

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. form	Standard form 1164 (partial) (1 page)	09/19/2000	P6/b(6)
002. memo	Ann O'Leary and Heather Howard to Hillary Rodham Clinton re: Legacy Events (5 pages)	06/02/2000	Personal Misfile

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Eric Morse (Subject Files)
OA/Box Number: 21191

FOLDER TITLE:

Chron [1]

2011-0619-S

rc266

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR ADMINISTRATIVE OFFICE

SUBJECT: REIMBURSEMENT FOR
PERSONAL CELLULAR TELEPHONE USAGE

This is to certify that the attached personal cellular telephone bill is being submitted for reimbursement of official business calls only.

Ann M. O'Leary 9/18/00
Signature Date

Attachment: Personal Cellular Telephone Bill

Withdrawal/Redaction Marker

Clinton Library

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**CLAIM FOR REIMBURSEMENT
FOR EXPENDITURES
ON OFFICIAL BUSINESS**

1. DEPARTMENT OR ESTABLISHMENT, BUREAU, DIVISION OR OFFICE

OPD/DPC

2. VOUCHER NUMBER

3. SCHEDULE NUMBER

Read the Privacy Act Statement on the back of this form.

CLAIMANT 4.

a. NAME (Last, first, middle initial)

O'Leary Ann M

b. SOCIAL SECURITY NO.

P6/(b)(6)

10013

c. MAILING ADDRESS (Include ZIP Code)

2nd Floor West Wing

d. OFFICE TELEPHONE NUMBER

456-6275

5. PAID BY

6. EXPENDITURES (If fare claimed in col. (g) exceeds charge for one person, show in col. (h) the number of additional persons which accompanied the claimant.)

DATE 19__	C O D E	Show appropriate code in col. (b): A—Local travel B—Telephone or telegraph, or C—Other Expenses (itemized)		MILEAGE RATE ¢	AMOUNT CLAIMED			
		(Explain expenditures in specific detail)			MILEAGE (f)	FARE OR TOLL (g)	ADD. PER- SONS (h)	TIPS AND MISCEL- LANEOUS (i)
(a)	(b)	(c) FROM	(d) TO	NO OF MILES (e)				
7/11		P6/(b)(6)	(202) 456-0122				.33	
7/14			(202) 456-0122				1.98	
7/14			(202) 456-0122				1.98	
7/14			(202) 456-0122				.99	
7/14							.33	
7/14							1.32	
7/14							.66	
7/14							1.32	
7/31			(202) 456-6796				.33	
7/31			(202) 757-5000				.66	

If additional space is required continue on the back.

SUBTOTALS CARRIED FORWARD FROM THE BACK

7. AMOUNT CLAIMED (Total of cols. (f), (g) and (i).) \$ 22.77

TOTALS

22.77

8. This claim is approved. Long distance telephone calls, if shown, are certified as necessary in the interest of the Government. (Note: If long distance calls are included, the approving official must have been authorized, in writing, by the head of the department or agency to so certify (31 U.S.C. 680a).)

Sign Original Only

DATE

APPROVING
OFFICIAL
SIGN HERE

9. This claim is certified correct and proper for payment.

Sign Original Only

DATE

AUTHORIZED
CERTIFYING
OFFICER
SIGN HERE

10. I certify that this claim is true and correct to the best of my knowledge and belief and that payment or credit has not been received by me.

Sign Original Only

CLAIMANT
SIGN HERE

Ann M. O'Leary

DATE 9/19/00

11.

CASH PAYMENT RECEIPT

a. PAYEE (Signature)

b. DATE RECEIVED

c. AMOUNT

\$

12. PAYMENT MADE
BY CHECK NO.

ACCOUNTING CLASSIFICATION

THE WHITE HOUSE
WASHINGTON

March 15, 2000

MEMORANDUM FOR HILLARY RODHAM CLINTON

FROM: ANN O'LEARY
HEATHER HOWARD
RUBY SHAMIR

CC: MELANNE VERVEER
SHIRLEY SAGAWA
LISSA MUSCATINE
PATTI SOLIS DOYLE

SUBJECT: ISSUES UPDATE

The purpose of this memo is to provide you with brief updates on a number of national issues in which you have been involved or expressed interest.

LEGISLATIVE AND ISSUES UPDATE

EDUCATION

Elementary and Secondary Education Mark-up: The Senate Health, Education, Labor, and Pensions (HELP) Committee passed Senator Jeffords' (R-VT) Elementary and Secondary Education Act (ESEA) reauthorization bill on Thursday, March 9th by a party line vote of 10-8. None of the President's key initiatives were included. Democratic amendments on class size, public school choice, 21st Century Schools, accountability, and teacher quality all failed on party line votes. The Secretary is recommending a veto of the bill, and the Administration previously issued a veto threat on the "Straight As" provision when it passed the House.

While Senator Lott continues to reiterate his commitment to bring ESEA to the Floor, there is great skepticism that ESEA will pass the Senate with members of both parties internally divided.

PREVENTION OF YOUTH VIOLENCE AND CRIME

Juvenile Justice/Gun Safety. Today, Rep. Lofgren's (D-CA) motion to instruct conferees on H.R. 1501, Juvenile Justice Reform Act passed 218-205. The motion directs the managers on the part of the House to insist that the committee of conference should have its first substantive meeting to offer amendments and motions within the next two weeks. The President held an event to coincide with and support the Lofgren motion, and to release the first annual report by the National Instant Criminal Background Check System (NICS). Press paper attached.

ECONOMIC ISSUES

Bankruptcy. Within the next few weeks, Congress is expected to begin the legislative conference on the Bankruptcy bill. Next week, when they return from recess, Senators will first take up the issue of appointing conferees, a contentious issue in itself. The next battle will be over whether the Senate will strip the minimum wage and tax-cut provisions from the bill. With the House approval of the Republican's minimum wage bill and related tax-cut legislation, the hope is that the Senate will strip these unacceptable and non-relevant amendments for its bill.

Shortly, the Administration will send a letter to the Senate and House Judiciary leadership outlining the President's recommendations to the Conferees. The letter includes a veto threat if the minimum wage and tax provisions are included. On the base bill, the letter sends a strong message that the final bill should reduce abuses of the bankruptcy system and require debtors and creditors alike to act responsibly. In the letter, the Administration outlines the main recommendations for the final bill including: include a fair means test to identify those debtors who genuinely have the capacity to repay a portion of their debts under Chapter 13 and include reasonable guidelines that take into account individual circumstances; do not include the homestead exemption and other loopholes for the wealthy; ensure that there are appropriate safeguards against coercive creditor practices, including reaffirmations; include a requirement for creditors to give consumers good information to manage their debts; include provisions to protect social priorities in making more credit card debt nondischargable, such as child support and alimony; include the Schumer amendment to prevent abuse of bankruptcy to facilitate clinic violence; include protections for privacy of personal financial records in bankruptcy.

HEALTH CARE ISSUES

Health Care: Response to New York Times Article on Prescription Drugs. Last week, the New York Times inaccurately suggested that a series of studies published in Health Affairs revealed the shortcomings of the Administration's prescription drug proposal. The findings include: that low-income beneficiaries would be helped disproportionately by a drug benefit; that some seniors experience catastrophic drug expenses and need extra protections; and that some private health plans provide coverage to Medicare beneficiaries that meets or exceeds benefits provided by our plan. We have responded simply by pointing out that the President's plan provides additional protections to low-income beneficiaries; includes \$35 billion to add coverage for Medicare beneficiaries with catastrophic drug costs; and makes the new benefit optional so that those with more generous plans can stay in them.

HOUSING

Teacher Next Door. On Monday, HUD announced the Teacher Next Door initiative which will offer an estimated 8,000 to 10,000 single-family houses, townhouses and condominiums for sale to teachers at 50 percent discounts every year in HUD-designated revitalization areas. These areas are low- and moderate-income neighborhoods that often have many vacant properties, but are considered good candidates for economic development and improvement. The same group of homes are available for sale to police officers at half-price under HUD's companion Officer Next

Door initiative (police officers have bought more than 3,300 homes under the Officer Next Door initiative, which was announced in 1997). In addition to the 50 percent discount on the price of a home, teachers buying homes with mortgages insured by the Federal Housing Administration, which is part of HUD, can make the purchases with downpayments as low as \$100 under the Teacher Next Door initiative. FHA can also insure mortgages that cover costs of rehabilitating homes in need of repair. The 50 percent Teacher Next Door discount is available to state-certified teachers, grades kindergarten through 12, who are employed full-time by a school or educational agency. Each teacher must live in the home he or she buys for at least three years as his or her sole residence, and the home must be in a HUD-designated revitalization area served by the school district that employs the teacher. The Teacher Next Door initiative does not cost taxpayers any money, because FHA is funded by mortgage insurance premiums rather than tax revenue.

MISCELLANEOUS

FAA Authorization Conference Report. Last Wednesday, the Senate passed 82-17, the Conference Report to accompany H.R.1000, the Aviation Investment and Reform Act, the FAA Re-authorization bill. The bill provides funding increases for the FAA and the nation's airports for fiscal years 2001-2003, including a \$2.6 billion increase in FY 2001. This week the House will consider the bill.

FOLLOW UP

You sent last weeks' issues update back to us and asked for follow up on a number of issues. Attached please find the following information:

- *Kids and Guns*, a bulletin derived from *Juvenile Offenders and Victims: 1999 National Report*
- Rep. Conyers' "Law Enforcement Trust and Integrity Act" and draft "Dear Colleague" letter
- HUD Good Neighbor Policy Press Release
- Examples of After School Website

CABINET REPORT

Below are selected Cabinet reports:

DEPARTMENT OF TREASURY

Money Laundering Legislation: On March 9, Deputy Secretary Eizenstat appeared before the House Committee on Banking and Financial Services to present proposed legislation for combating international money laundering. The legislation would give the Treasury Secretary a range of discretionary authorities to require U.S. financial institutions to keep records and file reports on international financial transactions, and even to condition or prohibit certain types of banking relationships, with respect to jurisdictions, institutions, or types of transactions deemed to be of "primary concern." The Administration's proposal has been embraced by the Banking community, and will be introduced on a bipartisan basis by Chairman Leach and Ranking Member LaFalce.

DEPARTMENT OF JUSTICE

Computer Hacking: On March 1, a WI computer hacker was sentenced in a federal court to six months in prison, three years of supervised release, and \$8,054 in restitution for intentionally hacking into the United States Army's web page in June 1999 and causing damage. Two months earlier, the defendant's apartment was subject to a court-authorized search by federal agents investigating Global Hell, a hacker group. After the search, the defendant admitted being a member of Global Hell and hacking into a number of other web sites. National policy on computer hacking is somewhat stalled. For the most part, law enforcement would like wider latitude to track down and prosecute computer hackers, however, privacy groups (the White House has been aligned with many of them) have serious reservations about proposals that could infringe on the privacy of computer users.

DEPARTMENT OF INTERIOR

Underground Railroad: The National Parks Service is developing a Cooperative Agreement to commemorate, honor, and interpret the history of the Underground Railroad. Activities discussed include a tour of the designated sites, using Government and non-Government facilities and programs of an educational, research, or interpretive nature. The tour would be filmed for use in schools, libraries, colleges and universities.

DEPARTMENT OF COMMERCE

Wireless Innovation in Communications: On February 29, the National Telecommunications and Information Administration (NTIA) announced a new initiative on wireless communications that will enable Federal agencies more actively to promote innovation in the development and use of new communication technologies. The Wireless Innovations in Communications Initiative will be composed of senior federal experts, and will be a committee within the Interdepartment Radio Advisory Committee, which is chaired by NTIA. NTIA manages those uses of the radio frequency needed by the Federal Government to satisfy radio communication needs.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Measles Elimination: On March 16-17, the Centers for Disease Control and Prevention's National Immunization Program will host a "Measles Elimination" scientific review meeting in Atlanta, GA, to discuss whether to declare measles eliminated in the U.S. Current data suggest that the only cases of measles in the U.S. are imported from other countries and that the U.S. has not had a case of indigenous measles for years.

LIHEAP FY2001 Median Income Estimates: On March 9, a *Federal Register* Notice was published, announcing the State median income estimates for four-person families for use under LIHEAP. LIHEAP grantees may adopt these estimates beginning with the date of this notice and October 1 or by the beginning of a LIHEAP grantee's fiscal year, whichever is later. The listing

of estimated State median incomes concerns maximum income levels for households to which grantees may make payments under LIHEAP.

Devices to Prevent Sudden Infant Death Syndrome: This week the FDA expects to issue an industry-wide letter stating that products claiming prevention of SIDS may be subject to FDA pre-market review. *The Washington Post* has been researching a story on devices that are marketed to prevent SIDS and has asked FDA about baby propping devices intended to prevent SIDS. In addition, the Consumer Product Safety Commission plans to issue a press release warning about such products, noting the recommendation of the American Academy of Pediatrics that babies be placed on their backs to sleep to reduce the risk of SIDS.

Gene Therapy Trials: On March 7, as part of ongoing efforts to ensure patient protection in gene therapy trials, FDA and NIH announced two new initiatives to further strengthen the safeguards for individuals enrolled in clinical studies for gene therapy. These two new initiatives--the Gene Therapy Clinical Trial Monitoring Plan and the Gene Transfer Safety Symposia--complement current patient protections. FDA's clinical trials monitoring plan addresses emerging evidence that the monitoring by study sponsors of several recent gene therapy trials has been less than adequate. To buttress the rigor of the oversight, FDA will require that sponsors of gene therapy trials routinely submit their monitoring plans to the FDA. In a second new initiative, a series of Gene Transfer Safety Symposia, NIH and FDA will enhance patient safety by providing critical forums for the sharing and analysis of medical and scientific data from gene transfer research.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mortgages for Affordable Housing: HUD has issued a proposed rule that would require the nation's two largest housing finance companies to buy \$2.4 trillion in mortgages over the next ten years to provide affordable housing for about 28.1 million low- and moderate-income families. The historic action by HUD raises the required percentage of mortgage loans for low- and moderate-income families that Fannie Mae and Freddie Mac must buy from the current 42 percent of their total purchases to a new high of 50 percent -- a 19 percent increase -- in 2001. The percentage will first increase to 48 percent in 2000.

January 2000 New Home Sales: New home sales in January were 882,000 units on a seasonally-adjusted annual basis. Sales were down 4.2 percent from December, and down 3.9 percent from January 1999 when 918,000 homes were sold on a seasonally adjusted annual basis. While there has been a decrease, this is still one of the top twenty monthly rates ever reported.

Gun Buyback Initiative: The Flint, MI Housing Commission will reprogram \$70,000 of its FY1999 Public and Indian Housing Drug Elimination Program grant funding (\$274,486) and will receive \$30,100 in matching funds from HUD for a total of \$100,100 for its Gun BuyBack Initiative. The Commission's goal is to take approximately 2,000 guns off the street. For every gun that is brought back the person will receive \$50 gift certificate. The Housing Commission will work in cooperation with the Flint Police Department in disposing the guns.

DEPARTMENT OF ENERGY

Oil Heat Flyer: In response to escalating heating oil prices in the Northeast, DOE has joined with the Petroleum Marketers Association of America (PMAA) to help homeowners reduce heating oil use and save money. DOE and the PMAA are distributing a flyer to local oil heat dealers for distribution to their customers.

DEPARTMENT OF EDUCATION

Kansas City, MO Desegregation Case: On February 29, the Eighth Circuit reversed a district court's November 17 dismissal of desegregation litigation involving Kansas City schools. The Eighth Circuit held the district court erred in declaring the school district unitary without giving notice either to the district or the plaintiffs or permitting the parties to present evidence and argue the case. Although the Eighth Circuit did not address the merits of the unitary status issue, it did recognize that the school district has the burden of proving it is unitary in the subsequent unitary status hearing. That finding means the school district will have to address the achievement gap between African American and white students.

NY School Statistics: On March 7, the New York City board of education reported that, after years of decline, the city's high school dropout rate increased in 1998, rising from 15.6 percent to 17.5 percent. The state education department also released figures that show city students lagging behind their peers across the state on statewide tests. The scores suggest that city students may face difficulties as minimum scores are phased in as graduation requirements.

KY Higher Education Agreement: DOEd expects to enter a partnership agreement with the State of KY to eliminate vestiges of desegregation in the state's higher education system. The proposed agreement would address enhancement of Kentucky State University, the state's only historically black university; initiatives to improve the climate on other campuses, including employment of more African Americans at historically white institutions; and recruitment and retention of African American students.

SMALL BUSINESS ADMINISTRATION

Small Business Tax Assistance: Through a cosponsorship with the Service Corps of Retired Executives, the IRS has developed a new CD-ROM that will assist small businesses with tax preparation. The CD-ROM is offered free of charge and IRS has offered to distribute 100 copies of the software to each SCORE chapter nationwide.

Credit Repair Seminar: SBA's Office of Veterans Affairs is working closely with the National Institute for Consumer Education at Eastern Michigan University in Ypsilanti, MI, the Congressional Black Caucus Foundation, Hispanic Chambers of Commerce and the Black Chambers of Commerce to determine the possibility of a partnership to provide credit repair seminars to veterans. This potential national effort will help corporations, like General Motors, partner with foundations to reach out to the disabled veterans community to establish credit worthiness and provide technical assistance and other resources to veteran entrepreneurs. Pilot

projects are being planned in 18 states with high concentrations of veterans, including VA, CA, WI, TX, and MO.

GENERAL SERVICES ADMINISTRATION

Buffalo, NY Security Information Radio Network: The GSA Field Office in Buffalo is involved with a cooperative security information group in downtown Buffalo. The group consists of representatives from public and private law enforcement and security organizations. Recently it instituted a shared radio network called "Secure-Net." The purpose of this network is to share information related to security and crime prevention among the various partners in downtown Buffalo. The GSA Federal Protective Service has begun monitoring this frequency. In an emergency, Federal Protective Service can also communicate with the various commercial security offices where GSA has leases and with other law enforcement agencies in the area. The network has already been beneficial in detecting crimes in progress that may have an impact on one or more federal facilities.

LEGISLATIVE CALENDAR

Senate

The Senate will stand in recess for the week of March 13th. They will return on Monday, March 20th. On Tuesday, March 21st the Senate will begin consideration of H.R.5, the Social Security Earnings Legislation. Under previous agreement, there will be three amendments in order to the bill: a technical corrections amendment to the House bill, a Kerrey (D-NE) amendment regarding social security reform, and a Gregg (R-NH) amendment also regarding social security reform. Votes on the amendments, as well as final passage, could occur during Tuesday's session.

House of Representatives

This week the House is carrying a relatively light legislative load, convening on Tuesday, March 14th after 6 pm, and adjourning on Thursday evening.

UPCOMING POTUS SCHEDULE

Thursday, Mar. 16	Departure Statement on Guns and the Budget St. Patrick's Day Luncheon Location: Capitol Hill
Friday, Mar. 17	No Message Event
Saturday, Mar. 18	Radio Address (taped Fri. 3/17); Topic: TBD Depart for Foreign Travel
Saturday, Mar. 18 - Sunday, Mar. 26	Travel to India, Bangladesh, and Pakistan

Saturday, Mar. 25	Radio Address (taped on Fri. 3/24) Topic: TBD
Monday, Mar. 27	No Message Event
Tuesday, Mar. 28	Press Conference with President Mubarak
Wednesday, Mar. 29	Possible Digital Divide Event Location: TBD
Thursday, Mar. 30	Message Opportunity, Possible Topic: Hate Crimes Location: TBD, New York
Friday, Mar. 31	No Message Event
Saturday, Apr. 1	Radio Address (taped Fri. 3/31)

**PRESIDENT CLINTON ANNOUNCES NEW REPORT ON EFFECTIVENESS OF
NATIONAL INSTANT CHECK SYSTEM AND URGES PASSAGE OF
COMMON SENSE GUN LAWS**

March 15, 2000

Joined by members of Congress, President Clinton today will unveil the FBI's first annual report on the National Instant Criminal Background Check System (NICS) created under the Brady Law. The new report shows that in its first year of operation, the NICS stopped 179,000 felons, fugitives, domestic abusers, and other prohibited persons from buying guns. The President today also will highlight his budget proposal to make Brady checks even faster and more effective. Finally, he will urge Congress to resist the gun lobby by passing the motion Representative Lofgren will offer today calling on juvenile justice conferees to meet in the next two weeks, and by moving on gun safety legislation that has been stalled for over eight months.

RELEASING FIRST ANNUAL REPORT ON NATIONAL INSTANT CHECK SYSTEM.

Today's report confirms that the NICS is a powerful tool to help law enforcement and federally-licensed gun dealers keep guns out of the wrong hands. In its first 13 months of operation (November 30, 1998-December 31, 1999), the NICS conducted over 10 million background checks and blocked an estimated 179,000 prohibited gun sales. Through NICS, the FBI and its state and local law enforcement partners perform instant searches of over 35 million records to help prevent the sale of guns to prohibited buyers. To date, the Brady Law has stopped more than 500,000 felons, fugitives, and other prohibited persons from purchasing firearms. Among the key findings of today's report:

Most checks completed within seconds. During the first year of NICS, 72 percent of checks were completed within 30 seconds, and 95 percent were completed within two hours. In the remaining cases where completing a check takes longer, there is a strong law enforcement rationale for additional time: an individual whose check takes more than 24 hours to complete is almost 20 times more likely than the average gun buyer to be a felon or other prohibited purchaser.

Vast majority of sales blocked to felons and other criminals. Of sales denied by the FBI, 71 percent were to felons, 15 percent to individuals with domestic violence misdemeanors or under restraining orders, and 4 percent to persons with histories of drug abuse.

NICS checks help law enforcement apprehend fugitives. The report shows that NICS prevented more than 2,400 wanted persons from buying guns, and that FBI employees identified those persons to federal, state and local law enforcement agencies -- leading to the apprehension of dangerous fugitives from justice.

Cutting time for law enforcement checks means more criminals get guns. The report shows that if the FBI were given only 24 hours to complete all background checks, instead of up to three business days as under current law, nearly 34,000 prohibited purchasers -- over 38 percent of FBI denials -- would have received guns since the NICS first took effect.

DOUBLING FUNDS TO MAKE BRADY CHECKS FASTER AND MORE EFFECTIVE.

The President today will also announce that his FY 2001 budget provides \$70 million to give law enforcement more tools to increase the speed and accuracy of Brady Background checks, and keep guns out of the hands of even more prohibited persons. The President's initiative doubles funding for the National Criminal History Records Improvement Program (NCHIP), created under the Brady Law to improve the accessibility of records used for Brady background checks. NCHIP helps states to update, computerize and complete their records on felons, fugitives, domestic abusers, mentally ill prohibited persons and others restricted from purchasing firearms. To date, over \$200 million has been provided to states through NCHIP.

PUSHING FOR BIPARTISAN CONGRESSIONAL ACTION ON COMMON SENSE

GUN LEGISLATION. For over eight months, the Republican leadership has refused to allow the House and Senate conferees to meet and have a substantive debate on the common sense gun measures in the pending juvenile crime bill. Joined by a bipartisan group of House members, the President will urge Congress to pass Representative Lofgren's motion today calling on conferees to meet in the next two weeks. The President also will call again on Congress to send him strong gun safety legislation that would: require background checks at gun shows; mandate the sale of child safety locks with handguns; bar the importation of high capacity ammunition clips; and hold adults accountable if they allow children easy access to loaded guns that are later used to kill or maim. As part of his comprehensive strategy to reduce gun violence, the President also will urge support for his \$280 million National Gun Enforcement Initiative to hire 500 new Bureau of Alcohol, Tobacco & Firearms (ATF) agents and inspectors; fund over 1,000 new federal, state and local gun prosecutors; expand ATF's crime gun tracing and ballistics testing program; and help communities replicate successful gun violence reduction programs like Richmond's Project Exile and Boston's Operation Ceasefire.

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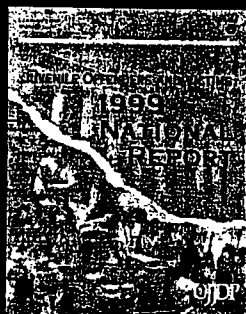


MARCH 2000

1999 NATIONAL REPORT SERIES

Juvenile Justice Bulletin

Shay Bilchik, Administrator



As the Nation moves into the 21st century, the reduction of juvenile crime, violence, and victimization constitutes one of the most crucial challenges of the new millennium. To meet that challenge, reliable information is essential. Juvenile Offenders and Victims: 1999 National Report offers a comprehensive overview of these pervasive problems and the response of the juvenile justice system. The National Report brings together statistics from a variety of sources on a wide array of topics, presenting the information in clear, nontechnical text enhanced by more than 350 easy-to-read tables, graphs, and maps.

This Bulletin series is designed to give readers quick, focused access to some of the most critical findings from the wealth of data in the National Report. Each Bulletin in the series highlights selected themes at the forefront of juvenile justice policymaking and extracts relevant National Report sections (including selected graphs and tables).

Administrator's Message

Guns kill. In many cases, guns kill our children. Sometimes the guns are fired by other juveniles, often by acquaintances or family members. This Bulletin, drawn from *Juvenile Offenders and Victims: 1999 National Report*, provides an overview of the national statistics that show the devastating impact that the availability of guns has had on the lives and well-being of American youth.

While other types of homicide remained constant, the number of juveniles killed with a firearm increased

Kids and Guns

greatly between 1987 and 1993. A close look at the numbers shows that the rise in murders of juveniles from the mid-1980's through the 1993 peak year was all firearm related, as was the subsequent decline in juvenile murders that occurred between 1993 and 1997.

Guns play a large role in suicides as well. Families, teachers, and friends have virtually no chance to reach out to youth in desperate need of help when that desperation is signaled by the immediate and often fatal impact of a gunshot wound. Statistics show that for every two youth age 19 or younger murdered in 1996, one youth committed suicide. The rate of youth suicides involving a firearm increased 39% between 1980 and 1994, and although firearm-involved suicides declined 19% from 1994 to 1996, these numbers are still much too high.

Despite these sobering statistics, it is important to remember that there are steps we can take to make our children and our communities safer. In fact, a number of communities have made progress in countering the threat of gun-related violence by bringing together law enforcement, elected officials, prosecutors, judges, schools, community organizations, and citizens to develop their own comprehensive strategic violence prevention plan. The experiences of these communities are described in the OJJDP publication *Promising Strategies To Reduce Gun Violence*. This OJJDP Report provides a wealth of practical information and tools that communities can use to develop their own firearm violence reduction programs.

The recent decline in firearm-related juvenile homicides and suicides is encouraging and reinforces the need to remain vigilant in keeping handguns and other weapons out of the hands of children. Rational gun control policies, community involvement in schools, better relationships between law enforcement agencies and communities, support for parents in supervising and disciplining their children, and help for teens in despair are all approaches that we can use in our efforts to reduce the illegal use of firearms by juveniles.

Shay Bilchik
Administrator

OJJ

The rise in murders of juveniles between 1984 and 1993 was all firearm related, as was the subsequent decline

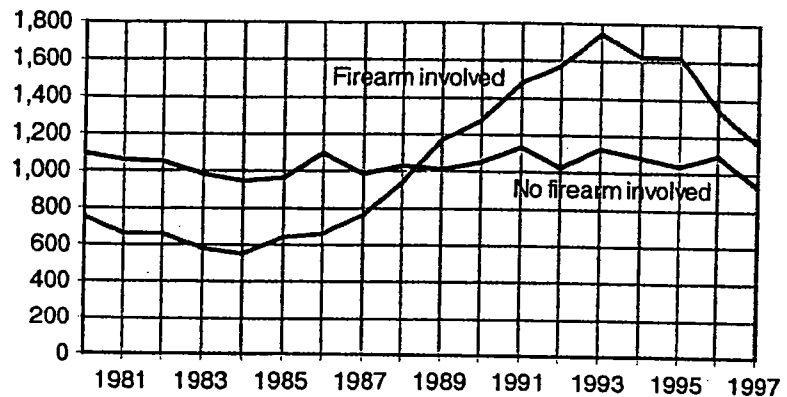
The increase in juvenile homicides is tied to firearm use by nonfamily offenders

A study of the 65% increase in juvenile homicides in the 7-year period from 1987 to 1993 shows that increases did not occur proportionately in all types of homicides. Over this period, homicides by family members held constant, while homicides by acquaintances increased substantially. The increase was disproportionate for black victims, with the growth in the number of black victims twice that of white victims. Most significantly, nearly all of the growth in juvenile homicides was in the number of older juveniles killed with firearms.

The decline in juvenile homicides between 1993 and 1997 brought the number to a level just 20% above that of 1987 (the last year in which juvenile homicides were within their historic range). Both the decline from 1993 to 1997 and the growth from 1987 to 1993 involved substantial changes in the number of murders by acquaintances and in the number of murders of older youth and black youth. The proportion of homicides committed with a firearm, which had increased dramatically between 1987 and 1993, however, did not decline between 1993 and 1997. Therefore, the major legacy of the growth in juvenile homicides from 1987 through 1993 is that it increased the proportion of juveniles killed by firearms.

The annual number of juveniles killed with a firearm increased substantially between 1987 and 1993, while other types of homicide remained constant

Juvenile homicide victims

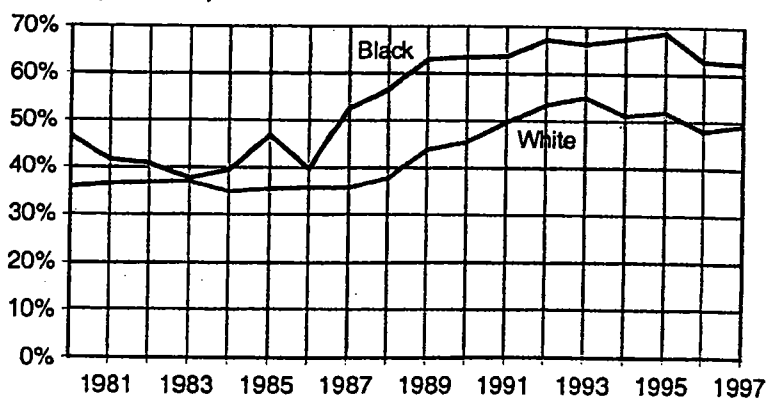


- In 1980, fewer than half (41%) of the juveniles murdered were killed with a firearm. The proportion of juvenile firearm homicides began to increase in 1987 and peaked (at 61%) in 1993. Since then, the proportion has declined somewhat, with 56% of juvenile homicides involving a firearm in 1997.

Source: Authors' analyses of the FBI's *Supplementary Homicide Reports* for the years 1980-1997 [machine-readable data files].

The use of firearms in juvenile homicides was common in the 1990's for both black victims and white victims

Firearm percent of juvenile homicide victims

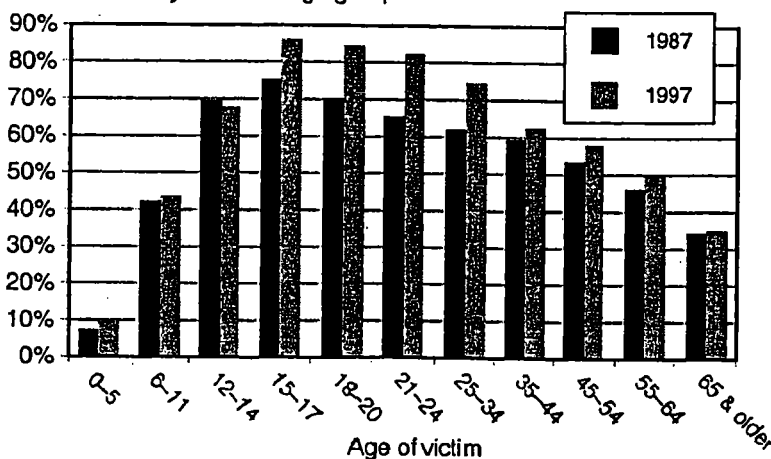


- In the early 1980's, proportions of juvenile homicides involving a firearm were roughly equal for white victims and black victims.
- The proportion of black juvenile homicides involving a firearm increased substantially during a 3-year period in the late 1980's.

Source: Authors' analyses of the FBI's *Supplementary Homicide Reports* for the years 1980-1997 [machine-readable data files].

Homicides of juveniles ages 15 to 17 were more likely to involve a firearm than were homicides of adults

Percent killed by firearm in age group



- Over the 10-year period from 1987 to 1997, the proportion of homicides committed with a firearm increased in most victim age groups.

Source: Authors' analyses of the FBI's *Supplementary Homicide Reports* for the years 1980-1997 [machine-readable data files].

Between 1980 and 1997, 3 out of 4 murdered juveniles age 12 or older were killed with a firearm

Weapon	Age of victim				Victim ages 0-17	
	0-17	0-5	6-11	12-17	Males	Females
Total	100%	100%	100%	100%	100%	100%
Firearm	51	10	42	75	60	31
Knife/blunt object	14	11	19	15	13	17
Personal*	19	48	11	3	15	27
Other	16	30	28	7	12	25

- Nearly half (48%) of all murdered children below age 6 were killed by offenders using only their hands, fists, or feet.
- Male murder victims were nearly twice as likely as female victims to be killed with a firearm.

* Personal includes hands, fists, or feet.

Note: Detail may not total 100% because of rounding.

Source: Authors' analyses of the FBI's *Supplementary Homicide Reports* for the years 1980-1997 [machine-readable data files].

Since 1980, 1 in 4 murders of juveniles involved a juvenile offender

Nearly 38,000 juveniles were murdered between 1980 and 1997. A juvenile offender was involved in 26% of these crimes when an offender was identified. In murders of juveniles by juveniles, about 1 of every 6 also involved an adult offender. Between 1980 and 1997, the victim and the offender were the same race in 91% of murders of juveniles by juveniles.

The proportion of juvenile murders that involved a juvenile offender increased from 21% in 1980 to 33% in 1994—the peak year for all murders by juveniles. In 1980, an estimated 400 juveniles were killed by other juveniles, growing to nearly 900 in 1994; by 1997, this figure had fallen to about 500—about 1 in every 2 juveniles murdered that year.

When juveniles kill juveniles, the victims are generally acquaintances; killed with a firearm

Of juveniles killed by other juveniles between 1980 and 1997, 43% were under age 6. In nearly half of the murders (47%), the juvenile offender was the parent of the victim. In another 18%, the juvenile offender was another family member. Firearms were rarely used when the victim was under age 6 (10%).

Of juveniles killed by other juveniles, 63% were age 15 or older. Fewer than 5% of these older juvenile victims were killed by family members; 76% were killed by acquaintances and 19% were killed by strangers. Between 1980 and 1997, 77% of these older juveniles were killed with a firearm.

All of the increase in homicides by juveniles between the mid-1980's and mid-1990's was firearm related

It is difficult to assess the exact number of murders committed by juveniles

Based on the Federal Bureau of Investigation's (FBI's) Supplemental Homicide Report (SHR) data, 18,200 persons were murdered in the U.S. in 1997—the lowest number in more than a generation. Of these murders, about 1,400 were determined by law enforcement to involve a juvenile offender; however, the actual number is greater than this. In 1997, the FBI had no information on the offender(s) for about 6,900 reported murders (38% of the total). These may have been homicides for which no one was arrested or the offender was otherwise not identified, or these may have been cases for which the local agency did not report complete information to the FBI. Regardless, the number of murders committed by juveniles in 1997 was undoubtedly greater than 1,400, but just how much greater is difficult to determine. If it were assumed that the murders without offender information were similar to those with offender information, then about 2,300 murders (or 12% of all murders) in 1997 had at least one offender who was under the age of 18 at the time of the crime.

The 1,400 murders known to involve a juvenile offender in 1997 involved about 1,700 juveniles and 900 adults. Of all murders involving a juvenile, 31% also involved an adult, and 13% involved another juvenile. In all, 44% of all murders involving a juvenile involved more than one person.

Whom do juveniles kill?

Between 1980 and 1997, most victims in homicides involving juveniles were male (83%). Slightly more victims were white (50%) than black (47%). In 27% of homicides by juveniles, the victim was also a juvenile. Victims in 70% of homicides by juveniles were killed with a firearm. Of all victims killed by juveniles, 14% were family members, 55% were acquaintances, and 31% were strangers.

Who are the juvenile murderers?

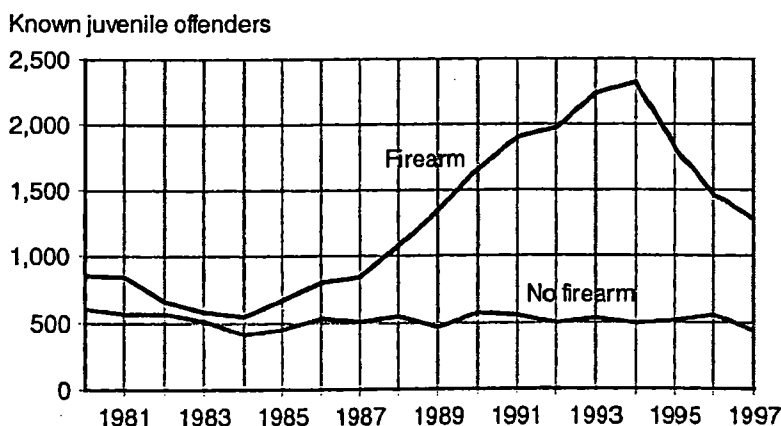
Between 1980 and 1997, the large majority (93%) of known juvenile homicide offenders were male. More than half (56%) were black. Of known juvenile homicide offenders, 42% were

age 17, 29% were age 16, and 17% were age 15; 88% of juvenile homicide offenders were age 15 or older.

Murders by the very young are rare

Annually between 1980 and 1997, fewer than 10 juveniles age 10 or younger were identified as participants in murders—a figure that has remained essentially constant over the time period. The majority of these young homicide offenders were male (88%) and more than half (54%) were black. In these cases, the victim was equally likely to be either a family member or an acquaintance (43%). A firearm was involved in 50% of the murders committed by these young offenders.

The sharp decline in homicides by juveniles between 1994 and 1997 was attributable entirely to a decline in homicides by firearm



Between 1980 and 1987, firearms were used in just over half (54%) of all homicides involving a juvenile offender. Then firearm-related homicides began to increase, so that, by 1994, most homicides by juvenile offenders (82%) involved the use of a firearm.

Source: Authors' analyses of the FBI's *Supplementary Homicide Reports* for the years 1980–1997 (machine-readable data files).

Boys and girls tend to kill different types of victims

Between 1980 and 1997, 54% of male juvenile homicide offenders killed an acquaintance, 37% killed a stranger, and 9% killed a family member. In comparison, the victims of females were more likely to be family members (39%) and far less likely to be strangers (15%).

Between 1980 and 1997, about 1% of male offenders killed persons under age 6, while 18% of the female offenders killed young children. Because there were so many more male offenders than female offenders, however, roughly equal numbers of male and female juvenile offenders were involved in the murder of young children. Annually between 1980 and 1997, about 25 male and 25 female juvenile offenders were tied to the death of a child under age 6.

Males were far more likely than females to kill with a firearm. Between 1980 and 1997, 73% of male juvenile homicide offenders used a firearm, while 14% used a knife. In contrast, 41% of female juvenile homicide offenders used a firearm and 32% used a knife. While

27% of females used other means to kill (e.g., hands or feet, strangulation, drowning, or fire), only 13% of males killed by these means.

Black juveniles were more likely to commit murders with firearms than were youth of other races

In the U.S. in 1997, about 1 of every 16,000 youth between the ages of 10 and 17 was identified as participating in a homicide. This is a rate of 56 known offenders for every 1 million youth in the U.S. population ages 10-17. This rate was greater for black youth than youth of other races: black (194), Asian/Pacific Islanders (44), American Indians (34), and whites (30).

