described below) to finance a package of $50.1 billion in mandatory initiatives over five years.

Expand the Child Care Development (5-year cost: $7.5 billion). Expansion of the Child Care Development Fund would serve an additional 500,000 to 1 million children. When combined with the program growth in current law, this Fund would serve between 1.8 million and 2.3 million children in 2003.

New Teachers/Class Size Reduction Initiative (5-year cost: $7.3 million). This initiative would increase the number of trained teachers in elementary and secondary education to help reduce class size and thus increase student achievement.

Early Learning Fund (5-year cost: $3 billion). The Early Learning Fund is a new program under the Child Care Initiative. It would offer challenge grants to communities for a range of activities, including: training child care providers; supporting family day care networks; assisting providers in meeting accreditation and licensing requirements; linking providers with health professionals; reducing child-to-staff ratios; and providing home visits, parent education and consumer education about child care.

Student Loans (5-year savings: $3.6 billion; 5-year costs: $1.7 billion; remaining savings finance other budget initiatives). The student loan initiative reforms the current guaranteed student loan program to make it more efficient and to reduce excess subsidies. The initiative would also incorporate financial incentives for more effective performance, and reduce student fees for both guaranteed and direct loans.

Legal Immigrants (5-year costs: $2.5 billion). The Legal Immigrants initiative would restore Food Stamps and Medicaid coverage to certain immigrants who lost benefits under welfare reform, and would allow States to provide coverage for children in their CHIP programs.

Medicare pre-65 buy-in (5-year costs: $1.8 billion). The pre-65 policy will allow individuals between the age of 62-64 who are not otherwise covered by Federally-sponsored health plans to buy into Medicare managed care plans at an actuarially fair rate. Also under discussion is the additional option of allowing "displaced workers" between the age of 55-62 to buy into Medicare, which would increase spending by $350-$700 million over five years.

Prior commitments and other obligations (5-year cost: $2.7 billion). Prior mandatory funding commitments include rural and urban enterprise zones, Fast Track trade adjustment assistance, USDA environment activities, benefits for Filipino veterans, DC court pensions, SSI administrative costs, and Winstar litigation costs.

Mandatory and Revenue Offsets

We are using the following mandatory savings proposals to finance both the mandatory increases and the amount of discretionary spending over the caps:

- **Tobacco tax revenues** ($3.6 billion in 1999; $65.6 billion over 5 years): Increasing the tobacco tax from the current 50 cents per pack to $1.10 by 2003 will produce an additional $65.6 billion over five years. Of the total, States will direct the spending of $23.6 billion, and the Federal government will either spend or direct the spending (by the States) of the remaining $42.0 billion.

Cents per pack:	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Proposal	**0.62**	**0.80**	**0.90**	**1.00**	**1.10**

The table at TAB B shows how we propose to spend tobacco tax revenues over 5 years.

- **VA tobacco repeal** ($500 million in 1999; $15.5 billion over 5 years): We plan to repropose legislation to reverse the recent VA General Counsel ruling that the VA must pay monthly service-connected disability compensation benefits to veterans for tobacco-related illnesses that occur after separation from the military. We estimate that 542,000 veterans are potentially eligible to claim these benefits, and an additional 6,600 will become eligible annually. We have not yet included these costs in our baseline. We plan to increase the baseline by $15.5 billion over 5 years, which will make available a PAYGO credit for eliminating these benefits.

  We understand that CBO will also estimate substantial costs over 10 years, although they will concentrate much of the spending in the last five years.

- **Medicare error reduction and other savings** ($0.14 billion in 1999; $1.82 billion over 5 years): We have worked with the DPC to develop sufficient Medicare savings proposals to finance the pre-65 buy-in.

- **Education Loan Reforms** ($0.9 billion in 1999; $3.5 billion over 5 years): Provides a direct guarantee for student loans not in the direct loan program -- rather than relying on intermediaries -- and recalls all loan guarantee reserves, plus other student loan reforms and benefits for students.

- **Cost Allocation** ($0.5 billion in 1999; $2.9 billion over 5 years): Restricts States' ability to shift their State administrative costs from TANF to Federally-funded administrative sources such as Food Stamps and Medicaid.

- **Two Agriculture Savings Proposals** ($0.3 billion in 1999; $1.6 billion over 5 years): Reduces the Export Enhancement Program (EEP) further than requested in FY 2001 through FY 2003, because market conditions (high world commodity prices projected for the foreseeable future) do not warrant the full use of EEP. A second proposal would restructure USDA's cotton user marketing certificates. We have dropped the proposal that would have re-opened the Farm Bill, and USDA supports this package. We have also added funds to extend mandatory treatment of crop insurance for five years.

- **Increase in FHA Single Family Loan Limit** ($0.2 billion in 1999; $1.1 billion over 5 years): This proposal would allow FHA to insure a single family mortgage with a principal amount not exceeding the GSE (Fannie Mae, Freddie Mac) loan limit of

$227,150. Currently, FHA may not insure a mortgage exceeding 75% of the GSE conforming limit. By raising the limit, an increased number of potential homebuyers will have access to FHA insured mortgages, thereby increasing access to affordable loans and homeownership.

- **State Bank Exam Fees** ($0.1 billion in 1999; $0.5 billion over 5 years): Requires the Federal Reserve to assess fees for examinations of state-chartered banks and bank holding companies (current law permits, but does not require, fees).

- **Child Support Enforcement** ($0.06 billion in 1999; $0.3 billion over 5 years): Savings for child support enforcement (CSE) are controversial. We have recommended the smallest and least controversial of the options, which reduces Federal funding to States to reflect an increase in the collection of State fees of $25 for non-TANF child support enforcement cases. States could collect more on a sliding scale basis, or pay the user fee out of other State resources. All TANF collections would be redirected to the States and Federal grants for State administration would be reduced by an equivalent amount.

Attachments

TAB A: Millennium spending table
TAB B: Tobacco tax revenue spending table

Millennium Program
(BA in $M)

Program	FY98 Enacted	FY99 Recommended	Comments
National Archives Capital Improvements	0	71	Provides for a four-year renovation of the Main Archives building, scheduled for the period 1999-2002 [+$71M]. The renovation project would bring Main Archives into compliance with the Americans with Disability Act and with modern fire, life safety and environmental codes. All of Main Archive major mechanical systems would be replaced.
National Archives Core Programs	221	227	The recommended level provides an additional $15M (offset by $8M in one-time 1998 costs) to allow NARA to pay for inflationary increases, as well as: (1) institute an automated front-end records management system; (2) process the increase in electronic records; (3) make electronic records more accessible; (4) accelerate records preservation activities; and, (5) plan and implement a reimbursable records center initiative.
National Park Service Operations	1,234	1,311	The recommended level provides a total increase of $78M (5%) over FY98 enacted for the six NPS items listed here. NPS operations are $77M (6%) above FY98 enacted to maintain services, meet new requirements (such as FDR Top Cottage), and address deferred critical maintenance (backlog). $35M of this increase would come from the proposed Land, Water, and Facility Restoration Intiative. Passback includes proposal for NPS to keep and spend all fee receipts to supplement discretionary funding (see below).
National Park Service Construction -- Priorities	139	178	The recommended level increases funding for priority (backlog) construction projects by $39M (28%) over FY98 enacted and $28M over Interior's FY99 request. (This excludes the $76M in unrequested FY98 funding for non-park or low-priority projects.) $38M of the increase would come from the proposed Land, Water, and Facility Restoration Intiative. In addition, a key project planned for FY99 (restore Elwha River, WA) is now proposed to be funded in FY98 through $699M for Priority Federal Land Acquisitions.
National Park Service Construction -- Unrequested *	76	0	NPS construction in FY98 includes over $76M of unrequested items, most of which were for low priorities or non-park purposes.
National Park Service Recreation Fees	137	141	To supplement operational funding and address deferred maintenance, the budget proposes permanent authority for NPS to keep and spend all receipts from recreation, entrance, and other user fees.
National Park Service Concession Fees	24	50	To supplement operational funding and address deferred maintenance, the budget proposes new authority for NPS to use all fee receipts paid to parks by park concessioners.
National Park Service Historic Preservation Fund	41	96	The recommended level includes $50M in FY99 and $50M in FY00 to support Federal, state, local, and private preservation activities related to the Millennium recognition.
Smithsonian Institution Salaries and Expenses	333	349	The recommended level includes $5 million as requested to initiate a jointly funded public/private multi-year partnership to digitize a portion of the Smithsonian collections.

TAB A

Program	FY98 Enacted	FY99 Recommended	Comments
Smithsonian Institution Repair and Renovation (R&R)	36	46	The recommended level provides an additional $10 million to allow the Smithsonian to address the backlog of needed repairs at several of its major museums, e.g., National Museum of Natural History. The recommended funding for FY 1999-2003 will eliminate a substantial portion of the current repair backlog.
Smithsonian Institution Repair and Renovation (R&R)	0	20	The recommended level includes $20 million to relocate the "Charters of Freedom" from the National Archives to the Smithsonian National Museum of American History. These documents include the Constitution, the Bill of Rights, and the Declaration of Independence. The Smithsonian will use $4 million to preserve the charters and $16 million to display them.
Smithsonian Institution Construction			
Mall Museum -- National Museum of the American * Indian	29	16	The recommended level includes funds in FY 1999 and the outyears to complete construction and to start operations for the opening of this museum in 2002.
Other Construction	4	2	The recommended level for this account includes $2 million toward development of a jointly funded public/private partnership "Blueprint" for renovation in the National Museum of American History. A focal point of the Blueprint is the preservation program for the Star Spangled Banner.
The Kennedy Center Repair and Renovation (R&R)	9	20	The recommended level provides an additional $11 million to allow the Kennedy Center to continue major interior renovations, e.g., the Opera House. The FY 1999 renovations are part of an 11-year program estimated at $171 million. Authorization for the program will be requested in the FY 1999 budget.
The National Gallery of Art	62	64	The recommendation includes funds for the maintenance of a new Sculpture Garden being built with private funds. Funds are provided to initiate repair work on the Mall steps of the West Wing Building of the Gallery. The outyears include funds to eliminate a substantial portion of the backlog of repairs.
National Endowment for the Humanities	111	155	(Recommended amount includes $20 million from President's Initiative reserve fund.) The total recommended level includes $29 million to support preservation projects, including brittle books, digitization of humanities material, and stabilization of material culture collections.
National Endowment for the Arts	98	155	(Recommended amount includes $20 million from President's Initiative reserve fund.) The total recommended level includes $15 million for conservation, cataloging, and restoration of works of art.
Institute for Museum and Library Services	23	28	(Recommended amount includes $2 million from President's Initiative reserve fund.) Total recommended level includes $6 million to support conservation programs for museum collections to provide access to museum collections through the Internet.
TOTAL with Major Construction*	2,577	2,929	
TOTAL without Major Construction*	2,472	2,913	

* NOTE: These special items include major construction which in FY 1998 and 1999 make comparisons problemmatic. For example, in the case of American Indian Museum, the decline in budget authority hides the fact that the President's budget has sufficient authority to complete the museum in the outyears.

TOBACCO LEGISLATION

	1999	2000	2001	2002	2003	Total FY99-03
USES OF RECEIPTS FROM TOBACCO LEGISLATION						
Federally Operated Programs						
Research Fund for America	3,553	4,619	5,176	5,733	6,268	25,349
CDC Smoking Prevention	59	61	62	64	65	310
FDA Enforcement Activities	271	279	286	294	302	1,432
Medicaid Child Outreach Reforms	120	160	200	200	220	900
Cancer Clinical Trials Demonstration	200	250	300	--	--	750
Subtotal, Federally operated programs	4,203	5,368	6,024	6,291	6,856	28,742
Federally Directed State Programs						
Child Care & Development Block Grant						7,500
Teachers Initiative						7,335
Subtotal, State prgms with Federal direction	2,255	2,580	2,900	3,300	3,800	14,835
Cessation, Other State & Other Uses	3,300	3,891	4,582	4,972	5,362	22,107
Total Uses	9,758	11,839	13,506	14,563	16,018	65,684
TOBACCO LEGISLATION RECEIPTS REQUIRED						
Approx. Equivalent Per-Pack Amount Required (current $)	$0.62	$0.82	$0.95	$1.09	$1.24	
Federal Programs, Total	4,203	6,859	7,506	7,863	8,418	34,849
State Programs with Federal Guidance, Total	2,255	2,580	2,900	3,300	3,800	14,835
Other State & Cessation & Other Uses	3,300	2,400	3,100	3,400	3,800	16,000
Total Additional Net Receipts	9,758	11,839	13,506	14,563	16,018	65,684

THE WHITE HOUSE

WASHINGTON

12/30/97

December 29, 1997

MR. PRESIDENT:

The attached Berger/Hilley memo seeks your approval of a NATO enlargement strategy for early 1998.

