Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Sandy Berger to Chief of Staff re: Foreign policy/national security priorites (4 pages)	08/12/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Ann O'Leary
OA/Box Number: 19578

FOLDER TITLE:

Events/Strategy Memos

2013-0436-S
rc1286

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]

Bruce

Table of Contents

THE WHITE HOUSE

WASHINGTON

August 17, 1999

MEMORANDUM FOR JOHN PODESTA, DOUG SOSNIK, STEVE RICCHETTI, MARIA ECHAVESTE, KAREN TRAMANTANO

FROM: GENE SPERLING

SUBJECT: **NEC's Long-Term Policy Announcements and Message Ideas**

The overarching theme of our economic message is President Clinton as protector of the economy. President Clinton has had a three-part economic strategy since he took office in 1993: fiscal responsibility; investing in people; and opening foreign markets. This strategy has led to the creation of over 19 million new jobs, the first budget surplus in a generation, low inflation, low interest rates, and strong economic growth. And now, President Clinton will not let the congressional Republicans or anyone else threaten this economy:

- He will insist on a responsible fiscal plan and will veto any tax bill that would lead to higher interest rates and hurt the economy.
- He will not sign appropriations bills that harm priorities such as education and health care, and he will ensure that we do not leave any communities behind.
- He will fight to open markets around the world, resist protectionism, and ensure vigorous, timely enforcement of our trade laws.

We have structured this strategy memorandum in the manner you requested, listing message ideas and policy announcements for the President and Vice President. It is organized as follows:

Strategic Theme: President Clinton as Protector of the Economy

- Preventing a Bad Tax Cut that Would Hurt the Economy
- Saving Social Security and Strengthening Medicare
- Ensuring that Everyone Participates in the Growing Economy
- Fighting to Open Markets Abroad
- Reforming the International Financial Architecture

Upcoming Challenges Requiring Administration Response

- Timing; Responses; and Presidential Action

Executive and Other Non-Legislative Actions

STRATEGIC PLANS

I. PREVENTING A BAD TAX CUT THAT WOULD HURT THE ECONOMY. Perhaps our most important objective for the remainder of the year is to ensure that we are able to keep a harmful tax cut from becoming law. The President will continue to make statements and hold events that present him as the protector of the economy and as a strong fiscal hawk on this issue.

Veto the Tax Bill with Constructive Offer. When Congress returns from recess in September, we will receive the tax legislation from the Hill for the President's veto. We need to consider how we want to handle the actual veto in early September. Clearly, we want to present this veto as a necessary step for the President to take to protect the economy from fiscal recklessness. We should make news and policy by making a veto statement -- or the next day make a specific announcement on Medicare. *Timing: early September*

Final Budget Surplus Numbers. At the end of the fiscal year, we will receive the final budget surplus numbers for FY99. We should, as we do annually, hold an event where the President and Vice President can tout the successes of fiscal discipline and of our economic strategy – and warn that we cannot abandon the strategy that has created the strong current fiscal situation. *Timing: September 22*

Highlight Threat to Interest Rates Increasing. We could highlight the threat that the Republican tax plan and higher interest rates pose to ordinary Americans by holding an event focused on the benefits of low interest rates (e.g., highlight homeowners, college students, small business owners).

II. SAVING SOCIAL SECURITY AND STRENGTHENING MEDICARE. We need to continue to create an environment in which the President's Social Security and Medicare reform proposals can be enacted this year. By presenting President Clinton as a leader willing to address the twin fiscal challenges – maintaining budget discipline and addressing long-term entitlement reform – we can continue to promote the image of the President as protector of the economy.

A. *Specific Agenda Items*

Medicare. I am working with Larry Stein on a strategy memo on how to both engage internally and publicly on Medicare, with a possible public offer to work together after the veto or with the veto.

Continuing Legislative Process on Our Social Security Framework. Archer may do a mark-up of his bill in September. We need to decide between the following four approaches:

- Stay where we are
- Put out lock-box legislation
- Put out lock-box legislation without "mirroring"
- Seek to work on negotiations with Archer/Democrats

We need to explore whether the House Democrats feel it is helpful to have an administration legislative proposal.