Between 1980 and 1997, 72% of black juvenile homicide offenders used a firearm in their crimes. This proportion was higher than that for Asian/Pacific Islander (67%), white (59%), or American Indian (48%) youth.

Youth were most likely to kill persons of their own race. Between 1980 and 1997, 81% of juvenile offenders were involved in murders of persons of

their own race. Same-race killing was most common for white youth (90%) and less common for blacks (76%), Asian/Pacific Islanders (58%), and American Indians (48%).

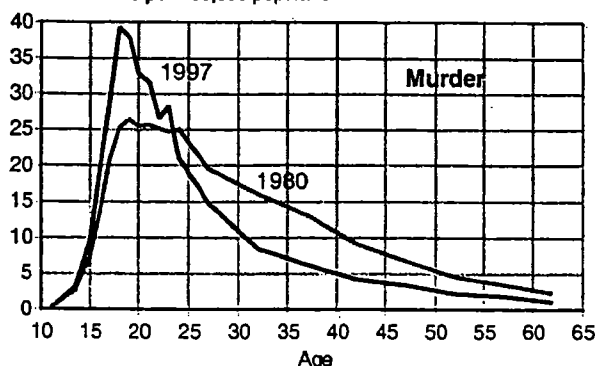
A greater proportion of white youth and American Indian youth killed family members than did youth of other races: American Indian (42%), white (16%), black (7%), and Asian/Pacific Islander (7%).

Growth in murders by juveniles is linked to weapon use

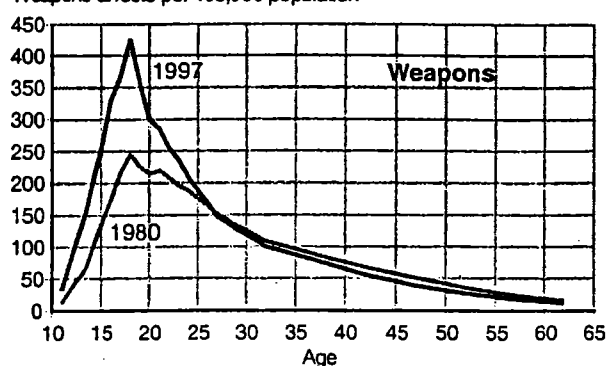
Relevant to an understanding of juvenile murder arrest trends is the link between murder rates and weapon use. The relationship of the murder and arrest curves for 1980 and 1997 is similar to that for weapons law violations. (See murder graph and weapons graph.) For murder, the rate was lower in 1997 than in 1980 for all persons above age 25, but there were substantial increases in murder rates among juveniles and young adults. The age-specific arrest rate trend for weapons violations is comparable to that for murder, showing large increases for juveniles and young adults

Age-specific arrest rate trends for murder are similar to those for weapons violations

Murder arrests per 100,000 population



Weapons arrests per 100,000 population

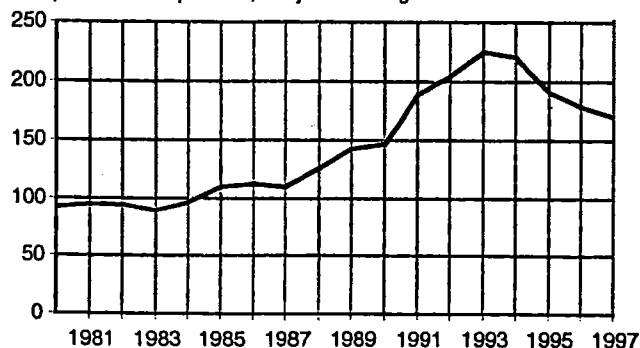


Source: Authors' analysis of arrest data from an unpublished FBI report for 1980 and from *Crime in the United States 1997* and population data from the Bureau of the Census for 1980 from *Current Population Reports*, P25-1095 and for 1997 from *Estimates of the population of States by age, sex, race, and Hispanic origin: 1997* [machine-readable data file].

Juvenile arrest rates for weapons, which increased sharply during the late 1980's and early 1990's, began declining in the mid-1990's

The juvenile arrest rate for weapons law violations doubled in the 6-year period between 1987 and 1993

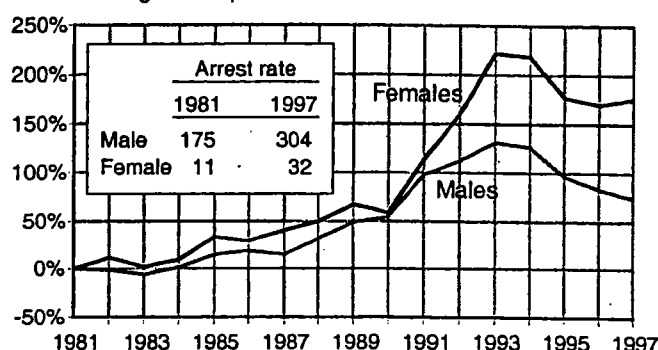
Weapons arrests per 100,000 juveniles ages 10-17



■ The decline between 1993 and 1997 brought the juvenile arrest rate for weapons law violations to its lowest level since 1990, but the rate was still 55% above the 1987 level.

Female arrest rates for weapons law violations nearly tripled between 1981 and 1997, while the male rate nearly doubled

Percent change in weapons arrest rate from 1981



■ Even with its greater increase, the female rate in 1997 was only 10% of the male rate.

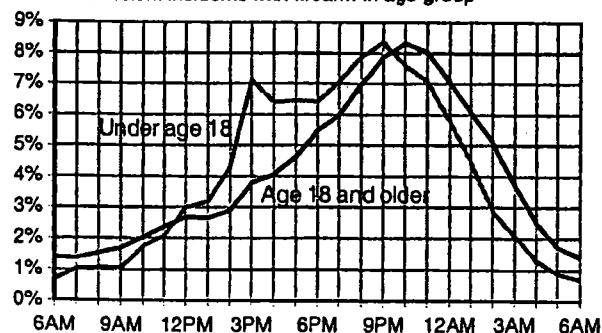
Note: Arrest rates are arrests per 100,000 males or females ages 10-17.

Source: Authors' analysis of arrest data from unpublished FBI reports for 1980 through 1994 and the FBI's *Crime in the United States* reports for 1995, 1996, and 1997 and population data from the Bureau of the Census for 1980 through 1989 from *Current Population Reports*, P25-1095 and for 1990 through 1997 from *Estimates of the population of States by age, sex, race, and Hispanic origin: 1990-1997* [machine-readable data files].

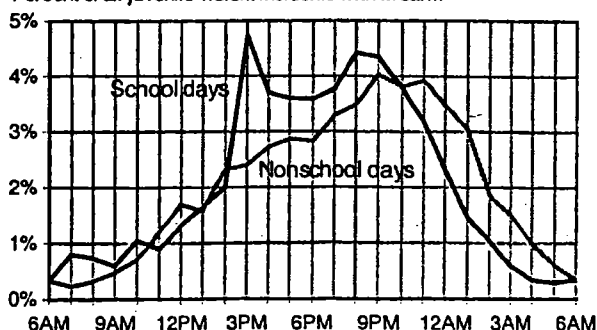
In general, the temporal pattern of violent crimes committed by juveniles with firearms is similar to the adult pattern, except for the high proportion of juvenile firearm-involved crimes that occur immediately after school on school days

Violent crime committed with a firearm

Percent of violent incidents with firearm in age group



Percent of all juvenile violent incidents with firearm



Note: Violent crime includes murder, violent sexual assault, robbery, aggravated assault, and simple assault. Data are from 12 States (Alabama, Colorado, Idaho, Illinois, Iowa, Massachusetts, Michigan, North Dakota, South Carolina, Utah, Vermont, and Virginia).

Source: Authors' analyses of the FBI's *National Incident-Based Reporting System* master files for the years 1991-1996 [machine-readable data files].

1 in 5 juvenile arrestees carried a gun all or most of the time

Gun use and crime among male arrestees/detainees is studied

The National Institute of Justice interviewed a sample of arrested and/or detained individuals during the first 6 months of 1995 to learn about gun acquisition and use. Seven of eleven study sites provided data on juvenile males: Denver, District of Columbia, Indianapolis, Los Angeles, Phoenix, St. Louis, and San Diego.

Although sites varied, the juvenile males studied were disproportionately black or Hispanic, and most were age 15 or older. Because 5 of the 7 sites limited the study to juveniles in detention rather than all juveniles arrested, the offense profile for juveniles studied was skewed to more serious offenses (crimes against persons ranged from 15% to 29%). Also, the proportion of juveniles who admitted to current membership in a gang ranged from 2% to 41%.

Juveniles are more likely than arrestees overall to commit a crime with a gun

The proportion of respondents who were charged with a weapons offense ranged from 1% to 12%. Among the juvenile males interviewed, however, 20% said they carried a gun all or most of the time, compared with 14% of arrestees overall.

Juvenile arrestees were nearly twice as likely as arrestees overall to say they had stolen a gun (25% vs. 13%). Gang members and drug sellers were also more likely than other arrestees to have stolen a gun (each about 30%).

Overall, 23% of arrestees who owned a gun had used one in a crime. The proportion was higher for juveniles (33%) and higher still for drug sellers (42%) and gang members (50%).

Arrestees were often the victims of gun violence

Juvenile males and gang members were more likely than arrestees overall to have been shot at. The proportion who said they had been shot at was about 4 in 10 overall, compared with about 5 in 10 for juvenile males and about 8 in 10 for gang members.

Although juveniles were more likely than adults to be shot at, they were not more likely to suffer gunshot injury. Overall, 16% of arrestees reported gunshot injuries.

Arrestees say they carry guns for protection and respect

Two-thirds of respondents said they had a gun for protection/self-defense. Almost one-third of arrestees agreed that, "Your crowd respects you if you have a gun." Among drug sellers and gang members, the proportion agreeing was higher (4 in 10). When asked when using a gun was appropriate, 9% of arrestees agreed that, "It's okay to shoot someone who disrespected you." Among juveniles, the proportion agreeing was double (18%). Among drug sellers, 21% agreed, and among gang members, 34% agreed.

More than half of crime guns were recovered from adults ages 25 years or older

In 1996, the Bureau of Alcohol, Tobacco and Firearms established the Youth Crime Gun Interdiction Initiative to trace crime guns (i.e., any firearm illegally possessed, used in a crime, or suspected to have been used in a crime) recovered by law enforcement. More than 76,000 crime guns were traced from 27 cities during a 1-year period between 1997 and 1998. Almost one-half (44%) of crime guns were recovered from persons under the age of 25. 11% were recovered from youth age 17 or younger.

Age	Percent of crime guns
All	100%
17 or younger	11%
18-24	33%
25 or older	56%

Note: Detail may not total 100% because of rounding.

4 in 5 recovered firearms were handguns

A handgun was the most common type of recovered firearm traced by law enforcement. Of these, a semi-automatic pistol was the most frequently possessed handgun among all age groups (52%). Semi-automatic pistols were more common among youth under age 18 (58%) and those ages 18-24 (60%) than among persons age 25 or older (47%).

Type of gun	For 17 or younger	18-24	25 or older
Total	100%	100%	100%
Semiautomatic pistol	58	60	47
Revolver	29	24	27
Long gun	12	15	25

Note: Detail may not total 100% because of rounding.

A new survey of youth shows that handgun carrying is linked to other problem behavior

A new survey will follow a cohort of youth as they make the transition from school to work

The first wave of the 1997 National Longitudinal Survey of Youth (NLSY97) interviewed a nationally representative sample of 9,000 youth who were between the ages of 12 and 16 at year-end 1996. The survey asked youth to report whether they had engaged in a variety of deviant and delinquent behaviors, including carrying a handgun. Plans are to interview members of this cohort every 2 years to track changes in delinquent and criminal activity over the life course.

- Youth who had ever used marijuana were more likely to have sold marijuana (24% vs. <1%), carried a handgun (21% vs. 7%), or been in a gang (14% vs. 2%) at some point than youth who never used marijuana.
- Youth who had ever sold marijuana were more likely to have sold hard drugs (i.e., cocaine, LSD, or heroin) (40% vs. 1%), carried a handgun (35% vs. 8%), or been in a gang (24% vs. 4%) than youth who never sold marijuana.
- Active marijuana users (i.e., youth who used marijuana during the month prior to the survey) were more likely to have consumed alcohol (78% vs. 14%) or carried a handgun (12% vs. 2%) during that period than youth who did not use marijuana.
- Youth who had carried a handgun in the last 12 months were also more likely to have been in a gang than youth who did not carry a handgun during this period (15% vs. 1%).

The survey also found that more than half of all 16-year-olds who had ever committed assault, carried a handgun, or belonged to a gang had done so for the first time by age 12. In contrast, less than one-fifth of all 16-year-olds who had ever used marijuana, sold any drugs, or sold hard drugs (i.e., cocaine, LSD, or heroin) had done so for the first time by age 12.

Recent participation (i.e., within the last 12 months or 30 days prior to the interview) in delinquent acts such as carrying a handgun varied by race and ethnicity for males and females

Behavior	Males ages 12-16			Females ages 12-16		
	White	Black	Hispanic	White	Black	Hispanic
Carried a handgun						
Last 12 months	10%	8%	8%	2%	2%	2%
Last 30 days	5	5	4	1	1	1
To school in last 30 days	< 1	1	1	0	0	< 1

- In the year preceding the interview, white males were less likely to have been in a gang than black and Hispanic males but more likely to have carried a gun.

Note: The white and black racial categories do not include youth of Hispanic ethnicity. Hispanic youth can be of any race.

Source: Authors' analysis of the Bureau of Labor Statistics' *The National Longitudinal Survey of Youth 1997* [machine-readable data file].

Among 15-year-olds, employed youth were significantly more likely to have carried a gun in the last 12 months than unemployed youth

Behavior	15-year-olds		16-year-olds	
	Unemployed	Employed	Unemployed	Employed
Carried a handgun				
Last 12 months	5%	8%	7%	6%
Last 30 days	3	4	4	3

Source: Authors' analysis of the Bureau of Labor Statistics' *The National Longitudinal Survey of Youth 1997* [machine-readable data file].

For every two youth (ages 0–19) murdered in 1996, one youth committed suicide

7% of all suicides in 1996 involved youth age 19 or younger

FBI data indicate that about 3,900 youth age 19 or younger were murdered in the U.S. in 1996. The magnitude of this problem has captured the public's attention, but much less attention has been given to the fact that for every two youth murdered, one youth commits suicide.

The National Center for Health Statistics reported that 30,903 persons committed suicide in the U.S. in 1996. Of these, 7% (2,119) were youth age 19 or younger. Overall suicides increased 9% between 1980 and 1996. For youth younger than age 15, the increase was 113%. Despite this large increase, these youngest suicide victims accounted for just 1% of all suicides in 1996.

Young suicide victims are disproportionately male and white

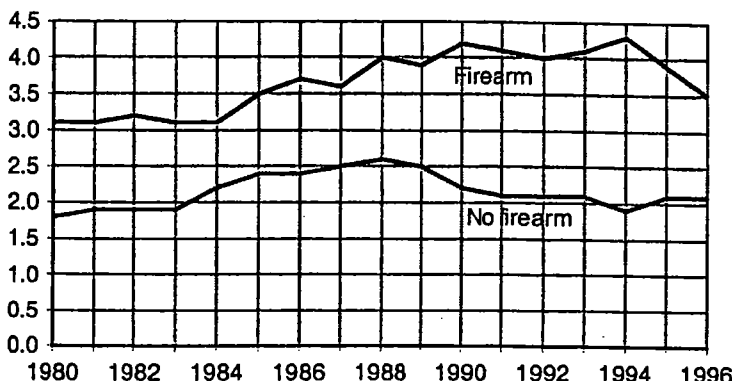
Males accounted for 8 in 10 youth suicides; white youth also accounted for 8 in 10 suicides.

	Number of suicides		Suicides per 100,000 youth	
	Ages 10–14	Ages 15–19	Ages 10–14	Ages 15–19
Total	298	1,817	1.6	9.7
Male	222	1,496	2.3	15.6
Female	76	321	0.8	3.5
White	244	1,522	1.6	10.3
Male	179	1,249	2.3	16.3
Female	65	273	0.9	3.8
Nonwhite	54	295	1.4	7.7
Male	43	247	2.2	12.7
Female	11	48	*	2.6

* Too few cases to obtain a reliable rate.

The rate of youth suicides involving a firearm increased 39% between 1980 and 1994, before declining 19% to the 1996 level

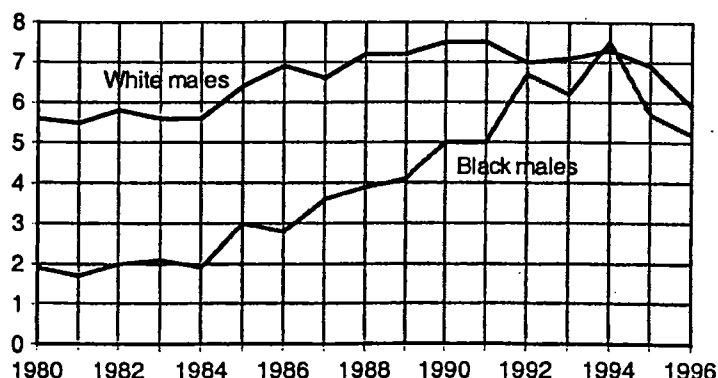
Suicides per 100,000 youth ages 10–19



Source: Authors' analysis of the National Center for Health Statistics' 1979–1996 data from the compressed mortality file (unpublished data).

The firearm-related suicide rate for young black males peaked in 1994 at a level higher than the rate for young white males, before declining to the 1996 level

Firearm-related suicides per 100,000 youth ages 10–19



- Between 1994 and 1996, firearm-related suicide rates decreased 19% for young white males and 31% for young black males.
- In 1996, firearm-related suicide rates for young white males declined to mid-1980's levels, while the rate for young black males was more than twice the 1980 rate.
- Changes in firearm-related suicide rates for young black males were similar to homicide patterns for young black males between 1980 and 1996.

Source: Authors' analysis of the National Center for Health Statistics' 1979–1996 data from the compressed mortality file (unpublished data).

U.S. child homicide and suicide rates exceed rates for other industrialized countries

Rates of firearm-related homicides and suicides are high in the U.S.

A study conducted by the Centers for Disease Control and Prevention compared the homicide and suicide rates for children under age 15 in the U.S. with the rates for several other industrialized countries. Each country reported data for 1 year between 1990 and 1995; U.S. data were reported for 1993. The number of homicides per 100,000 children under age 15 in the U.S. was five times the number in the other countries combined (2.57 vs. 0.51). The rate of child homicides involving a firearm, however, was 16 times greater in the U.S. than in the other countries combined (0.94 vs. 0.06).

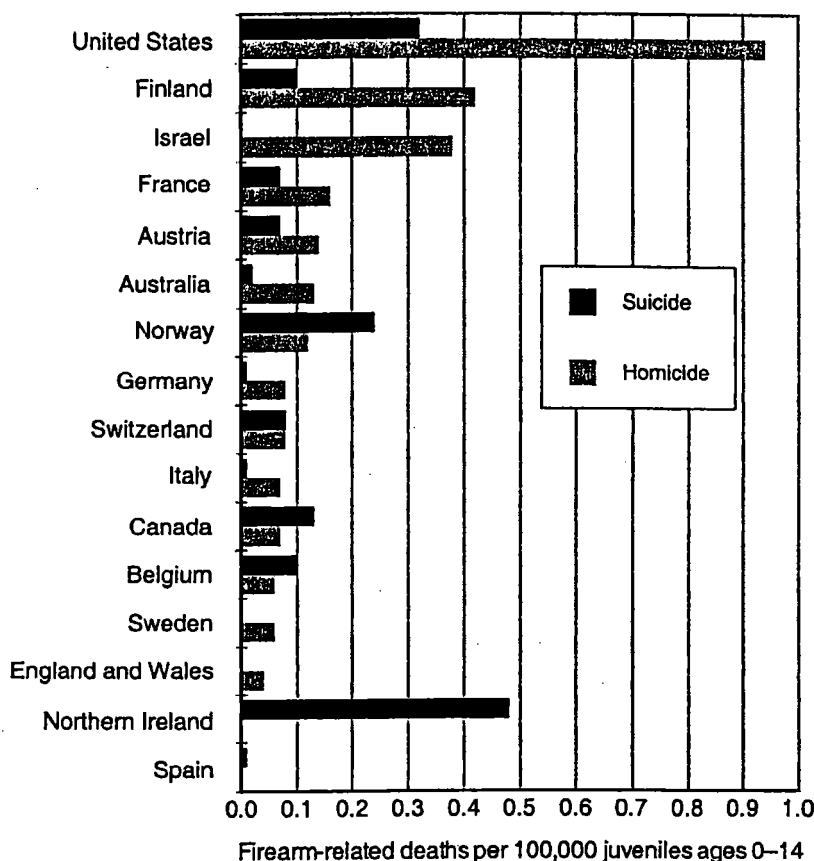
A similar pattern was seen in the suicide rates of children under age 15. Overall, the U.S. suicide rate was twice the rate for the other countries combined (0.55 vs. 0.27). For suicides involving firearms, however, the suicide rate in the U.S. was almost 11 times the rate for the other countries combined (0.32 vs. 0.03).

	Homicide rates*		Suicide rates*	
	U.S.	Foreign	U.S.	Foreign
Ages 0-4	4.10	0.95	0.00	0.00
Firearm	0.43	0.05	0.00	0.00
No firearm	3.67	0.05	0.00	0.00
Ages 5-14	1.75	0.30	0.84	0.40
Firearm	1.22	0.07	0.49	0.05
No firearm	0.53	0.24	0.35	0.35
Ages 0-14	2.57	0.51	0.55	0.27
Firearm	0.94	0.06	0.32	0.03
No firearm	1.63	0.45	0.23	0.24

* Rates are the number of homicides or suicides per 100,000 children in the age group.

Note: Data were provided by Australia, Austria, Belgium, Canada, Denmark, England and Wales, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Kuwait, Netherlands, New Zealand, Northern Ireland, Norway, Scotland, Singapore, Sweden, Spain, Switzerland, and Taiwan.

The U.S. firearm-related homicide rate for children is more than twice that of Finland, the country with the next highest rate



Note: If both suicide and homicide rates for a country were 0, that country is not displayed on the graph. Data were provided by Australia, Austria, Belgium, Canada, Denmark, England and Wales, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Kuwait, Netherlands, New Zealand, Northern Ireland, Norway, Scotland, Singapore, Sweden, Spain, Switzerland, and Taiwan.

Source: Authors' adaptation of Centers for Disease Control and Prevention's Rates of homicide, suicide, and firearm-related death among children—26 industrialized countries.

Homicides involving a firearm were about 10% of all homicides among younger children (ages 0-4) in the U.S. in 1993. In contrast, about two-thirds of U.S. homicides among older children (5-14) involved a firearm. In other countries, firearm-related homicides were less than one-quarter of all homicides in either age group.

While nonfirearm-related suicide rates were the same among older children in the U.S. and other countries (0.35), firearm-related suicide rates in the U.S. were 10 times greater than those in other countries (0.49 vs. 0.05).

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Bill 1 of 50

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Law Enforcement Trust and Integrity Act of 1999 (Introduced in the House)

HR 2656 IH

106th CONGRESS

1st Session

H. R. 2656

To amend the Omnibus Crime Control and Safe Streets Act of 1968 to withhold funds in certain cases, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES**July 30, 1999**

Mr. CONYERS (for himself, Mr. CUMMINGS, Ms. JACKSON-LEE of Texas, Mr. MEEKS of New York, Mr. SCOTT, and Ms. WATERS) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend the Omnibus Crime Control and Safe Streets Act of 1968 to withhold funds in certain cases, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'Law Enforcement Trust and Integrity Act of 1999'.

TITLE I--LAW ENFORCEMENT ACCREDITATION**SEC. 101. ACCREDITATION OF LAW ENFORCEMENT AGENCIES.**

(a) STANDARDS-

(1) IN GENERAL- The Attorney General shall recommend additional areas for the

development of national standards for the accreditation of law enforcement agencies in conjunction with professional law enforcement organizations, principally the Commission on Accreditation of Law Enforcement Agencies (referred to in this title as 'CALEA').

(2) INITIAL ANALYSIS- The Attorney General shall perform an initial analysis of the existing standards and accreditation methodology developed by the CALEA.

(3) PROMULGATION OF STANDARDS- After completion of the initial review and analysis under paragraph (2), the Attorney General shall recommend that CALEA, in consultation with labor and community-based organizations, adopt additional standards, including early warning programs, civil review procedures, traffic stop documentation and procedures, and administrative due process requirements.

(4) ACCREDITATION- The Attorney General shall adopt policies and procedures to partner with CALEA, other professional law enforcement organizations, and community-based organizations to continue the development of further accreditation standards and to encourage the pursuit of accreditation by Federal, State, and local law enforcement agencies.

(b) ACCREDITATION GRANTS- The Attorney General may make funds available to Federal, State, and local law enforcement agencies under this paragraph to assist in gaining or maintaining accreditation from the Commission on Accreditation for Law Enforcement Agencies.

TITLE II--LAW ENFORCEMENT DEVELOPMENT PROGRAMS

SEC. 201. LAW ENFORCEMENT GRANTS.

(a) GRANT AUTHORIZATION- The Attorney General may make grants to States, units of local government, Indian tribal governments, or other public and private entities, and multijurisdictional or regional consortia thereof to study and implement effective management, training, recruiting, hiring, and oversight policies and programs for law enforcement agencies.

(b) PROJECT GRANTS TO STUDY LAW ENFORCEMENT AGENCY MANAGEMENT- Grants made under subsection (a) of this section may be used for the study of law enforcement agency management and operations standards, including administrative due process, residency requirements, compensation and benefits, use of force, racial profiling, early warning programs, and civilian review procedures, and for research into the effectiveness of existing programs, projects, or other activities designed to address misconduct by law enforcement officers.

(c) PROJECT GRANTS TO DEVELOP PILOT PROGRAMS- Grants made under subsection (a) may also be used to develop pilot programs and implement effective programs in the areas of training, hiring, and recruitment, and oversight that are designed to improve management and address misconduct by law enforcement officers. These programs may include the following:

(1) TRAINING- Law enforcement policies, practices, and procedures addressing, training and instruction in the use of lethal and nonlethal force; tactical and defensive strategy; arrests searches and handcuffing; verbal communications; and community relations.

(2) RECRUITMENT AND HIRING- Policies and practices for the hiring and recruitment of law enforcement officers; development of educational and

psychological standards; initiatives to encourage residency and continuing education.

(3) OVERSIGHT- Complaint procedures, including civilian review procedures for jurisdictions across a range of sizes and agency configurations; early warning programs; and administrative due process requirements inherent to complaint procedures for members of the public and law enforcement .

(d) AMOUNTS- Of the amounts appropriated for the purposes of this title--

- (1) 4 percent shall be available for grants to Indian tribal governments; and
- (2) the remaining funds shall be available for grants to applicants in each State in an amount that bears the same ratio to the amount of remaining funds as the population of the State bears to the population of all of the States.

(e) TECHNICAL ASSISTANCE-

- (1) IN GENERAL- The Attorney General may provide technical assistance to States, units of local government, Indian tribal governments, and to other public and private entities, in furtherance of the purposes of this section.
- (2) MODEL- The technical assistance provided by the Attorney General may include the development of a flexible model that will define for State and local governments, and other public and private entities, definitions and strategies associated the reduction of law enforcement misconduct.

(f) USE OF COMPONENTS- The Attorney General may use any component or components of the Department of Justice in carrying out this title.

(g) MATCHING FUNDS-

- (1) IN GENERAL- Except in the case of an Indian tribe, the portion of the costs of a program, project, or activity provided by a grant under subsection (a) may not exceed 75 percent.
- (2) WAIVERS- The Attorney General may waive, wholly or in part, the requirement under paragraph (1) of a non-Federal contribution to the costs of a program, project, or activity.

(h) APPLICATIONS-

- (1) APPLICATION- An application for a grant under this title shall be submitted in such form, and contain such information, as the Attorney General may prescribe by guidelines.
- (2) APPROVAL- A grant may not be made under this title unless an application has been submitted to, and approved by, the Attorney General.

(i) PERFORMANCE EVALUATION-

- (1) MONITORING COMPONENTS- Each program, project, or activity funded under this title shall contain a monitoring component, developed pursuant to guidelines established by the Attorney General. The monitoring required by this subsection shall include systematic identification and collection of data about activities, accomplishments, and programs throughout the life of the program, project, or activity and presentation of such data in a usable form.
- (2) EVALUATION COMPONENTS- Selected grant recipients shall be evaluated on the local level or as part of a national evaluation, pursuant to guidelines established by the Attorney General. Such evaluations may include assessments of individual program implementations. In selected jurisdictions that are able to support outcome evaluations, the effectiveness of funded programs, projects, and activities may be required.
- (3) PERIODIC REVIEW AND REPORTS- The Attorney General may require a grant recipient to submit to the Attorney General the results of the monitoring and evaluations

required under paragraphs (1) and (2) and such other data and information as the Attorney General deems reasonably necessary.

(j) **REVOCAION OR SUSPENSION OF FUNDING-** If the Attorney General determines, as a result of the reviews required by subsection (i), or otherwise, that a grant recipient under this title is not in substantial compliance with the terms and requirements of an approved grant application submitted under subsection (h), the Attorney General may revoke or suspend funding of that grant, in whole or in part.

(k) **DEFINITIONS-** In this title:

(1) The term 'career law enforcement officer' means a person who is authorized by law or by a State or local public agency to engage in or supervise the prevention, detection, or investigation of violations of criminal laws; and

(2) The term 'Indian tribe' means a tribe, band, pueblo, nation, or other organized group or community of Indians, including an Alaska Native village (as defined in or established under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(3) The term 'community-based organization' means a grassroots organization that monitors the issue of police misconduct and that has a national presence and membership (such as the National Association for the Advancement of Colored People (NAACP), the American Civil Liberties Union (ACLU), NAACP Legal Defense and Education Fund, National Council of la Raza, and Urban League).

(4) The term 'civilian review procedures' means administrative entities that exhibit such characteristics as independence, investigatory authority, subpoena power, adequate funding, representative diversity, and policy making authority.

TITLE III--ADMINISTRATIVE DUE PROCESS PROCEDURES

SEC. 301. ATTORNEY GENERAL TO CONDUCT STUDY.

(a) **STUDY-**

(1) **IN GENERAL-** The Attorney General shall conduct a nationwide study of the prevalence and impact of any law, rule, or procedure that allows a law enforcement officer to delay for an unreasonable or arbitrary period of time the answer to questions posed by a local internal affairs officer, prosecutor,

or review board on the investigative integrity and prosecution of law enforcement misconduct.

(2) **INITIAL ANALYSIS-** The Attorney General shall perform an initial analysis of New York City's 48-Hour Rule to determine whether, at a threshold level, the impact of this type of rule or procedure raises material investigatory issues that could impair or hinder a prompt and thorough investigation of possible misconduct, including criminal conduct, that would justify a wider inquiry.

(3) **DATA COLLECTION-** After completion of the initial analysis under paragraph (2), and considering material investigatory issues, the Attorney General shall then gather additional data nationwide on rules similar to the 48-hour rule, from a representative and statistically significant sample of jurisdictions, to determine whether such rules and procedures raise such material investigatory issues.

(b) **REPORTING-** Not later than 120 days after the date of the enactment of this Act, the

Attorney General shall report the results of its initial analysis to Congress, and make such report available to the public, and identify the jurisdictions for which the study is to be conducted. Not later than 2 years after the date of the enactment of this Act , the Attorney General shall report the results of the data collected under this Act to Congress, a copy of which shall also be published in the Federal Register.

TITLE IV--ENHANCED FUNDING TO COMBAT POLICE MISCONDUCT

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for fiscal year 2000, in addition to any other sums authorized to be appropriated for this purpose, \$1,600,000 for additional expenses related to the enforcement of section 210401 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14141), criminal enforcement , and administrative enforcement by the Department of Justice and such sums as necessary to fully fund programs managed by the Community Relations Service.

TITLE V--ENHANCED AUTHORITY IN PATTERN AND PRACTICE INVESTIGATIONS

SEC. 501. PRIVATE CAUSE OF ACTION RELATING TO POLICE PATTERN OR PRACTICE.

Section 210401 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14141) is amended by adding at the end the following:

`(c) CIVIL ACTION BY AGGRIEVED PERSON- A person who is aggrieved by a violation of this section may, in a civil action, obtain declaratory and injunctive relief with respect to the violation. The court in an action under this subsection may award the prevailing party (other than the United States) a reasonable attorney's fee, including litigation expenses, as part of the costs; fees may be awarded to a prevailing defendant only when a plaintiff's civil action is shown to be frivolous, unreasonable, or without foundation. The Attorney may intervene as a party in a civil action brought under this subsection.'

SEC. 502. UNLAWFUL CONDUCT.

Section 210401(a) of the Violent Crime and Law Enforcement Act of 1994 (42 U.S.C. 14141(a)) is amended--

- (1) by inserting 'criminal or' before ', juvenile justice'; and
- (2) by inserting 'adults or' before 'juveniles'.

TITLE VI--DEPRIVATION OF RIGHTS UNDER COLOR OF LAW

SEC. 601. DEPRIVATION OF RIGHTS UNDER COLOR OF LAW .

Section 242 of title 18, United States Code, is amended--

- (1) by inserting '(a)' before 'Whoever';
- (2) by adding at the end the following:

`(b)(1) It is a deprivation of a right, privilege, or immunity secured or protected by the Constitution or laws of the United States--

`(A) to subject, or attempt to subject, any person to force exceeding that which is reasonably

necessary to carry out a legitimate law enforcement duty; or

`(B) to engage in or cause any unwanted sexual act , or unwanted sexual contact, with or by any other person, or to attempt to do so.

`(2) As used in this subsection--

`(A) the term `sexual act' has the meaning given that term in section 2246(2)(A)-(C);

`(B) the term `sexual contact' has the meaning given that term in section 2246(3); and

`(C) the term `bodily injury' has the meaning given that term in section 1515(a)(5).

`(3) No prosecution of a case described in this subsection shall be undertaken, except upon notification in writing by the Assistant Attorney General for Civil Rights that, in that official's judgment, a prosecution by the United States is in the public interest and necessary to secure substantial justice.'

TITLE VII--STUDY OF DEATHS IN CUSTODY

SEC. 701. STUDY.

Section 210410(a) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13704(a)) is amended--

(1) in paragraph (2), by striking `or' after the semicolon;

(2) in paragraph (3), by striking the period and inserting `; or'; and

(3) by adding at the end the following new paragraph:

`(4) the State has provided an assurance that it shall follow guidelines that may be established by the Attorney General in reporting, on a quarterly basis, information regarding the death of any person who is in the process of arrest, has been arrested, has been incarcerated or is en route to be incarcerated at any municipal or county jail, State prison, or other State or local correctional facility (including any juvenile facility) that, at a minimum, includes--

`(A) the name, gender, ethnicity, and age of the deceased;

`(B) the date, time, and location of death; and

`(C) a brief description of the circumstances surrounding the death.'

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March [XX], 2000

**Cosponsor the Law Enforcement Trust and Integrity Act
Help Forge a Partnership Between Police and Community Groups**

Deadline: March [XX] at X:00 P.M.

Dear Colleague:

We are writing to invite you to cosponsor legislation supported by both police and civil rights organizations aimed at curbing outrages like the Los Angeles Rampart Division perjury scandal and tragedies such as the Amadou Diallo shooting. The Law Enforcement Trust and Integrity Act of 2000 takes a comprehensive approach at addressing the issue of police accountability and building trust between police departments and their communities.

The purpose of the legislation is to build a better relationship between law enforcement entities, officials and the people they serve by providing communities with the tools to deal with misconduct. The legislation provides incentives for local police organizations to voluntarily adopt performance-based standards to ensure that incidents of misconduct will be minimized through appropriate management, training and oversight protocols and properly investigated, should they occur. The bill also provides police officers -- the vast majority of whom are decent people, concerned about their communities -- with the tools necessary to work with their communities and to enhance their professional growth and education.

Specifically, this bill makes 11 concrete steps toward improving law enforcement management and misconduct prosecution tools and has the support of a broad range of groups, from the [community-based] to the [list the police groups]:

1. Accreditation of Local Law Enforcement Agencies – Authorizes the Department of Justice to work cooperatively with independent accreditation, law enforcement and community-based organizations to further develop and refine the accreditation standards, and authorizes the Attorney General to make grants to law enforcement agencies for the purpose of obtaining accreditation from certified law enforcement accreditation organizations.
2. Law Enforcement Agency Development Programs – Authorizes the Attorney General to make grants to States and local governments to develop pilot programs such as civilian review boards, early warning and detection programs which have been proven effective in many jurisdictions
3. Administrative Due Process Procedures – Requires the Attorney General to study the prevalence and impact of any law, rule or procedure which interferes with prompt and thorough investigations of abuse.
4. Enhanced Funding of Civil Rights Division – Authorizes appropriations for expenses for ongoing investigations of pattern-and-practice-of-abuse investigations pursuant to 42 U.S.C. 14141) and authorizes appropriations for expenses related to programs managed by the Community Relations Service.

5. Enhanced Authority in Pattern and Practice Investigations – Amends 42 U.S.C. 14141 to provide private cause of actions limited only to declaratory and injunctive relief when there is a pattern and practice of discrimination.

6. Deprivation of Rights Under Color of Law – Amends section 242 of Title 18 of the United States Code to expressly define excessive use of force and non-consensual sexual conduct as deprivations of rights under color of law.

7. Study of Deaths in Custody – Amends section 20101(b) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C.A. 13701) to require assurances that States will follow guidelines established by the Attorney General for reporting deaths in custody.

8. National Task Force on Law Enforcement Oversight – Requires the Department of Justice to establish a task force to coordinate the investigation, prosecution and enforcement efforts of federal, state and local governments in cases related to law enforcement misconduct.

9. Immigration Enforcement Review Commission – Creates a commission to investigate civil rights complaints against the INS and Customs Services, with authority to make policy and disciplinary recommendations.

10. Federal Data Collection on Racial Profiling – Requires the Justice, Treasury and Interior Departments to collect data concerning the personal characteristics (race, ethnicity and gender) of individuals targeted for investigation (e.g., detention, traffic stop or warrantless search) by federal law enforcement agencies and requires the Justice Department to prepare a “master report” analyzing the findings and recommending improved policies and procedures.

11. Whistleblower Protection – The bill establishes civil and criminal penalties for retaliation against law enforcement officers who in good faith disclose, initiate or advocate on behalf of a civilian complainant in actions alleging police misconduct and creates private cause of action for retaliation.

The catalogue of high-profile incidents of police misconduct grows with each passing day. With the Rampart perjury scandal, Amadou Diallo shooting and Abner Louima assault, it should now be clear to all members, and the nation at-large, that police misconduct is an issue that we must address in a bipartisan manner. That’s why we have been working with both civil rights and police organizations to develop a proposal that we can all support.

To be an original cosponsor of our legislation, or if you would like additional information, please contact Keenan Keller at the Judiciary Committee (x56906).

Very truly yours,

John Conyers, Jr.

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press release

HUD News

HUD No.

Further Information:

In the Washington, DC area: 202/708-0685

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For Release

10:00 a.m. Wednesday

March 1, 2000

CUOMO AND KASICH ANNOUNCE HUD POLICY TO SELL HOMES TO LOCAL GOVERNMENTS FOR \$1 EACH

View a List of All Eligible Homes by State and City

WASHINGTON - The Department of Housing and Urban Development today launched a new initiative to sell local governments thousands of HUD-owned homes for \$1 each to create housing for families in need and to benefit neighborhoods.