John Podesta and Sylvia believe the strategy is sound, but think the specific scheduling proposals should be hashed out in the scheduling process to ensure coordination with other plans. Rahm believes if the enlargement effort is likely to be successful, it should be a top priority for early 1998 to give you what the Chemical Weapons Treaty gave you in 1997 -- an early win.

Approve (subject to scheduling) ✓

Disapprove ___

Discuss ___

Sean Maloney

Copied
Berger
Hilley
Bowles

8124

'97 DEC 17 PM5:09

THE WHITE HOUSE

WASHINGTON

December 17, 1997

ACTION

MEMORANDUM FOR THE PRESIDENT

12/30/97

FROM: SAMUEL BERGER
JOHN HILLEY

SUBJECT: Strategy for Completing Ratification of NATO Enlargement

Purpose

We are close to completing one of the most important transatlantic security initiatives since the Cold War: the enlargement of NATO. With a concerted effort by you and your national security team, a successful Senate vote could occur by mid-March. That outcome will boost the ratification efforts in other NATO states, send a strong signal of continuing U.S. commitment to Europe, reaffirm American leadership abroad, and build momentum for other administration initiatives. This memorandum describes the status of the process and proposes a strategy for your involvement in the final push for ratification. If you approve the strategy, we will work closely with your schedulers to determine which events will fit on your calendar.

Background

Status of the Process

The individual protocols of accession, which will amend the Washington Treaty of 1949 to add Poland, Hungary, and the Czech Republic to NATO, were signed by Secretary Albright and her counterparts at the NAC Ministerial on December 16. NATO Ministers also approved studies on the military requirements and costs of enlargement. As we informed Congress -- to its relief -- these studies project lower costs than our earlier estimates.

The protocols must now be ratified by all 16 member states, including a two-thirds vote in our Senate. We expect all 16 allies, plus the three new states, to ratify by NATO's fiftieth anniversary in April, 1999.

cc: Vice President
Chief of Staff

The U.S. ratification effort is proceeding well. The Senate launched its process of advice and consent on October 7 with a set of hearings that generally were positive. Senators Lott and Helms, along with other key members in both parties, are now solidly in favor. The Senate NATO Observer Group, which has met with you and other key officials here and in Madrid, has been an important vehicle for building Senate understanding and support. Senate concerns over cost, Russia, and other issues have abated somewhat.

Despite these positive signs, we now must wage an energetic, visible effort to ensure that ratification succeeds. Many supporters, particularly Democrats, remain lukewarm. Clear signs of your personal commitment will be essential to nail down the necessary votes. Even if we have the needed two-thirds votes, we will face difficult battles over reservations on such issues as cost, Russia, NATO cohesion, war powers, and future rounds of enlargement. We must also address questions about the relationship between enlargement and post-SFOR, particularly as they relate to burdensharing and our continued commitment to European stability. We will want to harness the momentum on enlargement to help meet our post-SFOR goals. A strong, early show of your involvement can strengthen our hand for those battles and minimize the time you will need to spend on this just before the vote.

Proposed Strategy

Attached is a proposed calendar for our final ratification campaign. It builds on nation-wide administration efforts that have been underway since establishment of our NATO Enlargement Ratification Office in March. Our strategy for the final months is built on three key concepts: 1) a strong push by you in your State of the Union address and in a White House event immediately thereafter; 2) an intensive effort during February by your national security team and others to lay out the case for the public; and 3) home-stretch efforts to defeat objectionable amendments and obtain the necessary two-thirds vote.

1. **Presidential launch.** Your December 16 press conference was extremely successful in highlighting the issue of enlargement and demonstrating your personal commitment. In particular, your announcement of our intent to host the anniversary summit in 1999 gave important focus and momentum to the ratification effort. As a next step, you should give prominent mention to NATO enlargement in your State of the Union address on

THE PRESIDENT HAS SEEN
12-30-97

January 27. Then, within the following week, you would host a major White House event with your national security team, former presidents, former secretaries of state and defense, and key constituency leaders (we now have support from ethnic, veterans, business, labor, religious, and human rights groups). You would transmit the treaty amendments to the Senate that same day. This launch would establish your personal investment in this effort while sending signals of broad, bipartisan support.

2. **February campaign.** During February, both the administration and outside, pro-enlargement groups would undertake a series of events to build on the momentum created by the White House launch. As the attached schedule indicates, these would include: speeches by Administration principals; positive statements by visiting European leaders (not only from the three invited states, but probably also from others in the region, such as Bulgaria); endorsements by retired U.S. military leaders; op-ed articles by European and American leaders; and Administration meetings with key Senators. We expect the Foreign Relations Committee to hold additional hearings (although perhaps only one) during late February, and other committees (Armed Services, Appropriations) may hold hearings as well.

3. **Final efforts.** We now have a clear majority on this issue in the Foreign Relations Committee, which may report out its resolution of ratification as early as the first week in March. Floor debate could begin immediately thereafter. Our focus at that point will be to obtain, to the extent possible, a "clean" vote, free of objectionable reservations. Lobbying by administration principals, combined with active support from the coalition of supportive groups, should make it possible to achieve this goal. We also have organized an instant response capability to coordinate administration reactions to events, press stories, and events on the Hill.

RECOMMENDATION

That you approve the strategy described in this memorandum.

Approve ✓

Disapprove _____

Attachment
Tab A Calendar

As of: 12/1/97

NATO Enlargement: Ratification End-Game Calendar

Week of:	Pre-1/26	1/26	2/2	2/9	2/16	2/23	3/2	3/9-3/16
Theme:	**Pre-Kick-off:** Build momentum	**Kick-off I:** Begin launch in State of Union	**Kick-off II:** Complete launch at WH	**Nat. Security:** Stress benefits to the U.S.	**Taking it to the public:**	**Hearings:**	**Europe's View:**	**Final push & victory:**
Events:	**12/2 - NAC/D Ministerial** **12/16 - NAC Ministerial** **12/?**-Briefing for SNOG staff on ministerials, studies **TBD - Vets mid-winter mtgs:** key admin officials talk to vets mtgs in DC **TBD - Briefings for ethnic groups** **TBD - Press year-in-review pieces:** work N+ into year-in-review stories **1/? -** Review transmittal w/ key Hill staff **1/16 - Baltic Charter signing** **1/26 - AFL-CIO Endorse:** Exec. Council adopts resolution **TBD - Finish briefing books for Congress; publish pamphlet on NATO+ for public and press**	**1/22 - Finish transmittal:** IWG agreement on documents to submit to Senate **1/26 -Congress returns** **1/27 -State of the Union:** POTUS stresses NATO+	**2/2 (T) -WH Kick-off:** POTUS w/ VP, Nat Security team; former POTUSs, SecStates/Defs; constituency leaders; transmit to Senate **2/4 - Military/vets endorsements:** vets/MSO groups + retired mil. leaders to stress national security stakes **2/3 - Albright speech? (T):** in or outside of DC, stressing strategic rationale **2/2-6-Speeches** by other principals, top retired military leaders **(T)**	**2/? - POTUS Budget:** POTUS sends budget to Hill; narrative stresses NATO+, lays out cost **2/6 - SecDefs op-ed?** Op-ed signed by one or more former SecDefs, stress nat security **2/10 - Coalition press event:** press conference by full NATO+ coalition; each part stress why they favor (business, labor, human rights, etc.) **2./9-13 - Coalition op-eds:** articles by different segments of the coalition stressing the case for NATO+ from their perspective	**[2/14-22 - Senate on recess]** **2/16 - Talk radio blitz:** WH event with talk radio hosts and key admin. officials to make case to the public **2/17 - Ed board conference call:** MKA or other official do conference call w/ ed boards [Administration pamphlet on NATO+ will have been distributed nation-wide by this point] **TBD - compilation of outreach:** have summary stats on extent of admin outreach on N+	**2/24 - SFRC hearing (T):** SFRC does only hearing with MKA, Cohen, and Gen. Shelton to lay out basic rationale **3/3-8 - POTUS op-ed? (T):** states rationale and asks for Senate support **2/24-3/6 - SASC/SAC hearings?:** focus on NATO+ costs; testimony by DoD **2/25 - House event? (T):** Event with House members stating support, stressing acceptance of cost	**3/? - CEE leaders (T):** leaders from 3 invited states (incl. Polish PM Buzek) and other CEE (e.g., Bulgarian Pres. Stoyanov) likely in DC, meet with key members; endorsements by visiting CEE leaders throughout this period. **3/2-6 -Op-eds by European leaders (T):** Op-eds in key papers by Blair, Kohl, Solana, etc. on need for NATO+ **3/5- SFRC report:** SFRC approves NATO+, adopts report stressing case for NATO+ **3/6 - Coalition event:** NATO+ coalition press conf. to stress united front for ratification w/o harmful reservations	**3/10 - Cabinet to Hill:** MKA, others on nat sec team go to Hill; POTUS, VPOTUS, nat sec team calls to key Senators, as needed. **3/10 (approx) - Floor debate begins:** Lott, Helms, Biden kick off floor debate; stress reasons for support. Reservations considered and modified/defeated **Final passage:** POTUS press remarks same day **Next day news conference and follow-up events:** Admin officials do press conference, For. Press Center, stressing lessons learned from NATO+ debate. Articles by key officials follow drawing "lessons."

Throughout: breakfasts/mtgs. w/ Senators w/ POTUS, VPOTUS, SecState, SecDef, NSA, DepSecDef, as required

Currie

THE WHITE HOUSE

WASHINGTON

December 24, 1997

The Honorable John W. Carlin
Archivist
National Archives and Records Administration
7th and Pennsylvania Avenue, NW
Washington, DC 20408

Dear John:

Congratulations on your upcoming wedding! Hillary and I are so delighted for you and send our best to you and your bride-to-be.

We wish you great joy as you embark on your life together -- filled with lasting love, growing wisdom, and courage in the tough times.

God bless you both.

Sincerely,

Bill

Eileen
No letter
cc: Here
12/22
Re

John Carlin
is getting
married

December 17,1997

Bob,

Just talked to Governor Carlin. He wanted me to let you know that he is getting married a week from this Saturday. He is marrying a woman who is the ex wife of Lou Bellardo, his deputy at the Archives. His deputy is cool with this - they've been separated and divorced for some time.

John thinks that there might be something in the gossip column tomorrow in the Post....so, he wanted to let you know because of personal reasons, but also because of the potential publicity. Maybe you should mention it to Nancy or the POTUS, if you get a chance...they may want to know before reading it.

He seems very happy. I told him to just keep on doing the great job that he is doing and the turkeys will get out of the way.

It was great seeing you.....I miss you all! Hi to everyone!

Peg

currie

key to find

WHITE HOUSE
WASHINGTON

December 24, 1997

Sheila and Jon Springs
1541 Beach Park Boulevard
Foster City, California 94404

Dear Sheila and Jon:

Thanks for your good letter and the kind invitation to your annual holiday buffet. It sounds like you had a great group of guests. We wish we could have joined your celebration.

Hillary and I send you our very best for the holidays and the new year -- and we hope to see you soon.