B. ***Possible Presidential Actions***

Call for Process to Achieve Medicare Reform. When the Hill completes work on its Medicare bill, the President could call for a process whereby the Administration would work together with both parties on the Hill to achieve meaningful Medicare reform.

Release the Social Security Actuaries Memo. The Actuaries memo will show that the President's Social Security plan extends the solvency of the Social Security program to 2053. This event will give us the opportunity to reiterate our commitment to the Social Security program and provide further details about our plan. We could use this event to signal our willingness to work with Congress in a bipartisan fashion to further extend the solvency of the program.

Release Further Details on Reducing Widow Poverty and Earnings Test. At this point the economics team is still analyzing several anti-widow poverty initiatives and the repeal of the Social Security earnings test. A key issue is whether to release such details even though we said in the State of the Union that we would only do this with bipartisan reform.

Conduct Event around First Mailing of Social Security Statements to American Workers. On October 1, SSA will begin mailing annual Social Security statements to American workers age 25 and older. The statement provides workers with estimates of benefits they can expect to receive when they retire or become disabled, or what their family can expect from Social Security if the worker dies. These mailings (125 million per year) represent the largest customized mailing ever by the federal government. *Timing: end of September, early October*

Medicare State by State. We are working on compiling state-by-state information on Medicare, for a possible event early in September. It would mostly include basic information like the number of beneficiaries by gender, race, etc. by state -- not very specific to the proposal. The idea would be to bring in regional press for a day-long White House event with briefings, an event with the President, etc. (modeled on the climate change/weathermen event a couple years ago). *Timing: early September*

Children's Health Outreach Event. In late September, we are hoping to get a POTUS event to: (1) announce the new Federal Interagency Task Force report, that includes new actions like getting AmeriCorps involved in kids' outreach; putting posters on public transportion with the toll-free number; and putting the information on stamps or change of address cards through the postal service; (2) ordering HHS and Education to develop a plan to institutionalize school-based enrollment in CHIP; and (3) more private actions including a multi-million dollar foundation effort to promote outreach. *Scheduling request is pending for late September*

C. ***Republican Agenda and Likely Response***

The Hill Republicans are trying to sell their tax cut agenda over the August recess. After the veto, they may seek a new tax cut compromise. We must make Medicare the next step. Come the end of the fiscal year, they intend to send one short continuing resolution at last year's levels after another, hoping that these Spartan levels will coerce us into agreeing to tax cuts. Diminished and diminishing expectations limit the credibility of large-scale responses. As the year progresses, the size of the initiative that the Administration can credibly advance will decline.

D. ***Timing and Strategy***

Toward the end of the fiscal year, we need to remind observers of the government shutdown scenarios of the past and highlight the inability of Hill Republicans to govern.

III. ENSURING THAT EVERYONE PARTICIPATES IN ECONOMIC GROWTH. The President will continue to promote economic opportunity for all Americans by promoting economic development in New Markets, expanding worker training, increasing mentoring opportunities for pre-college students, and pressing for other initiatives for working families. *This is particularly important through the fall Appropriations process.*

A. ***Specific Agenda Items***

Appropriations Process. We need to ensure that over the course of the fall, we are holding events regularly that show the President as protecting our domestic economic priorities by highlighting issues like education, health care, and other priority initiatives that he will not allow to be cut from the budget.

New Markets Initiative Legislation. We will continue to push forward this legislation, parts of which were formally introduced the week of August 2. The New Markets Legislation includes the New Markets Tax Credit and the America's Private Investment Companies which were introduced on Thursday August 5. We anticipate that the remaining major component of the legislation, the New Markets Venture Capital Firms will be introduced immediately following the recess.

Bipartisan New Markets Effort. We are working on the following steps to get a bipartisan agreement. First, Larry Stein and I will meet with Danny Davis, a lead co-sponsor with Talent and J.C. Watts on the Republican American Community Renewal Act. Second, we could do a possible "offer" letter from the President to Hastert saying that there are some elements of the American Community Renewal Act with which we could live.

New Markets Regulatory Changes. Several elements of the New Markets Initiative do not involve statutory changes. These include, Small Business Investment Companies targeted to Low and Moderate Income areas. SBA will propose these regulatory changes this fall.