HUD Secretary Andrew Cuomo and Congressman John Kasich of Ohio announced the new HUD Good Neighbor Policy today and said it is good for neighborhoods, communities and families.

Under the policy, single-family homes that are acquired in foreclosure actions by the Federal Housing Administration (which is part of HUD) will be eligible for sale to local governments around the nation for \$1 each whenever FHA is unable to sell the homes for six months. About 3,000 homes will initially be eligible for sale to local governments under the initiative, with additional homes available for sale each month.

"The Good Neighbor Policy will build better futures for hundreds of communities and thousands of families across our nation," Cuomo said. "It will help reverse decades of decline in our cities by revitalizing neighborhoods, attracting new residents, and promoting homeownership."

"I think this policy is going to provide huge benefits for America and America's families," said Kasich, who is Chairman of the House Budget Committee. "I hope there can be more instances when Members of Congress and officials from the Executive Branch can work together to develop and implement ideas like this one that achieve the common good."

By selling vacant homes for \$1 after six months on the market, HUD will make it possible for communities to fix up the homes and put them to good use at a considerable savings. The newly occupied homes can then act as catalysts for neighborhood revitalization, attracting new residents and businesses to an area.

Local governments buying HUD homes for \$1 can sell or rent them to low- and moderate-income families, to first-time homebuyers, or to groups that will use the homes to provide services such as child care centers or job training centers.

Homes in extremely deteriorated condition, where rehabilitation is not feasible, will be demolished by HUD and the vacant lots will be offered for sale to the local government for \$1.

The initiative won't cost taxpayers a penny. Because of improvements in FHA management and because few FHA-insured home loans default, FHA's revenues exceeded expenses and the agency returned about \$1.5 billion to the U.S. Treasury in 1999.

The Good Neighbor Policy complements a system HUD instituted 10 months ago under which contractors rather than HUD employees sell FHA-owned homes. Under this system, the average time it takes to sell a home has dropped by 38 days and the amount of money HUD recovers from each sale has increased by an average of \$4,500 per home. With more than 50,000 sales to date, the new system has saved HUD more than \$225 million.

Cuomo credited Kasich with coming up with the idea for the Good Neighbor Policy, which HUD then developed into the plan announced today.

To launch the new initiative, Cuomo announced that the first house sold under the Good Neighbor

Policy will go to Columbus, Ohio, which is represented by Kasich in Congress. Columbus will buy a three-bedroom house at 344 Midland Avenue for \$1.

Thomas Cochran, Executive Director of the U.S. Conference of Mayors, said: "This flexible use of HUD homes at virtually no cost is a great opportunity for cities and counties. We applaud Secretary Cuomo for developing this initiative. This is another great tool that will make a difference."

FHA currently insures about 6.7 million mortgages. When homeowners fail to make their mortgage payments, FHA first tries to help them stay in their homes through foreclosure avoidance. If this is not successful, the lender forecloses on a home and conveys it to FHA in exchange for FHA payment of the outstanding mortgage balance. FHA then puts the home up for sale.

The vast majority of FHA-owned homes sell within six months. For example, in the past six months FHA has sold about 39,000 homes, while only about 3,000 homes have been on the market for six months or more.

Last year FHA sold about 6,500 homes to local governments and community-based nonprofit organizations through the Direct Sales Program. This program offers homes located within a revitalization area that are in need of repair for sale at 30 percent discounts off the appraised value. The program, which sells homes as soon as they become available to FHA, will continue.

HUD has implemented many reforms at FHA since Cuomo became Secretary. HUD has reorganized and consolidated 81 field offices into four state-of-the-art home ownership centers, approved and adopted Freddie Mac's and Fannie Mae's automated underwriting systems, and developed an FHA scorecard, which will be available to the marketplace later this year.

Eighty percent of FHA loans go to first-time homebuyers. In addition, FHA insures about 40 percent of all home mortgages to African American and Hispanic homebuyers.

FHA does not make mortgage loans directly, but rather insures loans made by private lenders to homebuyers. Because FHA mortgage insurance protects lenders from losses, it has enabled 30 million American families who would otherwise be locked out of the mortgage market and homeownership to qualify for mortgages.

FHA-insured loans also benefit homebuyers in these ways:

- FHA downpayments of 3 percent are lower than the minimum that many lenders require for non-FHA mortgages. Higher downpayments are a major roadblock to homeownership.
- FHA's requirement for homebuyer credit ratings are more flexible than those set by many lenders for non-FHA borrowers.
- FHA permits homebuyers to use gifts from family members and non-profit groups to make their entire downpayment, while conventional loans generally require homebuyers to come up with a portion of the downpayment from their own funds.
- FHA permits a borrower to carry more debt than a private mortgage insurer typically allows.

##

HUD-Owned Homes Available For \$1 Purchase

State	City	Grand Total
New York	ADAMS CENTER	1
	ALBANY	2
	ALBION	1
	AMSTERDAM	10
	AUBURN	7
	BALDWIN	1
	BALLSTON SPA	1
	BATAVIA	1
	BERGEN	1
	BINGHAMTON	6
	BLACK RIVER	1
	BRANT	1
	BRENTWOOD	1
	BRIDGEPORT	1
	BROOKFIELD	1
	BROOKLYN	1
	BUFFALO	50
	CAIRO	1
	CENTRAL ISLIP	1
	CHEEKTOWAGA	7
	CITY OF DUNKIRK	1
	CLIFTON	1
	CLINTON	1
	COHOES	2
	COLTON	1
	CORAM	1
	CORNING	2
	DEANSBORO	1
	DOLGEVILLE	1
	DUNKIRK	1
	EAST CHATHAM	1
	ELLENVILLE	1
	ELMIRA	3
	ENDICOTT	1
	ESPERANCE	1
	EVANS MILLS	1
	FREDONIA	2
	FREEPORT	1
	FULTON	4
	GENEVA	1
	GLENDALE	1
	GLENS FALLS	1
	GLOVERSVILLE	9
	GODEFFROY	1
	GRANBY	1
	HAMBURG	1
	HARPURSVILLE	1
	HOCTON	1
	HOLLIS	1
	HOOSICK FALLS	1

HUD-Owned Homes Available For \$1 Purchase

State	City	Grand Total
	HOPEWELL JUNCTION	1
	HORNELL	1
	ISLAND PARK	1
	ISLIP	1
	JAMAICA	1
	JAMESTOWN	1
	JERUSALEM	1
	JOHNSTOWN	4
	LACKAWANNA	5
	LAKE HUNTINGTON	1
	LAURELTON	1
	LITTLE FALLS	1
	LIVERPOOL	3
	LOCKPORT	4
	MASSENA	2
	MASTIC BEACH	1
	MATTYDALE	1
	MAYFIELD	1
	MEMPHIS	1
	MONTICELLO	1
	MORRISONVILLE	1
	MOUNT UPTON	1
	NEW BERLIN	2
	NEWBURGH	2
	NIAGARA FALLS	8
	NIVERVILLE	1
	NORTH COLLINS	1
	OAKFIELD	1
	OGDENSBURG	2
	ORISKANY	1
	OSWEGO	2
	OVID	1
	OXFORD	1
	OZONE PARK	1
	PALATINE BRIDGE	1
	PARISHVILLE	1
	PATCHOGUE	1
	PIERCEFIELD	1
	PORT BYRON	2
	RAVENA	1
	ROCH THURSTON RD	1
	ROCHESTER	60
	ROCHESTER DEWEY	2
	ROME	5
	ROSEDALE	1
	SCHENECTADY	17
	SCHUYLER FALLS	1
	SMYRNA	1
	SODUS	2
	ST ALBANS	1

HUD-Owned Homes Available For \$1 Purchase

State	City	Grand Total
	STATEN ISLAND	1
	SYRACUSE	49
	TICONDEROGA	2
	TONAWANDA	1
	TOWN OF FALLSBURG	1
	TROY	7
	TUPPER LAKE	1
	UNADILLA	1
	UTICA	4
	WALLKILL	1
	WAPPINGERS FALLS	1
	WATERFORD	1
	WATERTOWN	3
	WATERVILLE	1
	WHITESBORO	1
	WILLIAMSTOWN	1
	WINGDALE	1
	WOODHAVEN	1
New York Total		376



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during out-of-school hours**



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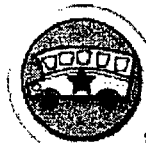
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Finding Federal Dollars

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You can search this database for information about over 100 sources of funding from many different government agencies. Searching the database provides a summary of each program and a link to details about each funding source.

How to search:

You may choose to search by using a combination of the options below. For example, you may type a Keyword (e.g., "food" or "child care") and further specify by choosing a Subject area. This database was made in partnership with the Finance Project.

Please enter searchable keywords in the following:

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Search by an Eligible Recipient:

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Finding Federal Dollars

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Federal Funding Basics

We know that federal grant and loan programs can be complicated. Money can flow to local after-school and youth development programs, or to children and youth in those programs, in a number of different ways. Below, we list just a few types of funding. Keep watching this site for a more comprehensive explanation of federal funding basics.

Discretionary Grants

Sometimes referred to as "project grants," discretionary grants support research, evaluation, and demonstration projects or service projects. Discretionary funds are awarded for specific periods of time, usually one to five years.

Earmarked Funds

Legislative directives in the appropriations laws (as distinct from authorization acts) are "earmarked funds" that dictate how to spend certain portions of funds appropriated within larger funding programs. Earmarks are both "hard" and "soft." Hard earmarks are written into legislation, usually with specific amounts to be spent and the specific recipient of the funding identified. Soft earmarks are based upon conference reports. Earmarks occur in a specific fiscal year and may not be continued to the next fiscal year.

Formula Grants

Formula grants are usually based on population, unemployment levels, census data or other demographic indicators. Most formula grants go directly to state agencies for on-going services through block grants or categorical programs.

Initiative

Initiatives are special efforts by federal departments and tend to focus on specific issues.

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Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

THE WHITE HOUSE
WASHINGTON

June 16, 2000

MEMORANDUM FOR THE PRESIDENT

FROM: THURGOOD MARSHALL, JR. **T.M.**
KRIS M. BALDERSTON

SUBJECT: Summary of Cabinet Weekly Reports
June 10 - 16, 2000

DEPARTMENT OF TREASURY

- **Firearms Report:** On June 21, Secretary Summers will hold a press conference to release an ATF report on firearms trafficking entitled, *Following the Gun: Enforcing Federal Laws Against Firearms Traffickers*. The report analyzes over 1,500 ATF firearms trafficking investigations initiated between July 1996 and December 1998, which involve over 84,000 firearms. The report reveals the degree to which corrupt Federal firearms dealers, unlicensed sellers, straw purchasers, gun shows, and theft contributed to the illegal distribution of firearms uncovered in those investigations.
- **Holocaust-Era Lawsuits:** On June 12, Treasury reached an agreement with German negotiators on the mechanism for achieving legal peace for German companies being sued in U.S. courts for slave and forced labor claims and other wrongs from the Nazi period. National Security Advisor Berger and Counsel to the President Nolan agreed to send a letter to German officials confirming the agreement. The next steps include: completing negotiations with attorneys for the victims on the definition of German companies covered and sequencing of payments to victims; German parliament approval of legislation establishing the Foundation that would make payments to victims' organizations; and the signature of a final declaration by all governments and other parties involved. Possibly as soon as July, pending court cases against German corporations can be dismissed and payments could begin to reach victims by the end of the year.
- **North Africa/Middle East Trip:** On June 23-29, Deputy Secretary Eizenstat will visit Algeria, Jordan, Israel, and the Palestinian territories to discuss regional economic cooperation and reforms with government and business leaders. In Algeria, he will meet

with President Bouteflika, discuss implementation of the U.S.-North Africa Economic Partnership, and visit the Algiers International Trade Fair. In Jordan, he will meet with King Abdullah and visit a Qualified Industrial Zone to highlight Israeli-Jordanian private sector cooperation. In Israel, he will meet with Prime Minister Barak, the Finance Minister, and the Bank of Israel Governor to discuss recent economic developments. He will also raise pending anti-money laundering legislation with Justice Minister Beilin and will deliver a speech on the role of Israel's high technology sector. In the West Bank and Gaza, Deputy Secretary Eizenstat will meet with Chairman Arafat on economic reforms and improving the business climate, and will also encourage the efforts of the newly created U.S.-Palestinian Business Advisory Group.

- **First Accounts:** On June 27, Under Secretary Gensler will testify before the House Banking Committee on legislation authorizing Treasury to implement the First Accounts initiative you included in the FY2001 Budget. The legislation authorizes Treasury to enter into agreements with financial institutions, ATM networks, and community-based organizations to expand access to financial services for lower-income persons, conduct research and develop new products and services to meet the needs of lower-income persons, and provide financial literacy education for lower-income persons:
- **India-U.S. Financial and Economic Forum:** On June 23, as part of the enhanced bilateral dialogue outlined in the Vision Statement you signed with Prime Minister Vajpayee during your trip to India, Assistant Secretary Truman and Federal Reserve Governor Meyer will host senior Indian government officials at the first sub-Cabinet level meeting of the India-U.S. Financial and Economic Forum. The Forum will meet at a sub-Cabinet level once a year to discuss financial sector development, investment, macroeconomic policy, and developments in the international economy. The Forum will also meet once a year at a Cabinet level to discuss progress and outcomes.

DEPARTMENT OF JUSTICE

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- **Supreme Court Rejects Suit Against HMO:** On June 12, the Supreme Court unanimously reversed the decision of a lower court, consistent with DOJ's position as *amicus*. At issue was whether an enrollee in an HMO had stated a claim for breach of fiduciary duty under the Employment Retirement Income Security Act of 1974 (ERISA). The Court held that HMOs are treated as fiduciaries under ERISA only when they are engaged in fiduciary functions. The Court viewed coverage and treatment decisions as "inextricably mixed," and held that Congress did not intend HMOs to be treated as fiduciaries to the extent that they make such "mixed" decision.
 - **Ten Charged in Investment Scheme:** On May 16, ten individuals in GA were charged in a 72-count indictment with conspiracy, money laundering, mail fraud, wire fraud, and securities fraud. The defendants allegedly devised and executed an investment fraud

scheme, primarily in the name of a financial company, in which they sold "cash contracts" or "corporate promissory notes" to investors. Victims were told that their investments in the company would be used to fund various humanitarian projects, were promised interest rates of between 10 and 21 percent, and were told that their investments were insured.

- **Kidnapping Publication:** In late June, the Office of Juvenile Justice and Delinquency Prevention (OJJDP) expects to release *Kidnapping of Juveniles: Patterns From NIBRS*. This bulletin describes the offense of kidnapping juveniles, using data from the 12 states that participated in OJJDP's National Incident-Based Reporting System in 1997. Among other significant findings, the analysis reveals that such abductions are relatively uncommon.

DEPARTMENT OF INTERIOR

- **Binational Symposium on Environment:** On June 14, the Binational Rio Grande Symposium took place in Ciudad Juarez, across the U.S.-Mexico border from El Paso, TX. Secretary Babbitt and Deputy Secretary Hayes participated with their counterparts from Mexico. The symposium was expected to identify opportunities to protect habitat and species in a river system that has been seriously degraded by unfettered population growth and economic development.
- **Headwaters Forest Forum Planned:** On June 22, BLM has scheduled a hearing in Sacramento to provide the public an opportunity to comment on long-term management plans for the Headwaters Forest Reserve, a 7,400-acre, centuries-old forest in Humboldt County, CA. Until its acquisition by the BLM, the reserve had been the largest remaining expanse of old-growth redwoods in private ownership. It is home to several threatened and endangered species, including the northern spotted owl, the marbled murrelet, coho and chinook salmon and steelhead trout.
- **Proposed Saultzer Dam Removal in CA:** DOI's Bureau of Reclamation (BOR) has released for public review a draft Environmental Assessment/Initial Study on the proposed Saultzer Dam Fish Passage and Flow Preservation Project. BOR and Townsend Flat Water Ditch Company have reached agreement to pursue a project that would bring down the 93-year old Saultzer Diversion Dam and allow spring-run salmon and steelhead to gain access to valuable spawning and nursery habitat on northern CA's Clear Creek. A public meeting on the effort will be held in the coming weeks.
- **GA and OR Home to Two New National Recreation Trails:** NPS recently announced a revitalization effort of the National Recreation Trails (NRT) program with the designation of two new National Recreation Trails. The Columbus (GA) Black Heritage trail is an urban route that emphasizes the African American achievements of both local

and national significance. The Sarah Zigler Interpretive Trail is a portion of the proposed 20-mile Jacksonville (OR) Historic Natural Park and Trail System, emphasizing the natural and human history of the area. Since the inception of this program in 1968, more than 800 trails have acquired NRT status.

- **Fall Creek Falls Decision:** On June 17, Secretary Babbitt will announce DOI's decision on the lands unsuitable for mining petition filed by the environmental group Save Our Cumberland Mountains. The petitioners asked DOI to declare a certain amount of land near the Fall Creek Falls State Park, TN, as unsuitable for mining based on statutory criteria.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **Chinese Inspection Officials to Visit U.S.:** During the week of June 18, Chinese food safety inspection officials will meet with Secretary Glickman and USDA personnel on the recent agricultural agreement between the two countries. Discussions will include information on the structure of the Chinese food safety agency, experiences in implementing the SPS agreement, inspection and customs processes, and a preliminary discussion on a seminar that China will host in October 2000.
- **World Peace and Prayer Week:** From June 17-22, World Peace and Prayer Week will be held at the Black Hills National Forest (SD). Between 3,000-5,000 people are expected to camp in the forest and assemble daily for educational seminars and other meetings. USDA and group leaders are working together to limit the amount of damage to the area. Local media coverage is expected.
-  **West Nile Virus (WNV) Detected in NY Crows:** On June 9, the NY State Department of Health announced that WNV had been isolated from two crows submitted from Rockland County, NY. Rockland County also had positive WNV crows last year. This is the first report of birds infected with WNV in the U.S. during the 2000 mosquito season. There are no reports in 2000 of any positive mosquito pools or sentinel birds in the U.S. There have been no known cases of human or equine illness caused by WNV this year, nor are there any ongoing investigations of WNV-related illness in horses or livestock.
- **Commodity Markets:** Wheat prices were down slightly, as the usual harvest pressure almost evaporated in the face of worsening U.S. crop conditions and declining world supplies. Beneficial rains across the Midwest, and forecasts for more, helped drive corn prices lower. Cash soybean prices rose on positive short-term trade prospects, but improved moisture in major growing areas sent futures down sharply. Rice cash prices held steady and futures were almost unchanged. Cotton cash prices were down in thin trade, but new-crop futures received a boost from an increase in China's import quota.

Cattle prices reversed their recent slide as wholesale beef prices advanced. Slow marketings in the face of hot weather and increases in slaughter sent hog prices higher. Broilers gained with brisk fast food movement. Warm temperatures slowed cheese production, boosting prices. Heavy ice cream production continues to support butter prices.

✱ • **Food Safety in MO, NY:** Due to routine USDA testing, on June 7, Schnuck Markets Inc., of O'Fallon, MO, recalled 60 pounds of product for *Listeria monocytogenes* contamination. On June 6, Mega Meats, Inc., of Bronx, NY, recalled 420 pounds of ground beef for *E. coli* contamination.

DEPARTMENT OF COMMERCE

- **Adjusting Census 2000:** On June 14, Secretary Daley issued a proposed regulation that delegates to the Census Bureau the decision on whether to release statistically corrected figures from the Census 2000 enumeration. The Census Bureau's decision will be based on a review of the Accuracy and Coverage Evaluation. A large national survey now underway that checks the accuracy and completeness of Census 2000 results.
- **Secretary Ron Brown Air Crash Compensation:** On June 8, a House Judiciary Subcommittee held a hearing on the CT-43 Federal Employee Settlement Act and an amendment to the Federal tort claims provisions of the U.S. Code. Testifying were Representatives Sam Farr and Eleanor Holmes-Norton, sponsors of the proposed legislation, DOJ, and several family members of those who perished in the CT-43 accident in April 1996. The Administration's support for the legislation was delivered in a statement from Secretary Daley that was introduced into the record by Representative Sheila Jackson-Lee.
- **Southern Drought:** Although beneficial rains have occurred over drought-afflicted parts of the southern U.S., much of the region remains dry. Water reserves in NM are very low, stream flow is well below normal and in extreme south TX, reservoirs remain low in spite of late spring rains. The Edwards Aquifer providing water to the Austin/San Antonio, TX area is at the water rationing point. In LA, crawfish mortality has increased dramatically. Because of the extended low flow on the Mississippi, water intake plants along the lower reaches below New Orleans have reconfigured equipment to reduce saline intake.

DEPARTMENT OF LABOR

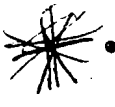
- **Equal Opportunity Survey:** As of June 5, approximately 4,800 of the 7,000 Equal Opportunity (EO) Surveys sent out to Federal Contractors have been submitted to DOL's Office of Federal Contract Compliance Programs. The survey gathers certain

employment information from federal contractors and subcontractors, including information on a federal contractor's affirmative action plan, as well as summary data on personnel data and compensation. The survey information will be analyzed to test both the usefulness and reliability of the EO survey instrument.

- **Agricultural Workers:** On June 15, the Deputy Administrator for the Employment Standards Administration's Wage and Hour Division testified before a House Judiciary subcommittee regarding Representative Pombo's H-2A legislation. This legislation would establish a pilot program creating a system of registries of temporary agricultural workers to provide for a sufficient supply of such workers and provide a H-2C temporary nonimmigrant agricultural worker program. The Administration opposes this legislation.
- **Airport Demonstrations:** The Association of Flight Attendants has planned demonstrations at Fort Lauderdale, Boston, Chicago, and San Francisco airports to commence on July 6 to focus attention on passenger violence and disturbances. The Zero Air Rage campaign will also highlight AFA's organizing drive at Delta Airlines.
- **Communications Industry:** The Communications Workers of America and International Brotherhood of Electrical Workers have announced that talks with Bell Atlantic to replace the current two-year agreement that expires August 5 are not proceeding smoothly. The unions have charged the company with renegeing on promises made earlier and for not living up to all the terms of the current agreement. Bell Atlantic denies this and believes an agreement will be negotiated without a work stoppage.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- 
- **Colorectal Cancer Action Campaign:** On June 26, the CDC and HCFA will launch the second year of *Screen for Life, A National Colorectal Cancer Action Campaign*, which will include a series of television public service announcements, posters, Internet postings, and print materials. This year, in addition to promoting colorectal cancer screening for all Americans aged 50 or older, the campaign will focus on prevention and early detection of colorectal cancer through regular screening. The mass media component of *Screen for Life* supports more intensive efforts at State and local levels to combat colorectal cancer, including health-care professional and patient education.
 - **Antimicrobial Resistance:** During the week of June 19, Secretary Shalala will release a draft action plan for combating antimicrobial resistance that includes designating priorities, identifying responsible agencies, and assigning timeliness. The FDA, CDC, and NIH led a task force of ten agencies that drafted a plan which could help prevent antimicrobial resistance and provide opportunities to monitor and control potential problems. A *Federal Register* notice will be published announcing the availability of the report for public comment.



- **Immunization Meeting:** On June 21-22, CDC's Advisory Committee on Immunization Practices will meet in Atlanta, GA. Key agenda items include a vote on recommendations for use of the recently licensed pneumococcal conjugate vaccine, as well as coverage of this vaccine by the Vaccines for Children Program; a review of research on potential associations between vaccine preservatives and neurologic disorders; a possible policy recommendation regarding thimerosal (a mercury-containing preservative) in vaccines; discussion of recommendations for influenza vaccination; discussion on vaccination of children adopted from other countries; and a vote on a draft statement regarding prevention of anthrax by vaccination and by use of prophylactic antibiotics.



- **West Nile Virus:** On June 16, *Connecticut Public Television* broadcast a documentary on last year's West Nile Virus Outbreak. On June 20, Dr. Stephen M. Ostroff, Associate Director, National Center for Infectious Diseases, will present "Unraveling the Mystery of West Nile Virus," at the National Press Club. The presentation is a part of an annual symposium on infectious diseases. On June 20, Dr. Ostroff and representatives from USDA, USGS, and EPA will brief interested parties on Capitol Hill. On June 29, Surgeon General Satcher will speak on Emerging Infectious Diseases, including West Nile Virus, before the House Committee on International Relations.

- **Suspected Brucellosis—NH and MA, 1999:** *Brucella* species, particularly *B. melitensis* and *B. suis*, are potential agents of biological terrorism. The CDC *Morbidity and Mortality Weekly Report* describes the public health and law enforcement assessment of a suspected case of brucellosis in a woman, in which the atypical clinical presentation and suspicious circumstances surrounding the case raised the possibility of biological terrorism. Although the investigation did not identify evidence of biological terrorism, the safe resolution of the case illustrates the value of integrated clinical, public health, and law enforcement biological terrorism preparedness and response.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT



- **Gun BuyBack:** The Chicago Housing Authority will reprogram \$100,000 of its FY1999 Public and Indian Housing Drug Elimination Program grant funding and will receive \$43,000 in matching funds from HUD for a total of \$143,000 for its Gun BuyBack Initiative. The Housing Authority anticipates taking approximately 1,000 guns off the street at the cost of \$100 each. The Gun Buyback Initiative will target fourteen CHA public housing developments currently funded under the Authority's Public Housing and Indian Housing Drug Elimination Program. The buyback will take place in early June, one week before the end of the school year.

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- **Boosting Black and Hispanic Homeownership:** Secretary Cuomo has challenged all segments of the housing industry to work with HUD to raise the national homeownership rate among African Americans and Hispanics to a historic high of more than 50 percent in three years. To help achieve the short-term goal, Secretary Cuomo committed the FHA to insure mortgages for more than 765,000 African-American and Hispanic families over the next three years. Other parts of the housing industry would help create the remaining new minority homeowners to achieve the goal of homeownership for a majority of minorities. An estimated 423,000 additional African American families and about 420,000 additional Hispanic families would have to become homeowners to achieve the goal of homeownership for a majority of these minorities. In the first quarter of this year, 73.4 percent of white households across the nation owned their homes – but only 47.8 percent of African American households and 45.7 percent of Hispanic households were homeowners.
 - **MI Neighborhood Network Centers:** As a result of a partnership between the U.S. District Court and HUD's Grand Rapids Office, two Multifamily Neighborhood Network Centers in Grand Rapids opened their doors recently. There was interest in establishing the centers for several years, but employees at the projects had been unable to secure equipment. The District Court had excess computer equipment and HUD staff identified the need. HUD worked to obtain and refurbish the equipment, as well as conduct training for staff and residents.

DEPARTMENT OF TRANSPORTATION

- **FAA Security Procedures for Law Enforcement Officers:** On June 8, the FAA issued a directive to airports and air carriers that will strengthen procedures for verifying the credentials of law enforcement officers who need to carry arms on board aircraft or into secure areas of the airport. The directive does not change the ability of law enforcement officers to carry weapons as in the past. This action is the result of a GAO investigation that disclosed that law enforcement credentials can be easily counterfeited using sources on the Internet. FAA and law enforcement agencies are now working together to develop a unique form of identification that would be difficult to counterfeit and tightly controlled.
- **NHTSA Law Enforcement Liaison Conference:** On June 20-21, NHTSA will host a conference for National Law Enforcement Liaisons in Atlanta, GA. The purpose of this conference will be to highlight the importance of law enforcement's role in promoting traffic safety initiatives and campaigns such as *Buckle Up America* and *You Drink & Drive You Lose*. The conference will afford an opportunity to learn about other NHTSA traffic safety program and resources specifically targeted to law enforcement officers as promoters of traffic safety.

- **New Scenic Roads in 20 States:** On June 15, DOT announced the designation of 30 roads in 20 states as All-American Roads or National Scenic Byways for 2000. The roads were selected for this designation because of their important scenic, natural, historical, cultural, archaeological or recreational qualities. The higher designation, All-American Roads, are roads that many consider as destinations unto themselves. National Scenic Byways are roads through areas that exemplify regional characteristics and possess distinctive cultural, historic, natural or other qualities. Under the Transportation Equity Act for the 21st Century, \$25M is available annually through FHWA for the scenic byways discretionary grant program. This announcement will mark the third round of designations.
- **Partnership on Interstate Pipeline Inspections:** On June 8, Secretary Slater joined with Governor Locke and Senator Murray to announce a partnership between WA and DOT's Office of Pipeline Safety that will allow WA pipeline safety inspectors to participate in inspections of interstate pipeline facilities. The agreement will increase the participation of WA pipeline safety inspectors in damage prevention, construction, accident investigations, emergency response coordination, and other forms of inspection. Since the tragic pipeline failure in Bellingham, WA, in June 1999, DOT has been working closely with officials in WA to respond to their concerns about pipeline safety. The partnership agreement mirrors provisions in the Administration sponsored Pipeline Safety and Community Protection Act of 2000.
- **Secretary Peña Portrait:** On Monday, June 19, Secretary Slater will host the official portrait unveiling for former Secretary Peña at DOT Headquarters.

DEPARTMENT OF ENERGY

- **Los Alamos Security Investigation:** Former Senator Howard Baker and former Congressman Lee Hamilton have agreed to conduct a thorough investigation into security at DOE's Los Alamos National Laboratory. They will make the necessary recommendations for corrective measures to you and Secretary Richardson. This assessment will be done expeditiously and will be conducted in a manner so as not to interfere with the FBI investigation.
- **Burned Area Emergency Rehabilitation (BAER) Team:** Destruction of groundcover and a thick layer of ash (which repels water), has left the Los Alamos National Laboratory vulnerable to flooding and erosion during the upcoming rainy season. The interagency BAER team is working to minimize environmental impacts from runoff. DOE representatives are joined by the U.S.F.S., DOI, State of NM, San Ildefonso Pueblo, Santa Clara Pueblo, Los Alamos County, and other supporting entities. There is concern about the possibility of flooding in canyons and potential contamination in the soil that could be carried by the runoff. Mitigation steps are being planned with the BAER team.

- **Small Business Cerro Grande Relief Funding:** DOE and the Albuquerque Operations Office formally approved a request by the Northern NM Regional Development Corporation for a \$100,000 grant on May 22 with disbursement of funds approved on June 5. This funding will provide for a small business grant pool to assist the service-oriented businesses affected by the impacts of the Cerro Grande fire in Los Alamos. The grant pool will provide immediate emergency funding to smaller service-and retail-oriented businesses that were dependent on Los Alamos residents and Laboratory-related traffic. The funds will provide financial resources to maintain payroll and other expenses until the recovery process is sufficient to maintain financial viability.

DEPARTMENT OF EDUCATION

- ✱ • **Commission to Study Senior Year of High School:** DOEd will establish a partnership with the Woodrow Wilson National Fellowship Foundation and form a Commission to study the senior year of high school and the transition from senior year to postsecondary education or work. The Commission will engage in extensive local and national outreach, related research, and policy analysis.
- ★ • **Reduction in Class Size:** A research study conducted by the University of Wisconsin at Milwaukee has concluded that a reduction in student-teacher ratios throughout Wisconsin has improved student test scores. The State's Student Achievement Guarantee in Education (SAGE) program pays schools up to \$2,000 per low-income student in kindergarten through third grade to help schools hire enough staff members to lower student-teacher ratios to 15-to-1 or less. The SAGE students out-performed their peers in language arts, math, and reading in each grade tested.

DEPARTMENT OF VETERANS AFFAIRS

- **Ford Donates 102 Vans for Veteran Use:** On June 15, Secretary West participated with the Disabled American Veterans (DAV) in a drive-away ceremony of 102 vans donated by Ford Motor Company for use in the DAV Transportation Network. The Secretary accepted a symbolic key for the vans from Ford Motor Company in a ceremony and parade at Ford headquarters in Dearborn, MI. The vans will be used in the DAV transportation network which provides transportation for veterans to VA facilities.
- **50th Anniversary of the Korean War:** On June 25-26, Secretary West will participate in events commemorating the 50th anniversary of the Korean War in Seoul, Korea. Secretary West and Congressman Charles Rangel, who you designated to lead the delegation, will participate in events sponsored by Korea including a commemoration ceremony and a parade through downtown Seoul. Secretary West will join the President of Korea in welcoming veterans and guests at the opening ceremony that will be held at

the Korean War Memorial. The events are the first in a series that United States Forces Korea will conduct over the three-year commemoration period to honor Korean War veterans.

ENVIRONMENTAL PROTECTION AGENCY

- **Midwest Gasoline Prices:** As the price increment for new, cleaner-burning reformulated gasoline (RFG) over conventional gas remains much higher than expected, especially in the Chicago and Milwaukee areas, EPA continues to investigate the inflated prices for RFG. On June 12, EPA and DOE met with oil refiners that sell RFG in the Midwest to discuss the sources of the higher prices and to determine if there were fuel supply shortages. While no definitive explanation for the source of the price differentials was provided, refiners continue to assure EPA that there is adequate supply and to urge the Agency to deny any associated requests for temporary waivers from the RFG program. Following these meetings, EPA continues to believe that there are adequate supplies of the new RFG and that the price increments are unreasonable and unfair. In addition, EPA and DOE have already sent inspectors into the field to investigate the price differentials and supply concerns. Any evidence of price gouging or other antitrust violations will be referred to the Federal Trade Commission. The Chicago and Milwaukee areas are the only regions in the country where RFG is currently made with ethanol rather than MTBE. The second phase of the RFG program began in most of the country on June 1, leading to the introduction of even cleaner burning RFG in affected areas on that date. However, refiners have had years to plan for this long-standing rule and the associated transition to the cleaner RFG. Last month, EPA denied requests to delay introduction of the new RFG from the Petroleum Marketers Associations and the Associations of Convenience Stores in both Wisconsin and Illinois.
- **New Food Quality Protection Act Advisory Committee:** The new EPA-USDA Committee to Advise on Reassessment and Transition (CARAT) will hold its first meeting on June 23. This committee will provide advice and counsel to EPA and USDA regarding strategic approaches for pest management planning and tolerance reassessment for pesticides.

UNITED NATIONS

- **Bosnia-Herzegovina:** The Council met with Special Representative Klein on June 13 to review the progress of the UN Mission in Bosnia-Herzegovina (UNMIBH) and consider renewal of its mandate, which is set to expire on June 21. There was strong Council support for Klein's success in revitalizing UNMIBH and more cautious approval of his announcement that UNMIBH would accomplish its core mission by December 2002.

- **Lebanon:** UN confirmation of Israel's withdrawal behind the UN-devised line is expected in the next several days. The U.S. Mission is working to have the Security Council issue a Presidential Statement as quickly as possible.

UNITED STATES TRADE REPRESENTATIVE

- **WTO Ruling on U.S. Copyright Law:** By June 19, USTR expects to receive the public report of a WTO panel which examined a European Union complaint against two provisions in the U.S. copyright Act. The EU argued that the U.S. original exemption and a 1998 amendment to the exemption violate WTO obligations on intellectual property protection. The panel upheld the law's original language, but ruled that the 1998 amendment violates WTO rules. By July, USTR will decide whether to appeal.

OFFICE OF THE NATIONAL DRUG CONTROL POLICY

- **China/Southeast Asia Trip:** Director McCaffrey will travel to Beijing, Kunming, Hong Kong, Bangkok, and Hanoi for bilateral meetings with senior drug control officials focusing on information exchange and expanded dialogue, including: research and science-based drug policy, treatment approaches, law enforcement cooperation, and regional cooperation to stem the flow of heroin and methamphetamine. Highlights of the trip include opening the Third US-China Joint Liaison Group on law enforcement cooperation, visiting treatment facilities in Kunming, handing over a \$1M DEA asset forfeiture check to Hong Kong Government officials, obtaining approval for signing a US-Vietnam Counternarcotics (CN) Agreement to permit State/INL assistance, expanding CN cooperation with Thailand to include demand reduction initiatives, and conducting the first US-only Southeast Asia Regional CN Conference bringing together 12 US Country teams in Bangkok. The Director's traveling delegation will include representatives from State/INL, CIA, Joint Interagency Task Force, and DEA.

SMALL BUSINESS ADMINISTRATION

- **Small Business Owners Retirement Planning Website:** On July 18, SBA will join DOL, the U.S. Chamber of Commerce, and Merrill Lynch to launch an interactive small business owners retirement planning website. The announcement will be made during the Fifth Anniversary Celebration of DOL's Retirement Savings Education Campaign, which will be hosted by Secretary Herman. Secretary Summers will also participate.

OFFICE OF PERSONNEL MANAGEMENT

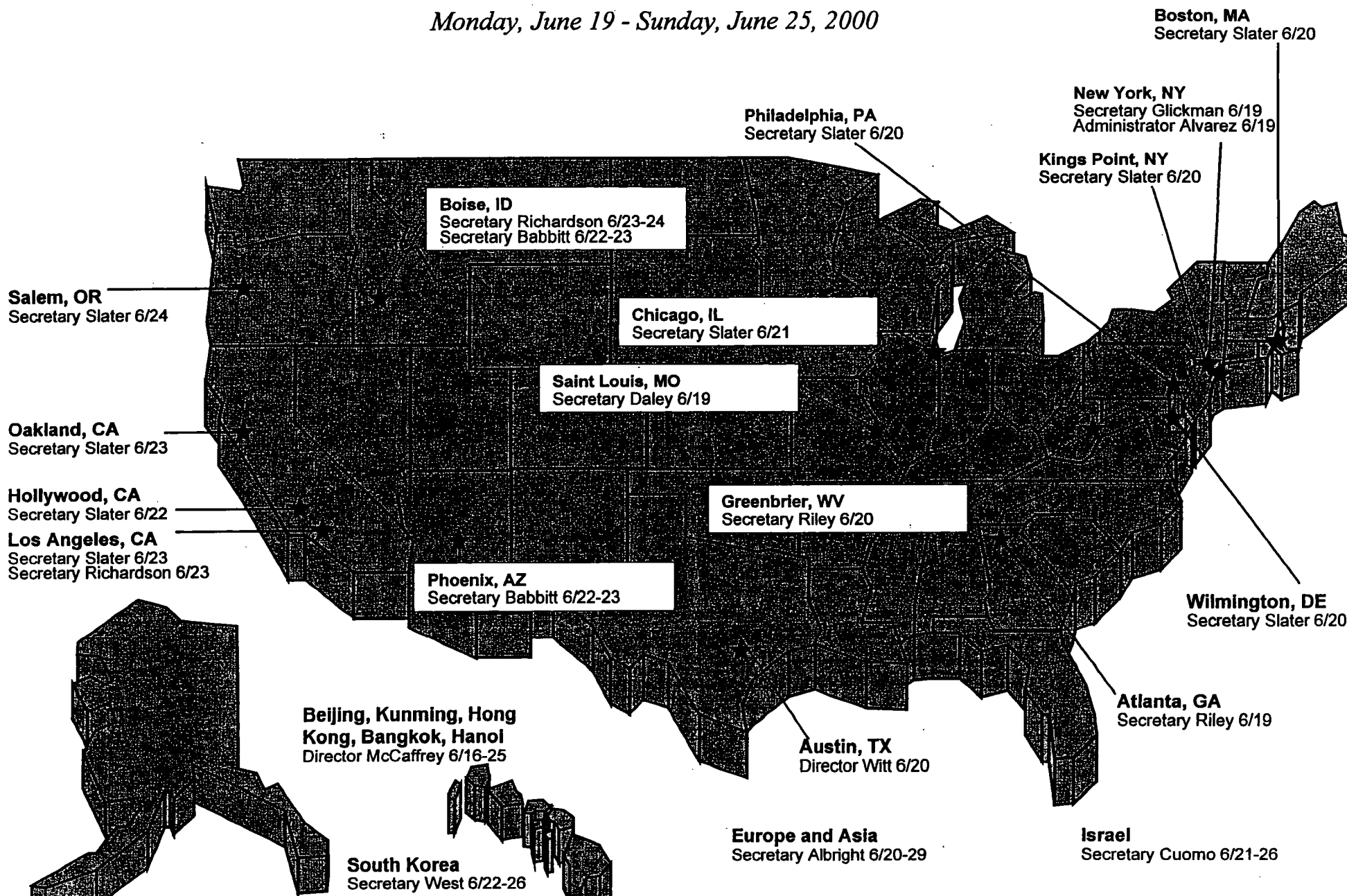
- **Combined Federal Campaign:** The CFC raised about \$218M for the 1999 campaign, a 5.5 percent increase over 1998. The rate of participation held steady at 39 percent, the first time since 1992 it did not decline.
- ✱ • **D.C. Summer Jobs:** OPM continues to work closely with Federal agencies to meet this summer's goal of 1,000 hires. To date, agencies have committed to hiring 870 students. As of June 12, 135 students had been hired.

cc:

The Vice President
John Podesta
Martin Baily
Sandy Berger
Sidney Blumenthal
Chuck Brain
Charles Burson
Mary Beth Cahill
Maria Echaveste
George Frampton
Mickey Ibarra
Ben Johnson
Joel Johnson
Janis Kearney
Neal Lane
Jack Lew
Joe Lockhart
Lisel Loy
Buddy MacKay
Minyon Moore
Bruce Reed
Steve Ricchetti
Gene Sperling
Lauren Supina
Loretta Ucelli
Melanne Verveer

Cabinet Affairs Travel

Monday, June 19 - Sunday, June 25, 2000



THE WHITE HOUSE
WASHINGTON

July 18, 2000

MEMORANDUM FOR HILLARY RODHAM CLINTON

FROM: ANN O'LEARY
HEATHER HOWARD
ERIC MORSE

CC: MELANNE VERVEER
SHIRLEY SAGAWA
LISSA MUSCATINE
PATTI SOLIS DOYLE

SUBJECT: ISSUES UPDATE

LEGISLATIVE AND ISSUES UPDATE

Appropriations

Labor-HHS-Education Appropriations: Yesterday, OMB sent a letter to the Labor-H conferees to set out the Administration's priorities. (A copy of the letter is attached). Last week Republicans suggested they would like to settle the bill early, because in the past the bill has been fought out at the end of the fiscal year and resulted in big victories for the Administration. The letter makes clear, however, that there are many issues to be resolved, because the bills underfund a number of priority programs, including class size reduction, urgent school renovation, key health and social services programs, including child care and the Social Services Block Grant, and worker training programs.