Sincerely,

Bill

I'll try to create the picture — Thanks

Jon and Sheila Springs
1541 Beach Park Boulevard
Foster City, CA 94404

December 2, 1997

President Bill Clinton
The White House
1600 Pennsylvania Avenue N.W.
Washington, DC 20503

Dear Bill:

It has been a long time since we last wrote to you.

Jon and I regret that we were not able to attend the Ultimate Hot Springs High School Class Reunion and the kick-off of fundraising for the William Jefferson Clinton Cultural Campus. Of course you know that we were there in spirit. Thanks to a thoughtful classmate, we have a copy of the September 28 Sentinel with a photo of Kevi impersonating Johnnie Mae Mackey!

Now that Chelsea is just a few blocks away from Sheila's office in Palo Alto, perhaps we (and the 1992 and 1996 Clinton/Gore campaign volunteers!) will have an opportunity to see you on one of your visits to see Chelsea?

And for your first such opportunity, enclosed is a Notice of our Club's Annual Holiday Buffet and Charitable Giving Drive. We know what a security problem this poses, but it would certainly be a treat for everyone! We are asking our invited elected representatives to share a personal holiday memory during their community and political service that has demonstrated the true meaning of the season. If all of the invited representatives join us, it will be quite the line up! We have invited all of our Democrats: Congressman Lantos; Congresswoman Eshoo; Senator Sher; Assemblymen Ted Lempert and Lou Papan; former Assemblywoman Jackie Speier; County Supervisors Rich Gordon, Mary Griffin and Mike Nevin; San Mateo City Councilwoman and former County Democratic Party Chair, Jan Epstein; San Mateo Mayor Sue Lempert; and Foster City Councilwoman and former Mayor Eileen Larsen. Of course, no SMFC Holiday Buffet would be complete without our esteemed County Registrar of Voters, Warren Slocum (even if we don't know for certain he's a Democrat)!

We know that there is little likelihood that you will be joining us, but we at least wanted you to know that we are both thinking of you, Hillary and Chelsea during this holiday season! Our New Year's wish for all of you is that the Republicans will give up this foolish waste of time and taxpayers' dollars pursuing imaginary offenses! Let them get on with the jobs for which they were actually elected.

Take care of yourselves and we hope to visit with you in the near future!

Always,

Sheila + Jon

P.S. There was a photo taken of the three of us at the Reception following your speech at the Morris E. Daley School in September 1996? If you possibly can arrange it, we'd love to have a copy!

n Mateo/Foster City Democratic Club

Holiday Buffet
and Charitable Giving Drive

Join Our Elected Representatives
in
"Sharing Holiday Memories
and
Favorite Foods"

7:00 PM, December 17, 1997
Carpenter's Hall, 1153 Chess Drive, Foster City

What to Bring:

Your Favorite Dessert, Salad or Side Dish to Share
(Turkey and Ham will be Provided)
AND
Non-Perishable Food Items for "Samaritan House" or "Second Harvest Food Bank"
or an Unwrapped Toy for "Toys for Tots"

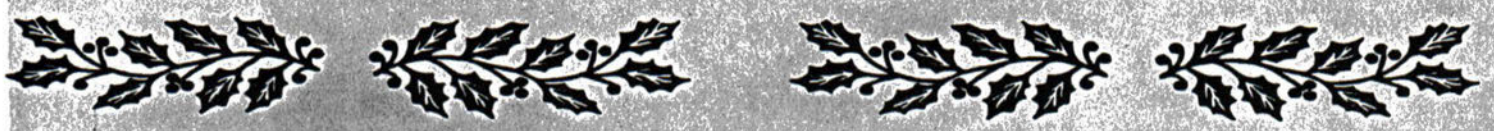
Election of Delegates to California Democratic Council Convention 1998

Short on Gift Ideas? How About an Entertainment Book?
They will be on sale through December 31

Annual Membership Dues are Payable by January 1

RSVP REQUIRED: Call Sheila 650-572-0266

For Information or Directions: 650-572-0266



COMPUTER GENERATED / LABOR DONATED

From: E. A. G. Brentwood, TN

12-30-97

DAN -

PER OUR CONVERSATION

- SEAN

Dept 15?

Gene Autry Material

THE PRESIDENT HAS SEEN
12-3-97

THE PRESIDENT HAS SEEN
12-3-97

December 2, 1997

President Bill Clinton
1600 Pennsylvania Ave.
Washington D.C. 20515

Dear President Bill Clinton,

As per our conversation, please find a packet of information regarding Gene Autry, enclosed in this packet.

I didn't want to bring it up during our Thanksgiving break, I think you can understand.

Mr. Autry's supporters are hoping he will receive the Presidential Medal of Freedom. Since he is 90 years old and in poor health. Time is of the essence. If you decide he warrants this honor, please let me know.

Thanks again for the great time at Camp David.

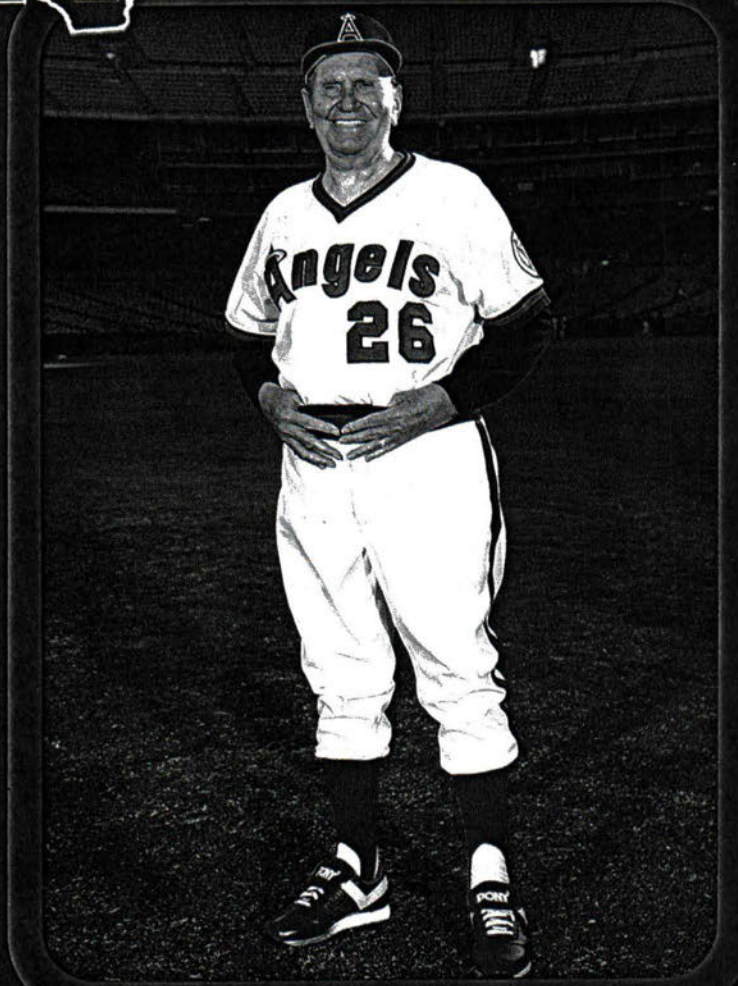
With Regards,

Tony

Tony

GENE AUTRY

CHAIRMAN OF THE BOARD



26 GENE AUTRY

CHAIRMAN OF THE BOARD

It's not easy to describe a legend because, more often than not, the words are simply too difficult to come by . . . In Webster's "New World Dictionary," a legend is described as a "notable person whose deed or exploits are much talked about in his own time." . . . California Angels Chairman of the Board Gene Autry certainly fits that criteria — and more — as Reggie Jackson explains . . . "If I didn't have a dad, I'd want him to be my dad. He's just a man you have to love. He's a man I don't think you need to have a contract with. He's a real cowboy — his word is his bond, his saddle is his ride, his horse is his best friend. If you're his best friend, you've got no worries. If he likes you you're rich — and I don't mean that monetarily." . . . Chimed in one writer, "In the movies, he lived by the 'Cowboy Code of Ethics' — the cowboy must always tell the truth; he must never go back on his word, or a trust confided in him; he is a patriot. Today, he (Mr. Autry) is the same humble man, treasuring the same set of values that he portrayed to us on the screen and on radio. You see, Gene Autry is unique. He never had to change to play a role on the screen. He portrayed himself and the values he believes in." . . . And just what is Autry's response to all this? . . . "I have never felt that what I did for a living made me a big shot. I don't feel that way now and I hope I never will. You don't give up the values of a lifetime because you discover people will pay to look at and listen to you. They will do the same thing to watch trained seals catch fish." . . . During a career that spanned more than 50 years in the entertainment industry, Autry has been the recipient of numerous honors. Among his plentiful career achievements are: 93 films, 2,000 recordings, 300 of which he wrote himself, and more than 40 million records sold. He received the first Gold Record ever awarded and nine overall. He was elected to the Country Music Hall of Fame in Nashville in 1969 and the Nashville Songwriters Hall of Fame the following year. In the winter of 1960-61, Autry attended baseball's major league meetings in St. Louis in search of a team to broadcast. He returned as owner of the expansion Los Angeles Angels, later to become the California Angels in 1966.

Prior to the final game of the '82 season, October 3, the Angels team, en masse, presented owner Gene Autry with uniform No. 26—symbolic of the 26th man on the club—in a display of affection toward the chairman of the board.

GENE AUTRY

On Sunday, August 23, 1953 an editorial appeared in the Boston Herald. It was entitled "Ambassador on Horseback" and went as follows:

"One of America's best diplomats is Gene Autry. Through the medium of his radio show, he is doing a great deal to help Great Britain and the United States understand each other. In a very simple way he has helped us to use our own interests to gain understanding. Broadcasting in London, he let our common love of horses bring rodeo lovers and horse show addicts together. For example, the English emphasis is on form, the American on what the horse and rider can do. The English saddle is perfect for a country of hedges and fences which have to be jumped, the American saddle is right for the riding range. Then he let the natural feeling for music bring us together. He presented an English folk song which is an American favorite. Then he sang an American song which was written by two Englishmen who had never left England - "South Of The Border." Perhaps Gene Autry, with a guitar and a horse, can do more than pacts and treaties to bring two people together."

Gene Autry is indeed an Ambassador for America and a role model for over three generations of children here and abroad. For millions of children who watched him on the silver screen he was the hero in the white hat, the courageous and decent person most kids aspired to be. His Cowboy Code served as an example to children and adults alike. It is every bit as pertinent today as it was over fifty years ago.

In three decades of personal appearance tours through cities and towns both large and small, up to eighty-five stops per tour, Gene Autry brought happiness, comfort, and hope to millions. Whether it was entertaining astride Champion, strumming his guitar and singing, or visiting children's hospitals and putting on a show just to see some smiles, Gene was there.

It was never about personal glory. In 1942 at the height of his popularity he left everything behind, including a $600,000 a year salary, to volunteer for the U.S. Air Force. He took flying lessons at his own expense, and then trained to fly supply planes over The Hump and other theatres of war in World War II. After serving his country he returned in 1946 to tour the South Pacific entertaining the American and Allied troops.

It is no mystery why Gene Autry has received Humanitarian Awards from the most prestigious groups in our country such as The Humanitarian Award from the National Conference of Christians and Jews, The Hubert H. Humphrey Humanitarian of the Year Award, The Scopus Award, The Horatio Alger Award, and American Patriots Medal, just to name a very few. Nor is it a wonder that he has been a friend of the United States Presidents from President Roosevelt to President Bush. Wherever he has traveled; from England, Ireland, South America, to Canada and across the States, he not only entertained, he brought a clear understanding of our Nation at its very best.

In the late 1970's Gene Autry established The Autry Foundation to assist in forwarding the goals and purposes of those worthwhile organizations dedicated to the betterment of mankind in their various areas of responsibility. Since its inception this Foundation has contributed over $85,000,000 to worthwhile charities across the nation, focusing on children, the needy, hospitals, education, and cultural endeavors.