Manufacturing Task Force. The presidents of the industrial unions have raised concerns about recent slippage in manufacturing employment and softness in the manufacturing sector associated especially with a downturn in exports. The President and Vice President recently committed that we would undertake an Administration-wide process to develop a comprehensive plan for the manufacturing sector. The plan should encompass technology, training, offsets/outsourcing, small and medium enterprise, and export promotion policies. We would work towards consultations with labor and industry on an initial proposal by mid-Autumn and then work to finalize the plan as part of the State of the Union/Budget process in the winter.

Highlighting Education Priorities in Appropriations Process. The President could release a list of ten key education items that are critical priorities and that we expect to win on during the Appropriations process. We could present these items as the types of things that must be in any budget for the President to sign it. This will set up clear "wins" for us on our education agenda. *Timing: Fall*

B. *Possible Presidential Actions*

A Second New Markets Trip. Focusing on economic development needs in North Carolina, Hartford, Newark, and other locations, we will prepare for a second trip in early November. *Timing: October-November*

Announcement of the Community Development Financial Institutions Fund Awards. Possible announcement of the CDFI Fund announcements of awards to groups around the country. This event could take place at the White House or off campus. *Timing: August - September*

Executive Order on Market Research for New Markets. Possible anno...

interagency task force that will be responsible for assembling and publishing data helpful the private sector in their evaluation of investment opportunities in untapped markets. The task force might also work to coordinate a conference with leading practitioners and academics that do work on new markets and related community development. *Timing for EO: September; Timing for Conference: November*

<u>Highlighting the Census Study: Poverty in the United States: 1998</u>. The President could roll out the Census Bureau study on poverty in the United States on September 30. Each year the Census Bureau releases the study. Given the strong economy, low unemployment and low inflation, the numbers should be extremely good. In addition to the statistical findings of the study, the President could highlight the Clinton/Gore policy accomplishments in this area and then say that more needs to be done and that is why he is doing another New Markets trip to highlight the pockets of poverty that remain. *Timing: September 30*

<u>Addressing the Skills Gap and Training American Workers for American Jobs</u>. One recent survey found that over 60 percent of corporate leaders say that the number one barrier to sustained economic growth is the lack of skilled workforce. The President and Vice President could meet with a number of CEOs to discuss the current skills gap and what needs to be done to close it. We have a number of ideas, but the Vice President may want to take the lead on this.

[illegible] Go to a real GED ceremony [illegible]

<u>Adult Literacy Initiative</u>. We could help to highlight the Adult Literacy Initiative by focusing on the importance of Graduate Equivalency Degrees (GEDs). This could be done by having a graduation ceremony at which the President could distribute diplomas to 50 recent GED graduates – one from every state. We could announce a new Administration initiative, possibly an Executive Order designed to further education and training opportunities to GED graduates. One student could play a valedictorian role and tell a personal story. Secretary Riley and Secretary Herman could participate, and students from every state might encourage members of Congress to attend. *Timing: September or October, or anytime*

Could we do as one of the Higher Ed meetings? [illegible] Univ Comm. College? or [illegible]

<u>Making College Available to All Through the GEAR UP Mentoring Initiative</u>. We could follow up on this week's announcement of the $120 million in GEAR UP grants by further addressing the initiative through the appropriations process. We could hold an event where the President will make several announcements regarding GEAR UP, including: the Ford Foundation's partnership with the Administration to provide technical assistance to applicants and grantees, doubling of the Ford Foundation's funding to their own grantees, the creation of the High Hopes for College Leadership Group, the President's letter to all College Presidents urging them to participate, and the unveiling of the GEAR UP application package. He will also obviously push for his proposal to double funding for the GEAR UP mentoring program.

Focus on the Minimum Wage. Obviously, this is an issue we want to coordinate closely with the Hill. One possibility would be to have the Labor Department write a short report on the impact of the 1996/1997 minimum wage increase on job growth, unemployment, and wages. *Timing: TBD*

C. *Republican Agenda and Likely Response*

The Republicans will have a limited training and economic development agenda. Nonetheless, there have been some indications that key Republicans may want to move on some of our legislation. For example, Rep. Goodling made some very positive statements about our entire workforce initiative on the day the President announced it in late January. And Reps Watt and Talent have moved forward on a New Markets-style initiative of their own. We will continue to try to forge bipartisan support around as many of these initiatives as possible.