Health

Vaccines: Last week, CDC announced childhood immunization coverage rates for 1999, the highest ever recorded. The overall immunization rate for pre-school children remained at 80 percent, a dramatic increase from 55 percent in 1992. The rates for four individual vaccines increased from 1998 to 1999. For example, 93.5 percent of toddlers received the vaccination for Haemophilus influenzae type b (Hib), 95.9 percent received three doses of DTP, 88.1 percent received three doses of the hepatitis B vaccine, and coverage for varicella (chickenpox) increased 16.2 percentage points, from 43.2 percent in 1998 to 59.4 percent in 1999. Rates for the polio and MMR vaccines were relatively unchanged. A list of state-by state immunization rates is attached.

In addition, HHS announced a new program to encourage state Medicaid programs to provide support for childhood immunization registries. These registries help parents, pediatricians,

public clinics and other health care providers keep track of the vaccinations children need from birth to age two. Under the program, states can access federal Medicaid funding for the development and operation of immunization registries that include Medicaid-eligible children. In states where the immunization registry is developed, owned and/or operated by its Medicaid agency as part of its Medicaid management information system, the federal matching payments will be between 75 and 90 percent, depending on the type of expenditure. In states where the immunization registry is developed, owned and operated by a public health or other non-Medicaid agency, Medicaid will match 50 percent of states' costs associated with Medicaid-eligible children.

RU-486: Last week, during consideration of the Agriculture Appropriations bill, the House defeated an amendment offered by Rep. Tom Coburn that would have prohibited the use of FDA funds for the development or approval of any drug intended for the chemical inducement of abortion. The amendment was defeated by a vote of 182-187, with 65 Members absent. In each of the past two years, the House has narrowly approved such an amendment, but each time it has been dropped in conference.

Foreign Operations: On Thursday, the House approved the Foreign Operations Appropriations bill, by a vote of 239-185. The House narrowly defeated the family planning amendment, 221 to 206, co-sponsored by Rep. Lowey and Rep. Greenwood, that would have removed the restrictions on the ability of private organizations that receive federal funding to use their own funds to provide abortions overseas.

Education

Tuition Tax Credit: As part of the consideration of the Death Tax Elimination Act in the Senate, a number of education message votes were offered. Senator Schumer offered his tuition tax credit proposal and the Democratic alternative, which failed 46-52. In addition, Senator Bingaman offered an amendment for the Democratic alternative that would have allowed the savings to be spent on education spending – class-size reduction, school construction, and teacher quality. It also failed, 47-53.

Single Sex Education: As you know, the White House has been working with the Departments of Education and Justice for nearly three years to develop a revised Title IX regulation on single sex education. The intended purpose of revising the regulation was to provide greater flexibility to school districts in allowing them to offer single sex educational opportunities in order to meet the diverse educational needs of their students.

Throughout the process, the Department of Justice has raised Constitutional concerns about the proposed regulation arguing that it may not comport with the Equal Protection clause, particularly in light of the VMI case. The White House Counsel and Domestic Policy Council worked together with the Departments of Justice and Education with a goal of developing a new regulation that would meet the Constitutional test, but would allow for greater flexibility than the current regulation. Unfortunately, this task proved to be very difficult. The only proposal that the Justice Department believes would pass the Constitutional test would require school districts, which wanted to offer single sex classes or programs based on the educational need of one sex,

to provide both an educational equivalent coeducation class/program and an equivalent single sex class/program to the excluded sex. These classes or programs would need to be offered to the excluded sex even with no research-based educational need or justification unless there was an insufficient interest on the part of the excluded sex. The proposed regulation would also require that school districts wishing to establish a single-sex school would need to establish an equivalent school for the excluded sex.

Both the White House and the Department of Education fear that this proposal does not offer the type of flexibility that school districts desire or that the Administration hoped to support. Historically, the women's groups have actively advocated for no change to the regulation. With no support from the women's groups to change the regulation and a proposal that does not offer greater flexibility, the White House working group on this issue is not inclined to push for this regulation change to move forward. The options remaining are: (1) push back on the Department of Justice to continue to evaluate possible avenues of greater flexibility; (2) issue the new regulation which offers greater flexibility than the current, but does provide a burden to school districts to offer two programs instead of one; (3) remain silent and make no changes to the current regulation.

As you remember, the push to change the regulation stemmed in large part from a 1996 complaint filed in Harlem asserting that the Young Women's Leadership Academy, a public single-sex school for girls, was not in compliance with Title IX. Four years later, the school continues to be in non-compliance. The Department of Education had hoped that a new regulation might offer some flexibility to allow the school to continue to operate without establishing a separate equitable school for boys. At this point, however, the school would not be in compliance with Title IX under either the current regulation or the proposed regulation. In fact, the Department of Justice in working with the Office of Civil Rights, does not believe that any option currently being considered would allow the school to continue to operate without creating a separate school for boys. The Department of Education's Office of Civil Rights will continue to work with the New York Public Schools to try to reach a settlement.

Welfare Reform

Bonus to Reward States for High Performance: The White House has been working with the Administration for Children and Families to finalize regulations to implement the High Performance Bonus Awards under TANF. The proposed regulations recommended basing the rewards on four work measures and four measures that support work and self-sufficiency related to participation by low-income working families in the Food Stamp Program and participation of former TANF recipients in Medicaid and SCHIP.

In response to the Notice of Proposed Rule Making, the Department of Health and Human Services received numerous comments from children's advocates to also include a child care measure. The groups based this recommendation on the fact that child care is a critical work support and, currently, a small number of the eligible population is being served in child care. Despite these recommendations, the Department of Health and Human Services ruled that insufficient data collection systems would prevent them from including a reliable and valid child care measure. Our office has pushed back hard on this ruling and has fought for the inclusion of

a child care measure. We have worked with our colleagues in DPC and OMB to develop such a measure that would evaluate states performance on child care based on the following factors: the percentage of eligible children the state serves through CCDF and the additional funds states add to CCDF through TANF transfers, TANF direct spending, and state supplements beyond the required match. The White House is continuing to work with HHS on the inclusion of a child care measure.

CABINET REPORT

Below are selected Cabinet reports:

Department of Treasury

Taxes: On July 12, the House approved Republican legislation eliminating the marriage penalty, which now moves to the Senate. The Democratic alternative, which would cost \$95B over ten years as opposed to \$182B under the Republican legislation, was defeated on a mostly party-line vote. The Administration opposes the legislation because it is too costly, exacerbates marriage bonuses, and is not well targeted to lower- and middle-income families. On July 13, the House Ways and Means Committee approved the Comprehensive Retirement Security and Pension Reform Act, which is based on a bill introduced by Representatives Portman and Cardin. The legislation increases the Individual Retirement Account annual contribution limit, allows for catch-up contributions, and increases the dollar limit on annual elective deferrals under section 401(k) plans and section 403(b) annuities, and weakens anti-discrimination rules. The Administration has expressed serious concerns regarding these provisions because they undermine pension coverage for rank and file workers and do not benefit low- and middle-income workers who lack pension coverage and other savings. Finally, on July 14, the Senate passed, by a vote of 59 to 39, legislation repealing the estate tax, which is identical to legislation passed by the House in June. The President has stated that he will veto the legislation.

Holocaust Negotiations: On July 17, Deputy Secretary Eizenstat is scheduled to travel to Berlin for a final plenary meeting of the parties in the negotiations on the establishment of the German Foundation which will make payments to former slaves, forced laborers, and other victims of the Nazi era. After the plenary, negotiators will sign the Concluding Joint Statement, which provides an assurance that they will request the U.S. courts to dismiss their cases, and the Executive Agreement between the U.S. and Germany, which provides that it would be in the America's foreign policy interest for the Foundation to be the exclusive remedy for the resolution of Nazi era claims against German companies. The target date for initial payments to victims is the end of this year.

Department of Justice

NYC Money Laundering Ring: On June 27, seventeen defendants, many of them current and former NYC employees, were charged in separate complaints with conspiracy to launder money and making bank deposits of more than \$2M that were structured to avoid currency reporting requirements. Eleven defendants were arrested, and the others are being sought as fugitives.

Special Education and Juvenile Justice: In mid-July, DOJ expects to publish *Special Education and the Juvenile Justice System*. The bulletin discusses how youth in the juvenile justice system are more likely to have previously undiscovered disabilities and analyzes the relevance of the Individuals with Disabilities Education Act to the juvenile justice process.

Department of Labor

H-1B Grants: On July 19, Secretary Herman will award grants that are funded through the H-1B program to nine states (12 programs) totaling about \$29M to train individuals for high skilled jobs.

Department of Health and Human Services

HIV/AIDS: On July 7, the Health Resources and Services Administration announced first-year funding of nearly \$3M to support five community-based health-care organizations and one evaluation center for improving and evaluating early detection of HIV. The money will also fund health care services for people with HIV and AIDS living in the U.S.-Mexico border region. A total of \$14.3M will be awarded during the five-year program.

Health Disparities Initiative: An interagency agreement with CDC is currently being finalized to expand CDC's Racial and Ethnic Approaches to Community Health 2010 (REACH 2010) initiative to permit four communities to develop science-based community demonstration projects that address health disparities in elderly and racial minority populations. Disparities in the areas of cardiovascular disease, diabetes, and immunizations among African Americans, Asian American and Pacific Islanders, Hispanics, and American Indians and Alaskan Natives will be targeted.

Emerging Infectious Diseases: On July 16-19, CDC will host the second International Conference on Emerging Infectious Diseases in Atlanta, GA. The closing session on July 19 will be devoted to West Nile Virus.

West Nile Virus: Two teams from CDC and the USGS will travel to NJ and NY to work with State and local officials to study the implications of recent findings of crows infected with West Nile Virus in the NYC metropolitan area. Crows appear to be highly sensitive to infection and the human health implications of these findings are not clear. The teams will address prevention and control activities including testing of live birds for West Nile infection, more intensive mosquito collection, and ecological mapping.

Influenza Vaccine: In 1999, four manufacturers produced a combined total of 80 to 85 million doses of trivalent inactivated influenza vaccine. For the 2000-2001 influenza season, lower than anticipated production yields for this year's influenza A (H3N2) vaccine component and other manufacturing problems are expected to lead to a substantial delay in the distribution of the vaccine and possibly substantially fewer total doses of vaccine. A more precise estimate of the vaccine supply will be available as production progresses during the summer. Because many vaccine providers currently are planning their fall vaccination activities, CDC and the Advisory

Committee on Immunization Practices (ACIP) are issuing the following adjunct influenza vaccination recommendations that are specific to the 2000-2001 influenza season. FDA, CDC, ACIP, NIH, and vaccine manufacturers will continue to work together to facilitate the availability of the influenza vaccine for the upcoming season and to minimize the adverse impact of an influenza vaccine shortage should one develop. If a vaccine shortage appears imminent, CDC and ACIP will issue further recommendations.

Department of Housing and Urban Development

Safer Guns Coalition: Officials from 515 state and local governments around the nation have now joined the Communities for Safer Guns Coalition, up from 411 at the end of April. Last week, the House approved an amendment that would prohibit HUD from spending funds to administer the Coalition. The Senate has yet to take up the HUD appropriations bill.

Gun BuyBack: The Prichard Housing Authority will reprogram \$5,245 of its FY1999 Public and Indian Housing Drug Elimination Program grant funding and will receive \$2,255 in matching funds from HUD for a total of \$7,500 for its Gun Buyback Initiative. The Authority seeks to remove approximately 150 guns off the street in exchange for \$50 per gun. They will achieve this goal by utilizing public service announcements, press conferences, and releases.

Secretary Cuomo Hosts Delegation From Israel: Last week, Secretary Cuomo met in Washington with Israeli officials to continue efforts to increase the supply of affordable housing, create jobs, spark economic growth, and revitalize communities in both nations through a new commission. Officials from the Israeli Construction and Housing Ministry, the Israeli Finance Ministry, and two public housing companies met with Secretary Cuomo during a visit to the U.S. that includes stops in New York and Baltimore. The Israelis spent part of last week in Washington visiting affordable housing developments run by the DC Housing Authority to learn how HUD programs are used to provide housing to low- and moderate-income families.

Department of Energy

Summer Energy Emergency Exercises: The Northeast and Southwest Summer Energy Emergency Exercises was held during the second week of July. The Southwest exercise was scheduled from July 10-11 in Reno, NV with representatives from state and local agencies in NM, AZ, CO, UT, NV, and CA, as well as local and regional electricity generation and transmission organizations and several Federal agencies. The Northeast exercise was held in Newport, RI on July 13-14 with representation from NY, CT, MA, RI, NH, VT, and ME.

Gasoline Prices Down, Stocks Up: Gasoline futures and spot prices east of the Rockies dropped last week, again led by declines in the Midwest. Although crude oil prices gained slightly as markets continued to digest the June 21 OPEC agreement to increase production quotas, improvements in refinery operations and overall supply pulled most gasoline prices lower. Market fluctuations ahead of July NYMEX product futures expiration, as well as the extended Independence Day holiday weekend, were also factors. The New York Harbor spot price for conventional regular gasoline fell 4.81 cents from Monday, June 26 to 93.92 cents per gallon on June 30, while the Los Angeles CARB RFG spot price jumped 7.00 cents to 123.00

cents per gallon. (The spot price for West Texas Intermediate crude oil at Cushing, Oklahoma went from \$31.56 per barrel to \$32.44 per barrel during the same time period.) The U.S. average retail price of regular gasoline fell for the second straight week, dropping 3.3 cents to \$1.625 per gallon as of July 3. The average was 50.0 cents per gallon higher than a year ago. Prices declined for most regions and formulations, led by very strong decreases in the Midwest. Prices on the West Coast moved upward in response to recent increases in wholesale markets there. Total motor gasoline stocks were up 0.2 million barrels to 204.5 million barrels on June 30. Total motor gasoline stocks at the primary storage level were 12.7 million barrels below the level for the same week last year.

Heating Oil Reserve: Secretary Richardson directed DOE to offer an exchange of crude oil from the nation's Strategic Petroleum Reserve to companies willing to provide up to two million barrels of emergency heating oil stocks and the necessary storage facilities in time for this winter. DOE will offer the crude oil exchange through the Defense Energy Supply Center, an arm of DOD that routinely procures petroleum products for the nation's military.

Energy Emergency Preparedness: DOE sponsored meetings between state and Federal energy officials and industry to discuss regional plans for handling electricity blackouts. The meetings were held on July 10-11 in Reno, NV, and on July 13-14 in Newport, RI.

Gasoline Prices: Gasoline spot and futures prices posted sharp declines in all U.S. markets last week, keeping pace with a similar drop in crude oil prices. Midwest gasoline markets again showed the largest drops, with Chicago spot prices down more than 20 cents per gallon. Prices declined for most regions and formulations east of the Rockies, led by continuing strong decreases in the Midwest. Prices on the West Coast continued to rise, reflecting earlier wholesale price increases there. Total motor gasoline stocks were up 0.6 million barrels from last week to 205.1 million barrels on July 7, but were 9.4 million barrels below the same week last year.

Department of Education

Add Fifth Year to High School: On July 3, *The New York Times* reported that the President of the American Federation of Teachers, worried that the new academic standards required for a diploma in many states are impossible for hundreds of thousands of students to meet, proposed that schools add an optional fifth year to high school. Her plan would call for a transitional year program, either before ninth grade or in high school, in which adult-literacy specialists would help teenagers lacking basic skills catch up so they could confront more challenging course work.

America Goes Back to School (AGBTS): AGBTS, a nationwide initiative to encourage and support family and community involvement in improving children's learning, will run this year from July to October, emphasizing the importance of summer programs in strengthening students' skills for their return to school this fall. AGBTS offers numerous opportunities for education leaders and community members to highlight key education priorities.

Small Business Administration

Women's Business: Beginning July 11, successful women business owners who received SBA loans will be featured weekly in a new online series at ivillage.com, one of the largest portals for women's audiences. The series will portray a biography and photograph of the successful woman business owner along with links to SBA's home page and the Online Women's Business Center. The goal of the series is to encourage more women business owners to apply for loans through SBA.

Environmental Protection Agency

Gas Prices: The wholesale price for clean-burning reformulated gasoline (RFG) remains over one cent per gallon cheaper than conventional gas (CG) in Chicago and less than five cents per gallon more expensive than CG in Milwaukee. Meanwhile, press reports indicate that the two organizations in those states that had initially requested waivers from the new RFG requirements—the IL and Wisconsin Petroleum Marketers Associations—have now withdrawn support for waivers, since retailers have already stocked up on RFG. EPA continues to believe that gasoline supplies in the region are adequate and that the RFG program is not responsible for the unreasonably high prices that consumers in Chicago and Milwaukee have been paying for clean-burning gasoline. EPA estimates that RFG should only cost four to eight cents more than CG and actual prices are proving to be lower than that range in most of the country.

INTERGOVERNMENTAL AFFAIRS WEEKLY REPORT

Below are selected Intergovernmental Affairs reports

Insular Areas

U.N. Decolonization Committee: The U.N. decolonization committee passed resolutions regarding a dozen territories, including Puerto Rico, American Samoa, Guam, and the U.S. Virgin Islands. The U.S. did not take issue with the committee chairman's resolution on the small territories, which holds all status options open to those territories. U.N. mission and State Department officials are working with us to counter the Cuba-sponsored resolution on Puerto Rico, favoring Puerto Rico's independence and calling for an immediate end to military training on Vieques. The resolution fails to mention the President's actions to address the concerns of the residents of Vieques and to enable a Puerto Rican status choice.

Puerto Rico's Status: The House Appropriations Subcommittee on Executive Office of the President Funding did not approve the President's proposal for \$2.5 million to support a Puerto Rican status choice, in spite of efforts by Ranking Democrat Steny Hoyer (D-MD). Supposedly, Republicans believe that the President's motive for the proposal is to secure Puerto Ricans' votes in the States.

LEGISLATIVE CALENDAR

House of Representatives

Floor Activity

Last Monday and Tuesday, the House passed several measures under suspension of the rules, including (voice) H.R. 894, Aimee's Law, which encourages States to incarcerate individuals convicted of murder, rape, or child molestation, and H. Con. Res. 253, expressing Congress's strong objection to any effort to remove the Holy See's Permanent Observer status at the United Nations. In addition, the House took the following action on bills subject to a rule:

Agriculture Appropriations: By a vote of 339-92, the House passed H.R. 4461, the Agriculture Appropriations Act for FY 2001. The House defeated (182-187) a Coburn (R-OK) amendment, which sought to prohibit the development of drugs for the chemical inducement of abortion. The House passed amendments by Representatives Crowley (D-NY) and Coburn (R-OK) both of which attempt to ease restrictions on the import of prescription drugs from other countries, 363-12 and 370-12, respectively.

H-1B: Last week, a fissure emerged in Democrats' commitment to include certain immigration provisions in H-1B legislation. A group of Democrats sent a letter to Rules Committee Chairman Dreier (R-CA) indicating that they would support passage of H-1B with or without the immigrant provisions. Majority Leader Gephardt met with some of the signers of the letter and members of the Congressional Hispanic Caucus where they decided to restate the Democrats' commitment to the inclusion of the immigrant provisions in H-1B. On the Senate side, Senators Daschle (D-SD) and Reid (D-NV) are nervous that if Senator Lott (R-MS) brings up the bill they will not be able to hold cloture. However, Senators Kennedy (D-MA), Durbin (D-IL) and others continue to press for the inclusion of the substantive immigration provisions in the bill. There remains intense pressure from the High Tech lobby to pass a clean H-1B bill immediately, but the Administration remains committed to pressing for the immigrant provisions.

RESPONSE TO YOUR COMMENTS ON 3/30/00 ISSUES UPDATE

School Construction and Modernization: You asked for a copy of a report released by the NEA with new state-by-state numbers showing the \$321.9 billion needed nationwide for school construction and modernization. The state-by-state breakdown is attached.

Births Report: Recently, CDC reported that the birthrate for unmarried women had increased 1 percent between 1997-1998; you asked for the age breakdown. According to the CDC, the increase is due primarily to a growth in population of unmarried women. However, this increased birthrate is reflected only in women between the ages of 20-29. A continuing trend underway since 1994 indicates declining birthrates for teenage unmarried women. During the 1994-1998 period, the rates for unmarried teenagers 15-17 and 18-19 years declined 16-8 percent, respectively. The rate for young black teenagers has dropped steeply, by 30 percent, during 1991-98. Birth rates for unmarried women in age groups 20-24 and 25-29 years increased by 2 and 4 percent, respectively, between 1997 and 1998, reaching record highs in 1998. Birth

rates for unmarried women in age groups 30-34 through 40-44 years were essentially unchanged in 1998. These patterns by age were generally found for all population groups; among women 30 years and over, however, increases were found only for non-Hispanic white women.

Child Support Waivers: You asked about the organizations running the child support waiver demonstrations in 10 states to improve the opportunities of young, unmarried fathers to support their children both financially and emotionally. Please see attached descriptions of the programs in four cities: Baltimore, Boston, New York, and Milwaukee.

Health Care for Low-Income Families: You asked about a HUD program that provides preventive health care to low-income adults, seniors and children at selected HUD Neighborhood Networks centers. Specifically, you inquired as to whether the centers are exempt from malpractice or have their own insurance.

By way of background, Neighborhood Network center are private/public partnerships establishing computer-based multi-service centers to help people in public and assisted housing learn computer skills and make the transition from welfare to work. Some of these centers are also being used to increase access to health care for low-income families, partnering with local nonprofit health centers, such as Community Health Centers, and local medical and nursing schools. Through these partnerships, residents may be referred to local clinics for care, or providers may provide preventive care on-site. As such, the providers carry the malpractice health insurance they already have with them, and no additional malpractice insurance is necessary. In March, HUD announced a national partnership with the Health Resources Administration's (HRSA) Bureau of Primary Health Care, to support local partnerships designed to increase access to health care. In addition, HUD also announced an ongoing partnership with HOPE for Kids, which uses Neighborhood Network centers to increase enrollment in state CHIP programs.



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

July 17, 2000

THE DIRECTOR

The Honorable C. W. Bill Young
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This letter provides the Administration's view on the Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill, FY 2001, H.R. 4577, as passed by the House and by the Senate. Your consideration of the Administration's views would be appreciated.

The President's FY 2001 Budget is based on a balanced approach that maintains fiscal discipline, eliminates the national debt, extends the solvency of Social Security and Medicare, provides for an appropriately sized tax cut, establishes a new voluntary Medicare prescription drug benefit in the context of broader reforms, expands health care coverage to more families, and funds critical investments for our future. An essential element of this approach is ensuring adequate funding for discretionary programs. To this end, the President has proposed new discretionary spending limits at levels that we believe are necessary to serve the American people.

Unfortunately, the FY 2001 congressional budget resolution provides inadequate resources for discretionary investments. We need realistic levels of funding for critical government functions that the American people expect their government to perform well, including education, national security, law enforcement, environmental protection, preservation of our global leadership, air safety, food safety, economic assistance for the less fortunate, research and technology, and the administration of Social Security and Medicare. Based on the inadequate budget resolution, this bill fails to address critical needs of the American people. If the bill presented to the President does not address the issues discussed below, the President would veto the bill.

The House-passed bill provides \$100 billion in program level funding, \$6 billion less than the request. A number of priority programs, including class size reduction, urgent school renovation, key health and social services programs, and worker training programs, are severely underfunded. While the Senate bill contains higher funding levels for a number of important programs compared to the House bill, the Senate-passed bill makes unacceptable funding cuts in critical programs such as the Social Services Block Grant, shifts funds from the State Children's Health Insurance Program, fails to ensure funds to reduce class size and repair crumbling schools, and includes an unacceptable "patient protection provision."

Further, the Administration has concerns with several objectionable language provisions included in both the House- and Senate-passed versions of the bill. In particular, the Administration strongly opposes the provision included in both bills that would bar the Department of Labor from finalizing its standard to protect the Nation's workers from repetitive motion injuries.

However, the Administration would welcome the opportunity to engage in a serious discussion about long overdue policy and financing commitments for health care and education.

Unfortunately, the Senate-passed bill includes a provision that falls short of a real Patients' Bill of Rights. It would: leave more than 135 million Americans without the guarantee of full protections; allow health plans to subject patients accessing emergency care to high financial penalties; fail to guarantee access to necessary health care specialists; fail to provide access to important clinical trials; and establish a wholly inadequate enforcement mechanism that prevents patients from holding health plans accountable when they make harmful decisions. Moreover, it includes poorly targeted and regressive tax policies that would do little to expand coverage, would be extremely expensive per newly insured person, and would further segment healthy from unhealthy populations.

It is imperative that we take this opportunity to work together to pass a bipartisan, real, and enforceable set of patient protections that restore public confidence in the nation's health care delivery system. In addition, we should make a strong down-payment towards expanding coverage for the currently uninsured and providing assistance to the chronically ill in need of long-term care assistance and their caregivers.

The Administration is pleased that the Senate bill responds to the Vice-President's proposal included in the Mid-Session Review to take Medicare off-budget. However, the Senate-passed bill includes two competing versions of a Medicare lockbox. The version offered by Senators Conrad and Lautenberg, which we note attracted stronger support in the Senate, would actually take the Medicare HI Trust Fund off-budget, through provisions that parallel the current treatment of Social Security. The alternative proposed by Senator Ashcroft stops short of that goal, and only places the Medicare HI Trust Fund *surpluses* off-budget, not the entire Trust Fund. The Administration urges Congress to pass legislation that takes Medicare off-budget, just as we have done for Social Security.

In order to ensure that we have a comprehensive and complementary approach to education, it is necessary to significantly enhance our discretionary investments in education in the context of our tax policy. It is hard to resolve these issues outside of the context of an overall budget framework. The President's FY 2001 budget includes a number of tax provisions that complement our funding requests, and further respond to our Nation's education needs. The President's budget proposes \$39 billion in education tax expenditures over 10 years, including tax credits for school construction and modernization bonds to help ensure that children are being taught in modern facilities, and the College Opportunity Tax Cut, which will help make college more affordable for American families.

The funding issues in this bill should be addressed in the context of an overall budget framework. Detailed discussions of the issues are provided in the enclosure. We look forward to working with the conferees to address our mutual concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jacob J. Lew', with a long horizontal flourish extending to the right.

Jacob J. Lew
Director

Enclosure

Identical Letter Sent to The Honorable C. W. Bill Young,
The Honorable David R. Obey, The Honorable John E. Porter,
The Honorable Ted Stevens, The Honorable Robert C. Byrd,
The Honorable Arlen Specter, and The Honorable Tom Harkin

Enclosure
(Conference)

**H.R. 4577 -- DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES,
EDUCATION. AND RELATED AGENCIES APPROPRIATIONS BILL, FY 2001**
(As Passed by the House and by the Senate)

Department of Education

The House and Senate bills would undermine our Nation's commitment to improving our schools. While the President and Vice President's budget reflects their ongoing commitment to investing more in our schools while also demanding more from them, the House cuts \$2.9 billion from the President's overall FY 2001 request for the Department of Education. While the Senate bill is a significant improvement over the House, both bills fail to fund adequately key education priorities, including efforts to strengthen accountability and turn around failing schools, reduce class sizes, improve after-school and summer-school opportunities, increase school safety, renovate aging and neglected schools, improve teacher quality, and prepare students for college. The Administration urges the conferees to provide the requested level of funding for these vital programs. The most significant problems with the bill include the following:

- Class Size Reduction. Both the House- and Senate-passed bills fail to guarantee funding for the third installment of the President's initiative to hire 100,000 new teachers by FY 2005 to reduce class sizes to a nationwide average of 18 in the primary (K-3) grades. Both bills effectively repeal the bipartisan agreement on class size reduction, jeopardizing the Federal commitment to hire as many as 20,000 new teachers next year and to continue support for the estimated 29,000 teachers already hired. As many as 2.9 million children could be denied the benefits of smaller classes. Research demonstrates that lowering class sizes in the early grades has a lasting effect on raising student achievement, with the benefits lasting through high school. Every State applied for and received funding in FY 1999 and FY 2000, and preliminary State reports show that approximately 1.7 million children will benefit from the funding provided in the last two years. The House and Senate bills could reverse that progress, while denying even more children the opportunity to learn in smaller classes. The Administration urges the conferees to provide the President's requested funding level and authorization language for this program.
- Urgent School Renovation. Neither the House nor the Senate provides dedicated funding for the President's initiative to provide \$1.3 billion in loan subsidies and grants for emergency repairs to 5,000 of America's most aging and neglected public school buildings, including \$50 million for public schools with high concentrations of Native American students. An estimated \$127 billion is needed to bring America's schools into good overall condition. An estimated 3.5 million students attend schools that need major repairs or replacement.

- Accountability. Both the House- and the Senate-passed bills fail to focus on results and increase accountability for student success. The bills do not provide funding for the Title I Accountability Fund that helps States and districts turn around low-performing schools and increase public school choice and competition. As a result, States and districts would not receive targeted funds to turn around nearly 6,000 failing schools and improve student achievement. Also, the House bill cuts \$166 million from the President's request for Title I Grants to LEAs, reducing or eliminating services to more than 260,000 disadvantaged students. In addition, both bills fail to provide funds for the proposed Reward and Recognition program that would reward States that show significant gains in student achievement and that narrow the achievement gap between high- and low-performing students.
- 21st Century Community Learning Centers. Both the Senate and House bills cut the \$1 billion request by \$400 million, denying funding for over 3,000 centers that would provide after- and summer-school programs to over one million children. Extended learning time is an essential strategy to help all students master challenging academic material and reach high standards. The conferees should fully fund the request, which would support nearly 18,000 after-school and summer-school centers serving an estimated 2.5 million children. We also oppose the Senate amendment that makes community-based organizations (CBOs) eligible for 21st Century grants on the same basis as a school, thus eroding the link between after-school programs and in-school instruction. We prefer the Administration's proposed authorizing legislation allowing up to 10 percent of the appropriated funds to be awarded to CBOs that work with schools to create high-quality after school programs.
- Teacher Quality. The House and Senate bills fail to provide funding for the proposed \$1 billion Teaching to High Standards teacher quality programs. The House bill does not guarantee funding for professional development for teachers, and the Senate bill would cut \$255 million from the President's \$690 million professional development request. The President's overall request for Teaching to High Standards programs also includes \$310 million for teacher quality and recruitment initiatives of national significance such as Hometown Teachers, Early Childhood Educator Professional Development, the School Leadership Initiative, and Higher Standards-Higher Pay. Neither the House nor the Senate has provided any funding for these programs. Nor have they provided the requested \$25 million to continue and to expand the very successful Troops to Teachers program. The new Troops to Teachers: Transition to Teaching program will continue to offer former military personnel training in education and placement in high-need districts and subject areas, while expanding to offer more mid-career professionals the same opportunity. Finally, the Senate bill fails to provide the President's budget request of \$45 million for Special Education State Improvement. This \$10 million increase would support professional development related to the needs of children with disabilities.

- GEAR UP. The FY 2001 Budget provides \$325 million for GEAR UP, a \$125 million increase over FY 2000, to support early intervention and college preparation services for approximately 1.4 million disadvantaged youth. The House bill provides no increase in funding for GEAR UP, denying services to as many as 644,000 students. While the Senate bill provides a \$25 million increase, this level, \$100 million below the request, would deny services to more than 400,000 students.
- Hispanic Education Action Plan. The President's budget requests an increase of over \$800 million to support programs that serve large numbers of Hispanic Americans. Hispanic Americans are the fastest-growing population in America, and eliminating disproportionate gaps in their education achievement is key to America's economic success. The House underfunds this request by over \$650 million, and the Senate underfunds it by over \$200 million. Also, the House bill includes none of the \$48 million requested increase for Bilingual Education, and the Senate bill provides \$17 million less than the President's request. These cuts would deny indispensable services to this underserved population, seriously hampering the progress of Hispanic Americans in reaching the high academic standards expected of all students.
- Safer Schools. The House bill provides inadequate funding for Safe and Drug Free Schools and Communities National Programs. In addition, neither the House nor the Senate provides funding for Project SERV, which would provide critical emergency assistance and support to schools that have suffered traumatic violence such as school shootings and other crises. The Administration urges the conferees to adopt the requested level for National Programs and Project SERV.
- Small, Safe and Successful High Schools. Both the House and Senate provide inadequate funding for Small, Safe, and Successful High Schools, denying as many as 400 high schools support to establish or expand smaller learning communities of no more than 600 students. Research shows that when students are a part of a small and more intimate learning community, they are more successful both academically and socially.
- Community Technology Centers. The President's FY 2001 Budget provides funding for 1,000 new Community Technology Centers that would offer access to computers and technology, particularly educational technology, to thousands of adults and children in high-poverty areas. The House bill would not fund over 700 of these centers, and the Senate bill fails to fund over 300 of these centers.
- Technology and the Digital Divide. The FY 2001 Budget requests \$903 million for efforts to bridge the digital divide by providing technology training to teachers, and by supporting the community technology centers noted above. The House bill would eliminate training for over 100,000 teachers through Preparing Tomorrow's Teachers to Use Technology. The Senate bill would eliminate training for about 40,000 teachers. The House and Senate bills also fail to provide funding to expand cutting edge technologies to improve education through the Next Generation Technology Innovation

program. Neither the House nor the Senate bill includes the \$10 million requested by the President for technology training for teachers in the Mississippi Delta Region. This funding is critically needed to bolster the long-term economic strength of that region.

- English Literacy Civics. The budget requests \$75 million for the Adult Education English Literacy/Civics initiative. The House provides nearly \$50 million less than the request, and the Senate bill does not provide any of the requested funds. The Senate level would deny 250,000 immigrants and limited English proficient adults the literacy and civics skills necessary to become successful participants in American society.
- Reading Excellence. The House bill cuts the President's \$286 million request for Reading Excellence by \$26 million, denying 100,000 students the help they need to become successful at reading, the cornerstone of all learning.
- Comprehensive School Reform Demonstrations. The Senate bill fails to provide the \$240 million (\$190 million in Title I and \$50 million under the Fund for the Improvement of Education) requested to help schools implement comprehensive school reform programs that are based on reliable research and effective practices. As a result, support for 1,000 schools currently receiving funds would be discontinued, and 2,200 new schools would not receive support to improve student achievement through research-based school reforms.
- Technology for Individuals with Disabilities. The FY 2001 Budget requests \$100 million for the National Institute on Disability and Rehabilitation Research (NIDRR), a \$14 million increase. The increase includes \$5 million to provide technical assistance to elementary, secondary and postsecondary schools on accessible information technology for students with disabilities. The budget also requests \$41 million for Assistive Technology, a \$7 million increase, including \$15 million for alternative loan financing programs that help individuals with disabilities purchase assistive technology. The House bill fails to provide either of these requested increases. The Senate bill provides \$5 million less than the President's request for NIDRR and, while the Senate provides the budget's funding request for Assistive Technology, it targets \$8 million less toward alternative loan financing.
- Opportunities to Improve our Nation's Schools (OPTIONS). The conferees are urged to fully fund this \$20 million initiative to support innovative public school choice programs such as worksite schools and inter-district choice programs. Not funding this initiative would deny 40 States and districts support to develop and implement new models for enhancing public school choice and increasing healthy competition.
- Dual Degree Program. Both the House and Senate bills fail to provide funding for Dual Degree Programs for Minority-Serving Institutions, the President's initiative to increase academic opportunities for students at minority-serving institutions. Failure to fund Dual Degree Programs would deny up to 3,000 students the chance to earn two degrees in five years and enter professions in which minorities are underrepresented.

- American Indian Administrator Corps. The President's budget requests \$5 million to recruit, train, and provide inservice professional development for approximately 200 Native American teachers and professionals. The House bill fails to provide any funding for this purpose.
- Research and Statistics. Both the House and Senate bills fail to support the budget's requested \$30 million increase for education research and the \$16 million increase for statistics. The House bill fails to provide the \$10 million requested increase for Special Education Research and Innovation. Now, more than ever, teachers, parents, and policymakers are demanding research-based information about which education reforms work and why. The requests for the Department of Education's research investments, such as the Interagency Education Research Initiative, are vital to generating such a knowledge base for improving student performance. The conferees are urged to provide the requested levels for these programs, \$199 million for research, \$84 million for statistics, and \$74 million for Special Education Research and Innovation.
- Departmental Management. Neither the House nor the Senate provides critical increases in administrative funding requested for the Department of Education. These funds are necessary to ensure proper oversight and management of Federal education programs. The inadequate funding provided by the House and Senate for the Office for Civil Rights (OCR) would hamper the efficient resolution of complaints, threaten a return to onerous backlogs, and curtail new technical assistance activities that allow OCR to work proactively with customers to prevent discrimination before it occurs.
- America's Tests. The Administration objects not only to the lack of funding for America's Tests in the House bill, but also to the House's language limitation that would halt the President's efforts to help States and parents raise academic standards through any federally sponsored national test, including the Administration's proposed voluntary national test. The bill's language would prohibit development, pilot testing, field testing, implementation, administration, and distribution of the tests, unless explicitly authorized. This language prohibition undermines Federal efforts to promote high standards and strengthen accountability for all students.
- Department of Education One-Percent Transfer Authority. The House bill would eliminate the Department of Education's authority to transfer funds between appropriations. The Department has used its transfer authority only once, to finance the agency's financial audit. The Administration urges the Congress to maintain this authority, which the Department will continue to use prudently -- and only if necessary -- to respond to unforeseen needs.