In 1988 The Autry Museum of Western Heritage Museum opened its doors in Griffith Park, Los Angeles. The Autry is a world-class center devoted to preserving and interpreting the rich history and traditions of the American West. With one of the most comprehensive collections of Western history and art, its seven permanent galleries and special exhibits offer material gathered from the many cultures and events that have shaped the legacy of our great nation.

President Ronald Reagan once said about Mr. Autry: "Over the years Gene has done more for his fellow man than just about anyone I know. While he was in the film business Gene knew that he was serving as a role model for millions of young Americans, and he always strived for the highest standards. Through his career he used his musical and acting talents to promote decency and human kindness. His many efforts and awards in the humanitarian field speak for themselves."

Gene Autry; Entertainer, Entrepreneur, Good Will Ambassador, represents the best of the United States of America; its people, its spirit and its aspirations. Very few individuals have given more to their country. Very few people are more deserving of the Medal of Freedom than Gene Autry, a true American Hero.

# # #

GENE AUTRY

FULL NAME: ORVON GENE AUTRY

DATE OF BIRTH: SEPTEMBER 29, 1907

PLACE OF BIRTH: TIOGA, TEXAS

PARENTS FULL NAMES: MOTHER - ELNORA OZMENT AUTRY
FATHER - DELBERT AUTRY

BROTHERS AND SISTERS: DUDLEY AUTRY (DECEASED)
WILMA AUTRY GLEISSNER (DECEASED)
VEDA AUTRY COPPOLA

EDUCATION: GRADUATED TIOGA HIGH SCHOOL CIRCA 1925

SERVICE RECORD: ENLISTED IN THE AIR FORCE IN MARCH OF 1942 ACTUAL INDUCTION TOOK PLACE IN CHICAGO ON JULY 26, 1942 DURING A BROADCAST OF **MELODY RANCH** AT THE PENTAGON'S REQUEST. HE WENT IN AS A TECH SERGEANT NO. 160993. HE WAS TRANSFERED TO SANTA ANA AIR FORCE BASE FOR BASIC TRAINING. HE WAS THEN TRANSFERED TO LUKE FIELD, ARIZONA. HE WAS WITH SQUADRON #66. HE WAS ACCEPTED FOR FLIGHT SCHOOL AT LOVE FIELD IN DALLAS, RECEIVED HIS PROMOTION TO FLIGHT OFFICER AND WAS TRANSFERED TO THE AIR TRANSPORT COMMAND. HIS FLIGHT OFFICER STATUS BECAME EFFECTIVE JUNE 21, 1944. HIS FLIGHT OFFICER NUMBER IS LISTED UNDER T187089 (ALTERNATE #T137039). MR. AUTRY SERVED IN THE 91ST FERRYING SQUAD (555TH ARMY AIR FORCE BASE UNIT) AT LOVE FIELD. GENE AUTRY FLEW FUEL, AMMUNITION, AND ARMS IN THE CHINA-INDA-BERMA THEATRE OF WAR AND FLEW OF THE HAZARDOUS AIR ROUTE KNOWN AS THE HUMP. WHEN THE AIR WAR IN EUROPE ENDED HE WAS REASSIGNED TO SPECIAL SERVICES. HE TOOK A USO TROUP TO THE SOUTH PACIFIC FOR ABOUT TWO MONTHS. GENE AUTRY SERVED IN THE ARMED FORCES UNTIL OCTOBER 1945.

SPOUSE INFORMATION: MARRIED INA MAE SPIVEY AUTRY APRIL 1, 1932 IN ST. LOUIS MISSOURI. INA MAE PASSED AWAY IN MAY 19, 1980.

MARRIED JACQUELINE ELLAM AUTRY JULY 19, 1981 IN LOS ANGELES, CALIFORNIA.

AWARDS LIST ATTACHED.

CURRENT RESIDENCE: 3171 BROOKDALE ROAD, STUDIO CITY, CA 91064 HAS RESIDED AT THIS ADDRESS SINCE THE LATE 1940'S.

GENE'S MOTHER, A BEAUTIFUL AND TALENTED WOMAN IN HER OWN RIGHT, 0WAS A MAJOR INFLUENCE ON HIM AND INSTILLED HER LOVE FOR MUSIC WITH HER SON. WILL ROGERS, UPON HEARING GENE SING AND PLAY HIS GUITAR ENCOURAGED HIM TO SEEK A CAREER AS A RECORDING ARTIST AND PERFORMER. HIS FIRST WIFE, INA MAE AUTRY, WAS A GREAT INSPIRATION TO HIM AND OF TREMENDOUS SUPPORT. IT WAS SHE WHO SUGGESTED HE RECORD **RUDOLPH THE RED NOSED REINDEER** WHICH BECAME HIS BIGGEST HIT. HIS SECOND WIFE, JACKIE AUTRY, HAS ALSO BEEN OF TREMENDOUS INFLUENCE AND SUPPORT. SHE WAS INSTRUMENTAL IN HELPING HIM ACHIEVE HIS LONG-TIME GOAL OF BUILDING THE AUTRY MUSEUM OF WESTERN HERITAGE IN LOS ANGELES. THERE WERE MANY, MANY TALENTED PERFORMERS AND FRIENDS WHOM MR. AUTRY FEELS WERE OF GREAT SUPPORT IN HELPING HIM ACHIEVE HIS GOALS; HIS SIDEKICKS SMILEY BURNETTE, PAT BUTTRAM, CARL COTNER HIS LONG-TIME ARRANGER, AND MANY OTHERS.

CO-AUTHORED HIS AUTO-BIOGRAPHY **BACK IN THE SADDLE AGAIN** WITH MICKEY HERSKOWITZ IN 1978.

GENE AUTRY

HIGHLIGHTS MUSIC CAREER:

- First Recording October 9, 1929 in New York *My Dreaming Of You* and *My Alabama Home* {Victor V-40200}

- Recorded 635 songs between 1929 and 1964

- Wrote or co-wrote over 200 songs including the holiday classic "Here Comes Santa Claus," the Oscar nominated "Be Honest With Me," and his theme song "Back In The Saddle Again"

- Gene Autry received the first Gold Record ever given in 1933 for his song "That Silver-Haired Daddy Of Mine". He would go on to receive over 25 Gold Records and 20 Platinum Records

- His recording of "Rudolph The Red-Nosed Reindeer" is the second best selling single record of all time, right after "White Christmas"

- "Gene Autry's Melody Ranch" radio show aired on the CBS Radio Network 1940 through 1956

HIGHLIGHTS FILM CAREER

- Already a radio and recording star, Gene Autry made his first movie in 1934 as guest star singing tow songs in Key Maynard's movie "In Old Santa Fe." He then starred in a twelve episode serial, "The Phantom Empire," which lead to his first feature film at Republic - "Tumbling Tumbleweeds."

- Gene Autry, although not the first singing cowboy, did popularize the genre of the "Western Musical." Gene Autry's movies always featured action, comedy, and music. In addition, Gene always played himself, Gene Autry, on screen.

- From 1934 to 1953 Gene Autry starred in 91 features films for Republic Studios and Columbia Pictures.

- Was voted Number One Western Star by the exhibitors of America from 1937 until he volunteered for the Us Air Force in July 1942. In 1940 was also voted Number Four box office attraction of all stars right behind Mickey Rooney, Clark Gable, and Spencer Tracy.

HIGHLIGHTS TELEVISION CAREER

- From 1950 to 1955 Gene Autry starred in 91 half hour television episodes of "The Gene Autry Show" on the CBS television network. Seventy-six episodes were in black and white, 15 in color.

- Gene Autry's production company, Flying A Pictures, produced "The Gene Autry Show" as well as several other highly rated television series including "Annie Oakley," "The Range Rider," "Buffalo Bill Jr.," "The Adventures of Champion," "Death Valley Days," and "Cavalcade Of America."

PERSONAL APPEARANCE TOURS

- Throughout his career, Gene Autry toured the US, Canada and several foreign countries; including England and Ireland. At first he toured alone to publicize his movies, then later with the Gene Autry Western Variety Show which toured twice a year, up to 85 Towns in the U.S. and Canada. For eleven years beginning in 1940, with the exception of the WWII years, Gene Autry was the star of the annual Madison Square Garden Rodeo where he still holds the all time attendance record.

- After his five year service in WWII and before returning to movies, Gene Autry toured in association with the USO the South Pacific and other Army bases to entertain the American and Allied troupes.

SOME MAJOR AWARDS GENE AUTRY HAS RECEIVED

1936 COMMISSIONED AS A TEXAS RANGER

1941 BERWYN, OKLAHOMA OFFICIALLY CHANGED ITS NAME TO GENE AUTRY, OKLAHOMA - THE FIRST SUCH HONOR EVER ACCORDED TO A PERFORMER.

1960 RECEIVED FOUR (4) STARS IN THE NEWLY CONSTRUCTED "HOLLYWOOD WALK OF FAME". MOTION PICTURE, RADIO, RECORDINGS, AND TELEVISION. IN 1987 HE RECEIVED AN ADDITIONAL STAR FOR LIVE THEATRE, MAKING HIM THE ONLY PERFORMER WITH FIVE STARS ON THE WALK OF FAME.

1964 MAN OF THE YEAR - CITY OF HOPE. SPEARHEADED A FUND DRIVE AS WELL AS PERSONALLY PLEDGING SUPPORT OF THE GENE AUTRY HEART RESEARCH WING.

1965 HUMANITARINA AWARD - VARIETY CLUB OF SOUTHERN CALIFORNIA IN RECOGNITION OF HIS DEDICATION TO THE WELFARE OF UNDERPRIVILDGED AND HANDICAPPED CHILDREN.

1969 ELECTED TO THE COUNTRY MUSIC HALL OF FAME IN NASHVILLE AND ALSO SERVED ON BOARD OF DIRECTORS FOR MANY YEARS.

1972 ELECTED TO NATIONAL COWBOY HALL OF FAME IN OKLAHOMA, CITY.

1974 BETTER WORLD AWARD - FOR HUMANITARIAN SERVICE NATIONAL LADIES AUXILIARY OF VETERANS OF FOREIGN WARS OF UNITED STATES.

1977 MASONIC ADMIRALITY AWARD FOR OUTSTANDING SERVICE TO MASONRY AND HIS FELLOW MAN.

1977 AMERICAN PATRIOTS MEDAL FREEDOM FOUNDATION AT VALLYE FORGE.

1980 MASONS FIFTY YEAR AWARD FOR FIFTY OR MORE YEARS OF SERVICE. GRAND LODGE OF OKLAHOMA. GUTHRIE, OK.

1981 ORDER OF CALIFORNIA AWARD. CALIFORNIA NATIONAL GUARD. THIS IS THE HIGHEST AWARD THAT CAN BE RECEIVED LAY PERSON.

1981 CALIFORNIA AIR NATIONAL GUARD 146TH TACTICAL AIRLIFT WING. APPOINTED GENE AUTRY AN HONORARY BRIGADIER GENERAL FOR SERVICE TO HIS COUNTRY FOR THREE AND A HALF YEARS IN THE AIR TRANSPORT COMMAND.

1982 HUMANITARIAN AWARD NATIONAL CONFERENCE OF CHRISTIANS AND JEWS.

1983 DISTINGUISHED HUMANITARIAN AWARD - NATIONAL JEWISH HOPSITAL AND RESEARCH NATIONAL ASTHMA CENTER.

1983 ELECTED TO THIRTY-THIRD DEGREE - HIGHEST HONOR IN MASONRY.

1985 HUBERT H. HUMPHREY HUMANITARIAN OF THE YEAR AWARD - TOUCHDOWN CLUB, WASHINGTON, D.C.

1987 GOOD SCOUT AWARD - BOY SCOUTS OF AMERICA

1988 LIFETIME ACHIEVEMENT AWARD PRESENTED AT USC JEWEL GALA BENEFITING USC SHOOL OF FINE ARTS.

1989 SCOPUS AWARD - DESERT FRIENDS OF THE HEBREW UNIVERSITY.

1989 SUZIE AWARD - EDDIE CANTOR CHARITABLE FOUNDATION

1989 GRAND CROSS - HIGHEST FRATERNAL HONOR. THIS AWARD HAS ONLY BEEN ISSUED 18 TIMES IN THE HISTORY OF THE SCOTTISH RITE.