D. *Timing and Strategy*

We would like to focus a great deal of attention on our worker training agenda and our community empowerment agenda over the next four months. In some instances, our timing on these issues will be dictated by movement on the Hill (e.g., when Kennedy moves on minimum wage).

IV. FIGHTING TO OPEN MARKETS AROUND THE WORLD AND RESIST PROTECTIONISM. We need to use Presidential leadership to build a new consensus in favor of opening markets and resisting protectionism, as it delivers on his commitment to uphold our trade laws and to put a human face on the global economy.

A. *Specific Agenda Items*

Launching a New WTO Round: The President announced the launch of a new Round at the Seattle WTO ministerial in December. This will provide an opportunity to set ambitious objectives on opening agricultural and services markets and to advance "new consensus" issues, such as increasing the accountability and openness of the WTO and securing a forum for consideration of the effects of trade on labor and environmental standards. We are also seeking important outcomes at the Ministerial, including an extension of the WTO prohibition on e-commerce duties (especially relevant in the Seattle area), a procurement transparency agreement, and an accelerated tariff liberalization (ATL) agreement on key sectors where the U.S. is quite competitive. However, many of our foreign partners will pursue opposing agendas, such as attempting to place U.S. anti-dumping laws on the table or to reopen the controversial area of investment -- non-starters for us. We will seek strong endorsement by APEC Leaders of our key priorities for the WTO Ministerial. However, the ministerial also presents a convenient target for domestic opponents of trade, and a coalition of opposition groups is organizing now to get their message across loudly in Seattle.

China WTO Accession/MFN: This issue is both an opportunity and a challenge. We continue to push hard to conclude a WTO accession agreement with China in the run-up to the Seattle WTO ministerial – using the bilateral meeting between the President and Chinese President Jiang to make progress. Such an agreement would be applauded by the multinational segment of our business and agricultural communities and would significantly bolster our bilateral relationship. The associated need for permanent NTR status will also load up our trade legislation agenda with a potentially tough fight; organized labor has already signaled strong concerns.

Securing Passage of the CBI and Africa Trade Bills: Senate floor consideration of a trade bill including CBI and Africa trade preferences is likely by late September. The goal is to marry the Senate product, which could include an extension of the Trade Adjustment Assistance and Generalized System of Preferences programs and possibly a wool tariff reduction favored by UNITE and the domestic wool suit industry, with the House-passed Africa bill in conference. We will seek to promote compromises in conference sufficient to ensure Congressional passage while preserving adequate trade benefits and improving worker protections for CBI and African countries.

Securing Passage of a Southeast Europe Trade Initiative: We will also work with Senator Moynihan and others to identify an appropriate vehicle for the trade initiative proposed by the President at the Southeast Europe Stability Pact Summit in Sarajevo.

[illegible] Singapore, Australia [illegible]

Articulating a Strategy to "Level Up" Labor and Environmental Standards: The President's Chicago and ILO speeches expanded upon the SOTU call for a new consensus on trade policy based on a process of leveling up labor and environmental standards as the liberalization of trade and investment rules proceeds. Our efforts to promote a successful Seattle WTO ministerial and lay the groundwork for a potential Congressional vote in connection with China's WTO accession would benefit by further policy advances in this regard. We will need to continue articulating and elaborating a clear, comprehensive policy including both long-term objectives and specific, near-term initiatives to help blunt labor and other domestic criticism of our efforts in Seattle and improve the climate in the House Democratic Caucus for trade legislation. Staff is developing additional policy options and themes addressing public concerns about the "race to the bottom" concerns, which will focus primarily on initiatives outside the traditional boundaries of trade policy and on applying carrots rather than sticks.

New Arm at the ILO to Strengthen International Labor Standards: We are working with the AFL and others to design and fund a new program at the ILO that would provide assistance to developing countries to enforce core labor standards such as collective bargaining. We are seeking FY'00 appropriations of $25 million for the ILO ....

million for DOL to advance this initiative.

Bilateral Trade Agreement with Vietnam: We are aiming to conclude a bilateral trade agreement with Vietnam for possible signature at APEC. The business community will be very enthusiastic about the terms we have secured so far. However, we will need to nail down a strong textiles agreement (with labor conditions) before submitting legislation to Congress granting Vietnam NTR.