Department of Health and Human Services

Both the Senate and House bills shortchange critical health and social services programs by cutting requested funding for the Social Services Block Grant, domestic and global HIV/AIDS prevention and treatment, mental health and substance abuse services, family planning, health care access for the uninsured, training for health professionals in children's hospitals, nursing home quality, child care and oversight of Medicare contractors. The bills also include numerous extraneous provisions that would have a detrimental effect on health policy. The Administration is concerned about the following cuts to key health and social services programs and urges the conferees to provide the requested level of funding:

- Head Start. The House provides \$600 million less than the request of \$6.3 billion for Head Start. This cut from the requested level would result in 50,000 fewer children receiving services and would severely restrict the funding of critical legislatively mandated quality assurance activities. The Administration strongly urges the conferees to fund Head Start at the requested level, as in the Senate bill.
- Child Care Development Block Grant (CCDBG). At the House level, which is \$417 million below the President's request, 80,000 fewer children would receive child care services. The Administration strongly urges the conferees to fund CCDBG at the requested level of \$2 billion, as in the Senate bill, and to include the Administration's proposed set-asides for activities to improve infants and toddler care and child care research, and for a child care services toll-free hotline.
- Social Services Block Grant (SSBG). The President's budget proposes to fund SSBG at \$1.8 billion to maintain funding at the FY 2000 level, including \$25 million for "second chance homes" for teen parents. Neither the House nor the Senate bill meets this request. The House bill provides \$1.7 billion, the level authorized for FY 2001 and a reduction of \$75 million from the FY 2000 level. The Senate bill would cut SSBG by \$1.2 billion from the FY 2000 level. At the current level, State and local programs serving vulnerable populations already make do with \$1.0 billion less in SSBG funding than they received in FY 1995. The House bill would further undermine these programs, while the magnitude of the cut in the Senate bill would guarantee reductions in child protection, foster care, and adoption services, as well as services for the elderly and the disabled across the country. The Administration strongly urges the conferees to fund SSBG at the requested level.
- State Children's Health Insurance Program (SCHIP). The Administration is concerned about the proposed funding shift in SCHIP in the Senate bill. SCHIP was enacted on a bipartisan basis in 1997 to cover millions of uninsured children. The shift included in the Senate bill has the potential to disrupt State funding and efforts to reach eligible, low-income uninsured children. The Administration opposes using unspent SCHIP funds for any other purpose.

- Tobacco Litigation. Neither the House nor the Senate includes requested Department of Health and Human Services (HHS) funding to support the Department of Justice's tobacco litigation efforts. The costs of preventing and treating tobacco-related disease exceed \$50 billion per year, and HHS pays a substantial portion of these costs. The tobacco litigation is in full accord with the HHS mission and is vital to efforts to improve the health of all Americans. We strongly urge the conferees to provide funding for the Federal Government's efforts to recover health care costs incurred as a result of tobacco-related illnesses.
- Family Caregivers. The budget requests \$125 million to support caregiver activities for 250,000 families who care for elderly relatives with chronic illness or disabilities. These funds would provide older persons with quality respite care and other support services necessary for them to remain independent in their homes and communities. Neither the House nor Senate funds this activity, which can be funded under existing legislative authority
- Ryan White HIV/AIDS Treatment. The Senate bill would reduce requested funding by \$70 million. This funding would enhance medical services, including pharmaceuticals, for people living with HIV/AIDS currently served by Ryan White funds, and provide access to services for people living with HIV/AIDS who are not receiving care. Ryan White currently serves approximately 500,000 people living with HIV/AIDS, nearly two-thirds of the individuals living with HIV/AIDS in the United States. We urge the conferees to fund Ryan White at the requested level, as in the House bill.
- Health Care Access. Both the House and Senate underfund the Community Access Program that would improve health care access for many Americans. The \$125 million request for the Community Access Program Initiative would enable the development of integrated systems of care and better coordinate health services for the uninsured and underinsured.
- Native American Program. The House level reduces funding for Native American Programs by \$5 million. The Administration's request for \$44 million includes an initiative that gives special attention to energy development and creation of tribal codes and ordinances. The conference should fully fund the Administration's request.
- Mental Health Services. The House bill reduces funding for mental health services by \$40 million and the Senate bill by \$69 million from the requested level. The Senate cut includes a \$50 million reduction to the Mental Health Block Grant that could hamper the ability of States to support comprehensive community systems of care for adults with severe mental illness and children with serious emotional disturbances. Both the House and Senate bills ignore the \$30 million request for new Targeted Capacity Expansion grants, which fund early intervention and prevention, as well as local service capacity expansion.

- Substance Abuse Prevention and Treatment. Total funding for substance abuse services is reduced from the requested level by \$54 million in the House bill and by \$23 million in the Senate bill. Funding for Targeted Capacity Expansion grants is reduced by \$30 million from this request in the House bill, and by \$44 million in the Senate bill. These cuts would reduce the ability to provide a rapid, strategic response to emerging substance abuse trends and would result in a reduction in prevention and treatment services for those struggling with substance abuse. The House bill's reductions to knowledge, development, and application grants would decrease the capacity to gain and implement new knowledge on the most effective treatments available. The House bill also eliminates funding for High Risk Youth Grants, which would end current efforts to provide science-based prevention and intervention services to prevent youth drug, tobacco, and alcohol use. In addition, the House bill does not provide \$12 million in Public Health Service evaluation funds for National Data Collection efforts as requested in the President's budget.
- Family Planning. Both the House and Senate do not include the full \$35 million increase requested for Family Planning services. This increase would provide family planning services to an additional 500,000 clients who neither are Medicaid eligible nor have health insurance.
- Children's Hospitals Graduate Medical Education/Health Professions Training. The Senate bill combines and reduces funding for health professions training by \$67 million from the request. At this level, it may not be possible to fund Children's Hospital Graduate Medical Education (GME) at the requested level of \$80 million. These funds are necessary to support medical education programs at the Nation's free-standing children's hospitals, which receive a very small share of Medicare GME dollars.
- Ricky Ray Hemophilia Relief Fund. The Senate bill does not provide requested funding for the Ricky Ray Trust Fund. The Administration urges the conferees to fully fund the FY 2001 request of \$100 million. Combined with the President's Mid-Session Review proposal, these funds will fully finance the Ricky Ray Trust Fund and ensure that each eligible hemophiliac who contracted HIV/AIDS or their families receive a \$100,000 relief payment.
- Centers for Disease Control and Prevention (CDC). The Administration strongly urges the conferees to fully fund the President's request for the Centers for Disease Control and Prevention. The House bill does not fund the requested increases for some of CDC's important activities, including: \$26 million requested for infectious diseases and food safety, \$5 million increase for vaccine safety, and the \$5 million increase for National Institute for Occupational Safety and Health.

The Senate bill reduces CDC's funding by \$67 million below the request for many critical public health programs, including domestic and global HIV prevention, infectious diseases, food safety, syphilis elimination, and tuberculosis. These reductions could impair CDC's ability to reduce the number of new HIV infections and hamper efforts to

improve surveillance for infectious diseases. It also funds race and health demonstrations at \$5 million below the request, slowing CDC's ability to understand better and address racial disparities in health. The Senate bill requires CDC to earmark funds for specific activities within CDC's existing totals for infectious diseases and environmental disease prevention. These earmarks could hinder CDC's ability to carry out its other public health activities.

- Bioterrorism. The Administration urges the conferees to provide the President's request of \$265 million for HHS to respond to chemical and biological terrorist incidents. Adversaries are expected to rely increasingly on these unconventional strategies to offset U.S. military superiority. The funds requested would improve our ability to defend against and manage the consequences of an attack.
- Agency for Healthcare Research and Quality (AHRQ). The House bill funds AHRQ at a program level of \$224 million, \$26 million below the request of \$250 million. While it includes the requested \$20 million for research on medical errors, it reduces all other research areas. Such a reduction would impair AHRQ's ability to fund important new research on worker health, health care costs and quality, and to apply advances in information technology to health care. The Administration urges the conferees to provide full funding for AHRQ through one-percent evaluation funding, as requested in the President's budget.
- Health Care Financing Administration (HCFA) Program Management. The House bill funds HCFA at a program level of \$1.9 billion, \$207 million below the FY 2000 enacted level and \$359 million below the request. The Senate bill funds HCFA at a program level of \$2.1 billion, which is \$55 million below the FY 2000 enacted level and \$207 million below the FY 2001 request of \$2.3 billion. These reductions would threaten the Administration's efforts to ensure the quality and safety of nursing homes by forcing States to scale back or eliminate facility inspections and complaint investigations, and would threaten the Administration's efforts to tighten oversight of Medicare's contractors as directed by recent General Accounting Office and Office of the Inspector General reports. Additionally, the Senate has provided only \$15 million to \$19 million of the President's request of \$150 million in Medicare+Choice user fees, which would be used to educate beneficiaries, enabling them to make informed health decisions.
- Rural Health Outreach. The House bill underfunds this important activity that would support the creation of innovative solutions to health care delivery system problems in rural America. A specific focus in FY 2001 that would be lost is the improvement of a wide range of services, including primary care, dental care, mental health care, and emergency services, to the residents of 180 rural counties in the Mississippi Delta region. The Administration urges the conferees to fully fund these activities.

- Patients' Bill of Rights. The Senate bill includes a modified version of the Senate's Patients' Bill of Rights. These provisions are unacceptable, primarily because they apply only to a subset of Americans with health insurance and provide inadequate protection for those they cover. Furthermore, these measures would eliminate some of the limited accountability provisions now in State law. In addition, the bill includes expensive, inefficient health care tax proposals like Medical Savings Accounts and a tax deduction for individually-purchased health insurance. The Administration urges Congress to pass a strong, enforceable Patients' Bill of Rights like the Dingell-Norwood bill passed by the House last year.
- Medicare Lockbox. The Administration called for taking the Medicare Hospital Insurance (HI) Trust Fund off-budget in the June Mid-Session Review and strongly supports the concept of a Medicare lockbox. Of the two proposals in the Senate-passed bill, we prefer the lockbox offered by Senators Conrad and Lautenberg, which would take the entire Medicare HI Trust Fund off-budget rather than place only the Medicare HI Trust Fund *surpluses* off-budget, as in the Ashcroft amendment. In addition, we believe the Conrad-Lautenberg amendment has a more effective enforcement mechanism. Finally, the Ashcroft amendment includes a provision prohibiting the President from proposing a budget that recommends an on-budget deficit. This section is constitutionally objectionable because it would undermine the President's ability to fulfill his constitutional duties under the Recommendations Clause.
- Genetic Discrimination. The Administration has long advocated for strong, enforceable protections against health care and employment genetic discrimination. While the Senate-passed Republican provision takes the long overdue step of prohibiting the use of predictive genetic information in health insurance plans in the individual market, it has no limitations on the disclosure of this information, allowing providers to share this information with employers and financial institutions. Beyond this serious privacy protection shortcoming, the provision also fails to provide a strong enforcement mechanism that allows Americans who have been harmed by inappropriate use of genetic information to hold health plans accountable. Moreover, this provision does not even address the issue of discrimination in the workforce, leaving millions of Americans vulnerable to adverse employment actions. Legislation currently pending, sponsored by Senator Tom Daschle, would adequately address all these shortcomings, and we would urge the Conferees to adopt it prior to final action on the Labor-HHS Appropriations Bill.
- Needle Exchange. The Administration objects to the House bill's unconditional ban on the use of funds appropriated in the bill for needle exchange programs. The Administration urges the conferees to make the use of funds for such programs contingent upon certification by the Secretary of Health and Human Services that these programs are effective in reducing the transmission of HIV and do not increase drug abuse, as proposed in the budget and included in the Senate bill.

- Abortion. The Administration urges the House and Senate to strike sections 508 and 509 of the bills, which would prohibit the use of funds for abortion. The President believes that abortion should be safe, legal, and rare. These provisions would continue to limit the range of conditions under which a woman's health would permit access to abortion services. Furthermore, section 509 would require a physician to make a legal determination that these conditions have been met. The Administration proposes to work with the Congress to address the issue of abortion funding.
- Emergency Contraception. The Administration is concerned about the restriction of public health funds for emergency contraception health care services in primary and secondary schools. Publicly funded health clinics will continue to encourage sexual abstinence and responsible contraception use among teenagers. Taking action to decrease emergency contraception services could halt or reverse the decline in adolescent pregnancy. In addition, decisions about what kinds of services should be provided in these settings are more appropriately left to local decision-makers -- who can take into consideration their community's health needs.
- Use of Restraints/Seclusion. The current Senate amendment on the rights of residents of certain health care facilities contains several inconsistencies with current HCFA regulations governing Medicare and Medicaid facilities. Most notably, the amendment takes a uniform approach, while current HCFA policy addresses the use of restraints and seclusion on a facility-by-facility basis. We would like to work with Congress to address these inconsistencies while furthering the enhanced reporting and other objectives of the proposed amendment.
- HHS One-Percent Transfer Authority. The Administration objects to the reduction in the transfer authority of HHS made by the House. The House bill would exclude the Centers for Disease Control and Prevention from this authority. This language would restrict the ability of HHS to respond to situations like the West Nile virus when \$2.3 million was transferred to CDC in FY 2000 to increase activities in response to this disease. The Administration strongly urges the conferees to maintain the Department's flexibility to address emerging issues.
- Unique Health Identifier. We urge the conferees to strike any provision limiting the ability of HHS to issue final standards required by the Health Insurance Portability and Accountability Act (HIPAA) of 1996. The House bill would effectively prohibit HHS from issuing all of the required identifier standards (including the health plan and provider and employer identifiers), which are critical elements of HIPAA's goal to increase efficiency and decrease costs. The Senate bill would prohibit HHS from promulgating a unique health identifier for individuals. This prohibition is unnecessary, as the Administration's stated policy is that the unique health identifier will not go forward until comprehensive privacy protections are in place.

- Medicare Competitive Pricing Demo Project. The Senate bill includes language that would prevent funds from being used to administer the Medicare+Choice Competitive Pricing Demonstration Project. This demonstration was passed by Congress as part of the Balanced Budget Act in order to provide valuable information regarding the use of competitive pricing methodologies in Medicare managed care. The information that could be learned from this demonstration is particularly relevant as the important task of Medicare reform is being considered. The Administration urges the conferees to remove this provision and to allow HCFA to implement the demonstration.
- Individual Development Accounts. Neither the House nor Senate fully funded the President's budget request of \$25 million to promote savings among low-income individuals for a first home, post-secondary education, to start a new business, or, under the Administration's proposal, a car that will allow them to get or keep a job. The Conference should fully fund the President's request.
- Battered Women's Shelters. The House provides \$15.8 million less than the President's request for \$116.9 million. The Administration urges the conferees to fund Battered Women's Shelters at the requested level, as in the Senate bill. Nearly 2 million American women experience domestic or sexual violence each year. The Federal investment in services proposed will help provide services for these women.

Department of Labor

The House- and Senate-passed bills cut the Labor Department by \$1.7 billion and \$0.9 billion from the request, respectively. These deep cuts would undermine worker training programs aimed at closing the skills gap, preparing workers for the 21st century, and helping employers reach out to an untapped pool of workers. These reduced levels of funding would also hamper efforts to help low-income fathers work, support their families, and stay off welfare. In addition, the levels would impair the Department's efforts to enforce domestic child labor laws and to reduce child labor in developing countries around the world. In all cases where Congress has underfunded these and other vital programs, the Administration urges the conferees to provide the requested level of funding.

The Administration strongly opposes language in the House and Senate bills that would prohibit the Occupational Safety and Health Administration (OSHA) from finalizing its standard to protect the Nation's workers from repetitive motion injuries. Each year, approximately 1.8 million American workers suffer musculoskeletal disorders (MSDs) such as carpal tunnel syndrome and lower back injury. One-third of MSDs are serious enough to require time away from work. OSHA's proposed standard would reduce the number of MSDs by an estimated 26 percent within 10 years, resulting in approximately three million fewer MSDs during this period. After more than 10 years of experience with ergonomic guidelines, exhaustive scientific study, months of public input on the proposed rule and years of public consultation before that, as well as millions of unnecessary injuries, it is time to move forward to finalize this standard.

The Administration's most significant concerns with the House- and Senate-passed versions of the bill include the following:

- Dislocated Worker Assistance. The House bill cuts the Dislocated Worker Assistance program by \$389 million below the requested level and \$207 million below the FY 2000 level. The House level would deny training, job search, and re-employment services to over 216,000 dislocated workers. The Senate bill cuts Dislocated Workers by \$181 million -- denying services to over 100,000 dislocated workers.
- International Labor Activities. The FY 2001 Budget requests \$167 million, a \$97 million increase over FY 2000, to enhance several critical international labor activities aimed at improving working conditions in developing countries, eliminating and improving educational alternatives to abusive child labor abroad, and addressing HIV/AIDS in the workplace. The House bill eliminates the \$97 million increase. The Senate provides \$125 million (including a \$10 million transfer from the Department of Health and Human Services), \$42 million below the President's request. While the Senate fully funds the proposed expansion of the International Labor Organization's International Program for the Elimination of Child Labor, it funds only \$15 million of the requested \$55 million for the President's new initiative to improve educational systems abroad to help reduce exploitative child labor.
- Youth Opportunity Grants/Youth Activities. The House bill would cut the Youth Opportunity Grants program by \$200 million below the President's request and \$75 million below the FY 2000 level, denying 45,000 youth in high poverty areas access to vital education, training, and employment assistance. The Senate bill would cut Youth Opportunity Grants by \$125 million below the request, denying services to 27,000 youth. In addition, both bills cut the Youth Activities program by \$21 million below the requested level, eliminating job training and education opportunities for 13,000 disadvantaged youth.
- Fathers Work/Families Win. Both the House and Senate bills fail to support the President's new Fathers Work/Families Win initiative, for which the Administration has requested \$255 million. Building on the partnerships developed under Welfare-to-Work, this important initiative would help approximately 80,000 low-income fathers and working families get the support and skills necessary to support their families and avoid welfare.
- One-Stop Career Center/America's Labor Market Information System. The House bill provides none of the \$154 million requested for the One-Stop Career Center system, undermining the foundation of the new workforce investment system intended to ensure access to the information and services of One-Stop Career Centers for all Americans. The Senate bill fails to fund the President's requested \$44 million in enhancements for One-Stops that would improve access to these services for millions of Americans. Among these enhancements is the \$10 million requested for America's Agricultural Labor Network (AgNet), a vital tool that will link domestic farm workers with agricultural employment.

- Youth Violence. The House bill rejects the \$40 million requested to add the Department of Labor to the interagency Safe Schools/Healthy Students (SS/HS) initiative and provides only \$14 million of the \$75 million requested to bring young offenders into the workplace through job training and related services. The Senate bill includes only \$20 million of the \$40 million requested to enable the Department of Labor to join SS/HS and only \$30 million of the \$75 million requested for Responsible Reintegration of Young Offenders.
- Adult Job Training Program. The House bill would cut funding for adult training by \$93 million, or 10 percent, below the FY 2001 request and FY 2000 enacted levels, eliminating training services for over 37,000 of the 380,000 adults who would otherwise be served in FY 2001. The Administration urges the conferees to provide the requested level, as in the Senate bill.
- Re-employment Services. The Administration urges the conferees to provide the full \$50 million requested to provide job finding assistance to 222,000 unemployment insurance claimants to speed their re-entry into the work force. The House bill eliminates the \$50 million request, and the Senate provides only half of the request.
- Disability Initiative. The House bill does not fund the President's \$23 million proposal to enhance the Department's leadership in helping people with disabilities enter, re-enter, and remain in the workforce through the establishment of a new disability office. The conferees should provide the President's request, as in the Senate bill.
- Unemployment Insurance (UI) Administration. The budget requests \$2.4 billion for unemployment insurance administrative costs. Both the House and Senate adopted the President's proposal to restructure UI administrative funding to bring it in line with modern service delivery systems but provide less than necessary to administer the UI benefit entitlement program, even under continuing favorable economic conditions. The House bill cuts \$93 million from the request, holding funding at the FY 2000 level, while the Senate provides \$76 million less than necessary.
- Worker Protection Programs. The budget requests \$1.2 billion for programs that protect the safety, pensions, and wages of workers. The House bill provides \$92 million less than requested, essentially freezing these programs at the FY 2000 level. The House bill falls far short of what is needed to protect workers health and safety on the job, address serious compliance problems in low-wage industries (including the garment and agriculture industries) and expand public education on retirement savings and health plans. While the Senate fully funds the request for worker safety and health programs, it provides \$18 million less than requested for other critical worker protection programs.
- Homeless Veterans. The budget requests \$15 million for job assistance to homeless veterans. The \$5 million cut to the request in the House bill would result in over 3,000 fewer homeless veterans obtaining meaningful employment and economic security. The Senate cuts \$2.5 million from the request.

- Information Technology. The FY 2001 Budget requests \$54 million for an information technology initiative that would address information security, infrastructure and web development, and office automation needs in a more efficient and comprehensive manner. This initiative would enhance the Department's ability to implement its responsibilities and expand its Internet capacity to serve employers and the public better. The House bill denies the request, while the Senate provides only \$30 million of the \$54 million requested.
- National Economic Indicators. The House bill cuts the President's request for the Bureau of Labor Statistics by \$14 million, the Senate bill by \$7 million. Each resulting level would curtail improvements in price, output, and productivity indicators for the service sector; threaten planned enhancements in the employment and unemployment data on which State and local governments rely; and jeopardize surveying how Americans spend their time in work and non-work activities, including child and elder care.
- Pension Benefit Guaranty Corporation (PBGC). The House funds the PBGC's discretionary and mandatory operations at last year's level, \$12 million less than the President's request, while the Senate cuts \$4 million from the request. If underfunded, PBGC would be unable to expedite the determination of retirees' benefit levels, as the Senate Committee on Aging has requested, or provide proper investment management for its expanding portfolio.

Funding for Program Administration.

The Senate bill includes over \$200 million in cuts to the administrative funds of the Departments Labor, Health and Human Services, and Education. The Administration strongly objects to these across-the-board cuts because they fail to consider the effect on underlying programs and essential agency management activities. Although the House bill does not include an across-the-board cut for administrative activities, the House levels are inadequate in certain key areas.

Related Agencies

- Social Security Administration. The House and Senate have cut \$163 million and \$127 million, respectively, from the President's \$7.2 billion request for administration of Social Security programs. At the House or Senate funding levels, the Social Security Administration would not be able to hire thousands of direct service employees, resulting in longer wait times for individuals filing retirement and disability claims, and diminished service for individuals who call the agency's 1-800 phone service.
- National Labor Relations Board. The President's budget requests \$216 million for the National Labor Relations Board (NLRB). The House bill would freeze the NLRB at the FY 2000 enacted level, \$10 million, or five percent, below the President's request. As a

result, NLRB would be forced to curtail backlog reduction efforts, essential training, and information technology investments. The conferees should provide the requested level, as in the Senate bill.

- Corporation for National and Community Service. The House fails to provide the requested \$18 million increase for the Corporation for National and Community Service. The Senate provides \$302 million, \$11 million below the President's request. The request of \$313 million would enable thousands of older American the opportunity to provide service to their communities, expand AmeriCorps VISTA projects in low-income communities that focus on bridging the digital divide, supporting efforts to help more people move from welfare to work, and improving literacy.
- Corporation for Public Broadcasting. The Administration appreciates that the House and the Senate bills fully fund the Corporation for Public Broadcasting's (CPB) FY 2003 request for general programming and system support. However, the Administration is concerned that, while the Senate bill fully funds CPB's digital transition initiative in FY 2001, the House bill provides no funding. We urge the conferees to provide the requested \$20 million in FY 2001, to help ensure that the public broadcasting system can meet the federally-mandated May 2003 deadline for digital broadcasting.

Internet Access in Schools and Libraries

The Administration strongly supports efforts to ensure that schools and libraries protect minors from inappropriate materials. Currently, schools and libraries use a wide range of technology tools and monitoring techniques to ensure that children do not encounter inappropriate material and dangerous situations while online. Recent studies confirm that virtually all schools that have Internet access have acceptable use policies in place. Given the dynamically changing technology environment, the Administration believes that the Federal government should not mandate a particular type of technology, such as filtering or blocking software, or impose requirements that undermine the success of the E-rate program. For these reasons, we object to the amendments to the House and Senate bills that would mandate the use of a particular type of technology to protect minors in schools and libraries from access to inappropriate materials. The Administration continues to support language that, before mandating a technical solution, would allow E-rate recipients to first develop acceptable use plans at the local level and to certify implementation of these plans, but without a potentially burdensome requirement that each school and library hold a public hearing on the issue.

Vaccination Coverage Levels — Continued

TABLE 2. Estimated vaccination coverage with the 4:3:1* and 4:3:1:3† series among children aged 19–35 months, by state and selected urban areas — National Immunization Survey, United States, 1999‡

State/Urban area	4:3:1		4:3:1:3	
	%	(95% CI)	%	(95% CI)
Alabama	79.7	(±4.5)	78.4	(±4.6)
Jefferson Co.	86.6	(±4.4)	85.2	(±4.6)
Rest of state	78.5	(±5.2)	77.2	(±5.3)
Alaska	82.2	(±4.7)	80.1	(±4.8)
Arizona	73.9	(±4.5)	72.4	(±4.6)
Maricopa Co.	71.7	(±6.4)	71.0	(±6.4)
Rest of state	77.5	(±5.7)	74.8	(±5.9)
Arkansas	78.5	(±5.8)	77.1	(±5.8)
California	78.3	(±3.5)	75.3	(±3.6)
Los Angeles Co.	78.1	(±5.6)	76.0	(±5.7)
San Diego Co.	76.6	(±5.4)	74.5	(±5.6)
Santa Clara Co.	84.3	(±4.3)	81.8	(±4.6)
Rest of state	78.1	(±5.4)	74.4	(±5.6)
Colorado	77.2	(±5.2)	75.8	(±5.3)
Connecticut	87.1	(±4.4)	85.9	(±4.6)
Delaware	80.0	(±5.0)	78.2	(±5.1)
District of Columbia	78.5	(±5.4)	77.5	(±5.4)
Florida	82.0	(±4.1)	80.3	(±4.2)
Dade Co.	86.7	(±4.5)	84.0	(±5.0)
Duval Co.	79.1	(±4.9)	77.7	(±5.1)
Rest of state	81.3	(±5.2)	79.8	(±5.3)
Georgia	83.1	(±4.3)	81.9	(±4.4)
Fulton/DeKalb cos.	86.4	(±4.5)	83.4	(±4.8)
Rest of state	82.3	(±5.2)	81.5	(±5.3)
Hawaii	82.8	(±4.7)	81.6	(±4.8)
Idaho	70.0	(±5.5)	69.4	(±5.5)
Illinois	78.8	(±4.1)	77.4	(±4.2)
Chicago	73.2	(±6.1)	71.4	(±6.2)
Rest of state	81.0	(±5.3)	79.8	(±5.4)
Indiana	75.4	(±5.0)	74.3	(±5.0)
Marion Co.	79.7	(±5.8)	79.1	(±5.8)
Rest of state	74.5	(±5.8)	73.3	(±5.9)
Iowa	84.5	(±4.4)	83.4	(±4.5)
Kansas	79.7	(±4.9)	78.9	(±4.9)
Kentucky	88.6	(±4.4)	87.6	(±4.5)
Louisiana	76.9	(±4.7)	76.8	(±4.7)
Orleans Parish	72.6	(±5.8)	71.5	(±5.9)
Rest of state	77.5	(±5.3)	77.5	(±5.3)
Maine	84.1	(±4.8)	82.9	(±5.0)
Maryland	80.5	(±4.2)	79.4	(±4.3)
Baltimore	73.2	(±6.6)	71.9	(±6.8)
Rest of state	81.8	(±4.8)	80.7	(±4.9)
Massachusetts	87.3	(±3.9)	85.2	(±4.4)
Boston	86.1	(±5.1)	83.6	(±5.8)
Rest of state	87.4	(±4.3)	85.3	(±4.8)
Michigan	75.9	(±4.8)	74.4	(±4.9)
Detroit	66.9	(±6.5)	66.4	(±6.5)
Rest of state	77.2	(±5.4)	75.6	(±5.5)

* Four doses of any diphtheria and tetanus toxoids and pertussis vaccine, three doses of poliovirus vaccine, and one dose of measles-containing vaccine (MCV).

† Four doses of any diphtheria and tetanus toxoids and pertussis vaccine, three doses of poliovirus vaccine, one dose of MCV, and three doses of *Haemophilus influenzae* type b vaccine.

‡ Children in this survey period were born during February 1998–May 1998.

§ Confidence interval.

Vaccination Coverage Levels — Continued

TABLE 2. Estimated vaccination coverage with the 4:3:1* and 4:3:1:3[†] series among children aged 19–35 months, by state and selected urban areas — National Immunization Survey, United States, 1999[‡] — Continued

State/Urban area	4:3:1		4:3:1:3	
	%	(95% CI) [§]	%	(95% CI)
Minnesota	87.0	(±4.8)	85.2	(±5.1)
Mississippi	81.7	(±5.4)	81.7	(±5.4)
Missouri	75.5	(±5.2)	75.0	(±5.2)
Montana	84.8	(±4.4)	82.5	(±4.6)
Nebraska	83.7	(±4.5)	81.8	(±4.8)
Nevada	73.4	(±5.3)	73.1	(±5.4)
New Hampshire	84.5	(±4.7)	84.5	(±4.7)
New Jersey	80.9	(±5.0)	80.8	(±5.0)
Newark	68.7	(±8.0)	66.6	(±8.0)
Rest of state	81.5	(±5.3)	81.5	(±5.3)
New Mexico	75.6	(±5.9)	73.0	(±6.1)
New York	83.4	(±3.3)	81.0	(±3.5)
New York City	81.5	(±5.1)	78.3	(±5.3)
Rest of state	85.0	(±4.2)	83.3	(±4.5)
North Carolina	81.8	(±5.0)	81.8	(±5.0)
North Dakota	83.0	(±4.5)	80.4	(±4.8)
Ohio	79.1	(±4.0)	78.1	(±4.0)
Cuyahoga Co.	74.6	(±5.6)	73.5	(±5.7)
Franklin Co.	79.1	(±5.1)	77.9	(±5.1)
Rest of state	79.9	(±5.0)	78.9	(±5.1)
Oklahoma	74.0	(±5.7)	72.9	(±5.7)
Oregon	73.2	(±5.9)	72.3	(±6.0)
Pennsylvania	86.6	(±3.7)	86.0	(±3.7)
Philadelphia	82.7	(±4.7)	81.3	(±4.9)
Rest of state	87.3	(±4.2)	86.8	(±4.3)
Rhode Island	90.4	(±3.9)	87.4	(±4.6)
South Carolina	81.1	(±4.7)	80.6	(±4.8)
South Dakota	83.4	(±4.5)	81.7	(±4.7)
Tennessee	79.5	(±3.8)	77.7	(±3.9)
Davidson Co.	75.4	(±5.5)	73.3	(±5.6)
Shelby Co.	76.5	(±5.5)	75.0	(±5.6)
Rest of state	81.0	(±5.3)	79.2	(±5.4)
Texas	74.7	(±3.6)	72.4	(±3.7)
Bexar Co.	70.2	(±6.2)	69.9	(±6.2)
Houston	66.5	(±6.8)	63.3	(±7.0)
Dallas Co.	76.0	(±6.5)	71.6	(±6.9)
El Paso Co.	75.0	(±5.2)	72.7	(±5.5)
Rest of state	76.5	(±5.3)	74.5	(±5.4)
Utah	81.7	(±5.1)	80.2	(±5.3)
Vermont	90.7	(±3.5)	90.5	(±3.5)
Virginia	81.6	(±5.2)	80.3	(±5.3)
Washington	76.5	(±3.9)	74.9	(±4.0)
King Co.	78.5	(±5.3)	77.4	(±5.4)
Rest of state	75.8	(±5.0)	74.0	(±5.2)
West Virginia	82.1	(±4.7)	81.0	(±4.8)
Wisconsin	85.4	(±3.3)	84.5	(±3.4)
Milwaukee Co.	75.3	(±6.2)	74.1	(±6.3)
Rest of state	88.2	(±3.8)	87.6	(±3.9)
Wyoming	83.5	(±4.9)	82.8	(±4.9)
Overall	79.9	(±0.8)	78.4	(±0.9)

* Four doses of any diphtheria and tetanus toxoids and pertussis vaccine, three doses of poliovirus vaccine, and one dose of measles-containing vaccine (MCV).

[†] Four doses of any diphtheria and tetanus toxoids and pertussis vaccine, three doses of poliovirus vaccine, one dose of MCV, and three doses of *Haemophilus influenzae* type b vaccine.

[‡] Children in this survey period were born during February 1996–May 1998.

[§] Confidence interval.

Baltimore

The State of Maryland, the Baltimore City Department of Social Services, and cooperating non-profit agencies will provide services and activities to include: (1) recruitment through community service agencies, especially Baltimore Healthy Start, and faith based organizations; (2) assessment (a plan for service will be drawn up for each individual); (3) Core Service Training, including parenting and life skills, career planning, conflict resolution, and domestic violence; (4) employment training through the Baltimore Urban League and STRIVE, (5) Child Support Services (to be delivered by the Baltimore privatized child support agency) including paternity establishment and all other child support services required; (6) visitation mediation; (7) responsible fatherhood training through group discussions and motivation; (8) education (GED, school completion, community college etc.); (9) vocational education; (10) job readiness training counseling and placement assistance; (11) physical health counseling; and (12) substance abuse and mental health counseling.

Boston

The Boston Partners to Strengthen Fathers and Families is a six partner collaboration consisting of: the Child Support Enforcement Division of the Massachusetts Department of Revenue; Family Services of Greater Boston; the Boston TenPoint Coalition; Boston Healthy Start Initiative; the Children's Trust Fund; and STRIVE (Support and Training Result in Valuable Employees).

Services to be provided include case management, employment and job retention support, child support enforcement, and parenting skills and relationship skill building. The project will work to facilitate the development of a comprehensive range of supports to strengthen the father-child relationship through services provided by social services organizations. Assessment services will be provided through the Healthy Start Resource Center and One Stop Career Centers. Clinical services will include mental health counseling, peer support/fatherhood curriculum, substance abuse treatment and referrals and other intensive clinical services. Post-placement services will include mentoring, GED, ABE and ESL education, and occupational skills training.

New York City

The State of new York will oversee the demonstration project operated by the Bedford Stuyvesant Restoration Corporation and Project STRIVE, both of New York City, along with the New York City Office of Child Support Enforcement. In both sites the project's services will include (1) assisting young (age 16-25) first time fathers who have not established paternity to seek voluntary paternity establishment and the ordering and payment of child support; (2) assisting fathers to find and keep jobs or improve their

earnings through provision of employment readiness and job training and attainment services; (3) encouraging better parenting through provision of parenting services, peer motivation and support, and other services for both mothers and fathers; 4) encouraging development of responsible fatherhood skills, an awareness of domestic violence, and knowledge of parental rights and responsibilities.

The New York Office of Child Support Enforcement will be an active participant in this project, among other things providing paternity establishment and child support services.

Project STRIVE's particular services include: providing a comprehensive fatherhood development program (including the teaching of skills and capacities necessary to be effective parents, peer support, team parenting, and self-esteem-building); facilitating the voluntary legal establishment of paternity and child support orders; providing educational and employment readiness training and employment placement services for participants; and providing follow-up services after training and job placement.

The Bedford Stuyvesant Restoration Corporation's particular services will include: collaborating with the New York City and New York State Offices of Child Support Enforcement to guide participating fathers through the Child Support Enforcement system to legally acknowledge paternity and to obtain child support orders; assisting young fathers to develop as caregivers for their children and participants and leaders in their communities; and promoting the concept and values of responsible fatherhood within the community.

Milwaukee/Racine

The State of Wisconsin, along with Goodwill Industries' Children UpFront Program, will conduct a Partners for Fragile Families demonstration project in Milwaukee and Racine, Wisconsin that will provide services including 1) outreach, recruitment and location of potential participants through self referral and referral by welfare agencies, child support agencies, parole agencies, and community and faith based groups; 2) case management; 3) development of fatherhood skills and motivation; 4) employment services (including pre- and post- employment services); 5) parenthood development, team parenting services, peer support, and development of a plan for parenting; and 6) paternity and child support order establishment.

demographic profiles. This level of analysis relied on a set of variables, including current student enrollment and enrollment trends. The study used the state's degree of urbanness (i.e., the ratio of students in urban districts to all students in a state) as a reasonable proxy for poverty; age and condition of school facilities; and, to some extent, regional cost factors. Urbanness, of course, is less reliable as a proxy variable for unmet need in more rural, sparsely populated states. The survey used this **matching approach** to derive need for infrastructure funding in 26 states. The study did not use matching analyses to derive funding need for education technology.

The third level of analysis for calculating unmet funding need was a **benchmarking approach**. That is, if the study could not acquire data that met the criteria for calculating a state's need or could not use the matching approach just described, then it calculated unmet need on the basis of median of the states in the previous two categories. This represented overall a fiscally conservative approach, and it may understate the unmet need of states in some cases. The study used the benchmarking approach to derive infrastructure need in 48 states. Three states -- California, Connecticut, and Delaware -- had comprehensive data and reasonable cost estimates. Of these three states, Delaware was used as the benchmark or median state of the group and served as the basis for estimating the unmet funding need for the remaining states and Connecticut (although Connecticut had useable assessment data, it was leveled up to the benchmark).

Appendix C provides the data collection matrixes for the needs assessment. Appendix D identifies states whose infrastructure assessment data met criteria for completeness as well as states that were matched for calculation purposes. Appendix E identifies states with recent technology or assessment plans. Appendix F provides descriptive statistics. Appendix G provides a complete listing of state assessments and related documents.

The NEA's study is thus more comprehensive than the GAO studies of the early and mid-1990s, but it, too, must rely on statistical inferences to fill in inadequacies and gaps in the data. Only about half the states have conducted school infrastructure assessments in the last five years, and few of those plan to update such assessments regularly in the future. Moreover, the accuracy of the states' cost estimates varies depending on whether they were based on school district self-assessments, a professional assessment, or a combination of both. For example, Ohio study participants report that school districts in the state typically underestimate education technology costs by reporting the capital cost of acquisition, not the cost of education technology ownership. In Ohio, acquisition costs constitute only 18 to 20 percent of the cost of education technology ownership. Ownership costs include system maintenance, hardware and software replacement, and professional development. About three-fourths of the states do have technology plans, but most of them do not include cost estimates.

Thus, because of the nature of the data; the need to estimate; and because study data could be as much as five years old according to the criteria, a still more comprehensive survey might well reveal the NEA's estimates as fiscally conservative.



Findings

When it comes to evaluating the dimensions of our national need for school infrastructure and technology investments—collectively termed *modernization* here—the NEA study yields four principal insights.