1995 BOARD OF DIRECTORS LIFETIME ACHIEVEMENT AWARD FOR INTERNATIONAL ACHIEVEMENT IN ARTS PRESENTED BY THE MICHAEL BOLTON FOUNDATION.

1996 GENE AUTRY HONORED WITH THE 1996 LOS ANGELES AREA GOVERNORS AWARD EMMY AT THE 48TH ANNUAL AREA EMMY AWARDS.

THE AUTRY FOUNDATION

The Autry Foundation, founded in the late 1970's, has contributed over $85,000,000.00 in funds to worthwhile charities. Among them are the following:

Alzheimers Disease & Related Disorders Association
American Academy of Achievement
American Cancer Society
American Diabetes Association
American Friends of Hebrew University
American Heart Association
American Red Cross
American Jewish Committee
Anaheim Memorial Hospital
Anti-Defamation League
Arthritis Foundation
Autry Museum of Western Heritage
Barbara Sinatra Children's Center
Big Brothers/Big Sisters
The Boys and Girls Clubs
Boy Scouts of America
California Association of Human Rights
California Scottish Rite Foundation
California Special Olympics
Camp Ronald McDonald
Childhelp USA
Children's Diabetic Foundation
City of Hope (Gene Autry Heart Research Wing)
Community Blood Bank
Cystic Fibrosis Foundation
Desert Hospital Foundation
Doheny Eye Institute
Eisenhower Medical Center
Betty Ford Center at Eisenhower
Freedom's Foundation at Valley Forge
Grant Beckstrand Cancer Foundation
Guidedogs for the Blind
Hollywood Police Support Association
Horatio Alger Association of Distinguished Americans
Hugh O'Brian Youth Foundation
Jewish National Fund
Hospice of the Canyon
Junior Achievement of Southern California
Junior Achievement of Orange County
Knights Templar Grand Encampment
The League For Crippled Children

March of Dimes
Masonic Charities Foundation
The Midnight Mission
Motion Picture and Television Fund
National Association for the Advancement of Colored People
National Conference of Christians and Jews
National Society to Prevent Blindness
Permanent Charities
Research to Prevent Blindness
The Retina Foundation
Nixon Library and Birthplace Foundation
Scottish Rite
UCLA Foundation
Union Rescue Mission
United Way
University of Southern California
Variety Children's Charities
YMCA

GENE AUTRY BUSINESS INTERESTS

Former Partner in KOOL Radio/TV

Chairman of the Board of Golden West Broadcasters whose holdings included radio and television stations throughout the United States, including well known independent TV station KTLA Channel 5 in Los Angeles, KAUT TV in Oklahoma, KMPC and KSCA radio in Los Angeles, KVI and KPLZ in Seattle, WCXI, WTWR in Detroit, KEX and KQFM in Portland, and KSFO in San Francisco.

Mr. Autry also owned the California Angels. In 1996 Disney purchased 25% ownership with Gene Autry retaining 75%. The team has since been renamed the Anaheim Angels.

Mr. Autry also owns a number of music publishing companies; Gene Autry's Western Music Publishing Company, Golden West Melodies, Inc., Melody Ranch Music Co., Inc. Ridgeway Music Co., Inc., and Gene Autry Records.

His holdings include Flying A Pictures, Inc.

At one time, Mr. Autry also owned a number of hotels including the Gene Autry Hotel in Palm Springs.

September 15, 1997

Mr. Tony Rodham
President
Tony Rodham & Associates, Inc.
c/o The Biltmore Hotel
1200 Anastasia Avenue
Coral Gables, FL 33134

Re: Gene Autry

Dear Tony:

Here is another complete packet I have put together on Gene (number five to various people) with more information than you can imagine. Please see that this packet arrives on the desks of the President and First Lady, and that it not only appears on their desks, but in direct eyesight. When our good President and First Lady (also First Sister) start to relax for ten minutes tonight, please request that this be their primary reading material.

LET'S GET GENE THIS PRESIDENTIAL MEDAL OF FREEDOM.

With every good wish,

UNITED SHOWS OF AMERICA, INC.

E. A. Gregory
Chairman

Via FedEx Priority

Enc./AS

EAG/led

THE PRESIDENT HAS SEEN
12-30-97

To Carol Rasco
Su both articles. B is a good friend. You might want to Fw them with Americus Reads
BC

Copied Rasco Bowles

WACO TRIBUNE-HERALD Sunday, July 20, 1997

Biggest return on investment

BERNARD RAPOPORT
Board of Contributors

In the 1950s, I founded a company with a small investment of $25,000 that is now rapidly approaching the billion-dollar mark. The return financially has been astounding.

No, this is not a cantata about business or anything relating to it. It is a quantitative description of what happened with the best investment I made. But it's not the one I just described. It's an investment so great that the return could not be measured.

A few years ago our foundation initiated a program called the Waco 1000. This program asks 1,000 of our citizens to volunteer one hour a week to read to kindergarten through third-grade students.

When the program began I wondered. "How can I give up one hour a week?" As do so many of us, I overestimated how busy I was and assumed I could find little time for anything other than business and my already planned personal commitments.

I must tell you, I had a good time feeling sorry for myself. I even considered paying someone to do this for me. However, it didn't take long for me to realize it truly was an important issue and one hour a week would have to be found.

So, I shook myself and realized with great disgust that I, like so many of us, was overestimating my importance and feeling sorry for my heavy work schedule. I took the plunge and agreed to invest that one hour a week.

The first hour on that first day was amazing. I had three children read to me. I fell in love with each one of them. Most of them came from single- parent homes: some from homes where aunts or grandmothers raised them. By the second week, I knew I had a lot more time than I thought I had.

The third week, I walked into that room and 21 or 22 children descended on me hugging and wanting to be hugged. Yes, there was even a tear in my coat, but I didn't care.

I have never experienced such sincere loving in my entire life. These were kids who wanted to be loved and I wanted to love them, too. This went on week after week. Then school was out. I haven't had that experience for several weeks. Now, I find I can't wait for school to start.

Exchange of love

Based on my experience. I can tell you in unequivocal terms that the greatest investment you will ever make in your life is when you give one hour a week to reading with these children. It is not the reading that is nearly as important as the love you will be giving and the even greater love you will be receiving.

Yes, it is an unconditional guarantee. But I can honestly say this small investment will guarantee you a return that can only be described in exponential quantities.

Have faith and believe in those children. They will believe in you if you only give them the opportunity to do so. They are our future and with your love, you not only will make a brighter future for them, but for all of us. Join the Waco 1000 today. Call (254) 756-4199.

Bernard Rapoport is a member of the Board of Contributors, 32 Central Texans who write columns regularly for the *Tribune-Herald*. He is chairman and chief executive officer of American Income Life Insurance Co.

Do you hear their call?

Children in Waco are asking for your help in teaching them to read

BERNARD RAPOPORT
Board of Contributors

Classes in the Waco Independent School District began Monday. There are thousands of children in kindergarten through third grade, a goodly portion of whom do not know how to read.

The fact that you can read these words should stimulate you and, yes, frighten all of us into an understanding that it is these youngsters who will become your and my future wards. We are going to have to take care of them.

We are not a nation that will allow people to starve. The issues of homelessness and illiteracy cannot be ignored. In both our personal and our public lives when we neglect and don't pay attention, there is a price we pay. It can't be avoided. You know this and so do I.

To avoid this condition, you have to step up to the counter and pay a price. For those of us here in Waco, that price can be small but effective. It requires one hour a week of sharing ourselves for some youngster whose needs are almost as serious as life or death. Knowing how to read is that difference, and you and I can help in making it possible for some child to, indeed, have a life.

It requires one hour a week of sharing ourselves for some youngster whose needs are almost as serious as life or death. Knowing how to read is that difference, and you and I can help in making it possible for some child to, indeed, have a life.

In rereading Henry Adams's *The Education of Henry Adams* he includes these few lines from Henry Wadsworth Longfellow: "Were half the power that fills the world with terror, were half the wealth bestowed on camps and courts, given to redeem the human mind from error, there were no need of arsenals nor forts."

That is what the Waco 1000 is all about — redeeming the human mind. Just think, it is in your hands to bring about this redemption.

Voices in the wind

There are voices in the wind — yes, thousands of voices calling to us. Like it or not, you and I are responding. Yes, deafness to the call is a response that is a categorical "no." There are those — thank goodness, we are blessed with so many in our community — who not only hear the call, but want to hear it and to respond positively.

There is nothing anywhere that gives assurance that ours is a society that will survive forever.

Maya Angelou provides an answer that is an incontrovertible truth and she says, "The quality of strength that lies with tenderness is an unbeatable combination, as are intelligence and necessity when unblunted by formal education."

Unblunting the mind

Yes, ours is a society where you have to know how to read. That so many can't is a sad commentary, one for which those of us who can must take some responsibility. Yes, that is what this "call for the children" has as its mission — the unblunting of the mind by making one capable of reading and understanding.

The truth is there are not enough teachers in the world to overcome the problem of the unblunted mind. It is going to take people like you and me willing to give up that one hour a week.

So there is no use to prolong this message. It asks the simple question: Do you hear the call? Will you say "yes" to someone at the end of the line at the Rapoport Foundation at 756-4199 or Community Partnerships at 755-9435 who is waiting to hear you say, "I am answering the call?"

Bernard Rapoport is a member of the Board of Contributors, 32 Central Texans who write columns regularly for the *Tribune-Herald*. He is chairman and chief executive officer of American Income Life Insurance Co.

Copied
Raines
Bowles
Sperling

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

December 26, 1997

12-30-9-

MEMORANDUM FOR THE PRESIDENT

FROM: Franklin D. Raines

SUBJECT: FY 1999 Budget Wrap-Up

On December 12, we met with you to review recommended FY 1999 discretionary levels for base programs and new initiatives. This memorandum describes the dollars we have added to settle most of the agency appeals and seeks your final decision on the remaining appeals. It also reviews the final composition of the Investments Funds for America, the major mandatory spending initiatives, and the offsets we use to pay for both mandatory and discretionary spending increases.

In mid-November, we passed back to the agencies $560 billion in preliminary funding for base programs. This "passback" provided the minimum funding necessary to continue basic operations, but reserved additional dollars for you to spend on your highest priorities. Since passback, we have added $6.3 billion to fund continuing and new priorities and to settle agency appeals -- with the exception of the eight agencies that appealed to you last Friday.

Presidential Appeals

Below is a brief summary of the eight pending appeals and our recommendations to resolve them:

- **ONDCP.** ONDCP has appealed for more funds for drug treatment, school coordinators, port and border security, Andean coca reduction, and a Caribbean initiative. We have approved increases of $762 million (+5 percent) over 1998, which we believe is a responsible level of commitment. If you would like to provide additional drug funding, we recommend adding $100 million to the Substance Abuse Block Grant, which would provide treatment for approximately 600,000 individuals by 2003.

  OMB recommendation √ Let's discuss _____

- **Health and Human Services.** Secretary Shalala wants $1.3 billion in addition to the $1.5 billion we have added over 1998 enacted levels. We recommend adding $21 million for Early Head Start slots and $100 million to the Substance Abuse Block Grant (as part of the ONDCP appeal). We also recommend $10 million for a North Dakota drug prevention project sought by Senator Daschle and that HHS spend an additional $65

12-30-97

million to prevent infectious diseases, by reprogramming excess State immunization dollars.

OMB recommendation ✓ Let's discuss _____

- **Education.** Secretary Riley wants $800 million more than the $1.6 billion over 1998 levels that we have allocated to the Department of Education. This is a smaller discretionary increase than in past years; we have larger increases for education in other parts of budget -- +$5 billion in school construction through tax benefits and $7.7 billion in mandatory spending to increase the number of teachers. In our meeting two weeks ago, you expressed some concern that we had added funds to new initiatives at the expense of core education programs. The joint OMB/NEC/DPC recommendation reallocates funds to Title I and Afterschool Programs (+$100 million each) and to Early Head Start (+$21 million).