B. ***Possible Presidential Actions***

[illegible]

Opening or Closing Address at WTO Ministerial Meeting. The President should give a speech at the ministerial in order to highlight his leadership in the launch of the new global round, emphasize the core U.S. agricultural and high tech interests at stake, take credit for implementation of the WTO reform agenda he laid out two years ago, and discuss his vision of how the globalization process must become a mechanism for leveling up as we move into the 21[st] century. *Timing: November 30 – December 03.*

Presidential Speech at the APEC CEO Summit: The President is scheduled to give a speech to the CEO Summit at APEC in New Zealand. Although this speech will not get a lot of attention at home, it provides a good opportunity for the President to lay out a strong pro-trade agenda going into the WTO ministerial – which would be welcomed particularly by domestic agriculture. Depending on what happens in our trade negotiations with China, it could also provide an opportunity for making a strong case for a possible trade agreement with China. *Timing: September 12.*

Yes

Presidential Witnessing Signing of Vietnam Bilateral Trade Agreement at APEC: We are working hard to wrap up negotiations with Vietnam on a trade agreement by the time of the APEC leaders meeting. The President could join with the President of Vietnam in witnessing the signing of the trade agreement when both are in Auckland. Obviously, such an event would invite some criticism as well as strong support from the business community and some other groups. *Timing: September 11-12.*

Presidential Speech on "Leveling Up": The President could give a speech outlining a broad policy framework to guide our efforts to promote broad-based improvements in living standards through parallel trade liberalization (WTO/China/regional agreements) and "leveling up" (economic democracy institutional building) agendas, per above. The speech could be presented before a major international affairs audience in the autumn a few weeks before the Seattle ministerial. It could include, but would preferably be separate from, an articulation of our specific goals for Seattle (see separate entry).

Yes

Africa Trade Bill Event: The President should do an event highlighting his strong commitment to passage of the Africa trade bill this year prior to any Senate floor action. Such an event would highlight the diversity and breadth of international and domestic

[illegible] – Florida? Time?

support for this legislation – and the President's personal commitment, which has been less visible of late. The thrust of the event should be limited to an appeal to Congress to work together in a bipartisan fashion to send a bill to the President this year. It should steer clear of bill specifics, which remain somewhat in dispute. Also, given that Senate Finance is likely to move the Africa trade bill in a package with CBI enhancement, which is much more controversial with Labor, we will need to navigate the politics carefully. *Timing: Early October.*

C. *Republican Agenda and Likely Response*

CBI/Africa Omnibus Trade Bill. The Senate is likely to consider by late September a trade bill including CBI, Africa, GSP, TAA and perhaps other items. Senators Lott and Roth will try to discourage amendments to the CBI and Africa provisions, arguing that conference is the best place to consider compromises. Nevertheless, Gramm is likely to offer House-like Africa textile provisions, which we support, and lose. And Jeffords may offer a compromise between the House and Finance Committee textile texts depending on assurances from Lott and Roth as to what they would support in conference. Feingold may offer Jesse Jackson, Jr.'s bill as an amendment but should attract limited support. Helms' and Hollings' ultimate posture is unclear.

OK

agree, we can't do that

Trade Authority. Whereas the House is unlikely to initiate any legislation to renew fast track trade negotiating authority, Senator Roth may conduct a Finance Committee markup of a bill in late September. His intention would be to report a modified version of last Congress' bill with bipartisan support as a signal to our trading partners in Seattle that the U.S. is likely to have negotiating authority in place when it needs it. He is not interested in pressing for a vote by the full Senate in this session. Discussions on a potential Administration response have been pessimistic, although there is some interest in exploring the possibility of a "new consensus" WTO-only approach. We may want to develop a set of principles for the treatment of labor and environment that could demonstrate broad Democratic unity – as opposed to the much more difficult task of crafting a "Democratic" bill. If instead we remain silent, we may send Finance Committee Democrats again into the hands of their Republican colleagues out of frustration with a lack of Presidential leadership, cleaving the Party further on trade. The endgame may be an attempt by Roth to draft a Senate or Concurrent Resolution limited to an expression of support for certain WTO trade negotiating objectives.