1. It Will Take Nearly \$322 Billion to Modernize U.S. Public Schools

The study indicates that \$321.9 billion will be needed for modernizing U.S. public schools. This sum

breaks into \$268.2 billion for school infrastructure and \$53.7 billion for education technology (see Figure 1). It should be noted that infrastructure estimates are generally based on 5- to 10-year projections, because repairs and new construction can be estimated with some certainty in that range and sometimes longer. Assessments for education technology, in contrast, are generally calculated using a 3- to 5-year range, reflecting the rapidity of change in that field.

The NEA estimate is clearly much more than previous research has indicated, and the nearly \$322 billion total amounts to 10 times what states currently spend, on average, on public school infrastructure. The new NEA figures, it should be noted, are based on a more comprehensive set of criteria than those of the U.S. GAO, which used 1994 data and focused on specific areas of infrastructure alone.⁶

Figure 1. Total Funding Need for School Modernization (US\$ billions)

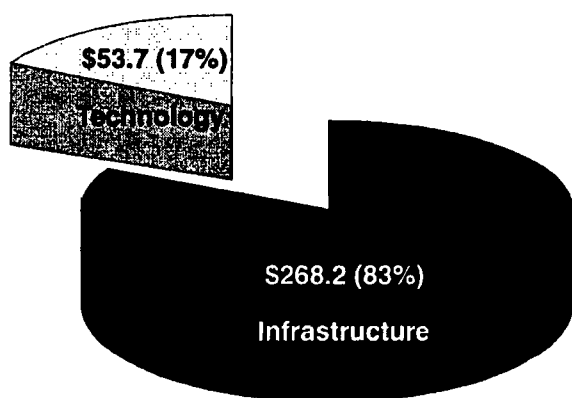


Table 1 shows the NEA data on the funding need for infrastructure and technology, along with the total need (i.e., the funding need for modernization), alphabetically by state.

Table 1. Total Funding Need for School Modernization

<i>State</i>	<i>Infrastructure</i>	<i>Technology</i>	<i>Total</i>
Alabama	1,519,210,061 ^a	791,643,056 ^c	2,310,853,117
Alaska	727,014,291 ^b	141,780,576 ^c	868,794,867
Arizona	4,748,568,494 ^b	920,959,488 ^c	5,669,527,982
Arkansas	1,761,701,495 ^b	494,704,416 ^c	2,256,405,911
California	22,000,000,000 ^a	10,901,183,414 ^a	32,901,183,414
Colorado	3,805,239,627 ^a	738,005,536 ^c	4,543,245,163
Connecticut	5,000,000,000 ^a	555,226,320 ^c	5,555,226,320
Delaware	1,046,354,648 ^b	120,021,120 ^a	1,166,375,768
Florida	3,300,000,000 ^a	2,187,697,936 ^c	5,487,697,936
Georgia	7,061,967,931 ^b	1,474,984,096 ^c	8,536,952,027
Hawaii	752,533,936 ^b	202,909,232 ^c	955,443,168
Idaho	699,469,537 ^a	268,321,600 ^c	967,791,137
Illinois	9,213,000,000 ^a	2,115,098,880 ^c	11,328,098,880
Indiana	2,477,797,613 ^b	1,059,940,000 ^c	3,537,737,613

Iowa	3,359,129,953 ^a	539,794,880 ^c	3,898,924,833
Kansas	1,793,250,000 ^b	503,561,280 ^c	2,296,811,280
Kentucky	2,441,607,196 ^a	685,628,688 ^c	3,127,235,884
Louisiana	3,104,098,619 ^b	836,972,576 ^c	3,941,071,195
Maine	452,064,540 ^a	232,710,832 ^c	684,775,372
Maryland	3,891,926,876 ^b	893,500,208 ^c	4,785,427,084
Massachusetts	8,919,014,500 ^b	1,023,047,120 ^c	9,942,061,620
Michigan	8,071,127,040 ^b	1,852,952,000 ^c	9,924,079,040
Minnesota	4,517,232,516 ^a	906,590,400 ^c	5,423,822,916
Mississippi	1,038,890,864 ^b	541,354,640 ^c	1,580,245,504
Missouri	3,475,160,989 ^b	975,861,968 ^c	4,451,022,957
Montana	901,492,663 ^b	175,806,928 ^c	1,077,299,591
Nebraska	1,608,849,896 ^b	313,754,032 ^c	1,922,603,928
Nevada	5,256,000,000 ^a	317,977,712 ^c	5,573,977,712
New Hampshire	409,511,478 ^b	210,805,584 ^c	620,317,062
New Jersey	20,709,650,065 ^a	1,319,695,248 ^c	22,029,345,313
New Mexico	1,410,624,747 ^a	339,560,288 ^c	1,750,185,035
New York	47,640,000,000 ^a	3,035,796,800 ^c	50,675,796,800
North Carolina	6,210,938,727 ^a	1,314,586,096 ^c	7,525,524,823
North Dakota	420,000,000 ^a	125,223,536 ^c	545,223,536
Ohio	23,000,000,000 ^a	1,977,840,000 ^c	24,977,840,000
Oklahoma	2,204,070,041 ^b	670,011,792 ^c	2,874,081,833
Oregon	2,407,425,974 ^b	579,506,048 ^c	2,986,932,022
Pennsylvania	8,465,134,387 ^b	1,943,407,360 ^c	10,408,541,747
Rhode Island	1,420,952,603 ^b	162,989,024 ^c	1,583,941,627
South Carolina	2,574,018,400 ^a	694,044,960 ^c	3,268,063,360
South Dakota	498,604,766 ^b	151,570,080 ^c	650,174,846
Tennessee	2,273,702,904 ^a	971,081,920 ^c	3,244,784,824
Texas	9,467,620,774 ^a	4,186,434,432 ^c	13,654,055,206
Utah	8,490,336,757 ^b	513,648,800 ^c	9,003,985,557
Vermont	220,090,007 ^b	113,296,464 ^c	333,386,471
Virginia	5,701,313,528 ^a	1,190,793,680 ^c	6,892,107,208
Washington	5,478,902,777 ^b	1,062,603,920 ^c	6,541,506,697
West Virginia	1,000,000,000 ^a	322,390,064 ^c	1,322,390,064
Wisconsin	4,762,337,059 ^b	955,782,336 ^c	5,718,119,395
Wyoming	530,888,665 ^a	103,532,688 ^c	634,421,353
TOTAL	268,238,826,944	53,716,590,054	321,955,416,998

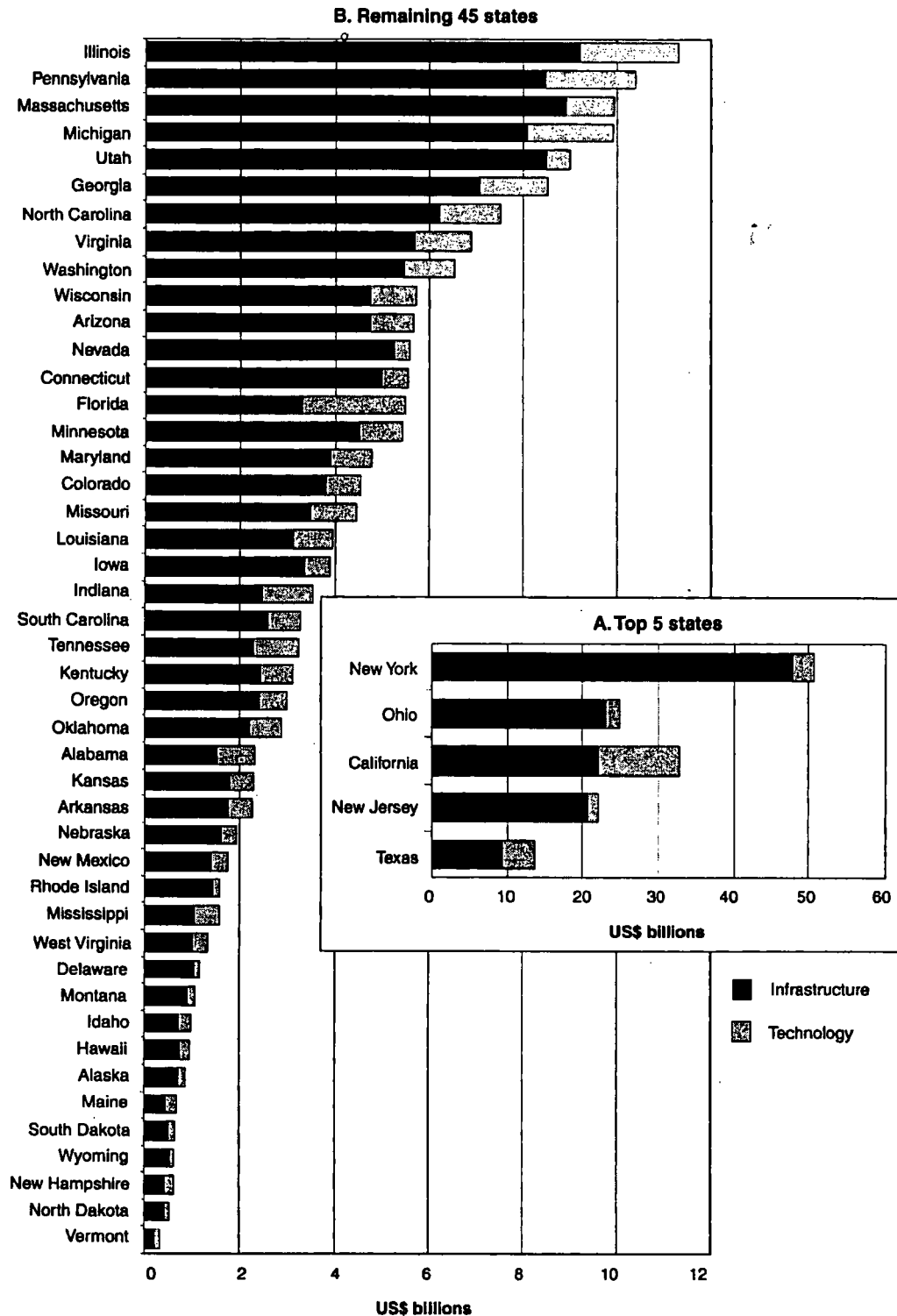
- ^a Existing state assessment used to calculate funding need (see Method section for details).
- ^b Funding need extrapolated based on ability to match selected demographic and student variables with those of a similar state (see Method section for details).
- ^c Funding need calculated using benchmarking or median state need (see Method section for details).
-

2. Funding Needs for School Modernization Vary Substantially

The study found that the funding need for school modernization ranges from \$50.7 billion for New York to \$333 million for Vermont. Although all states have some need, the top five states -- New York, California, New Jersey, Texas, and Illinois -- account for more than 40 percent of total need.⁷ In particular, states with large urban populations, such as New York, generally face higher construction costs and have higher concentrations of older school buildings. Actually, concentration of urban school districts within a state is one of the most reliable predictors of that state's price tag for school modernization. However, total need reflects a number of factors, such as current enrollments, projected enrollment growth, age and condition of school infrastructure, and regional cost factors.

Figure 2 presents a rank-ordered listing of states by total funding need.

Figure 2. Funding Need for School Modernization



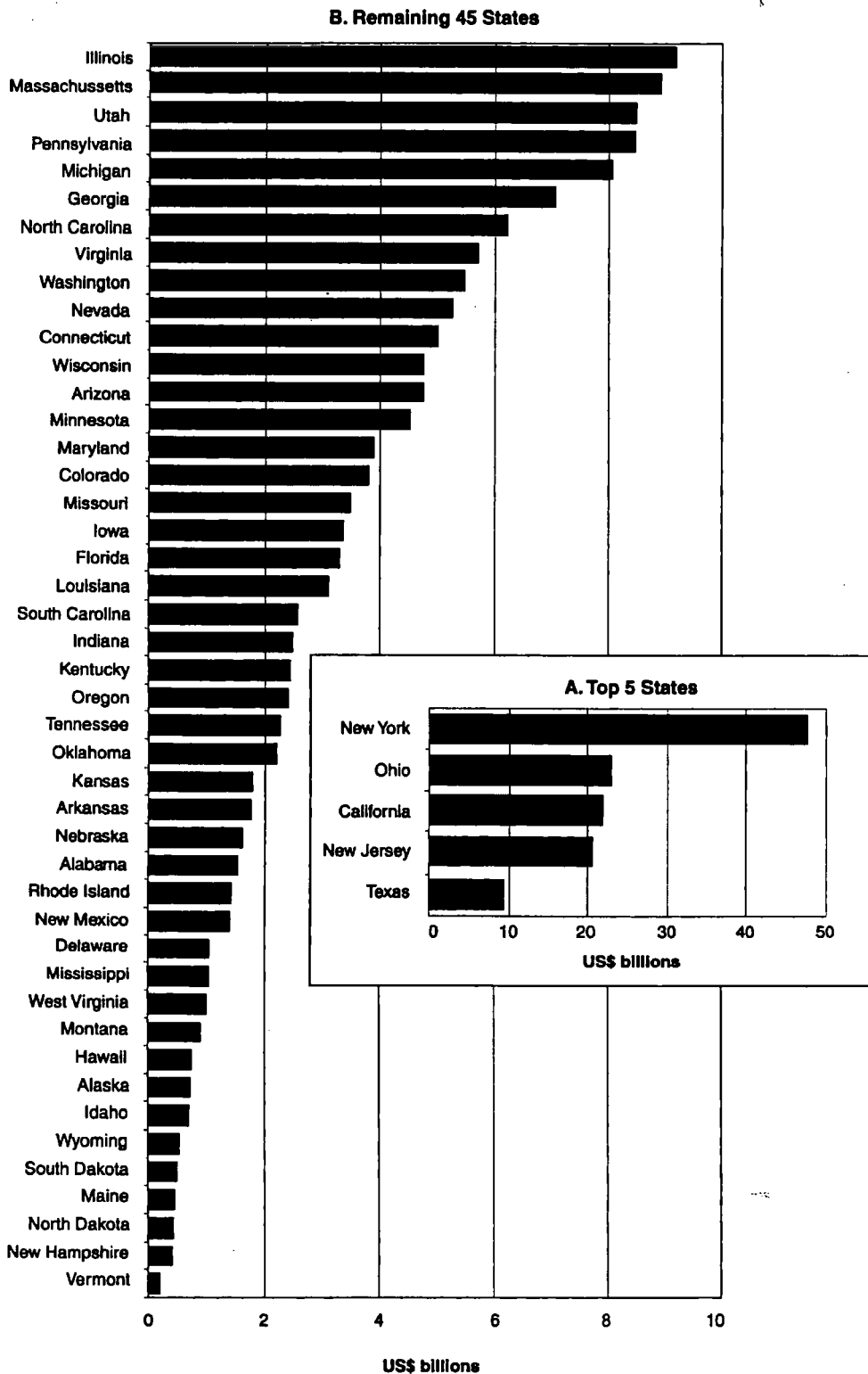
3. Funding Needs for Infrastructure Vary Substantially

Looking at school infrastructure separately, funding needs total \$268.2 billion. The need ranges from

\$47.6 billion in New York to \$220.1 million in Vermont. Here, the top five states -- New York, Ohio, California, New Jersey, and Texas -- account for almost 46 percent of the total need, one that again is evident in states with large urban populations.⁸

Figure 3 ranks states by funding need for school infrastructure.

Figure 3. Need for Infrastructure Funding

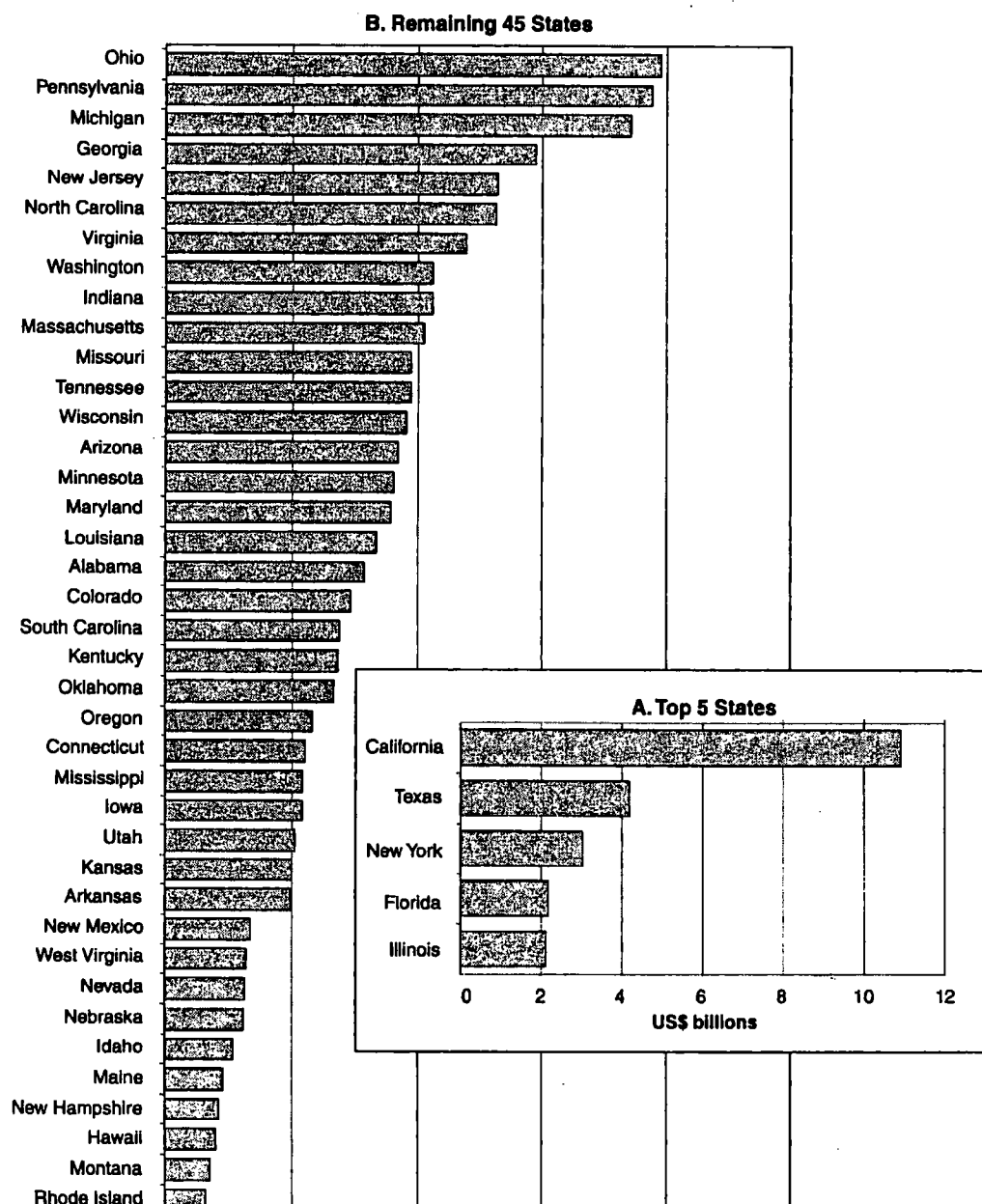


4. Funding Needs for Technology Are Somewhat More Even

The total unmet funding need for education technology, considered separately, is \$53.7 billion. The need ranged from \$10.9 billion in California to \$103.5 million in Wyoming. Unlike school infrastructure needs, education technology needs showed a more even distribution among states from low to high funding need. However, California represented by itself 20 percent of the total, and the top five states again represented more than 40 percent of the total.⁹

Figure 4 lists states by funding need for education technology.

Figure 4. Funding Need for Education Technology



THE WHITE HOUSE
WASHINGTON

August 25, 2000

MEMORANDUM FOR THE PRESIDENT

FROM: THURGOOD MARSHALL, JR. **T.M.**
KRIS M. BALDERSTON

SUBJECT: Summary of Cabinet Weekly Reports
August 19 - 25, 2000

DEPARTMENT OF THE TREASURY

- **Estate Tax:** The congressional leadership announced that it will send you their estate tax repeal legislation on August 24. The bill, which you have vowed to veto, passed both houses of Congress earlier this summer. The House passed the bill by a 279-136 vote, with 65 Democrats voting in favor of the measure. The House Republican leadership, in anticipation of your veto, is planning an override vote when Congress reconvenes after Labor Day. The Senate passed the measure by a vote of 59-39, well short of a two-thirds majority. The Republican leadership has planned a number of events to highlight transmittal of the bill, including its delivery by tractor to the White House, and a farmer's market event in SC attended by Speaker Hastert.
- **"Son of BOSS" Tax Shelter:** On August 11, Treasury and the IRS issued a notice shutting down a tax shelter known as "Son of BOSS." The tax shelter is so named because of its similarity to the Bond and Option Sales Strategy, or BOSS tax shelter, which Treasury and IRS shut down last December. The Son of BOSS scheme was used to generate artificial losses from the sale of partnership interests in order to offset income from other sources. The notice would deny losses resulting from these transactions and impose penalties on taxpayers and promoters who attempt to benefit from them.
- **Foreign Sales Corporation Taxes:** On August 23, Jerry Jasinowski of the National Association of Manufacturers announced his association's support for legislation to replace the U.S. foreign sales corporation (FSC) tax regime in response to the WTO Appellate Body's ruling that it constituted an illegal export subsidy. The FSC repeal legislation was approved by the House Ways and Means Committee on July 27 and is expected to go before the full House in September.

- **HIPC/Tanzania:** Although the focus of your trip to Tanzania will be the Burundi peace agreement, your visit also offers the opportunity to highlight Tanzania's role as a model beneficiary of the HIPC debt relief initiative and the need for swift congressional approval of our funding for this program. Tanzania's performance shows the real potential for debt relief to improve the lives of millions of Africans who continue to live in poverty. Tanzania's commitment to economic reform and poverty reduction will be supported by HIPC debt reduction totaling \$2B. HIPC will save Tanzania about \$100M in debt service payments each year through 2018, enabling the government to make further increases in vital investments necessary to stimulate growth and reduce poverty, including basic education, health care, and a nationwide AIDS awareness campaign.
- **Predatory Lending:** On August 23, Chairman Gramm released a Senate Banking Committee report on predatory lending. The report asserts that evidence of a problem is anecdotal and that predatory lending has not been adequately defined, thus blurring the distinction between it and subprime lending. Said Gramm: "Before we take up any legislation or establish new regulatory schemes, we will have to address a more basic problem -- defining predatory lending." Earlier this summer, Secretary Summers and Secretary Cuomo released a Treasury-HUD joint task force report on curbing predatory home mortgage lending. The report detailed joint recommendations to Congress and regulators on new legislation, regulations, and other measures to help protect consumers against abusive lending practices.

DEPARTMENT OF JUSTICE

- **Microsoft:** On August 15, the Office of the Solicitor General filed a brief that argues that Microsoft v. U.S. is the rare antitrust case of "general public importance" that Congress intended to be directly appealable to the Supreme Court under the Expediting Act. DOJ believes that prompt and final resolution of the case is necessary so that effective remedies can be imposed and important legal questions regarding the applicability of the antitrust laws in the high-technology sector can be resolved. In response to Microsoft's argument that the case is too legally and factually complex for direct Supreme Court review, the DOJ brief notes that the Court regularly handles complex cases and that from 1903 to 1974 (when the Expediting Act was amended to provide direct Supreme Court review only for cases of "general public importance"), the Court decided *all* appeals in civil injunctive antitrust cases brought by the U.S.
- **Term Limits:** On August 14, the Solicitor General filed an amicus brief in a case examining the constitutionality of an amendment to the MO Constitution that instructs Members of Congress elected from MO to vote in favor of a term limit amendment to the U.S. Constitution. DOJ contends that the MO provision violates the Elections Clause, the First Amendment, and the Speech or Debate Clause.

- **ValuJet Crash:** On August 14, SabreTech, Inc., was sentenced to pay a fine of \$2M and restitution of \$9M as a result of the company's conviction on nine felony counts of recklessly causing the transportation of hazardous materials and willfully failing to provide adequate training to employees working with hazardous materials. The corporation was also sentenced to three years' probation. SabreTech was found guilty of improperly packaging and transporting old oxygen generators that were loaded on ValuJet Flight 592, which crashed in the FL Everglades on May 11, 1996.
- **Illegal Internet Drug Sales:** On August 9, four individuals and a pharmaceutical supply firm were charged with illegally offering prescription drugs over the Internet. The indictment alleges conspiracy, mail fraud, violations of the Food, Drug, and Cosmetic Act, obstruction of justice, and conspiracy to commit money laundering. The defendants allegedly offered Viagra, Claritin D, Propecia, and other prescription drugs through a website in the name of a men's clinic. The website claimed that a physician reviewed a health questionnaire that consumers filled out online, but the indictment alleges that no such medical review took place and that two of the defendants created phony prescriptions bearing the name of a foreign doctor.
- **Voting Discrimination Against Arab Americans:** On August 4, DOJ filed a consent decree resolving allegations of racial discrimination in Hamtramck, MI, against Arab Americans under the Voting Rights Act. This is the first case brought by the Voting Section applying the Act to Arab American citizens. The agreement stems from complaints from Arab American voters in Hamtramck, MI, that their citizenship had been challenged and treated differently by private citizens based on their national origin and skin color during the November 1999 general election. Under the agreement, election officials are enjoined from future discrimination; the city clerk must establish a training program for election officials and challengers regarding the proper grounds for election challenges; and election officials must remove challengers who appear to be discriminating against voters based on race, color or ethnicity.
- **United Tribal Communities to Address Violence Against Indian Women:** The U.S. Attorney's Office, along with the Mending the Sacred Hoop Technical Assistance Group and the Osage Counseling Center, are co-sponsoring a Violence Against Indian Women Conference August 22-24, in Shawnee, OK. The conference will focus on educating tribal communities about domestic violence and sexual assault issues, including the effects of such violence on communities and on children.
- **"Model Practices" to Promote Police Integrity:** On August 8, the Attorney General sent out for comment a discussion draft of principles for achieving model practices to promote police integrity and combat police misconduct. These draft model practices were sent to all participants in the Attorney General's June 1999 conference "Strengthening Police-Community Relationships" and participants in follow-up meetings.

The Attorney General asked recipients to provide comments, as well as examples of agencies that have implemented practices that have been effective in building trust with the community, so that a final document could be prepared early this Fall.

DEPARTMENT OF THE INTERIOR

- **Wildland Fires:** Across the nation, 80 large fires are burning nearly 1.5M acres across seven western states, TX, FL, and OK. Fire activity is expected to increase in coming days with dry lightning in the forecast for western WY, MT, ID, and eastern NV. Very high to extreme fire danger indices are reported in all eleven western states, plus TX and OK. The Army's 3rd Battalion, 327th Infantry from Fort Campbell, KY, began fire training August 23 and will be deployed to the Valley Complex of wildland fires in MT. Since January, 5.8M acres have been burned in 70K wildland fires. The ten-year average for January through August 23 is 2.6M acres burned in 58.9K fires. In response to the wildfires that are burning lands across the West, the USGS has joined Federal firefighting agencies and private industry to form a Geo-spatial Multi-Agency Coordination group (GeoMAC) to assist in prioritizing the use of wildfire suppression resources and provide for public and firefighter safety. The initial goal of the GeoMAC is to implement an Internet-based map application to assist in the allocation of firefighting resources to the most critical incidents. GeoMAC integrates advanced digital maps and satellite images of major western fires for use by firefighters and emergency coordination centers. The team is based at USGS Rocky Mountain Mapping Center in Lakewood, CO, and also includes personnel from BIA, BLM, NPS, USFS and Environmental Systems Research Institute, Inc.
- **Final Bison Environmental Impact Statement:** A Final Environmental Impact Statement (FEIS) to address bison management in and around Yellowstone National Park will soon be released. A joint record of decision on bison management will be signed this fall and will determine how bison in and around the park will be managed. The modified preferred alternative is designed to meet objectives set forth in the FEIS for bison management in Yellowstone and MT – to maintain the largest, free-ranging population of bison in the U.S. and address the risk of brucellosis transmission in order to protect the livestock industry.
- **CALFED:** The CALFED Bay-Delta Program Record of Decision (ROD) is expected to be signed on August 25. The ROD, which will be signed by Secretary Babbitt and certified by CA Governor Davis, is the culmination of a cooperative State-Federal process to address water management and supply issues in CA. The ROD will address the full range of CALFED program elements, including ecosystem restoration, water management (water use efficiency, water transfers, new storage, new conveyance, and watershed protection), water quality and levee stability in the Bay-Delta. Additionally, the ROD and associated biological opinions will provide certain regulatory assurances to

water users under the Endangered Species Act, will establish the amount of water needed to adequately protect listed species and will call for the development of an environmental water account (EWA) to assist in species recovery and water supply reliability. The ROD reflects the preferred alternative outlined in CA's Water Future: a Framework for Action, which was released by Secretary Babbitt and Governor Davis after months of high level negotiations.

- **West Nile Virus:** USGS is conducting research on wild birds to detect and map the spread of West Nile Virus. The surveillance network covers the U.S. from the Atlantic Seaboard to the Gulf of Mexico.
- **Gulf of Mexico Floating Production, Storage, and Offloading Systems:** MMS issued a draft environmental impact statement examining the potential effects of floating production, storage, and offloading (FPSO) systems proposed for use in the development of oil and gas resources in deep water (200 meters or more) areas of the Gulf of Mexico. Offshore operators would store crude oil in the FPSOs until it could be pumped into shuttle tankers or barges for transport to shore. The draft EIS found that most risk is associated with the shuttle tankers or barges, not the FPSOs; that risks associated with FPSOs are comparable to those from pipelines and other deep water development and production systems; and that excluding FPSOs would not reduce cumulative environmental impacts because other systems would be used in their place. MMS will conduct four public hearings in September to receive comments on the draft EIS.

DEPARTMENT OF AGRICULTURE

- **Wildfires:** As of August 22, 69,558 wildlife fires have burned more than 5.73 million acres this year, well over the ten-year average for this time of year. More than 67 fires larger than 1,000 acres are currently burning. Currently fighting fires are a total of 25,474 personnel, using more than 1000 engines, 200 helicopters and 40 air tankers. There are also three military battalions of 500 people each fighting fires, and two more are being activated to support fire operations soon. The Army 327th Infantry Battalion from Ft. Campbell, KY will begin training on the 24th and be deployed in the Northern Rockies. The 2nd Marines from Camp Lejeune, NC will be trained and deployed shortly after. On August 15, OPM delegated authority to grant waivers for the U.S. Forest Service (FS) to rehire retirees without reducing their pay by the amounts of their annuities, and without former employees having to refund buyouts given before 1996. FS requested these delegations to help battle the worst fire season in 50 years, which has resulted in a serious shortage of qualified fire personnel. The delegations are valid through December 31. On August 28, Secretary Glickman will visit troops deploying from Fort Bragg, NC, to the western wildfires.

- **Asian Aphid in Midwest:** By August 25, USDA will convene a team of experts to draft options for responding to the recent detection of the Asian soybean aphid in the Midwest. A plant pest new to North America, the soybean aphid (*Aphis glycine*) was recently detected in the North-Central U.S. by University of IL scientists. The pest, which is a vector of plant disease, and feeds on the soy plant, is currently confirmed in eastern WI and northern IL, and has been reported in southern MI, and eastern MN.
- **Black Farmers Conference:** On August 24-25, USDA staff attended the National Black Farmers Association annual conference in Richmond, VA. This conference will provide information on farm management strategies and aid interaction with stakeholders and other professionals. USDA will share findings on information sources about marketing channels used by small farms, and other workshop topics include discussions on farm marketing and diversification strategies, and new agricultural technologies.
- **Commodity Markets:** Wheat prices rose on news of purchases by a number of countries. Concern over crop conditions in parts of the Western Corn Belt sent corn and soybean prices higher. Rice cash prices were unchanged, but futures were mixed – scorching heat worsened yield prospects in Louisiana, offsetting disappointing export news. Hot, dry weather in Texas and the Delta raised cotton prices. Preparation for Labor Day featuring led cattle prices higher. Declining pork prices sent hog prices down. Broiler prices were up slightly; some areas reported good retail demand. Increased buying interest boosted cheese prices, even as production remained seasonally strong. Butter prices were slightly off as the summer buying season winds down.

DEPARTMENT OF COMMERCE

- **2000 Pilot Mentoring Program:** On August 31, DAS for Administration Perea-Henze will speak at an orientation session for DOC's pilot mentoring program. This program is designed to assist junior-level employees in developing the technical and interpersonal skills needed for professional advancement. As many as 25 individuals will receive guidance from mid- and senior-level personnel, develop and carry out mentoring action plans, participate in developmental workshops, and receive regular progress reviews.
- **Partnering with Hispanic Serving Institutions (HSI):** On September 13-14, DOC will host a summit meeting with HSI partners to discuss ways of increasing Hispanic representation in the Department's workforce and programs. To date, DOC has entered into memoranda of understanding (MOU) with the University of Texas at El Paso, New Mexico State University, University of Puerto Rico, and Florida International University. DOC is finalizing MOUs with Robert Morris College in Chicago, University of Texas at San Antonio, California State University at Los Angeles, and California State University at Dominguez Hills.

DEPARTMENT OF LABOR

- **Los Angeles Garment Survey Stakeholders Meeting:** On August 25, DOL's Employment Standards Administration's Wage and Hour Division's West Coast regional staff will host a stakeholders meeting in Los Angeles, CA to announce the results of the FY2000 compliance survey of garment manufacturing in Southern CA. The results will show that only one in three garment manufacturing shops in the Los Angeles area are in compliance with the Federal minimum wage and overtime laws. The survey found that the number of shops being monitored for compliance with labor laws by their manufacturers remains high – at about 70 percent. The survey reconfirms that compliance monitoring does promote higher levels of compliance. Only about ten percent of the shops not monitored were in compliance with the minimum wage and overtime requirements. DOL has stepped up enforcement, broadened compliance education, and sought new partners to improve compliance.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **MN Prepaid Medical Assistance Project Plus (PMAP+):** On August 22, HCFA approved MN's request for a Phase 2 amendment to State's Section 1115 health reform demonstration, entitled "Minnesota Prepaid Medical Assistance Project Plus (PMAP+)." Phase 2 will assist the State in reaching its goal of making continuous progress toward reducing the number of Minnesotans who do not have health coverage by expanding the eligibility groups that would be participating in the Prepaid Minnesota Assistance Project (PMAP), providing administrative simplifications and expanding the purchasing of services through care delivery networks. Examples of groups that will now be covered include, but are not limited too, children in foster care placement; children eligible for Medical Assistance (MA) through subsidized adoptions; and MA individuals who have private health care coverage through a certified Managed Care Organization.
- **HMO Withdrawals and Medicare:** In late August, the Office of Inspector General will release a final report on HMO withdrawals and the resulting impact on Medicare beneficiaries. The 1999 withdrawals affected fewer beneficiaries than the 1998 withdrawals (about 300,000 in 1999 compared with about 400,000 in 1998); however, a greater percentage of them were left without an HMO option. Fifty-five percent of the affected beneficiaries joined another HMO in 1999 as compared to 66 percent in 1998. Overall, most beneficiaries encountered few transition problems when their HMO withdrew. Most beneficiaries said notification of HMO withdrawals was timely and adequate. Beneficiaries viewed their health care to be about the same or better after their HMO withdrew. The financial impact was greater on beneficiaries who went to traditional Medicare because most purchased supplemental insurance. Beneficiaries were concerned about increased costs, particularly for prescription drugs. More than one-fourth of beneficiaries also expressed concern about future HMO withdrawals.

- **Diabetes in American Indian Youth:** On August 28-31, the National Conference on Type 2 Diabetes in American Indian Youth will be held in Gallup, NM. The purpose of the Conference is to bring together researchers, health care providers, tribal officials, and community leaders to address the growing problem of Type 2 diabetes in American Indian children and adolescents. The Conference is sponsored by the National Diabetes Prevention Center, which was founded upon a partnership by the Centers for Disease Control and Prevention, the Indian Health Service, the Pueblo of Zuni, the Navajo Nation, the Gallup Indian Medical Center, the Zuni-Ramah PHS, the Diné College, and the University of New Mexico Prevention Research Center.
- **National Alcohol and Drug Addiction Recovery Month:** On September 7, SAMHSA's Center for Substance Abuse Treatment (CSAT) will hold a news conference to kick-off the 2000 celebration of National Alcohol and Drug Addiction Recovery Month. In addition to announcing Recovery Month, findings from SAMHSA's 1999 Treatment Episode Data Set (TEDS) and a CSAT study on adolescent treatment for marijuana addiction will be released. The TEDS report provides information on the demographic and substance use characteristics of people admitted to State recognized substance abuse treatment facilities for abuse of alcohol and illicit drugs.
- **West Nile Virus:** During the week of August 21, two scientists from CDC's Fort Collins, CO, facility traveled to ME, NH, and VT to assist the respective State health departments in implementing West Nile virus surveillance in birds and mosquitoes.
- **Limited English Proficiency (LEP) Guidelines:** On August 30, Deputy Secretary Thurm will roll out the HHS LEP guidelines to assist health and social service providers in ensuring that persons with limited English skills can effectively access critical health and social services. The guidance, published in the *Federal Register* by the HHS Office for Civil Rights (OCR) further explains OCR existing policies. HHS is the first federal agency to publish guidance since the issuance of the executive order on serving persons with limited English skills.
- **Trends in Cigarette Smoking Among High School Students:** One of the ten Leading Health Indicators that reflect the major health concerns in the U.S. is cigarette smoking among adolescents. To examine trends in cigarette smoking that occurred among high school students in the U.S. from 1991-99, the Centers for Disease Control and Prevention analyzed data from the national Youth Risk Behavior Survey. This report summarizes the results of the analysis, which indicate that current smoking among U.S. high school students steadily increased over time from 1991-99 (from 27.5 percent to 34.8 percent). However, recent data suggest that high school student smoking may, in the last couple of years, be leveling or beginning to decline.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **Community Outreach Partnerships Centers (COPC):** HUD's COPC grants help colleges and universities apply their human, intellectual, and institutional resources to the challenge of revitalizing distressed communities. Each COPC grantee addresses at least three of the following issues in the targeted community: local housing, infrastructure, economic development, neighborhood revitalization, health care, crime, or planning.
- **Deceptive and Unfair Ad Campaign by Gun Makers:** Secretary Cuomo joined Mayors Ganim of Bridgeport, CT – Co-Chair of the U.S. Conference of Mayors Gun Violence Task Force, Sills of Wilmington, DE, and Atlanta Mayor Campbell (via telephone), Cleveland Police Chief Flask, Newark Police Chief Ambrose and Washington, DC Police Chief Ramsey at the National Press Club to condemn the gun industry's \$10M advertisement attack on the patriotism and personal integrity of the local and national officials who have tried to hold the industry accountable for its actions. The mayors are seeking to have a response advertisement – to be voiced by actor Martin Sheen – aired by the broadcasters and cable-casters that ran the National Shooting Sports Foundation/Hunting and Shooting Sports Heritage Foundation (NSSF) ads.