  OMB recommendation ✓ Let's discuss _____

- **Transportation.** Secretary Slater has appealed for $4.5 billion above the passback. In our meetings with Erskine and the budget group, we have added $3.0 billion to bring highways, highway safety, transit programs, and airport grants to the 1998 enacted level. We have also started in 2000 new fees of $1.7 billion annually.

  OMB recommendation ✓ Let's discuss _____

- **Veterans Affairs.** Our preliminary mark for VA, including both mandatory and discretionary spending, is more than $500 million higher than 1998 enacted levels. Acting Secretary Gober is appealing for another $220 million because the discretionary portion of the VA budget alone is that much less than the 1998 level. The VA proposes to spread the $220 million among research, benefits administration, and construction. If you want to bring the VA discretionary budget up to the 1998 level, we suggest adding dollars for medical and prosthetic research ($66 million); medical administration ($2 million); smoking cessation ($87 million); and general operating expenses ($65 million).

  Add $220 million ✓ Let's discuss _____

- **Agriculture.** Secretary Glickman has appealed for a new mandatory initiative to provide free breakfasts to all children through Grade 3, regardless of income, and to increase the reimbursement rates and number of meals in existing feeding programs. We have already included in the 1999 budget $2.5 billion in Food Stamp benefit restorations for vulnerable immigrant families with children and refugees and asylees. We recommend not including USDA's proposal in the budget because there is no compelling need for this program and because it does not have support among your senior advisors or the constituency groups that normally support nutrition programs.

12-30-97

OMB recommendation ✓ Let's discuss _____

- **Environmental Protection Agency -- Clean Water.** Carol Browner has appealed for funding in a number of areas, and particularly for $450 million more annually in EPA's water State Revolving Funds, which we have reduced to pay for the new Water Quality Initiative. As a result of our discussions with Ron Klain, we have raised funding for this initiative to $2.45 billion over five years -- more than the amount by which we reduced the SRFs. We recommend adding another $150 million in budget authority (and no outlays) to the SRFs, and believe that Ron Klain would support this increase.

  OMB recommendation ✓ Let's discuss _____

- **Commerce -- Census 2000.** Secretary Daley has appealed for $128 million to prepare for both possible types of Census enumeration (sampling and traditional house-to-house). We recommend an additional $36 million to fully fund the agreement with Congress on the dual-track census demonstration through February 1999. We have ***not*** included funds for infrastructure (e.g., field offices) to support traditional full enumeration. Our position, which is supported by your senior advisors, is that the 1999 budget should include funds for the dual track approach, consistent with the agreement, but not include funding that pre-judges the decision about which enumeration method we will use.

  OMB recommendation ✓ Let's discuss _____

Other Outstanding Issues

In addition to the major agency appeals, there are several smaller outstanding issues:

- **Army Corps of Engineers.** The Corps' 1999 construction budget of $864 million is $605 million (40 percent) below 1998 enacted. This level allows us to fund continuing water projects at about $18 million each in 1999, after protecting a limited number of Administration priority projects. This funding level would accommodate projects in which you have expressed an interest.

  Below is more information on the two projects we discussed with you:

  -- **Kill Van Kull Project (New York and New Jersey)** -- In July 1996, the Vice President announced a plan to help ensure the long-term competitiveness of the Port of New York and New Jersey, including studying the viability of a 50-foot deep Port. Construction of the 45-foot Kill Van Kull project was not a commitment in the plan. However, local sponsors believe it is implicit in the commitment to study a 50-foot port, and CEQ believes strongly that the Administration should fund construction of the project.

We recommend providing $10 million for this project in 1999, which can be accommodated within our total Corps budget. Including even a low funding level in 1999 means a commitment to eventually fund the full $505 million Federal cost. A second option is to fund the project at the Corps' requested level of $32 million, which would make the Port of New York and New Jersey the Administration's highest priority port and would be considered unfair by other ports that will get minimal 1999 funding, some of which have been under construction for several years. A third option is to not include any funds for Kill Van Kull, which would allow limited available funds to be focused on completing projects that are further along in construction.

-- **Grand Prairie and Bayou Meto Projects (Arkansas)** -- Senator Bumpers met with you on December 19 to discuss these two segments of a large agricultural water supply project in Arkansas. The total cost is $507 million, of which $330 million is Federal and $177 million is non-Federal. The project would transfer surface waters in certain basins to water-depleted areas where the original water source has been nearly exhausted as a result of intensive, long-term pumping for agricultural use.

As currently designed, this project is inconsistent with long-standing Administration policy not to propose the study or construction of single-purpose municipal or agricultural water supply projects. However, the Corps could work with State and local interests to modify the design to include more environmental features and make it a model of sustainable ground water and surface water uses, making the project more consistent with Corps policy. These changes are likely to increase the costs of what is already an expensive project. Our recommendation is based on Corps estimates that $14 million in 1999 and $215 million for 1999-2003 would be an optimum construction schedule for these two segments.

OMB recommendation _____ Let's discuss _____

- **Constitution Center.** Mayor Rendell of Philadelphia has urged you to include funds to build a new National Constitution Center (NCC) museum on Philadelphia's Independence Mall. Rendell is seeking $65 million in Federal funds to cover half of the $130 million that NCC plans to raise. We recommend $500,000 in National Park Service (NPS) technical assistance to develop much-needed detailed construction plans and cost estimates. An alternative would be to provide Federal matching funds for costs directly related to construction (excluding funds for an endowment and other non-construction items), which would suggest a Federal share of about $30-45 million over three years. This would be much more expensive than typical NPS projects, and without the required planning, it is difficult for us to judge whether the estimates are sound.

OMB recommendation \ Let's discuss _____ 12-30-97

Other Policy Changes

We have also added or reallocated funds to address specific concerns raised in our meeting with you on the 12th:

- **Food Stamps.** Last week, you approved a $2.5 billion restoration of Food Stamp benefits for all immigrant children and their families, regardless of whether they entered the country before or after August 1996 (consistent with our policy that this cut-off date is arbitrary). Since then, we have heard from immigrant groups and other advocates who argue that -- while they strongly support this policy -- it will be difficult to achieve in Congress. They also argue that it will be divisive within the immigrant community unless we also restore benefits for the disabled and elderly population entering the country prior to August 1996.

  In light of their strong views, we recommend a reconfiguration of the $2.5 billion to partially restore Food Stamps for the elderly and disabled. We can do this with only slight alterations in the children's benefit policy (e.g., deeming where there is a binding affidavit of support) coupled with some noncontroversial reductions in other programs. NEC, DPC, and OMB jointly recommend this change, provided that the constituency groups join us in recommending that the children's benefit restoration is the highest priority. We will consult with these groups after the holidays.

- **International Programs.** You specifically asked about funding levels for New Independent States, Eastern and Central Europe, and the Agency for International Development. We have added $368 million to these programs in aggregate:

  -- +$175 million for New Independent States, for a total of $946 million, 23 percent over 1998 enacted;

  -- +$85 million for Development Assistance (Agency for International Development programs), for a total of $1,774 million, 3 percent over 1998 enacted;

  -- +$28 million for Central and Eastern European States, for a total of $465 million, 4 percent below 1998 (due to the successful completion of country programs in some northern countries) and level with 1998 for Bosnia programs; and

  -- +$80 million for Economic Support Funds, for a total of $2,449 million, 1 percent over 1998.

- **Millennium Programs.** The table at TAB A shows all of the programs we have identified as contributing towards recognition of the Millennium. You and the First Lady have been particularly interested in the following component programs:

  -- We have included $50 million in 1999 and 2000 in Interior's existing Historic Preservation Fund to support Federal, State, local, and private preservation activities related to recognition of the Millennium. We will propose legislative language to facilitate transfer of these funds to other Federal and non-Federal entities, with coordination by a new Millennium Council.

  -- We have included $178 million -- $28 million more than the $150 million requested in 1998 and more than $1 billion over five years -- to finance backlog construction projects in the National Parks. (In 1998, Congress added $76 million in unrequested, low-priority, non-backlog construction.)

  -- We have discussed with Archivist John Carlin whether relocating the Charters of Freedom to the Smithsonian, even on a temporary basis, might provide better security and more opportunity for the public to see these historic documents. Carlin asked for more time to review the issue. We have provided Carlin a total of $75 million, of which $71 million is to renovate the main Archives building on the Mall and $4 million is to re-encase the Charters of Freedom. We are discussing with him establishment of a Presidential Commission that would recommend ways to increase access to and security for the Charters.

- **Climate Change.** The Vice President was also concerned about funding for climate change. The total program is currently $2.5 billion in discretionary funding and $3.5 billion on the tax side. We are funding increased R&D to reduce carbon-dioxide emissions through the use of solar and renewable energy and increased energy efficiency in buildings, industry, and transportation. We are also providing incentives for deployment of the best available technologies, research to reduce industrial emissions of greenhouse gases other than carbon-dioxide, and research on agricultural and industrial methods of removing carbon-dioxide from the atmosphere.

- **Courthouses.** The 1999 budget does not include any funds for courthouse construction; instead, we spend the limited dollars available in the Federal Buildings Fund ($44 million) on high priority Federal construction projects. The Federal government spent $3.2 billion on courthouse construction between 1990 and 1997; since then, Congress has been critical of escalating courthouse costs and the need for non-courthouse Federal construction. Both the Congress and the Administration have pressed the Courts to do better utilization studies to measure the need for additional courthouse space. Thus far, the Courts have been unwilling to do these studies. Our strategy for 1999 -- consistent with the position taken by the Appropriations Committee in 1998 -- is to withhold further construction dollars while we continue to encourage the Courts to do these studies.

- **Local Law Enforcement Block Grant.** We include no funding in 1999 for this program, for which Congress appropriated $523 million in 1998. We proposed to eliminate this program in your 1998 budget. We can expect some criticism from local law enforcement groups for this reduction.

- **Cancer clinical trials.** After much internal discussion of how to configure a new program to pay for the medical costs of clinical trials, your senior advisors have settled on a formulation that would use tobacco receipts to finance a three-year HCFA demonstration limited to NIH-sponsored trials. We estimate this demonstration will cost $750 million over three years.

Investment Funds for America

We propose to showcase investments in the your budget and establish a mechanism to offset discretionary spending with mandatory offsets by creating a set of Investment Funds. Each Fund is financed by reducing the discretionary caps **and** by new or expanded dedicated revenues and/or mandatory offsets.

The **Research Fund for America** includes all of the National Institutes of Health and the National Science Foundation, and certain research activities of the Departments of Energy, Commerce, Agriculture, Veterans Affairs, and NASA.

-- The Research Fund is financed in part by tobacco tax revenues, an extension of the tax on gasahol, and the repeal of VA tobacco-related compensation.

-- The Fund spends $28.1 billion in 1999 (a 8.4 percent increase over 1998) and $154.4 billion over five years. NIH's National Cancer Institute (NCI) increases by 65 percent by 2003, and the rest of NIH increases by 48 percent over the same period.

In addition, the Research fund increases National Science Foundation spending by 10 percent in 1999 and approximately the rate of inflation annually thereafter. It also increases funding for research by the Food and Drug Administration, the Centers for Disease Control, the Agency for Health Care Policy and Research, NASA, Veterans health care, Interior, Commerce, USDA, and Education.

The **Environmental Resources Fund for America** includes enhanced construction, maintenance, and land acquisition for Interior's and USDA's land management agencies (including national parks and forests); the new multi-agency water quality initiative for ` and watershed restoration; water infrastructure, including EPA's Clean Water and Drinking Water State Revolving Funds (SRFs) and USDA's water/wastewater assistance; and EPA's Superfund program to clean up hazardous waste sites.

-- The Environmental Resources Fund is financed in part by extension of the Superfund tax.