D. *Timing and Strategy*

Trade Authority. Should Senator Roth proceed with a mark-up in late September, the Administration could make a policy statement on the treatment of labor and environmental objectives that commands broad Democratic support – as described above. This statement could take the form of a broader policy speech focused on "levelling up" labor and environmental standards as discussed above. *Timing: September/October.*

CBI/Africa. In anticipation of a likely Senate consideration in late September, we are preparing for a debate on textile and apparel trade and conducting Hill and private sector outreach. It may also be advisable to make a high-level appeal to the Congressional leadership in early September to place this bill on a schedule that would permit it to be sent to the President by mid-October. The goal would be to prevent it from being backed up against the end of the session, when opponents have used their enhanced leverage in the past to block passage of CBI and Africa. *Timing: September/October.*

V. **REFORMING THE INTERNATIONAL FINANCIAL ARCHITECTURE AND RELIEVING THE DEBT BURDENS OF HIGHLY INDEBTED POOR COUNTRIES.** Continue to work with the G-7 and others to implement the debt relief plan and international financial architecture agenda agreed to at the G-7/8 Summit in Cologne.

A. ***Specific Agenda Items***

This is very important to me (Stig) while we could do more

New Debt Policy. The NGO community and primarily African beneficiary nations are pressing for radical debt relief as a demonstration of our commitment to a relationship of partnership and equality with the poorest nations as we enter the new millennium. Under the Cologne Debt Initiative, which we championed, the U.S. is responsible for providing financing for substantial additional bilateral and multilateral debt relief. Our share of these costs is estimated to be approximately $850 million over 5 to 10 years. In addition, we had planned to seek Congressional authorization for the use of a portion of the IMF's gold reserves to fund its debt reductions – although that plan is now in doubt with the Congressional prospects worsening. We will seek authorization for the full $850 million this year and appropriation of a significant share in FY 2000 (depending on budget constraints) in order to give the Initiative international credibility and attract early financing from other countries. Treasury will also work with Congress to authorize a modified approach to tapping the market value of the IMF's gold reserves.

Good

New Social Safety Net Policy. G-7 countries are discussing ways to encourage the implementation of better social safety net policies in developing countries, particularly those hit hard by the world financial crisis. An internationally accepted set of best practices or principles could be established to guide the policies of poor countries and the lending practices of MDBs. In addition, the need for crisis-stricken countries to protect budgets for social programs should be emphasized in IMF and World Bank programs per the recent agreement by G-7 leaders to place greater emphasis on poverty alleviation in economic reform programs. Finally, we are exploring with the international financial institutions whether they might play an expanded role in helping emerging market economies launch unemployment insurance and other social insurance programs.

Implement G-7/8 Reforms of the International Financial Architecture: We continue to work to implement the international financial architecture reforms agreed in Cologne, to further strengthen international financial institutions, such as the Financial Stability Forum, and to institutionalize a finance ministers process that includes key emerging markets along with the traditional G-7 industrial economies.

B. ***Possible Presidential Actions***

Speech at Africa Economic Conference to Roll Out New Debt Policy. In an event this fall, the President could propose a budget amendment representing part or all of the costs of the Cologne Debt Initiative, while appealing to Congress to pass an authorization that includes authority to support use of the IMF's gold to finance its debt reductions. Interagency staff is reviewing appropriations and IMF gold policy options as well as potential event ideas. *Timing: Early September for World Literacy Day or Late September in advance of IMF/World Bank annual meeting.*

Speech on Strengthening Social Safety Nets in the Developing World. Either separately or as part of a broader speech on leveling up labor and environmental standards (see above under Building a New Consensus on International Trade), the President could articulate a U.S. strategy to promote implementation of basic social safety programs in the developing world. He could challenge the international financial institutions to play a more deliberate role in this area as part of their efforts to redeploy and better coordinate their energies and financial resources, particularly with respect to middle income countries that no longer require large amounts of official international financing and whose social safety nets proved woefully inadequate during the financial crisis. *Timing: September/October.*

UPCOMING CHALLENGES REQUIRING ADMINISTRATION RESPONSE

End of Fiscal Year. As the October 1 deadline for enactment of appropriations bills approaches. Hill Republicans will likely ratchet up the blame game, attempting to place the onus for appropriations deadlock on the President.