DEPARTMENT OF TRANSPORTATION

- **NM Pipeline Incident:** On August 19, an El Paso Natural Gas Company (ELPNGP) gas transmission pipeline ruptured and ignited at a river crossing in a rural area approximately 30 miles southeast of Carlsbad, NM. There were 11 fatalities and one critical injury involving a 12-member extended family camping in the area. DOT's Research and Special Programs Administration's (RSPA) Office of Pipeline Safety inspectors are at the site and coordinating with NTSB investigators to determine the cause of the rupture. The ruptured pipeline runs parallel to two other pipelines, crossing the Pecos River on bridges. All three pipelines are shut down at this time. On August 23, RSPA issued an order restricting operation of over 400 miles of pipeline in the vicinity of the failure until further integrity tests can be conducted. One of the pipelines may be allowed to resume limited operation after certain safety tests are completed on the segment. These pipelines are the main supply of natural gas to AZ and Southern CA. DOE and DOT are working together to determine the impact on the energy supply issue. The incident has received nationwide media attention. Governor Johnson visited the incident site on August 20. NTSB Chairman Hall visited the site on August 24.
- **Inspections of General Electric Engines:** On August 21, the FAA issued an airworthiness directive making the time required for previously ordered inspections of General Electric CF-6 engines more restrictive. The inspections are being done to detect cracking in a piece of equipment that could cause an uncontained engine failure. After analyzing an uncontained engine failure experienced by a Varig Brazil Airlines Boeing

767 on June 7, the FAA now believes the compliance time, based on engine cycles, must be shortened. There are about 1,180 GE engines in the U.S. fleet. Total cost to U.S. operators for removal and inspection of the high-compressor parts of these engines is estimated at a maximum of \$18,800,000.

- **Amtrak Ridership Record:** On August 15, Amtrak announced an all-time record ticket revenue of \$107.2M in July and a ten-year ridership high of more than two million passengers during the month. Just one month after unveiling its unconditional satisfaction guarantee, Amtrak's Northeast Corridor posted July revenues of \$51M -- an increase of nearly 15 percent over the same period last year. The growth in the Corridor was spearheaded by Acela Regional service, which has seen a 39-percent increase in ridership over the trains it replaced.
- **Delta "Back to School" Program:** On August 29-30, Secretary Slater will join Secretary Riley for a "Back to School" bus tour through Delta communities in AR. In Little Rock, AR, Secretary Slater will announce the DOT's commitment of 52 mentors for the MentorNet program. The MentorNet Program, announced by Vice President Gore on May 10 at the "Delta Vision, Delta Voices" National Conference, provides internet mentoring and counseling to young women at the high school and college levels. DOT is the first federal agency to participate in the MentorNet program.
- **Grants to States with .08 BAC Laws:** During the week of August 21, Secretary Slater will announce incentive grants totaling \$69.7M to 17 states and DC for lowering the legal threshold for impaired driving to .08 percent blood alcohol concentration (BAC). State .08 BAC laws have proved to be effective in preventing crashes and improving safety. The Administration favors a provision in the Senate transportation funding bill that would withhold certain federal highway construction funds from states that do not adopt and enforce within six years a .08 BAC threshold as the level at or beyond which a driver is too impaired to drive safely. Secretary Slater has urged Congress to include this provision in the FY2001 transportation funding bill.

DEPARTMENT OF ENERGY

- **Travel to Russia and Kazakhstan:** After departing from Nigeria, Secretary Richardson will travel from August 28 to September 3 to Kazakhstan and Russia for meetings on nuclear and non-nuclear activities. In Kazakhstan, Secretary Richardson will meet with President Nazerbayev and Minister Shkolnik to discuss Caspian Energy Development and Non-proliferation efforts. He will also meet with oil industry representatives. Secretary Richardson will travel to Sarov, Russia with Russian Minister of Atomic Energy Adamov and will be the first Cabinet Secretary to visit territory that used to be part of the Avangard nuclear weapons production facility at the closed nuclear city. With the help of DOE's Nuclear Cities Initiative, commercial production will begin at this site

in the near future. Secretary Richardson will travel to Vladivostok and Kamchatka in the Russian Far East to commission two Russian Navy sites where joint nuclear non-proliferation efforts have been completed in cooperation with the Russian Navy. While in the Russian Far East, Secretary Richardson will also travel to Sakhalin Island to meet with Energy Minister Gavrin and oil executives, and will visit an operational oil platform, which is run by a consortium that includes U.S. companies.

- **Accelerated Strategic Computing Initiative (ASCI):** On August 22, DOE's NNSA and Compaq Computer Corporation announced a nearly \$200M contract for delivery of the world's fastest computer to Los Alamos National Laboratory. The computer is part of the NNSA's ASCI initiative. The ASCI machine, to be named "ASCI Q", will have 12 trillion bytes of memory, and is expected to be operational in early 2002. ASCI Q is the latest advancement of the NNSA's Stockpile Stewardship Program, which uses science-based methods to assess and certify the safety, security and reliability of nuclear weapons without underground nuclear testing.
- **Metro Atlanta's First Affordable Energy Efficient Community:** On August 30, DOE will join with project partners to dedicate Fairburn Commons, metropolitan Atlanta's first affordable energy efficient community. A project of DOE's Building America Program and its Building Science Consortium, the 33 single-family homes in Fairburn Commons have been designed to save up to 50 percent of the energy used by a similar conventional home, guaranteeing a heating and cooling cost of less than 75 cents per day. Fumes from carpeting, paints, stains, and adhesives have been virtually eliminated to provide superior indoor air quality.
- **Vision 21 Roadmapping Workshop:** From August 30-31, the Vision 21 Roadmapping Workshop will be held at the University of Maryland at College Park. The workshop will bring together about 100 industry and academic experts in the key Vision 21 technologies, such as gasification, gas separation and purification, turbines, fuel cells, and environmental technology. Experts will review and improve draft roadmaps developed at DOE's National Energy Technology Laboratory and product "consensus" roadmaps that contain specific technology objectives, barriers, and strategies.
- **Biobased Products Industry:** On August 17, Secretary Richardson announced financial assistance totaling nearly \$8M over the next three years to encourage the U.S. biobased products industry to use crops, trees and residues to make plastics, paints, and adhesives. The funds will support six research and development partnerships as well as a new education initiative for encouraging multi-disciplinary research and teaching programs. The research and development projects selected address barriers identified by the industry to processing or utilizing plant material. DOE's education initiative, designed to stimulate "out-of-the-box" training methods, will equip graduates with the tools needed to tackle the complex needs of the emerging bio-based industry. DOE's biomass program

supports your Executive Order signed on August 12, 1999, to triple the use of biobased products and bioenergy in the U.S. by 2010.

DEPARTMENT OF EDUCATION

- **Success Express Back-to-School Bus Tour:** On August 27-31, Secretary Riley will travel through seven states along the Mississippi: LA, AR, MS, TN, KY, MO, and IL. At each stop, the Secretary will highlight a few major education priorities. In Winnsboro, LA, Secretary Riley will talk about teacher recruitment and training, as well as school construction and modernization. In Charleston, MO, the focus will be class-size reduction and after-school programs. Other stops will highlight preparing for college, turning around low-performing schools, using the community as a learning resource, involving parents and developing early childhood skills.
- **Phi Delta Kappa/Gallup Poll:** The 32nd annual Phi Delta Kappa/Gallup Poll on public schools, released August 22, reports declining support for school vouchers. An increasing number of Americans -- now three in four -- would choose instead to improve public schools. The survey of 1,093 adults was conducted in June. Also, when asked to choose among four ways to improve schools, 52 percent of the respondents favored putting qualified teachers in every classroom.
- **National Assessment of Educational Progress:** On August 24, DOEd released NAEP 99: Trends in Academic Progress. The long-term trend data tracks 30 years of performance by 9-, 13- and 17-year-olds in reading, mathematics and science. In general, there have been improvements in all categories, except the science scores for 17-year-olds.
- **International and Distance Education:** On September 13, DOEd will host a major international conference on post-secondary education and the challenges and opportunities related to using technology to expand global connections and distance learning. The conference will provide a forum for discussion among policymakers and leading distance education practitioners. Discussions will focus on quality assurance, licensure, access, intellectual property, and the cultural and technological aspects of the international "digital divide."

DEPARTMENT OF VETERANS AFFAIRS

- **Veterans Golden Age Games:** The 14th National Veterans Golden Age Games will take place in Topeka, KS, on September 3-7. The sports and recreational competition is for veterans age 55 and older, and open to all U.S. veterans enrolled for care at any VA medical facility. VA expects 500 veterans to compete in swimming, bicycling, horseshoes, bowling, croquet and other events. The VA Heartland Network and the VA

Eastern Kansas Health Care System are the hosts of this year's event. VA established the games as a showcase for the clinical role of therapeutic recreation in VA facilities. VA has extended an invitation to the Kansas City Congressional delegation, and other appropriate members of Congress, Federal and State officials, veterans service organizations, and other public and private organizations.

- **VA Cemetery in Ohio Western Reserve:** VA will formally dedicate its 119th national cemetery on September 10 during ceremonies at the new Ohio Western Reserve National Cemetery near Rittman, OH. This \$11M project is the first national cemetery to serve veterans in northeast OH.
- **HIV Prevention Training Conference:** On September 20-22, VA will hold a national HIV prevention training conference, Putting HIV Prevention into Practice in VA. This conference will help address the public health challenge of how to effectively translate the findings of HIV prevention research into routine clinical care in health care systems such as VA's. The conference will feature nationally recognized leaders in HIV prevention, interventions, and outreach. VA front-line providers in mental health, substance abuse, homeless care, and HIV care will receive training in effective HIV prevention practices.

ENVIRONMENTAL PROTECTION AGENCY

- **Restoring the Great Lakes:** To protect public health and help restore the Great Lakes, EPA is preparing final action to ban direct discharges of the most toxic chemicals in the Great Lakes. The chemicals include mercury, polychlorinated biphenyls (PCBs), dioxin, chlordane, DDT and mirex. This action will make final the phase-out of discharges of toxic chemicals into "mixing zones"—areas of the Lakes where discharges of toxic chemicals are allowed to mix with receiving waters and dilute. This action will prohibit new discharges of toxic chemicals into mixing zones in the Great Lakes Basin and phase out the use of existing mixing zones in the Great Lakes over the next ten years.
- **Vermiculite Study:** On August 22, EPA announced that a study of vermiculite horticultural products shows that some products contain low levels of asbestos, but the risk to consumers is minimal. Vermiculite is sold either as a mineral to be mixed with potting soil, or pre-mixed with the soil. The pre-mixed products were found to pose almost no risk. Low levels of asbestos were found primarily in the straight vermiculite product. The report raises questions about the potential risk to workers who may use vermiculite products on a regular basis and face significantly greater exposures.
- **Chevron Environmental Settlement:** On August 24, EPA and DOJ announced that Chevron U.S.A. Inc. has agreed to pay \$7M to settle claims that it violated the Clean Air Act at its offshore loading terminal near El Segundo, California. The settlement includes

a \$6M penalty, the highest ever paid under the Clean Air Act for a single facility, and environmental improvement projects valued at \$1M.

UNITED STATES MISSION TO THE UNITED NATIONS

- **Iraq:** The College of Commissioners for the UN Monitoring, Verification, and Inspection Commission (UNMOVIC) is meeting in New York on August 23 and 24. The meetings are expected to be non-controversial, with Executive Chairman Blix reporting that inspectors are ready to start their work in Iraq when the Government of Iraq agrees to the terms of UNSCR 1284.
- **Kosovo:** UN Under-Secretary-General for Peacekeeping Miyet will brief the council on developments in Kosovo since the Council's last discussion of UNMIK in July 13. There will be no written report from the SYG until after the Millennium Summit at the end of September, when SRSG Kouchner is tentatively scheduled to meet with the Council in New York.
- **Sierra Leone:** UN Secretary-General Amman's next report on the UN Mission in Sierra Leone (UNAMSIL), scheduled for release August 24, reportedly will recommend an increase in UNAMSIL force strength from 13,000 to 20,500 military personnel, including 260 military observers. Mandated tasks will remain as previously defined in UN Security Council resolutions 1313, 1289, and 1270. The British plan to introduce a draft resolution the week of August 28 endorsing the Secretary-General's recommendations.
- **Management and Reform:** Ambassador Hays and Ambassador Holbrooke were in Brasilia from August 16-18 for meetings with President Cardoso, Foreign Minister Lampraia, Defense Minister Quintao, Finance Minister Malan, and Budget and Planning Minister Tavares. The purpose of the visit was to discuss reform of UN scales of assessment and to come to an agreement on Brazil's role in the process. While UNMR ultimately hopes to have Brazil shed its 80 percent discount on peacekeeping assessment, the first hurdle is to stop Brazil's opposition to our reform efforts with the UN membership. Progress was made on this front, with the GOB committing to help create a more rational assessment system. However, in light of Brazil's slow recovery from a domestic economic crisis, at present the GOB has not made any commitment to shed its discount.
- **P-5 Summit:** The P5 Summit is going to occur during the Millennium Summit; though many details need to be addressed, the members were able to agree on a communique. This document has language on peacekeeping reform that represents a significant step forward for the Chinese, although it stops well short of getting everything we want from them.

SMALL BUSINESS ADMINISTRATION

- **AK Small Business Disaster Loans:** Administrator Alvarez declared parts of AK a disaster area due to the economic impact of the salmon fishing failure in the Norton Sound, Yukon, and Kuskokwim River regions. SBA makes Economic Injury Disaster Loans (EIDLs) available when the Secretary of Commerce designates a fishing disaster under the Interjurisdictional Fisheries Act of 1986. Secretary Mineta approved a disaster designation for AK on August 3. Small businesses may qualify for EIDLs of up to \$1.5M to help meet financial obligations and operating expenses that could have been met had the disaster not occurred.

OFFICE OF PERSONNEL MANAGEMENT

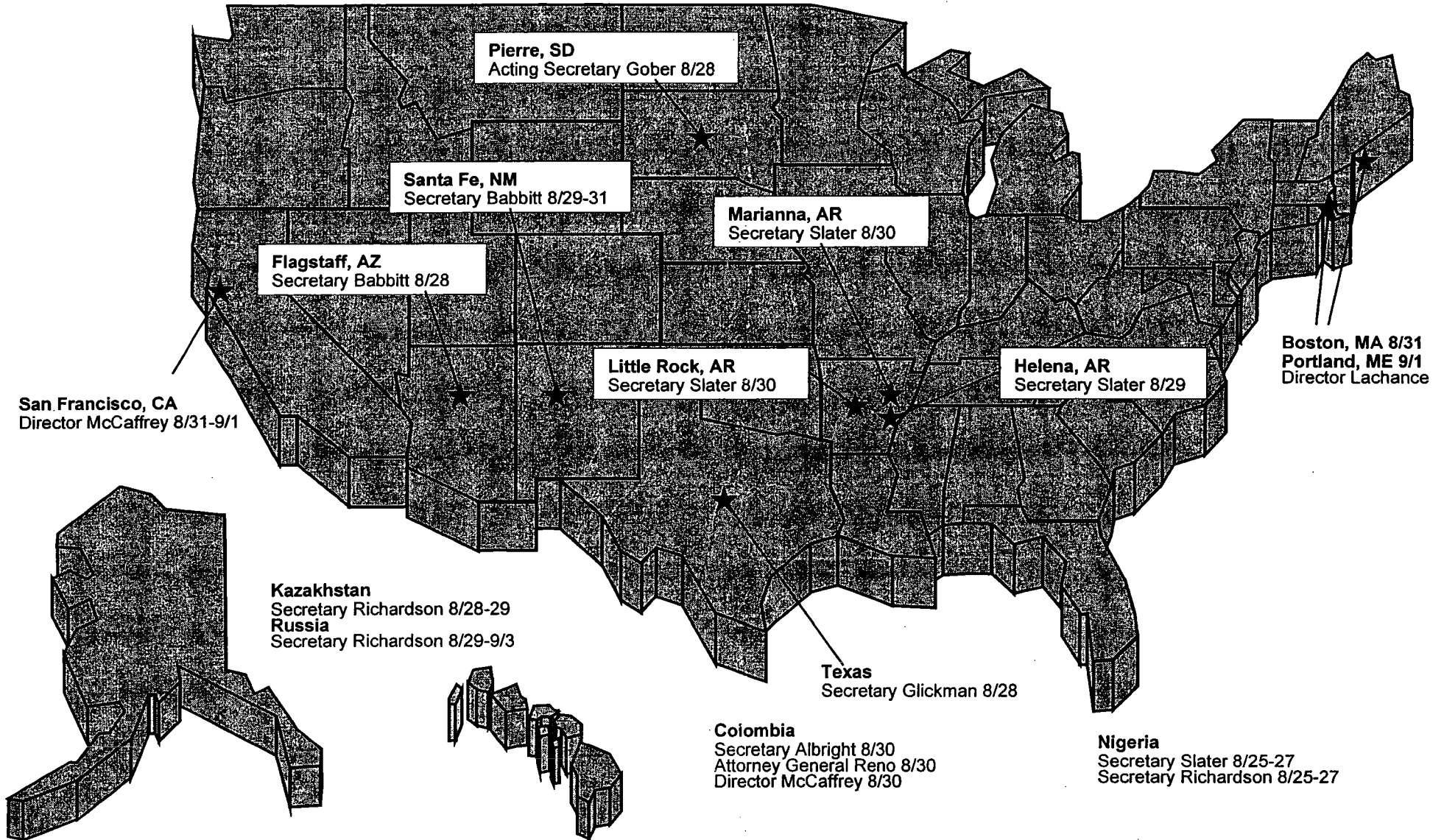
- **Assistance for Agencies Fighting Western Fires:** OPM used its administrative authority to expand the number of firefighters available for deployment. For example, OPM granted each agency a waiver of repayment of Voluntary Separation Incentive Payments (commonly referred to as "buyouts") when they temporarily rehire former Federal employees who received buyouts within the last five years but are needed to perform critical, specialized work in direct support of fire suppression efforts. Normally an employee who takes a buyout must repay the entire amount if he/she goes back to work for the Federal government within five years of separating with the incentive. OPM also approved DOI's request for an exception to the 1040-hour time limit for firefighters serving on seasonal temporary appointments so they can continue to work during the fire season. The approval covers approximately 1,000 firefighters located primarily in the western states.

GENERAL SERVICES ADMINISTRATION

- **Western Wildfires:** In support of the western wildfire efforts, GSA to date has provided over 300 different types of items, including clothing, gloves, hoses, tools, sleeping bags, canteens, and field packs. The great demand has reduced available inventory from \$20.4M at the start of the season to \$9.4M, but contracting officers are working with and getting great cooperation from GSA vendors in keeping supplies flowing to the firefighters. Currently, GSA has shipped over \$11M in fire supplies. The support for this program is centered in Fort Worth and the Western Distribution Center in Stockton, CA.

Cabinet Affairs Travel

Monday, August 28 - Sunday, September 3, 2000



cc:

The Vice President

John Podesta

Martin Baily

Sandy Berger

Sidney Blumenthal

Chuck Brain

Charles Burson

Mary Beth Cahill

Maria Echaveste

George Frampton

Mickey Ibarra

Ben Johnson

Joel Johnson

Janis Kearney

Neal Lane

Jack Lew

Joe Lockhart

Lisel Loy

Buddy MacKay

Minyon Moore

Bruce Reed

Steve Ricchetti

Gene Sperling

Lauren Supina

Loretta Ucelli

Melanne Verveer

THE WHITE HOUSE
WASHINGTON

June 23, 2000

MEMORANDUM FOR HILLARY RODHAM CLINTON

FROM: HEATHER HOWARD^{HH}
CC: MELANNE VERVEER
ANN O'LEARY
SUBJECT: STEM CELL RESEARCH

As you know, stem cell research holds tremendous promise for advancements in medical science. Embryonic stem cells, which are derived from fertilized eggs created by in vitro fertilization, can regenerate many types of human cells and may be able to replace tissue that has been damaged by disease or injury, offering hope of new treatments for many diseases. Per your request, following is an update on the status of stem cell research:

Since 1995, federal law has banned the use of federal funding for human embryo research. However, in January 1999, the U.S. Department of Health and Human Services issued a legal memorandum which concluded that the ban against funding for the scientific use of embryos does not extend to stem cell research, as long as federal funding is not used to destroy embryos in order to derive the stem cells. That is so, HHS reasoned, because stem cells, unlike the embryos from which they are derived, lack the potential to grow into a human being.

In September 1999, the President's National Bioethics Advisory Commission (NBAC) delivered its report entitled "Ethical Issues in Human Stem Cell Research." The Commission recommended that public funding of stem cell research be permitted. It also recommended a process that would allow researchers to derive the cells from unused embryos donated by couples who seek in vitro fertilization – embryos that otherwise would be discarded. A copy of the report is attached.

In December 1999, HHS issued proposed guidelines for stem cell research funded by NIH. The proposed guidelines would require that for research involving stem cells derived from human embryos, NIH funds could be used only if the cells were from "surplus" embryos created for infertility treatment. Until the guidelines are finalized, no federally-funded stem cell research will be conducted, but of course the private sector does not operate under any restrictions. The proposed guidelines are in comment period now.

The debate in Congress this year is likely to focus on whether the current human embryo research ban covers stem cell research. Last year, Sen. Specter intended to clarify that stem cell research was not covered by the ban, but in exchange for dropping the matter, Sen. Specter secured a promise from Sen. Lott to have a vote this year. Sen. Specter, along with Sen. Harkin,

introduced legislation that would permit funding for research on human embryos for the limited purpose of generating embryonic stem cells, and would codify HHS's decision to allow federally-funded stem cell research. It is unclear whether Sen. Lott will allow a vote on Sen. Specter's bill (or why he would do so, since it would probably pass). There may be amendments on the issue, or on fetal tissue research, in the Senate during consideration of Labor-HHS appropriations next week. You should know that federally-funded fetal tissue research is allowed, although federal law prohibits the sale of fetal tissue for profit, and a woman's abortion decision must be made before she consents to donating the fetal tissue.

FIRST LADY HILLARY RODHAM CLINTON
A LIFELONG COMMITMENT TO REFORMING FOSTER CARE AND
PROMOTING ADOPTION

The First Lady has worked tirelessly for more than 30 years to reform our nation's foster care system and promote adoption. She has devoted her time to numerous child advocacy groups, including the Carnegie Council on Children, the Children's Defense Fund, and Arkansas Advocates for Children and Families, and as an attorney she has represented both prospective parents and foster children. As First Lady, she has been the Administration's most prominent advocate on these issues, and her leadership has been instrumental to the passage of groundbreaking legislation to make it easier for children to move from foster care to permanent homes and to increase the number of adoptions. Her deep commitment to children in foster care also has been key to raising public awareness of the importance and rewards of adoption.

The First Lady's interest in foster care and adoption dates to her first year at Yale Law School. After reading an article in Time magazine about child advocate Marian Wright Edelman and her lobbying group, the Washington Research Project (which later evolved into the Children's Defense Fund), Mrs. Clinton contacted Edelman and secured an internship with the organization for the summer. Her experience there would set the stage for a lifelong commitment to a wide range of children's and family issues.

Returning to New Haven her sophomore year, Mrs. Clinton volunteered at Yale's Child Study Center and the New Haven Hospital, where she worked with the staff to draft guidelines for the treatment of abused children. She also volunteered at Legal Services, a legal aid group that provided free assistance to the poor.

One of Mrs. Clinton's first legal aid cases left an indelible imprint on her thinking about the needs of children in foster care. The case involved a black child and her low-income, white foster mother, who wanted to adopt the girl. Mrs. Clinton argued successfully that the mother should not be denied permanent custody simply because of racial or financial reasons. She argued that the child's best interest was to stay with her foster mother, who had provided a safe, stable home and family for more than two years. The many foster care cases she handled at Legal Services would give her a deep appreciation for the importance of ensuring the best interests of the child remain paramount during placement proceedings.

During a postgraduate year at Yale's Child Study Center, Mrs. Clinton wrote a chapter for a family law professor's book, *Beyond the Best Interests of the Child*, that documented her conviction that America's judicial system had failed abused and neglected children. She also challenged deeply rooted traditions about the factors that should inform adoption decisions, presenting a legal argument that a child's happiness should outweigh considerations such as wealth, race or birth family.

After her husband was elected governor of Arkansas, Mrs. Clinton continued to press forward to protect children from abuse and neglect. In 1977, she founded Arkansas Advocates for Children and Families, an organization dedicated to providing parenting skills and health and education services for Arkansas children. She also joined the Board of Directors of the Children's Defense Fund in 1976, and chaired the board from 1986 to 1992.

Throughout her husband's presidency, Mrs. Clinton has used her position as First Lady to champion a host of children's and family issues, focusing on some of our nation's most vulnerable children – those trapped in the foster care system. In the summer of 1995, she convened a meeting of policy experts to examine some of the most pressing issues surrounding adoption, including long-term foster care and institutional barriers within the child welfare system, including cross-racial adoptions.

That year, Mrs. Clinton, together with the President, launched a national public awareness campaign to promote the benefits of adoption and improvements to foster care. During National Adoption Month in 1995, she hosted the first in a series of events on the issue at the White House. She held numerous meetings and public events with adoptive families and children in foster care, and devoted a significant number of speeches and writings to the cause of adoption. Her efforts during this period would culminate in one of her most rewarding achievements, passage of the Adoption and Safe Families Act of 1997, landmark legislation that reformed our nation's child welfare system by putting considerations of children's health and safety first.

Throughout 1995 and 1996, Mrs. Clinton quietly convened a series of meetings with officials at the Department of Health and Human Services, foundation leaders and other policy experts to discuss ideas for reforming foster care and speeding up adoption procedures. Publicly, Mrs. Clinton also pressed for passage of new tax credits for those who adopt and the Multi-Ethnic Placement Act, which would remove race or ethnicity as an obstacle to adoption. She also strongly supported an extension of Family and Medical Leave Act benefits to adoptive parents who wished to take time off work to care for their children. Her vocal advocacy helped usher these key bills through Congress.

As a result of her meetings with adoption policy experts, Mrs. Clinton and her staff in 1996 began to formulate specific proposals for legislative reforms. In November, she held a White House forum on adoption that was broadcast live from the Oval Office. At the event, she announced that the President would sign an Executive Order directing his administration to develop a plan to double the number of adoptions by 2002.

Mrs. Clinton was deeply involved in the development of the report and worked closely with Health and Human Services Secretary Donna Shalala to craft policies that would ensure the health and safety of the child remained the guiding principles during placement proceedings. The formal report, "Adoption 2002," was unveiled on Valentines Day 1997 and included a series of incentives for states to expedite adoption procedures and limit the amount of time children spend in foster care. The goal was to double the number of children moving into permanent homes from 27,000 a year in 1996 to 54,000 a year by 2002. The report was based on three key principles; that every child deserves a safe, permanent family; that children's health and safety should be the paramount concern; and that foster care is by definition temporary.

With the unveiling of the report, Mrs. Clinton turned to Capitol Hill to pursue legislative reforms. The White House secured bipartisan co-sponsors in the House who introduced a bill based on Mrs. Clinton's recommendations, and she began holding numerous private meetings with members of Congress on both sides of the aisle to generate support for the measure. The legislation, backed by Reps. David Camp, R-Mich., and Barbara Kennelly, D-Conn., easily passed the House that summer.

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THE WHITE HOUSE
WASHINGTON

March 7, 2000

MEMORANDUM FOR HILLARY RODHAM CLINTON

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RUBY SHAMIR
CC: MELANNE VERVEER
SHIRLEY SAGAWA
LISSA MUSCATINE
PATTI SOLIS DOYLE

See notes + ?s —

SUBJECT: ISSUES UPDATE

LEGISLATIVE AND ISSUES UPDATE

EDUCATION

Education Savings Accounts. Last Thursday, the Senate passed (61-39) S. 1134, the bill containing Education Savings Accounts. The President has vetoed this bill twice and Secretaries Summers and Riley have recommended that he veto S. 1134. The bill was made more objectionable after the adoption of a Roth (R-DE) amendment making the increase from \$500 to \$2000 in the annual contribution limit to the educational savings account permanent. It also eliminated \$5.5 billion in budgetary offsets provided in the underlying bill. The House has not yet considered this legislation and has no plans to do so in the immediate future.

The Senate Democrats offered a number of their education message amendments, including class size, teacher quality, and accountability, which were all defeated, largely along party lines. Senator Boxer's (D-CA) amendment expressing the Sense of the Senate that Congress implement policies to reduce the threat of gun violence in schools before April 20th, 2000 failed (49-49) in a tie vote. There was no advance notice that the vote would be a tie. The Senate then considered an amendment by Senator Durbin (D-IL) providing \$7 million in grants for violence reduction programs and funding for public notices and school programs on the dangers associated with guns. Vice President Gore came to the Senate to break a tie on this vote had it been necessary. In order to prevent this from happening, Republicans supported the amendment, which passed easily (91-7).

Elementary and Secondary Education Mark-up: The Senate Health, Education, Labor, and Pensions (HELP) Committee began marking up Senator Jeffords' (R-VT) Elementary and Secondary Education Act reauthorization bill on Wednesday, March 1st. Committee Democrats oppose the Jeffords bill because it does not incorporate any new Democratic initiatives, including those put forward by the Administration, and it contains a version of "Straight As" legislation

passed by the House which would allow States to block grant most of their Federal education dollars with no accountability. Committee Republicans dislike the bill because it does not sufficiently block grant programs. The markup reconvened today and the Committee considered a number of amendments, including:

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- **Senator Kennedy** offered an amendment to **improve teacher quality** that was voted down along party lines. The amendment included a major **teacher recruitment** component that would have authorized \$270 million for a national teacher corps, supported a \$75 million initiative to recruit and retain "hometown" teachers in high-need areas, and supported alternative routes to certification through the expansion of Troops to Teachers. This amendment also included a strong accountability component based on the Administration's proposals to ensure that the public has good information on teacher quality and it would have demanded progress in improving teacher quality by reducing the number of unlicensed and out-of-field teachers.
 - **Senator Gregg** offered an amendment to include a slightly revised version of the "Straight As" block grant in ESEA. This amendment passed along party lines. The block grant would allow local school districts to use funds under 14 separate authorities for general education reform rather than for the purposes outlined in statute. The Democrats and the Administration have argued that the role of the Federal government in education is to set national priorities to help local communities focus on strategies that work for our neediest children, including reducing class-sizes, providing afterschool opportunities, and providing educational technology to prepare students for the 21st Century. This block grant obliterates this role and has very weak accountability measures to ensure that local school districts help children meet high academic standards.

Tomorrow the Senate HELP committee will continue marking up ESEA and is expected to consider several more amendments, including:

- details*
- **Senator Mikulski** will offer an amendment aimed at **closing the digital divide**. The amendment will create a "one-stop shop" for technology education that would include a clearinghouse for best practices, including public/private partnerships; double funding for teacher training in using technology in the classroom; expand the e-rate; create an E.Corp within AmeriCorps to support community service efforts to close the digital divide; put E.villages in public housing; and create tax incentives to encourage donations of equipment, training, and technology maintenance.

Single Sex Education. Due to the increase in public single sex schools and classrooms and a desire by the Administration to support educational reforms that offer schools and school districts more flexibility to address the diverse education needs of their students, the U.S. Department of Education has been drafting a new Title IX regulation on single sex education. The impetus for this new regulation stemmed from a case filed in Harlem. In August of 1996, the New York chapters of the National Organization for Women and the American Civil Liberties Union filed a complaint with U.S. Department of Education's Office of Civil Rights. The complaint asserted that the Young Women's Leadership Academy, a public single-sex school for girls located in Harlem, violates Title IX. This complaint along with several others forced the Department to re-evaluate its Title IX regulation regarding single sex education. The

major changes in the regulation include: (1) allowing school districts to provide single sex classes, programs, or activities in coeducational schools (2) clarifying that when school districts operate single-sex schools (as currently permitted), they must provide equal educational opportunity to both sexes and (3) further defining equality by explaining that equality does not mean that the programs need to be identical, but they do need to be equal in all fundamental respects.

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informed

The U.S. Department of Justice has raised Constitutional concerns about the proposed regulation arguing that it may not comport with the Equal Protection clause. Currently, the Domestic Policy Council is working with the White House Counsel, the U.S. Department of Justice, and the U.S. Department of Education to work towards agreement on a regulation that would be Constitutional and would give school districts greater flexibility to operate single-sex classrooms, programs, and schools.

In addition, this issue will come up in the context of ESEA reauthorization. Jeffords' mark includes a proposal to allow for Title VI (block grants to states for general education reform) to be used for single sex schools and classes, provided that equitable educational opportunities are provided for the excluded sex and that the proposal is Constitutionally sound. In addition, Senator Kay Bailey Hutchison is expected to offer a similar amendment on the floor allowing for the use of Title VI funds for single sex schools, classes, and programs provided that "comparable" educational opportunities are provided for the excluded sex.

In the past, women's groups have opposed Senator Hutchison's amendment on two grounds: (1) concern that we do not have the research to support single-sex education in elementary and secondary education; (2) concern that "comparability" will not be monitored or implemented effectively. Historically, the groups have also been concerned that schools would promote sex-based policies, programs, and classes based on out-dated and stereotyped notions of the differences between the sexes and of the limited abilities of girls and women.

PREVENTION OF YOUTH VIOLENCE AND CRIME

Gun Safety. As you recall, last session the Senate passed four major provisions of the Administration's gun control measures including (1) closing the gun show loophole; (2) mandating child safety locks for handguns; (3) banning the importation of large capacity ammunition clips; and (4) banning violent juveniles from owning guns for life. As you know, the House did not pass similar gun control measures as part of its companion bill. Republican Leadership teamed up with Rep. John Dingell (D-MI) and forty-nine other pro-NRA Democrats to defeat the McCarthy (D-NY) amendment. Although it is quite likely that the Conference Committee on this bill could resolve most of the discrepancies on the substantive juvenile justice measures, the committee has made no progress on the gun control provisions. Our objective has been to ensure that these four provisions, most importantly closing the gun show loophole, are included in the Juvenile Justice bill.

Today, the President met with Senators Leahy and Hatch and Representatives Conyers and Hyde to discuss the impasse over gun control. At this meeting, Chairman Hyde (R-IL) stated that he is willing to reach a compromise on gun shows, child safety locks and other issues. While Hyde

indicated a willingness to compromise, the reality is that Chairman Hyde and Senator Hatch have done very little to advance the conference, and, in fact, are trying to lay the blame for the impasse on Democrats. They claim – particularly on trigger locks – that the Republicans are willing and able to reach an agreement, but that the advocates, Democrats and the President want all or nothing. It is important to note, however, that the Hyde gun show compromise is a watered down version of a proposal Chairman Hyde (R-IL) has tried unsuccessfully to get Rep. Conyers (D-MI) to accept. The Hyde compromise is particularly ineffective in closing the gun show loophole because, among other things, it:

- Excludes events where items other than guns are sold, e.g. flea markets.
- Includes a “let’s step outside” loophole that allows an individual to advertise a gun at a gun show, but offer to sell that gun to a prohibited purchaser that same day at another location.
- Prohibits the tracing of all crime guns sold through “instant check registrants,” making gun shows a safe harbor for criminals to buy guns.
- Creates a loophole that weakens existing law by limiting the time law enforcement has under current law (from 3 business days to 24 hours) to complete background checks at gun shows when there are questions about certain “non-official” records relating to domestic violence restraining orders and mental health histories.

It is not clear whether Hyde could successfully sell his compromise to his own leadership. A full analysis of the Hyde proposal is attached.

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For this meeting, the President also released *Kids and Guns*, a bulletin derived from *Juvenile Offenders and Victims: 1999 National Report*, which provides an overview of national data that show the impact the availability of guns has had on the lives and well-being of American youth. While other types of homicide remained constant between 1987 and 1993, the number of juveniles killed with a firearm increased greatly. Analysis of the data show that the rise in murders of juveniles from the mid-1980's through the 1993 peak year was all firearm related, as was the subsequent decline in juvenile murders that occurred between 1993 and 1997. The bulletin also reports on the large role guns have in juvenile suicides.

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Public Trust and Integrity in Law Enforcement. This week, Representative John Conyers plans to introduce the “Law Enforcement Trust and Integrity Act” to help force a partnership between police and community groups. In his “Dear Colleague” letter, he conjures up the images of Diallo, LA’s Rampart division, and the Abner Louima case to argue for a comprehensive approach to address the issues of police accountability and trust between police and communities. This bill includes provisions to improve law enforcement management and to improve misconduct prosecution tools including: developing and refining accreditation standards for local law enforcement agencies, supporting the development of pilot programs such as civilian review boards, requiring the AG to establish a National Task Force on Law Enforcement oversight to coordinate investigations related to law enforcement misconduct, requiring Federal data collection on racial profiling, and including a whistleblower protection to protect law enforcement officers who expose police misconduct.

ECONOMIC ISSUES

Minimum Wage/Tax Cuts. On Wednesday, the President will hold a rally on Capitol Hill to boost support for the Administration's minimum wage proposal. On Thursday, the House will consider another round of tax cuts and the minimum wage. The Republican Leadership has decided to take up two bills (1) a \$110 billion, ten year unfinanced tax cut, \$80 billion of which is in high income, estate tax relief; and (2) a \$1.00, three year minimum wage measure. The Democrats will try to propose the Administration's \$1.00, two year minimum wage increase, and Representative Charlie Rangel (D-NY) will seek to offer a Democratic alternative tax proposal, which is fully paid for, is targeted at small businesses and includes school construction bonds (it also contains a number of other provisions that the Administration does not support).

Social Security Earnings Limit. This week, the Senate may consider H.R. 5, the Social Security Earnings Test Elimination bill. The bill would amend Title II of the Social Security Act to eliminate the earnings test for individuals who have reached retirement age. Last week the House voted unanimously to repeal the Social Security earnings limit. Senator Daschle (D-SD) stated that he would allow the measure to move through the Senate as a clean bill.

HEALTH CARE ISSUES

Vaccines. Last week, the President held a meeting with representatives of key pharmaceutical and biotechnology companies, foundations, and the public health community to follow up on his State of the Union challenge to develop and deliver vaccines for diseases world-wide. For the meeting, the Administration garnered significant commitments from these sectors that will boost the impact of the Administration's Millennium Vaccine Initiative. Please see attached paper from the meeting, as well as paper on the Millennium Vaccine Initiative.

Abortion: Gag Rule. As you know, one of the first Executive Orders the President signed when he took office was the revocation of the Federal gag rule which prevented medical practitioners in Title X funded facilities to offer women a full set of family planning options, including abortion. Now, Title X projects are required to provide non-directive counseling to the patient on all of her options, including abortion, but may not specifically promote or perform abortions. This rule permits clinics to provide referrals for abortion services, but prohibits additional action to secure abortion services for a patient. Although the lift of the gag rule became effective when the President signed the executive order, the final rule for its revocation has only now been submitted for final review by the OMB. Last week, we attended a meeting led by OMB to hear from pro-choice advocates who strongly recommended that we release the final rule as quickly as possible, and that we stick fairly closely to pre-gag rule (1988) language, so as not to engender a Congressional backlash, open it up to a legal challenge, and ensure that it remains strong after this Administration.

Abortion: So-called "Partial-Birth" Abortion. Tomorrow, the House Judiciary Committee will begin marking up HR 3660, the so-called "Partial-Birth" Abortion Ban. This bill is being marked-up even though the Supreme Court is set to hear arguments on April 25th regarding Nebraska's so-called "partial-birth" ban. The Supreme Court agreed to take this case after the federal court of appeals failed to agree on whether such laws are constitutional. Currently, the

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Administration is determining whether we should file an *amicus* brief in the case. The women's groups have weighed-in strongly arguing that this Administration should not remain silent in the Court's first opportunity to undermine *Roe*. The question being considered by the White House Counsel is whether we could put forth a brief that is broad enough to support the argument against Nebraska's ban. Currently, the Counsel's office plans to propose to the President that we should submit a brief and that we should consider doing so on three grounds: (1) that this ban is unconstitutional in that it constitutes an "undue burden" on a woman's right to choose; (2) that it is overly vague because it is unclear to what procedures the ban applies; and (3) that the law lacks an exception to protect women's health.