-- The Fund spends $8.2 billion in 1999 (a 12 percent increase over 1998), and $38.6 billion over five years. The largest increases in the Fund are $1.6 billion over five years for the multi-agency water quality initiative, which will provide assistance to States, farmers, and Federal land management agencies to restore up to 1,000 U.S. watersheds over the next several years; and $2.4 billion over five years for land, water, and facility restoration programs to address critical facility maintenance and construction needs of Federal land management agencies (including national parks), and conserve priority resources through Federal land acquisition from willing sellers.

The **Transportation Fund for America** includes the Department of Transportation's surface transportation activities, and all of the Federal Aviation Administration. The

-- The Transportation Fund is financed in part by new FAA user fees.

-- The Fund spends $36.7 billion in 1999 (1.7 percent more than in 1998), and $189.0 billion over five years. Surface transportation is funded at the 1998 enacted level of $27.1 billion. FAA airport grants are funded at the 1998 enacted level of $1.7 billion, and fully-financed by user fees starting in 2000. FAA air safety programs -- including air traffic control modernization and security -- are funded at the levels recommended by the Gore Commission through 2003.

Because we use revenues and mandatory savings -- the tobacco tax, VA tobacco, the gasahol tax, Superfund, and FAA fees -- to offset the new spending in the Funds, we are able to reduce the discretionary caps by less than the amount in the Funds, which leaves room to finance your other priorities.

Mandatory Initiatives

Last Friday, we showed you a schedule for raising the tobacco excise tax that would produce $65.6 billion in additional revenues (above current law) over five years. The Research Investment Fund is financed by $32.5 billion of these new revenues, which leaves the remaining $33.1 billion to finance mandatory initiatives. We propose to combine these remaining tobacco revenues with $17 billion in other mandatory savers and Medicare error-reduction proposals (described below) to finance a package of $50.1 billion in mandatory initiatives over five years.

Expand the Child Care Development (5-year cost: $7.5 billion). Expansion of the Child Care Development Fund would serve an additional 500,000 to 1 million children. When combined with the program growth in current law, this Fund would serve between 1.8 million and 2.3 million children in 2003.

New Teachers/Class Size Reduction Initiative (5-year cost: $7.3 million). This initiative would increase the number of trained teachers in elementary and secondary education to help reduce class size and thus increase student achievement.

Early Learning Fund (5-year cost: $3 billion). The Early Learning Fund is a new program under the Child Care Initiative. It would offer challenge grants to communities for a range of activities, including: training child care providers; supporting family day care networks; assisting providers in meeting accreditation and licensing requirements; linking providers with health professionals; reducing child-to-staff ratios; and providing home visits, parent education and consumer education about child care.

Student Loans (5-year savings: $3.6 billion; 5-year costs: $1.7 billion; remaining savings finance other budget initiatives). The student loan initiative reforms the current guaranteed student loan program to make it more efficient and to reduce excess subsidies. The initiative would also incorporate financial incentives for more effective performance, and reduce student fees for both guaranteed and direct loans.

Legal Immigrants (5-year costs: $2.5 billion). The Legal Immigrants initiative would restore Food Stamps and Medicaid coverage to certain immigrants who lost benefits under welfare reform, and would allow States to provide coverage for children in their CHIP programs.

Medicare pre-65 buy-in (5-year costs: $1.8 billion). The pre-65 policy will allow individuals between the age of 62-64 who are not otherwise covered by Federally-sponsored health plans to buy into Medicare managed care plans at an actuarially fair rate. Also under discussion is the additional option of allowing "displaced workers" between the age of 55-62 to buy into Medicare, which would increase spending by $350-$700 million over five years.

Prior commitments and other obligations (5-year cost: $2.7 billion). Prior mandatory funding commitments include rural and urban enterprise zones, Fast Track trade adjustment assistance, USDA environment activities, benefits for Filipino veterans, DC court pensions, SSI administrative costs, and Winstar litigation costs.

Mandatory and Revenue Offsets

We are using the following mandatory savings proposals to finance both the mandatory increases and the amount of discretionary spending over the caps:

- **Tobacco tax revenues** ($3.6 billion in 1999; $65.6 billion over 5 years): Increasing the tobacco tax from the current 50 cents per pack to $1.10 by 2003 will produce an additional $65.6 billion over five years. Of the total, States will direct the spending of $23.6 billion, and the Federal government will either spend or direct the spending (by the States) of the remaining $42.0 billion.

Cents per pack:	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Proposal	**0.62**	**0.80**	**0.90**	**1.00**	**1.10**

The table at TAB B shows how we propose to spend tobacco tax revenues over 5 years.

- **VA tobacco repeal** ($500 million in 1999; $15.5 billion over 5 years): We plan to repropose legislation to reverse the recent VA General Counsel ruling that the VA must pay monthly service-connected disability compensation benefits to veterans for tobacco-related illnesses that occur after separation from the military. We estimate that 542,000 veterans are potentially eligible to claim these benefits, and an additional 6,600 will become eligible annually. We have not yet included these costs in our baseline. We plan to increase the baseline by $15.5 billion over 5 years, which will make available a PAYGO credit for eliminating these benefits.

  We understand that CBO will also estimate substantial costs over 10 years, although they will concentrate much of the spending in the last five years.

- **Medicare error reduction and other savings** ($0.14 billion in 1999; $1.82 billion over 5 years): We have worked with the DPC to develop sufficient Medicare savings proposals to finance the pre-65 buy-in.

- **Education Loan Reforms** ($0.9 billion in 1999; $3.5 billion over 5 years): Provides a direct guarantee for student loans not in the direct loan program -- rather than relying on intermediaries -- and recalls all loan guarantee reserves, plus other student loan reforms and benefits for students.

- **Cost Allocation** ($0.5 billion in 1999; $2.9 billion over 5 years): Restricts States' ability to shift their State administrative costs from TANF to Federally-funded administrative sources such as Food Stamps and Medicaid.

- **Two Agriculture Savings Proposals** ($0.3 billion in 1999; $1.6 billion over 5 years): Reduces the Export Enhancement Program (EEP) further than requested in FY 2001 through FY 2003, because market conditions (high world commodity prices projected for the foreseeable future) do not warrant the full use of EEP. A second proposal would restructure USDA's cotton user marketing certificates. We have dropped the proposal that would have re-opened the Farm Bill, and USDA supports this package. We have also added funds to extend mandatory treatment of crop insurance for five years.

- **Increase in FHA Single Family Loan Limit** ($0.2 billion in 1999; $1.1 billion over 5 years): This proposal would allow FHA to insure a single family mortgage with a principal amount not exceeding the GSE (Fannie Mae, Freddie Mac) loan limit of

$227,150. Currently, FHA may not insure a mortgage exceeding 75% of the GSE conforming limit. By raising the limit, an increased number of potential homebuyers will have access to FHA insured mortgages, thereby increasing access to affordable loans and homeownership.

- **State Bank Exam Fees** ($0.1 billion in 1999; $0.5 billion over 5 years): Requires the Federal Reserve to assess fees for examinations of state-chartered banks and bank holding companies (current law permits, but does not require, fees).

- **Child Support Enforcement** ($0.06 billion in 1999; $0.3 billion over 5 years): Savings for child support enforcement (CSE) are controversial. We have recommended the smallest and least controversial of the options, which reduces Federal funding to States to reflect an increase in the collection of State fees of $25 for non-TANF child support enforcement cases. States could collect more on a sliding scale basis, or pay the user fee out of other State resources. All TANF collections would be redirected to the States and Federal grants for State administration would be reduced by an equivalent amount.

Attachments

TAB A: Millennium spending table
TAB B: Tobacco tax revenue spending table

Millennium Program
(BA in $M)

Program	FY98 Enacted	FY99 Recommended	Comments
National Archives Capital Improvements	0	71	Provides for a four-year renovation of the Main Archives building, scheduled for the period 1999-2002 [+$71M]. The renovation project would bring Main Archives into compliance with the Americans with Disability Act and with modern fire, life safety and environmental codes. All of Main Archive major mechanical systems would be replaced.
National Archives Core Programs	221	227	The recommended level provides an additional $15M (offset by $8M in one-time 1998 costs) to allow NARA to pay for inflationary increases, as well as: (1) institute an automated front-end records management system; (2) process the increase in electronic records; (3) make electronic records more accessible; (4) accelerate records preservation activities; and, (5) plan and implement a reimbursable records center initiative.
National Park Service Operations	1,234	1,311	The recommended level provides a total increase of $78M (5%) over FY98 enacted for the six NPS items listed here. NPS operations are $77M (6%) above FY98 enacted to maintain services, meet new requirements (such as FDR Top Cottage), and address deferred critical maintenance (backlog). $35M of this increase would come from the proposed Land, Water, and Facility Restoration Intiative. Passback includes proposal for NPS to keep and spend all fee receipts to supplement discretionary funding (see below).
National Park Service Construction -- Priorities	139	178	The recommended level increases funding for priority (backlog) construction projects by $39M (28%) over FY98 enacted and $28M over Interior's FY99 request. (This excludes the $76M in unrequested FY98 funding for non-park or low-priority projects.) $38M of the increase would come from the proposed Land, Water, and Facility Restoration Intiative. In addition, a key project planned for FY99 (restore Elwha River, WA) is now proposed to be funded in FY98 through $699M for Priority Federal Land Acquisitions.
National Park Service Construction -- Unrequested *	76	0	NPS construction in FY98 includes over $76M of unrequested items, most of which were for low priorities or non-park purposes.
National Park Service Recreation Fees	137	141	To supplement operational funding and address deferred maintenance, the budget proposes permanent authority for NPS to keep and spend all receipts from recreation, entrance, and other user fees.
National Park Service Concession Fees	24	50	To supplement operational funding and address deferred maintenance, the budget proposes new authority for NPS to use all fee receipts paid to parks by park concessioners.
National Park Service Historic Preservation Fund	41	96	The recommended level includes $50M in FY99 and $50M in FY00 to support Federal, state, local, and private preservation activities related to the Millennium recognition.
Smithsonian Institution Salaries and Expenses	333	349	The recommended level includes $5 million as requested to initiate a jointly funded public/private multi-year partnership to digitize a portion of the Smithsonian collections.

TAB A

Program	FY98 Enacted	FY99 Recommended	Comments
Smithsonian Institution Repair and Renovation (R&R)	36	46	The recommended level provides an additional $10 million to allow the Smithsonian to address the backlog of needed repairs at several of its major museums, e.g., National Museum of Natural History. The recommended funding for FY 1999-2003 will eliminate a substantial portion of the current repair backlog.
Smithsonian Institution Repair and Renovation (R&R)	0	20	The recommended level includes $20 million to relocate the "Charters of Freedom" from the National Archives to the Smithsonian National Museum of American History. These documents include the Constitution, the Bill of Rights, and the Declaration of Independence. The Smithsonian will use $4 million to preserve the charters and $16 million to display them.
Smithsonian Institution Construction			
Mall Museum -- National Museum of the American Indian *	29	16	The recommended level includes funds in FY 1999 and the outyears to complete construction and to start operations for the opening of this museum in 2002.
Other Construction	4	2	The recommended level for this account includes $2 million toward development of a jointly funded public/private partnership "Blueprint" for renovation in the National Museum of American History. A focal point of the Blueprint is the preservation program for the Star Spangled Banner.
The Kennedy Center Repair and Renovation (R&R)	9	20	The recommended level provides an additional $11 million to allow the Kennedy Center to continue major interior renovations, e.g., the Opera House. The FY 1999 renovations are part of an 11-year program estimated at $171 million. Authorization for the program will be requested in the FY 1999 budget.
The National Gallery of Art	62	64	The recommendation includes funds for the maintenance of a new Sculpture Garden being built with private funds. Funds are provided to initiate repair work on the Mall steps of the West Wing Building of the Gallery. The outyears include funds to eliminate a substantial portion of the backlog of repairs.
National Endowment for the Humanities	111	155	(Recommended amount includes $20 million from President's Initiative reserve fund.) The total recommended level includes $29 million to support preservation projects, including brittle books, digitization of humanities material, and stabilization of material culture collections.
National Endowment for the Arts	98	155	(Recommended amount includes $20 million from President's Initiative reserve fund.) The total recommended level includes $15 million for conservation, cataloging, and restoration of works of art.
Institute for Museum and Library Services	23	28	(Recommended amount includes $2 million from President's Initiative reserve fund.) Total recommended level includes $6 million to support conservation programs for museum collections to provide access to museum collections through the Internet.
TOTAL with Major Construction*	2,577	2,929	
TOTAL without Major Construction*	2,472	2,913	

* NOTE: These special items include major construction which in FY 1998 and 1999 make comparisons problemmatic. For example, in the case of American Indian Museum, the decline in budget authority hides the fact that the President's budget has sufficient authority to complete the museum in the outyears.