Emergency Agriculture Spending. As the President and Vice President have both noted, farmers have been hurting this year due to low prices, and the absence of a sufficient safety net in the Freedom to Farm Act has exacerbated their pain. In working with the Congress on emergency agriculture spending, we should emphasize the need to ensure additional spending is directed to those in the greatest need, and not according to existing formulas that would direct a large portion of the funds to large farms that are weathering the current situation. The NEC agriculture working group recommended a counter-cyclical income assistance program that would do just that. We should work to see that such a program is the most prominent feature of any emergency agriculture spending. *Timing: September.*

Yes

Computer Export Controls. Computer industry CEOs will be in town on January 20, 2000, asking for export relief again. This will be needed because of a new powerful microchip that Intel will be shipping called the Merced. In the announcement that the President made in July 1999, he agreed to a six-month review. An announcement in this area could show the President's continued commitment to maintain America's high-tech leadership while protecting our national security. NEC and NSC should start a working group process in September so that we can have a decision by January 2000. We should also consider getting a few computer industry execs cleared so that they can have classified discussion of long-term implications of Merced. *Timing: January 2000*

Yes - Give options to announce

Encryption. The Administration should announce new steps to eliminate some restrictions on the export of encryption (e.g., 64-bit globally, unlimited exports to Europe, and exports of "recoverable" encryption to most countries and end-users). This will be particularly important if the House and Senate move legislation that is unacceptable to the Administration. *Timing: September-October*

I'd like to get this done

Electricity Restructuring: Under electricity restructuring, state regulated utilities would no longer have the exclusive right to sell electricity in their geographic territories. Instead, consumers could purchase electricity from any generator that served their market, just as they currently choose their long distance telephone carrier. The bill is expected to generate $20 billion of savings and to provide important environmental benefits.

A. ***Timing.*** The Department of Energy submitted the Administration's bill to Congress on April 15th. Both the House Energy and Power Subcommittee and the Senate Energy Committee have held hearings, although there is more momentum in the House. Chairman Barton plans to mark up a bill by late

September, and Chairman Bliley plans for the full committee to consider the bill shortly thereafter. There is little likelihood of a bill passing this year, but a small chance that one could pass before Easter 2000.

B. *Responses.* We are monitoring the bill's progress, and are working with Energy and committee staff as they move forward on the legislation.

C. *Presidential Action.* None.

Bankruptcy. In May, the House passed its bill 313 to 108, a margin sufficient to override a Presidential veto. Unless privacy or another unrelated issue sidetracks Senate floor debate, the bill is expected to pass the Senate by a comparable margin sometime this fall. The Senate Republicans have agreed to adopt on the floor an amendment on reaffirmations that we believe offers significant new consumer protections in this one area. It also will adopt an amendment providing limited new credit disclosures and protections, although far less than we believe is appropriate. However, if these provisions survive conference, they provide some balance to a bill that we have long criticized as grossly unbalanced.

A. *Timing.* Majority Leader Lott promised Senator Grassley that the bill would go to the Senate Floor the first week that Congress returns from recess if a time agreement can be reached. Democrats believe a time agreement is unlikely. If not addressed early when they return, it could be delayed until October.

B. *Responses.* We are exploring whether recent overtures present a genuine opportunity for some movement in our direction. Meanwhile, we are working with Democrats on amendments that would be difficult to oppose (e.g., exceptions for sympathetic debtors like victims of domestic abuse and displaced steel and agricultural workers).

C. *Presidential Action.* Given strong support from Democrats for the bill, we will not do anything more to escalate our public opposition and will avoid issuing a veto threat on the Senate bill. If the bill that results from Conference does not contain even the few improvements achieved in the Senate but commands strong support in both chambers, the President will have the option of allowing it to go into law without his signature.

Financial Modernization. The President has threatened to veto the Senate-passed version, which we believe would weaken CRA, limit choice in bank operating structure, and provide inadequate consumer protections. The Administration strongly supports the House bill, although we would like to see its financial privacy provisions strengthened and its weak medical privacy provisions eliminated. The Conference Committee has not begun serious deliberations. Everyone is waiting for a signal from Senator Gramm about how far he will be willing to compromise in order to get a bill that the President will sign. We are working very closely with House Banking

Committee Republicans and Democrats and Senate Democrats as their views and ours are most closely allied.