MISCELLANEOUS

FAA Authorization Conference Report. Last Wednesday, Senators Lott and Domenici and Congressman Shuster (R-PA) reached an agreement on the FAA reauthorization bill's budget provisions. The Senate and House are planning to take up and pass the conference report this week. The bill provides funding increases for the FAA and the nation's airports for fiscal years 2001-2003, including a \$2.6 billion increase in FY 2001. Both the Airport Grants and Facilities (AIP) and Equipment (F&E) programs receive significant increases in funding and the President's Operations request for FY2001 is fully funded. Although all aviation funds remain on budget, the bill creates a de facto firewall around aviation taxes and interest in the Airport and Airways Trust Fund. The Department of Transportation supports the general agreement; and the Administration, while concerned about the de facto firewalls, expects to support the agreement because it contains sufficient funding levels for FAA and aviation programs. Please see attached article on FAA Reauthorization.

CABINET REPORT

Below are selected Cabinet reports:

Department of Justice

Internet Child Pornography Conference: From March 14-16, DOJ will co-sponsor an Internet Child Pornography and Child Support Investigations and Prosecutions conference in Savannah, GA. Attendees will include federal, state, and local prosecutors, investigators, and service providers. The training will focus on computer search and seizure, child sexual exploitation, international parental kidnapping, and trial presentations in Internet and child support cases.

Firearm Background Check Report: This week, DOJ's Bureau of Justice Statistics is expected to release *Survey of States Related to Firearm Sales, Midyear 1999*. The report provides an overview of the firearm check procedures in each state and interaction with the National Instant Criminal Background Check System operated by the FBI. This report continues ongoing data collection on the number of applications received the number of rejections, the reason for the rejection, and other processing information associated with each application to purchase a firearm.

Department of Agriculture

Organic Foods: On March 8, Secretary Glickman will unveil USDA's new proposal to establish a national organic foods standard. When first announced two years ago, the proposal attracted

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more public comments than any other USDA proposal, over 250,000, and has since been rewritten to address concerns about the use of genetically-modified organisms, irradiation, and biosludge.

Department of Commerce

Child Online Protection Act (COPA): The COPA Commission held its first meeting today at DOC in Washington. As part of COPA, Congress established a Commission to study methods of reducing access to material that is harmful to minors on the Internet and to report its findings to Congress. DOC is working with the other ex-officio members of the Commission from DOJ and the FTC to organize this effort.

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Wireless Innovations Initiative: On February 29, DOC announced the Wireless Innovations in Communications Initiative (WICI) to enable Federal agencies to promote more actively innovation in communications technologies. WICI will be led by a committee of federal experts within the Interdepartment Radio Advisory Committee, which is chaired by NTIA.

Department of Housing and Urban Development

Selling Homes to Local Governments: HUD has launched a new initiative to sell local governments thousands of HUD-owned homes for \$1 each to create housing for families in need. On February 28, Secretary Cuomo and Congressman Kasich announced the new HUD Good Neighbor Policy. Under the policy, single-family homes that are acquired in foreclosure actions by the Federal Housing Administration will be eligible for sale to local governments around the nation for \$1 each whenever FHA is unable to sell the homes for six months. About 3,000 homes will initially be eligible for sale to local governments under the initiative, with additional homes available for sale each month.

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Record Home Sales: New and existing home sales reached their highest level in American history in 1999, according to a report released on March 2 by Secretary Cuomo. The report shows that in all of 1999: New home sales totaled 904,000, up 2 percent from 1998; Existing home sales totaled 5,197,000, up 5 per cent from 1998; Housing permits totaled 1,638,000, the highest since 1986; Housing starts were also at their highest level since 1986, with 1,663,000 homes started in 1999.

Housing Assistance: Secretary Cuomo and Congressman Crowley announced \$75,000 in HUD assistance to benefit residents of the Queensbridge public housing development in Queens, NY. Over 3,000 families currently live in Queensbridge, making it the largest public housing development in the nation. HUD awarded a \$50,000 Community Development Technical Assistance Grant to the development's Jacob Riis Community Center. The center will run a program with LaGuardia Community College to provide job training for young people in telecommunications and information technology. HUD also awarded a \$25,000 Drug Elimination Grant to Queensbridge.

Housing Fraud Initiative: Working with local housing and law enforcement officials, HUD's Fraud Initiative has produced theft and false claims convictions in Los Angeles, CA and Brooklyn, NY. The Initiative has also prompted arrests in Staten Island and Long Island, NY. HUD losses range from as low as \$24,000 to as much as \$6 million.

Department of Education

Annual School Safety Report: In March, the 1999 Annual Report on School Safety, produced by ED's Office of Safe and Drug-Free Schools, will be sent to every school and superintendent in the U.S. The report's findings, based on data from 1997, present an updated description of the nature and extent of crime and violence on school property. The report also describes the steps that schools have taken to prevent school violence, including 54 Safe Schools/Healthy Students sites.] *copy*

Small Business Administration

Oil Price Relief: At the President's request, SBA will make government-backed loans available to small businesses struggling under the financial burden of rapidly rising oil prices. The 7(a) program loans would be available to qualified businesses that need funds to weather current problems caused by high oil prices. SBA will be able to meet the expected demand for funds using existing loan products under the business loan guaranty program. SBA has several short-term revolving loan programs which are especially suitable for helping small businesses get through this temporary crisis. On February 8, Administrator Alvarez directed SBA field offices to alert affected companies in the fuel oil business of SBA loan programs available to help them.

General Services Administration

African Burial Ground: On February 29, GSA awarded the African Burial Ground Interpretive Center Design and Fabrication contract to IDI Construction Company, Inc. of New York. The firm will have approximately four months to design the center and present the product to GSA.

Could I see examples of what it would be like?

Success of Afterschool Website: Since the launch of www.afterschool.gov by Vice President Gore a few months ago, the website's popularity has soared. More than 5,000 pages on the site are viewed each week. The website is the product of an interagency partnership initiative among GSA, NPR, and 15 other agencies, and is housed on the GSA server. It is a "one-stop" location to learn about Federal resources, programs and best practices to support out-of-school time programs and is the top-rated afterschool website on AOL.

Good Neighbor Efforts: Recently, GSA met with Utica city officials and congressional staff to discuss a new partnership to revitalize the downtown federal courthouse plaza and city park in Utica, NY. Currently the historically significant courthouse and federal building are adjacent to a city-owned park and parking lot. GSA is reaching out to the community to link its improvements to the federal plaza to these two properties in an effort to draw federal employees and building users out into the community and attract new local development.

more info

LEGISLATIVE CALENDAR

Senate

Senate is in town this week, with no recorded votes until Tuesday evening because of Super Tuesday. Next week, the Senate is expected to take a recess.

Senate Committee Hearings

In addition to FY 2001 Appropriations Hearings, some other Senate hearings include:

- Senate Energy and Natural Resources Committee (Chairman Murkowski, R-Alaska) will hold a hearing on Wednesday to examine energy supply and demand issues relating to crude oil, heating oil and transportation fuels.
- Senate Small Business (Chairman Bond, R-Mo.) will hold a hearing on the ability of small businesses to protect themselves from cybercrime.

House of Representatives

Following "Super Tuesday," the House reconvenes on Wednesday, March 8th for legislative business. Recorded votes are expected in the afternoon. In addition to considering several measures under suspension of the rules, the House will consider four measures subject to a rule. The last vote of the week is expected by 2:00 PM on Friday.

House of Representatives: Committee Hearings

Some House Committee Hearings include:

- The Full Judiciary Committee has placed HR 3660, the so-called "partial-birth" abortion ban, on the Committee calendar for March 8 at 2pm.
- The House Commerce Subcommittee on Health and the Environment will hold a hearing on the alleged illegal sale of fetal tissue for research on March 9 at 2pm.

UPCOMING POTUS SCHEDULE

Wednesday, Mar. 8

China "Framing" Speech

Location: Johns Hopkins University, Washington, DC site

Minimum Wage Event

Location: White House

Thursday, Mar. 9

Congressional/Prescription Drug Departure Statement

Location: White House

One America Religious Leaders Event

Location: White House

Child Abuse Prevention Act Signing Ceremony

(small signing ceremony in Oval with Members-- not message event)

Friday, Mar. 10	Possible FAA/Summer Delay Event Location: TBD
Saturday, Mar. 11	Live Radio Address Topic: TBD (possibly education)
Monday, Mar. 13	Prescription Drug Pricing Report Event Location: TBD, Cleveland, OH Travel to Chicago, IL
Tuesday, Mar. 14	Medals of Science and Technology Ceremony Location: White House
Wednesday, Mar. 15	Possible Press Conference Location: White House
Thursday, Mar. 16	Possible Digital Divide Event Location: TBD Speaker's St. Patrick's Day Luncheon Location: Capitol Hill
Friday, Mar. 17	Message Event TBD
Saturday, Mar. 18	Radio Address (taped Fri. 3/17) Topic: TBD Depart for Foreign Travel
Saturday, Mar. 18 - Sunday, Mar. 26	Travel to India and Bangladesh

THE CLINTON-GORE ADMINISTRATION: MEETING THE NEEDS OF AMERICA'S CHILDREN AND FAMILIES

The Clinton-Gore Administration has developed and implemented new policies, and expanded on existing policies that have helped parents balance their responsibilities at home and at work, helped move millions of Americans out of poverty, and helped build strong families and safe communities.

I. Helping Parents Balance Their Responsibilities At Home And At Work

Providing Quality Care for America's Children

Expanding Head Start. Head Start is a national program which provides comprehensive developmental services for America's low-income, pre-school children ages three to five and social services for their families. This year, President Clinton is proposing to boost Head Start and Early Head Start funding by \$1 billion -- the largest funding increase the program has ever experienced -- to provide Head Start and Early Head Start slots to approximately 950,000 children, nearing the President's goal of serving one million children in 2002. Since 1993, the Clinton-Gore Administration has increased funding for the Head Start program by 90 percent, and in FY 2000, the program will serve approximately 880,000 children -- over 160,000 more children than in 1993.

Created Early Head Start. Created by the Clinton-Gore Administration in 1994, the Early Head Start program brings Head Start's successful comprehensive services to families with children ages zero to three and to pregnant women. The purpose of this program is to enhance children's physical, social, emotional and cognitive development; enable parents to be better caregivers of and teachers to their children; and help parents meet their own goals, including that of economic independence. In FY 2000, the program will reach nearly 45,000 children. The President's new FY 2001 funding request would serve approximately an additional 10,000 children.

Improved Access to Affordable and Quality Child Care. Under the Clinton-Gore Administration, federal funding for child care has more than doubled, helping parents pay for the care of about 1.5 million children in 1998. The 1996 welfare reform law increased child care funding by \$4 billion over six years to provide child care assistance to families moving from welfare to work. For FY 2000, the President succeeded in securing \$453 million in funds for after-school care -- more than double the 1999 funding level -- \$173 million for child care quality activities, and \$10 million for child care research.

Promoting Affordable, Reliable, Quality Child Care. Building on existing programs that work and creating new policies to better meet the needs of working families the Clinton-Gore Administration developed a comprehensive child care proposal for FY 2001. This proposal includes an additional \$817 million for child care subsidies for low-income working families which -- combined with child care funds provided in welfare reform -- will enable the program to serve over 2.2 million children in 2001; broadening tax relief to help over 8 million families pay their child care expenses by 1) making the Child and Dependent Care Tax Credit refundable for

the first time; 2) increasing the level of the credit; and 3) extending the credit to parents who stay at home with their children. Despite the Republican Majority's refusal to support these vital investments over the last two years, the President remains committed to address this critical need for America's working families.

Ensuring Job Protection for Parents

Signed Family and Medical Leave Act. In 1993, President Clinton signed the Family and Medical Leave Act (FMLA) – the first bill he signed into law – mandating that public and private employers with at least 50 workers provide their employees with 12 hours of unpaid leave without risking their jobs. This law enables parents to participate in school activities, such as parent-teacher conferences, or care for a sick child or elderly relative. In 1997, the Clinton Administration expanded the law to cover 24 hours of unpaid leave for federal workers. The FMLA currently provides protected leave to 90.7 million American workers, about 71 percent of the American workforce, and millions of American workers have taken advantage of it. The Administration's current proposal would expand FMLA to cover workers in businesses with 25 or more workers – reaching an additional 12 million American workers.

Making Parental Leave More Affordable. A 1996 study by the Commission on Family and Medical Leave found that the most significant reason why parents did not choose to take some leave during the important days after the birth or adoption of a child was because of the expected loss of income. To help address this problem, President Clinton has announced that his FY 2001 budget includes \$20 million in grants for states or regions to make parental and family leave more available and affordable for those who need it. Under the President's proposal, states will be able to: 1) identify workers who face the greatest financial barriers to taking family leave, and 2) use Unemployment Insurance, Temporary Disability Insurance, or other mechanisms to offer these workers paid leave. This proposal builds on a November announcement by the President and Labor Secretary Herman of a new proposed regulation allowing states to use their Unemployment Insurance systems to provide paid leave for new parents.

Expanding Paid Leave for Federal Workers. In an effort to set an example for all employers, President Clinton developed a proposal that would enable Federal workers to use up to 12 weeks of accrued paid sick leave each year to care for sick family members. Currently, the amount of sick leave that can be used to care for a family member who is ill is limited to 13 days each year for most federal employees. By enabling federal workers to use more of the sick leave they have earned, according to conditions established by the FMLA, this measure will remove a significant barrier to caring for an ill family member. The President previously has taken other actions to ensure that federal government is a model employer, including: allowing federal employees to donate annual leave to other employees; expanding flexible family-friendly work arrangements, such as job sharing, career part-time employment, alternative work schedules, telecommuting, and satellite work locations; and directing improvements in the quality of federally sponsored child care.

Prohibiting Discrimination Against Parents. The President proposed new federal legislation to protect parents from discrimination in the workplace. Building on laws in Alaska, Michigan, New Jersey and other states, this legislation would protect workers from unfair assumptions

about their commitment to their job that can affect hiring, advancement, and other employment decisions. This law would not prohibit employers from making hiring and promotion decisions on the basis of job performance, but would ensure that workers are not unfairly discriminated against simply because they are parents.

II. Meeting the Health Care and Nutrition Needs of America's Families

Enacted Single Largest Investment in Children's Health Care Since 1965. The 1997 Balanced Budget included \$24 billion for the Children's Health Insurance Program -- the single largest investment in health care for children since the passage of Medicaid in 1965. This new program will provide meaningful health care coverage for up to five million currently uninsured children -- including prescription drugs, vision, hearing, and mental health services. The Administration is engaging in a significant public outreach campaign to reach out to children who are eligible for health coverage under CHIP. Approximately 2 million children have already been enrolled in CHIP, and all 50 states and territories have plans approved that will extend health insurance to an additional 2.5 million children with family incomes that are too high for Medicaid but too low to afford to purchase private insurance.

Supporting Families with Long Term Care Needs. Over five million Americans have significant limitations due to illness or disability and thus require long-term care, and as the number of elderly Americans grows, more people will need long-term care options. To meet the growing needs of the elderly or disabled and their families, the President's FY 2001 budget includes a \$3,000 tax credit for people with long-term care needs or their caregivers -- tripling the credit over last year's proposal and increasing the total investment in long-term care to \$28 billion over 10 years. In addition to the (1) tax credit, the initiative will (2) provide funding for services which support family caregivers of older persons; (3) improve equity in Medicaid eligibility for people in home- and community-based settings; (4) encourage partnerships between low-income housing for the elderly and Medicaid; and (5) encourage the purchase of quality private long-term care insurance by Federal employees.

Providing Health Care to Low-Income Working Families. The President has insisted on maintaining the Medicaid guarantee and has successfully fought to increase low-income families' access to health care. Under the Clinton-Gore Administration, states have expanded Medicaid coverage to working families who cannot afford health insurance, allowing Medicaid to be a freestanding health insurance program for low-income families. With bipartisan support from the Congress, the President created the Children's Health Insurance Program (CHIP) in 1997, allocating \$24 billion dollars over the next five years to extend health care coverage to uninsured children through state-designed programs. In August 1998, the President eliminated a vestige of the old welfare system by allowing all states to provide Medicaid coverage to more than 130,000 working, two-parent families who meet state income eligibility requirements, eliminating disincentives to marriage and work. And, in March 1999, the Administration released guidance encouraging states to reach out to children and families who leave welfare but are still eligible for Medicaid or CHIP. The guidance also clarifies state responsibilities to provide Medicaid applications upon request, process them without delay, and maintain Medicaid eligibility for families leaving welfare.

The President and Vice President strongly believe we should continue to expand access to affordable health care. The budget proposes a 10-year, \$110 billion initiative that would expand coverage to at least 5 million uninsured Americans and expand access to millions more. It addresses the nation's coverage challenges by building on and complementing current private and public programs. Specifically, the initiative: (1) provides a new, affordable health insurance option for families called "FamilyCare," which builds on the State Children's Health Insurance Program to provide higher Federal matching payments to parents of children eligible for or enrolled in Medicaid or S-CHIP; (2) extends transitional Medicaid for up to a year for those losing it due to increased earnings; (3) accelerates enrollment of uninsured children eligible for Medicaid and S-CHIP; (4) expands state options for people ages 19 and 20 and legal immigrants; (5) helps small businesses afford insurance; and, (6) strengthens programs that provide health care directly to the uninsured. If enacted, this would be the largest investment in coverage since Medicare was created in 1965.

Protecting Patients Through a Strong, Enforceable Patients Bill of Rights. The President once again is calling on Congress to pass a strong federally enforceable patients' bill of rights containing a range of protections, including guaranteed access to needed specialists, access to emergency room services when and where the need arises, access to a meaningful independent and external appeals process for consumers to resolve differences with their health plans, and the right to be compensated when a health plan's decision causes a patient to be harmed or die. The President has already extended these protections to the 85 million Americans covered by Federal health plans.

Passed Meaningful Health Insurance Reform. In 1996, the President signed the Kassebaum-Kennedy Health Insurance Portability and Accountability Act which limits exclusions for pre-existing conditions, makes coverage portable and helps individuals who lose jobs maintain coverage. As many as 25 million people will benefit from this law.

Raised Immunization Rates to All Time High. Since 1993, funding for the child immunization program has doubled and child immunization rates have reached an all time high with 90 percent, or more, of toddlers receiving the most critical doses of each of the routinely recommended vaccines. In order to eliminate racial vaccination rate gaps by 2010, the Clinton Administration announced the Racial and Ethnic Health Disparities Initiative.

Supporting the Nutritional Needs of Women Infants and Children. The FY 2001 budget proposal provides over \$4.1 billion for nutrition assistance through the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) program, an increase of \$114 million over FY 2000. The additional funds will provide a monthly package of nourishing supplemental foods, nutrition education, and health care referrals to 7.5 million low-income pregnant, postpartum and breastfeeding women, infants, and children who are at nutritional risk, achieving the Administration's goal and a 39 percent increase in participation since FY 1992.

Supporting the Nutritional Needs of Working Families. The Clinton-Gore Administration is committed to ensuring that working families who are eligible for Food Stamps have access to them. In 1999, the President launched a nationwide public education campaign, took steps to make it easier for families receiving TANF to own a car and receive food stamps, and simplified

food stamp reporting rules to reduce bureaucracy and encourage work. The FY 2001 budget builds upon these efforts by providing funds to improve outreach and nutrition education to individuals who are eligible for food stamps. The budget also proposes to make it easier for 245,000 individuals in working families to own vehicles and receive food stamps by allowing States to conform their food stamps vehicle policy with a more generous TANF policy.

Ensuring Safe Food for America's Families. The Clinton-Gore Administration has issued new standards to reduce and prevent contamination of meat, poultry, and seafood; signed the Food Quality Protection Act with special safeguards for kids; issued new regulations that improve the safety of fruit and vegetable juices; and created a President's Council on Food Safety to develop a comprehensive food safety strategic plan for federal agencies.

II. Lifting American Families Out of Poverty and Making Work Pay

SOTU
Expanding the Earned Income Tax Credit. Expansions in the EITC included in the President's 1993 Economic Plan are making work pay for 15 million working families, including former welfare recipients. A study conducted by the Council of Economic Advisers reported that in 1998, the EITC lifted 4.3 million American out of poverty -- more than double the number in 1993. The findings also suggest that the increase in labor force participation among single mothers who received welfare is strongly linked to the EITC expansion. The FY 2001 budget proposes a \$21 billion plan to expand the Earned Income Tax Credit (EITC), providing as much as \$1,200 in additional tax relief to an estimated 6.4 million hard-pressed working families.

6.8 million
Household Income Up 3.5 Percent -- Tied For the Largest Gain Since 1978. Income for the median household rose \$1,304, from \$37,581 in 1997 to \$38,885 in 1998, adjusted for inflation. Real median household income is now at the highest level ever recorded. *could not find a SOTU*

Typical Family Income Up Over \$5,000 Since 1993. Another measure of income -- family income, which excludes single individuals and counts only related members in any household -- shows a similar trend. In 1998, the median family's income, adjusted for inflation, increased 3.3 percent (or \$1,475) -- the fifth consecutive annual rise. Median family income is also at an all-time high. Since President Clinton's Economic Plan passed in 1993, median family income has increased from \$41,691 in 1993 to \$46,737 in 1998 -- that's a \$5,046 increase in income, adjusted for inflation. From 1988 to 1992, median family income *fell* \$1,864, adjusted for inflation.

Poverty Rate Fell To 12.7 Percent in 1998 -- Its Lowest Level Since 1979. In 1998, the poverty rate dropped to 12.7 percent from 13.3 percent the year before -- that's the lowest poverty rate in two decades. Since President Clinton signed his Economic Plan into law, the poverty rate has declined from 15.1 percent in 1993 to 12.7 percent last year -- that's the largest five-year drop in poverty in nearly 30 years (1965-1970). There are now 4.8 million fewer people in poverty than in 1993. (In 1998, the poverty threshold was \$16,660 for a family of four.)

In 1998, The Largest One-Year Drop in Child Poverty in More than Two Decades. While the child poverty rate remains too high, in 1998, it declined from 19.9 percent to 18.9 percent --

that's the lowest child poverty rate since 1980 and the largest one-year drop in child poverty since 1976. Under President Clinton, the child poverty rate has declined from 22.7 percent to 18.9 percent -- that's the biggest five-year drop in nearly 30 years (1965-1970).

4.3 Million People Lifted Out of Poverty By EITC -- Double The Number in 1993. In 1993, President Clinton expanded the Earned Income Tax Credit, providing a tax cut for 15 million low-income working families. In 1998, the EITC lifted 4.3 million people, including 2.2 million children, out of poverty -- that's double the number of people lifted out of poverty by the EITC in 1993.

Helping to Invest for the Future. In 1992, the President proposed to establish Individual Development Accounts (IDAs) to empower low-income families to save for a first home, post-secondary education, or to start a new business. The 1996 welfare reform law authorized the use of welfare block grants to create IDAs. And in 1998, the President signed legislation authorizing a five-year \$125 million demonstration program. In FY 1999, the Department of Health and Human Services awarded nearly \$10 million to 40 grantees that will establish over 10,000 savings accounts for low-income workers. The FY 2001 budget provides \$25 million for IDAs in FY 2001 -- two and half times the FY 2000 enacted of \$10 million -- to create over 20,000 new accounts. The Administration will also propose to allow low-income working families to use IDAs to save for a car that will allow them to get or keep a job.

Retirement Savings Accounts (RSAs) To Help Families Save and Invest And Expand Pension Coverage for Small Businesses. The President's Retirement Savings Accounts (RSAs) proposal in the FY 2001 budget will give 76 million Americans the opportunity to build wealth and save for their retirement through a progressive tax cut. This proposal builds on the successful model of Individual Development Accounts (IDAs), extending generous matches to all low- and moderate-income families to encourage them to develop savings and assets. A person who participated for 40 years in this savings program could accumulate over \$266,000 -- enough to produce \$24,000 a year of income in retirement. This proposal would cost \$54 billion over 10 years.

New Fathers Work/Families Win Grants. The Administration's budget contains \$255 million in new competitive grants in FY 2001 to promote responsible fatherhood and support working families, critical next steps in reforming welfare and reducing child poverty. The proposals include grants to put approximately 40,000 non-custodial parents (mainly fathers) who owe child support to work and help them connect with their children and new grants to help about 40,000 hard-pressed working families get the supports and skills they need to succeed on the job and avoid welfare. An important part of these grants will be to improve families' access to food stamps, health care, child care, and other critical support for working families.

New Initiatives to Collect More Child Support. Since the President took office, child support collections have nearly doubled from \$8 billion in 1992 to \$15.5 billion in 1999. Today, parents who owe child support have their wages garnished, their bank accounts seized, and their tax refunds withheld. To build on this success, the FY 2001 budget contains several new measures to get parents to pay the child support they owe and to ensure more child support goes directly to families. Increased enforcement measures include ensuring that parents who owe child support

will have their vehicles booted, they will have a harder time obtaining or renewing a passport, they will be prohibited from enrolling as a Medicare provider, and may have their gambling winnings intercepted. The Administration is also proposing initiatives to ensure that families can rely on child support as a stable source of income, and create a clearer connection between what a father pays and what his family gets, giving parents more reason to cooperate with the child support system. The proposals will enable states to simplify distribution rules and provide incentives for states to pass through more child support payments directly to families, so that families leaving welfare can keep all the payments, and families still working their way off welfare can keep up to \$100 a month. In total, these initiatives will bring in nearly \$2 billion more for families.

OK **Moving Families From Welfare-to-Work.** Since enactment of the 1996 welfare reform law, millions of families have moved from welfare to work. To help more long-term welfare recipients and low-income fathers go to work and support their families, the Administration's budget will give state, local, tribal, and community- and faith-based grantees an additional two years to spend Welfare-to-Work funds, ensuring that roughly \$2 billion in existing resources continues to help those most in need. This will give grantees an opportunity to fully implement the \$3 billion Welfare-to-Work initiative the Administration fought to include in the 1997 Balanced Budget Act, as well as the program eligibility improvements enacted last year with the Administration's support.

OK **New Housing Vouchers for Hard-Pressed Working Families.** The Clinton-Gore budget includes \$690 million for 120,000 new housing vouchers to help America's hard-pressed working families. These housing vouchers subsidize the rents of low-income Americans, enabling them to move closer to job opportunities – many of which are being created far from where these families live. Of the 120,000 new housing vouchers, 32,000 will be targeted to families moving from welfare to work, 18,000 to homeless individuals and families, and 10,000 to low-income families moving to new housing constructed through the Low Income Housing Tax Credit, with the remaining 60,000 vouchers allocated to local areas to help address the large unmet need for affordable housing. These new vouchers build on the 110,000 new housing vouchers secured through the President's leadership in the past two years.

OK **Transportation: Helping Low-Income Working Families Get to Work.** Transportation to work is a barrier for many low-income families. Existing public transit often doesn't link to suburban job opportunities, cover evening and weekend hours, or serve many rural communities. The Administration proposes a package of initiatives to help low-income families get to work by making it easier for working families to own vehicles and receive food stamps, allowing working families to use Individual Development Accounts to save for a car that will allow them to get or keep a job, and doubling Access to Jobs transportation funding to \$150 million to expand grants to communities to develop innovative public transportation solutions that help more low-income workers and welfare recipients get to work.

OK **Assisting Families with Housing Vouchers.** In 1999, the President proposed and Congress approved \$283 million for 50,000 new welfare to work housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families will use these vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing that will

eliminate emergencies which keep them from getting to work every day on time. The FY 2000 budget funds 60,000 new housing vouchers.

Child Tax Credit for 26 Million Families. The Balanced Budget Act of 1997 included a \$500 Per-Child Tax Credit which in 2001 will help 26 million families with 44 million children under 17. Additionally, the President fought for and won a proposal allowing 13 million children from families with incomes below \$30,000 – including young teachers, police officers, farmers, and nurses who work hard and play by the rules – to be eligible for the child tax credit.

Sally
Increasing the Minimum Wage. In 1996, the Clinton-Gore Administration fought for and won a minimum wage increase of \$.90 over two years, raising it to \$5.15 per hour in September 1997. An estimated 10 million Americans received an increase in wages thanks to the President's leadership. The Clinton-Gore Administration's current minimum wage proposal, which was rejected last year by Congressional Republicans, would increase the minimum wage from \$5.15 to \$6.15 over two years helping to restore the real value of the minimum wage to what it was in 1982. This increase will help ensure that -- as costs continue to increase -- parents who work hard and play by the rules can bring up their children out of poverty. This minimum wage increase will mean an additional \$2,000 per year for over 11 million full-time minimum wage earners.

A
Moving Millions of Families from Welfare to Work. Since enactment of the 1996 welfare reform law, millions of families have moved from welfare to work, and four times more of those on welfare are working than in 1992. Through new regulations, the Clinton-Gore Administration has provided states with unprecedented flexibility to support working families. With the President's leadership, the Balanced Budget of 1997 included \$3 billion in Welfare-to-Work grants to move long-term welfare recipients and unemployed non-custodial parents into jobs, and provide tax credits for employers who hire long-term welfare recipients. The FY 2000 budget proposed \$1 billion to extend the Welfare-to-Work program and to extend the tax credits.

III. Building Strong Families and Safe Communities

Reaching Out to Children in Need

Reforming and Improving Foster Care and Adoption. Since taking office, the Clinton-Gore Administration has championed efforts to make foster care work better, to find and assist adoptive families, and to break down barriers to adoption. From 1996 to 1998, the number of adoptions nationwide rose 29 percent - from 28,000 to 36,000 - and is on track to meeting the President's goal of 56,000 adoptions in 2002. In 1997, the President signed the Adoption and Safe Families Act, which expedited permanent placement decisions for children, ensured health insurance coverage for all special-needs children in subsidized adoptions, and created an incentive program for states to increase adoptions. The Small Business Job Protection Act of 1996, signed by the President in 1996, provides a \$5,000 tax credit to families adopting children and a \$6,000 tax credit for families adopting children with special needs. In 1998, the President directed HHS to develop Internet tools to link children in foster care more quickly to possible adoptive families. This Administration has also fought hard to remove racial and ethnic barriers to adoption by helping ensure that the adoption process is free of delays and discriminatory

practices driven by race, culture and ethnicity with the Small Business Job Protection Act of 1996 and the Multi-Ethnic Placement Act of 1994.

Encouraging Youth Service. The President's FY 2001 budget includes over \$850 million to support community service and to empower more Americans to renew our civic life. This increase of nearly \$120 million for the Corporation for National Service keeps AmeriCorps on track for the President's goal of 100,000 members each year by the year 2004. The budget also includes a new "AmeriCorps Reserves" program, modeled after the military reserves, and designed to engage former Corps members in times of need. Finally, this year's budget proposes \$15.5 million in new initiatives that reward innovations in youth service, as well as additional resources to encourage service by senior citizens, and to engage students in learning through community service.

Responding to the Early Warning Signs of Troubled Youth. President Clinton directed the Secretary of Education and the Attorney General to develop a guide to help teachers and principals identify and respond to the early warning signs of troubled youth that can lead to school violence. In August 1998, the Departments of Justice and Education released *Early Warning, Timely Response: A Guide to Safe Schools*. This guide provides schools and communities with information on how to identify the early warning signs and take action steps to prevent and respond to school violence. More than 200,000 copies of the guide have been distributed, and additional copies may be obtained through the websites of the Departments of Education and Justice.

 **Working to Prevent Teen Pregnancy.** The FY 2001 budget proposes \$25 million to support adult-supervised and supportive living arrangements, often called second chance homes, for unmarried teen parents and their children who cannot live at home or with other relatives. This new initiative will be latest of the Administration's efforts to break the cycle of dependency and reduce teen pregnancy, which have resulted in the lowest teen pregnancy rates on record and an 18 percent decline in teen birth rates from 1991 to 1998. States will be able to use these funds to support services provided by faith- and community-based organizations.

Keeping Children Safe at School and At Home

 **Protecting Our Children From Tobacco.** Every day, 3000 children become regular smokers and 1000 have their lives shortened because of it. Almost 90 percent of all adult smokers began smoking by age 18 and today 4 million children – 37 percent of all high school students – smoke cigarettes. To end this public health crisis, the President believes that there must be a focused effort to reduce youth smoking and hold the tobacco industry accountable by: 1) raising the price of cigarettes, so fewer young people start to smoke, through a combination of excise tax increases on tobacco products and youth smoking assessments if youth smoking is not reduced by a half; 2) reaffirming the Food and Drug Administration's full authority to keep cigarettes out of the hands of children; 3) funding critical public health efforts to prevent youth smoking; and 4) protecting farmers and farming communities. The President also believes that states should be investing adequate resources from their tobacco settlement funds into efforts to prevent youth smoking. To help people quit smoking, the budget requires all states to cover smoking cessation programs under Medicaid.

SC **Helping to Make All Schools Safe, Disciplined and Drug-Free.** In 1994, President Clinton expanded the Drug-Free Schools Act into the Safe and Drug-Free Schools Act, making violence prevention a key part of this program. At the White House Conference on School Safety, President Clinton announced his plan for a significant overhaul of this nearly \$600 million Safe and Drug-Free Schools and Communities Program. Under the President's proposal, schools will be required to adopt rigorous, comprehensive school safety plans that include: tough, but fair, discipline policies; safe passage to and from schools; effective drug and violence policies and programs; annual school safety and drug use report cards; links to after school programs; efforts to involve parents; and crisis management plans.

SC **Hiring School Resource Officers, Targeting Assistance to Schools with Serious Crime Problems.** To help give schools with crime problems the tools they need to put the security of our children first, at the White House Conference on School Safety, the President announced a new \$65 million initiative to hire up to 2,000 community police and School Resource Officers to work in schools -- and to train police, educators and other members of the community to help recognize the early warning signs of violence. The President recently announced the first installment of the initiative; this funding will allow an additional 600 School Resource Officers to serve in 336 communities across the country.

SC **Forging School-Based Partnerships Between Schools and Law Enforcement.** Under the School-Based Partnerships grant program, the Clinton-Gore Administration released \$16.4 million in grants to 155 law enforcement agencies in September 1998. The School-Based Partnerships grants will be used by policing agencies to work with schools and community-based organizations to address crime at and around schools. This initiative emphasizes using principles of community policing and problem-solving methods to address the causes of school-related crime. The grants will help forge or strengthen partnerships between local law enforcement and schools to focus on school crime, drug use and discipline problems.

SC **Launching a Community-Wide Response to School Safety and Youth Violence.** To help communities throughout the country promote a coordinated, comprehensive response to school safety, the President launched a new Safe Schools/Healthy Students initiative designed to help 50 cities develop and implement community-wide school safety plans. In April 1999, the Departments of Justice, Education, and Health and Human Services announced that they will provide over \$180 million this year, and a total of \$380 million over three years through the Initiative for communities to fund comprehensive school safety plans that include anti-truancy initiatives, mentoring, mental health services, conflict resolution programs, school resource officers, and more -- helping to promote healthy development and to prevent youth violence before it occurs. Communities will have until June 1, 1999 to apply for the funds.

Providing Safe After-School Opportunities for More than a Million Children a Year. Last year (FY98), the 21st Century Community Learning Centers program was expanded to \$200 million. This funding is already supporting hundreds of school-based after-school programs in rural and urban schools in 44 states and the District of Columbia, including weekend and summer programs. This year, the President proposed to triple this initiative -- to \$600 million -- to provide safe and educational after-school opportunities for up to 1.1 million school-age children in communities across the country. In addition, the Education Department released a report in June 1998, titled *Safe and Smart: Making the After-School Hours Work for Kid*. This report shows that after-school programs can lower juvenile crime and improve academic performance. *Safe and Smart* was sent to every school district in the country.

JS **Targeting Young People with a National Youth Anti-Drug Media Campaign.** In July 1998, President Clinton launched the national expansion of the Anti-Drug Media Campaign first proposed in the 1997 national drug control strategy. The 5-year, \$2 billion campaign (which includes private sector matching contributions) is designed to let teens know -- when they turn on the television, listen to the radio, or surf the 'Net -- that drugs are dangerous, wrong and can kill you.

*Lecture
Shine* **Requiring Child Safety Locks for Handguns.** Child safety locks and other safety devices can reduce the unauthorized use of handguns, by a child at play or a teen looking to commit a crime. Many youth have to look no further than their own home to get their hands on a gun: an estimated one-third of all privately-owned handguns are left both loaded and unlocked. In March 1997, the President signed a directive to every Federal agency, requiring child safety locking devices with all handguns issued to Federal law enforcement officers. And, in an historic agreement, eight major gun manufacturers followed the President's lead and have voluntarily agreed to provide child safety locking devices with all their handguns.

JS **Signed into Law the Youth Handgun Safety Act.** In 1994, President Clinton signed into law the Youth Handgun Safety Act, which generally banned the possession of handguns or handgun ammunition by juveniles under the age of 18, and made it a Federal offense for adults to transfer handguns to juveniles, with limited exceptions. In 1997, the President directed the Treasury Department to require that signs be posted on the premises of Federal firearms licensees and that written notification be issued with each handgun sold to non-licensees to help ensure compliance with the Youth Handgun Safety Act.

JS **Enforcing Zero Tolerance for Guns and Other Weapons in Schools.** In October 1994, President Clinton signed into law the Gun-Free Schools Act, requiring school districts to expel students who bring guns to school. The President issued a Presidential Directive later that month to enforce the "zero tolerance" policy for guns in schools, consistent with the Gun-Free Schools Act. In school year 1996-97, the U.S. Department of Education estimates that, under zero tolerance policies, 6,093 students were expelled from public schools for bringing a firearm to school.

JS **Introduced the Youth Gun Crime Enforcement Act.** The President recently announced new legislation to strengthen the Brady Law and the assault weapons ban, restrict access to guns by our youth and crack down on illegal gun traffickers. The President's proposed bill will: (1) raise the age of the youth handgun ban from 18 to 21 years of age; (2) ban youth possession of semi-automatic assault rifles; (3) prohibit violent juveniles from ever owning guns; (4) require child safety locking devices for guns; (5) reduce illegal gun running by limiting the purchase of handguns to no more than one per month; (6) halt the importation of large capacity ammunition magazines; (7) require Brady background checks for the purchase of explosives and at gun shows; and (8) help law enforcement trace more crime guns to their source.

Giving Parents the Tools They Need To Protect Their Children

Helping Parents Control What Comes Into Their Living Room with the V-Chip. Four years ago, President Clinton and Vice President Gore used the Family Policy Conference in Nashville to call for V-chip legislation -- to give parents new tools to help them screen out television programs that are not fit for their kids. Under strong leadership from the White House, the following year Congress enacted the Telecommunications Act of 1996 which included V-chip legislation. Now all

new televisions are scheduled to include this screening technology. With leadership from the First Lady, the President is calling on leaders in the industry to come together and adopt a voluntary uniform ratings system that will give parents more information about what media enters their homes.

Encouraging More Educational Television. At the President's urging, the Federal Communications Commission (FCC) adopted clear and concrete rules to encourage the development and promotion of TV programming that would be both welcomed by parents and watched by children. The rules require three hours of regularly scheduled, half-hour weekly educational and instructional programming as a requirement for license renewal.

Promoting a "Family Friendly" Internet. The President and Vice President have worked to make cyberspace a safe place for children. The Administration has enlisted the assistance of numerous stakeholders, including industry leaders, teachers, parents, Internet users and librarians to work towards the creation of a "family friendly" Internet. The Administration's three part strategy includes: (1) industry commitments to provide blocking, filtering and labeling technology for use by parents and teachers using the 'Net; 2) effective enforcement of existing laws; and 3) increased parental awareness and involvement. This strategy is designed to give parents and teachers the tools they need to prevent children from getting access to inappropriate material on the Internet, and to guide them towards high-quality educational resources.