TOBACCO LEGISLATION

	1999	2000	2001	2002	2003	Total FY99-03
USES OF RECEIPTS FROM TOBACCO LEGISLATION						
Federally Operated Programs						
Research Fund for America	3,553	4,619	5,176	5,733	6,268	25,349
CDC Smoking Prevention	59	61	62	64	65	310
FDA Enforcement Activities	271	279	286	294	302	1,432
Medicaid Child Outreach Reforms	120	160	200	200	220	900
Cancer Clinical Trials Demonstration	200	250	300	--	--	750
Subtotal, Federally operated programs	4,203	5,368	6,024	6,291	6,856	28,742
Federally Directed State Programs						
Child Care & Development Block Grant						7,500
Teachers Initiative						7,335
Subtotal, State prgms with Federal direction	2,255	2,580	2,900	3,300	3,800	14,835
Cessation, Other State & Other Uses	3,300	3,891	4,582	4,972	5,362	22,107
Total Uses	9,758	11,839	13,506	14,563	16,018	65,684
TOBACCO LEGISLATION RECEIPTS REQUIRED						
Approx. Equivalent Per-Pack Amount Required (current $)	$0.62	$0.82	$0.95	$1.09	$1.24	
Federal Programs, Total	4,203	6,859	7,506	7,863	8,418	34,849
State Programs with Federal Guidance, Total	2,255	2,580	2,900	3,300	3,800	14,835
Other State & Cessation & Other Uses	3,300	2,400	3,100	3,400	3,800	16,000
Total Additional Net Receipts	9,758	11,839	13,506	14,563	16,018	65,684

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Congress of the United States
House of Representatives
Washington, DC 20515-0101

COMMITTEE ON APPROPRIATIONS

Subcommittees:

CHAIRMAN
Foreign Operations, Export Financing and Related Programs

Energy and Water Development

Transportation

ASSISTANT WHIP

December 22, 1997

Honorable Charlene Barshefsky
U.S. Trade Representative
600 Seventeenth St. N.W.
Washington, DC 20508

Dear Ambassador Barshefsky:

I am writing to express my concern that decisions taken in the coming days and weeks by your office not exacerbate the financial crisis in Asia.

I expressed grave reservations in my October 7, 1997 letter to you that the United States presence in the Japanese insurance market was being rolled back and perhaps irreparably harmed. I continue to support the policy expressed in the September 13, 1996 letter to the President which condemns actions that result in any way in the Japanese insurance industry expanding its domination of that insurance market through the invasion of the "third" sector by life insurance subsidiaries of the giant Japanese non-life insurance companies. As far as I am concerned, backsliding will not be tolerated. It is backsliding to allow the sale of even one stand-alone cancer or stand-alone medical insurance policy by any life insurance subsidiary of a Japanese non-life insurance company, whether the subsidiary was in existence on September 13, 1996, whether it was created subsequent to that date, or whether the Japanese parent had control of that subsidiary on September 13, 1996 or attained it subsequent to that date, either by acquisition or by any other means and from whatever source. Backsliding in the insurance market sends the clear message that, notwithstanding bilateral or multilateral agreements, progress in financial market reform in other areas like banking and securities is very problematic and questionable. And it unfortunately gives credence to the views of some that these agreements are worthless.

The financial situation in Asia is growing worse. Every day we read of the plummeting stock markets and expanding problems with the various currencies in Asia. Bankruptcies are rampant. The security of the region is deteriorating. We in Congress are being asked to assist Asia by appropriating aid through the IMF. During the coming months, I will be called upon as Chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs of the House Appropriations Committee to consider these aid requests. As such I hope your office will take the appropriate steps to assure that the tenuous American share of

12-30-97

Send to leg affairs - ask "is reply necessary?"
~~for reply?~~

✓ Yes ___ No

Representi
Baldwin, Clarke, Esi

the Japanese insurance market not be jeopardized. Actions to the contrary will make it more difficult for me and many other members of Congress to ask taxpaying American individuals and businesses to support such requests.

With kind regards, I am

Sincerely,

Sonny Callahan
Member of Congress

SC:jsjbst

cc: President Bill Clinton
Secretary Robert E. Rubin

Congressman SONNY CALLAHAN

South Alabama's Voice in Washington

FAX: (202) 225-0562

Telephone: (202) 225-4931

'97 DEC 30 AM8:19

TO: President Clinton

FAX #: 456 6703

FROM: Sonny Callahan

DATE: 12-22-97

Message:

NUMBER OF PAGES (INCLUDING COVER): 3

If there are problems receiving this message, please call (202) 225-4931, and ask for: Sarah

2418 Rayburn Building ❑ Washington, D.C. 20515

12-30-97

To Burkhardt for reply?

Yes ✓ No ___

December 18, 1997

Dear Bill,

Standing firm on assisted suicide could be a real boost in terms of relations to Catholic leadership in this country.

Thanks for all the hard work.

A peaceful Christmas,

Jack

My love to Hillary.

Catholic Charities USA

Catholic Charities USA is a national network of agencies, institutions, and individuals who aim to reduce poverty, support families, and strengthen communities.

1731 King Street • Suite 200 • Alexandria, Virginia 22314 • (703) 549-1390

Catholic
Charities
USA

December 17, 1997

President William Jefferson Clinton
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

'97 DEC 30 AM8:18

Re: Assisted Suicide

Dear Mr. President Bill!

I am writing to urge you to insure that the Oregon assisted suicide initiative is not allowed to further undermine this nation's protection of frail human life. As you know, the Drug Enforcement Administration has ruled that the Controlled Substances Act, which allows physicians to prescribe drugs only for legitimate purposes, would not authorize administration of drugs for purposes of assisted suicide. Now, apparently, the question of upholding that ruling is before the Attorney General and your Administration.

When you signed the Assisted Suicide Funding Restriction Act this past April, you stated that its ban on federal support for legalization of assisted suicide "will allow the Federal Government to speak with a clear voice in opposing these practices." That was the overwhelming consensus of the Congress as well.

Since Catholic Charities agencies care for thousands of frail children, adults, and elders, we have a great commitment to their dignity and to the careful respect for their lives with which we approach our work. To see society prepare to discard human lives under the circumstances of assisted suicide is to countenance further erosion of that dignity and care and to open the door to widespread euthanasia and the clear risk of manipulation of the frail and sick for financial and other gains.

Therefore, I urge you to insure that your Administration supports DEA's ruling with respect to the use of scheduled drugs.

Sincerely yours,

Fred Kammer SJ

Fred Kammer, SJ
President

Episcopal Liaison
The Most Reverend
Joseph M. Sullivan, DD

Chair
Mr. Patrick J. Johnson, Jr.

Vice Chair
Ms. Beatriz Diaz Taveras

Secretary
Ms. Kathleen McGowan

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(703) 549-1656

December 15, 1997

Dear Mr. President

'97 DEC 30 AM8:18

I want to thank you for the note you sent me at the Presidential Inaugural Committee last January after I was involved in the crash at Dupont Circle.

The weeks after the accident were some of the most difficult in my life, made bearable by the overwhelming support from everyone at the PIC. That work was also a lifeline. I was enormously proud that you knew and I will always treasure your note.

The Georgian diplomat who caused the accident will be sentenced this week, which is good news. It has been a long year of emotional and physical recovery. (Physical therapy - as you may have learned - is really a license to torture.)

Thank you again, and I wish you a happy and peaceful holiday.

Patty McQueen

12-30-97

Send to Burkhardt for reply?

✓ Yes ___ No

M. Queen
1147 Boulevard
West Hartford, CT
06119

President Bill Clinton
The White House
1700 Pennsylvania Ave. NW
Washington, DC
Attn: Nancy Hernreich

Dec-22-97 04:07P

THE AMERICAN SCHOOL FOOD SERVICE ASSOCIATION

'97 DEC 30 AM8:19

12-30-97

Send to Burkhardt for reply?

December 22, 1997

President William J. Clinton
The White House
1600 Pennsylvania Ave., N.W.
Washington, D.C. 20500

✓ Yes ___ No

Dear President Clinton,

On behalf of the 65,000 members of the American School Food Service Association I urge your active support for child nutrition programs. Include funds for the expansion of breakfast in elementary schools in your 1999 budget and make child nutrition a focus of the Administration's national policy for the coming year.

Sincerely,

Barbara Borschow

Barbara Borschow
Executive Director

Copy: Vice President Gore, Mr. Bruce Reed, Mr. Erskine Bowles, Mr. John Podesta, Mr. Ron Klain, Mr. Rahm Emanuel, Mr. Franklin Raines, Mr. Jacob Lew

1600 Duke Street, 7th Floor ★ Alexandria, Virginia 22314-3436
(703) 739-3900 ★ (800) 877-8822 ★ FAX (703) 739-3915 ★ www.asfsa.org

THE AMERICAN SCHOOL FOOD SERVICE ASSOCIATION

FAX

To: Mr. Rahm Emanuel
FAX #: (202) 456-6703
From: Barbara Borschow, Executive Director
Date: December 22, 1997
Re: Child Nutrition Programs

Please see attached.

1600 Duke Street, 7th Floor ★ Alexandria, Virginia 22314-3436
(703) 739-3900 ★ (800) 877-8822 ★ FAX (703) 739-3915 ★ www.asfsa.org

PROTECTING THE HEALTH OF WOMEN AND CHILDREN

The American people have a national interest in providing our experience and technology to family planning efforts to help prevent the loss of life to mothers and children in the developing world.

Family Planning is providing women and children with quality prenatal care, clean and safe delivery, access to obstetric care, better spacing and timing of births, proper immunization, improving public health services and slowing the spread of infectious diseases.

The core of our strategy is to provide women access to world class health care in order to reduce the number of unplanned and unintended pregnancies and thus directly reduce the number of women seeking abortions. By ensuring that abortions are safe, legal and rare we can provide a better future for tomorrow's generation.

Undermining US Interests

- The full restrictions sought by a *small, extremist minority* in Congress would severely undermine US leadership by limiting efforts to promote democracy, free speech and world class health care around the world.

- These restrictions would also hamper our ability to ensure that future generations will not be threatened by the threat of overpopulation, over development, and a shortage of natural resources.

Risking The Lives of Mothers

- The full restrictions sought by a small, extremist minority in Congress are, in effect, a "gag" rule which would restrict the freedom of speech of private, host-county doctors and organizations—which would be unconstitutional in the United States—from delivering private medical advice, even in countries where abortion is legal.

- 75,000 women die each year from botched abortion. The World Health Organization estimates that a mother dies every minute because of pregnancy related causes.

- In 1996 alone, USAID programs helped save the lives of more than 7 million children in 33 countries. With the full restrictions sought by a small, extremist minority in Congress, organizations receiving USAID assistance would be prevented from working on family planning and in post-abortion care such as emergency treatment.

Preventing Unwanted Pregnancies

- More than 50 million couples in 60 different countries now have access to family planning services. With the full restrictions sought by a small, extremist minority in Congress, USAID funded organizations would be stripped of their ability to research on the incidence, causes and consequences of unsafe abortions.

- For example USAID assistance has helped Russia reduce abortions by one-third and Kazakhstan by 41%.