A. *Timing.* Uncertain. Some believe that the Conference could last months, spilling over until next year. The Conference Committee is so large that effective negotiations will be difficult. Others expect that Senator Gramm will quickly put an offer on the table and a deal will be cut quickly with just a few around the table.

B. *Responses.* The Administration is taking every opportunity to reiterate that we will hold firm on CRA and choice in bank operating structure. There is some fear that our supporters might be too eager to compromise with Senator Gramm on our core concerns in order to get a bill. We have the option of elevating the public attention to the CRA and privacy issues, if need be.

C. ***Presidential Action.*** Nothing foreseeable at this time.

<u>Class Action Reform</u>. This bill is the highest priority of the industry tort reform coalition for this year. They hope to build on momentum from the Y2K bill, which contained comparable provisions for Y2K actions. The House Judiciary Committee completed mark-up of its bill, which could go to the House floor this fall. The Senate Judiciary Committee has held hearings, but Senator Hatch is reluctant to move the bill without stronger bipartisan support. Our allies (consumer groups and trial attorneys) will be looking for us to continue to demonstrate our strong opposition. We will continue to work to strengthen our case against the bill and find opportunities to express our concerns.

A. ***Timing.*** House floor action could come in September if there is time on the calendar. Senate mark-up is unlikely soon, unless additional Democratic sponsors are found or until after House floor action puts pressure on the Senate to act.

B. ***Responses.*** We will hold a series of outreach meetings with affected constituencies and State government groups that might be concerned about the federalism implications. We will work closely with Democrats in the House and Senate on strategy.

C. ***Presidential Action.*** We may reiterate last year's veto threat when the bill gets to the House floor. Nothing else foreseeable at this time.

EXECUTIVE AND OTHER NON-LEGISLATIVE ACTIONS

I. Building the New Economy and Advancing Technology

Technology Training for Tomorrow's Teachers. The Department of Education will soon be ready (after August 16th) to announce $75 million in grants to help train new teachers to use technology effectively. This is a key component of the President's Educational Technology Initiative, since getting schools connected to the Internet will not improve educational performance unless teachers can use technology in the classroom. Currently, Riley is scheduled to announce these grants sometime during an August 23-26 trip to California. The Department would like to announce the grants in August. The Vice President is not available. *Timing: Sometime in August*

Good idea
Work this
Jan. before Cong.
comes back – or
Dec. ala
L.R. Econ Conf
12/92

White House Conference on the New Economy. We could bring together top economists to meet with the President and Vice President on this issue. High profile panelists such as Alan Greenspan and a substantive discussion of major, cutting edge issues would ensure significant press coverage. Topics could include the impact of information technology on productivity, the business cycle, and inflation; the changing relationship between unemployment and inflation; and the changing relationship between regulation and international trade. *Timing: open*

Research Funding in a Post-Cold War World. Although there is strong support for bio-medical research, there is little public or congressional understanding of the importance of investing in other research areas, such as physical sciences and engineering. In the past, DOD conducted much of the research in this area, but it has been cutting back on long-term research for the last ten years. The Administration needs to define and fund a set of research challenges for the 21st century (e.g., sustainable development) and the President could do so, just as he did at the MIT commencement in June 1998 in the context of the information revolution.

E-Society Initiative. In 1997, the Administration pulled together a set of public policy activities under the umbrella of "e-commerce." We believe that there is a value to organizing a similar effort on the social benefits and dimensions of the Information Revolution. By launching an "e-society" initiative, the President and Vice President can reinforce the message that the Information Revolution is not just about commerce, it is also about enabling Americans with disabilities to lead more independent lives, improving the way we educate our children, allowing adults to acquire new skills at a time, place and pace that is convenient for them, making government more open, efficient, and responsive, and expanding access to quality health care in rural communities. The Administration's budget makes significant contributions in this direction. We could potentially issue an Executive Order -- like the e-commerce EO -- to

and closing the Digital Divide
very important.

delegate the Administration's e-society agenda to the appropriate government agencies. *Timing*: *November-December*

II. International Economic Initiatives

Executive Order on Sanctions Reform. Sanctions reform remains a critical priority for our agriculture and business communities. The President could announce an Executive Order imposing discipline on the imposition of economic sanctions under executive authority to broaden our policy on food and medicine sanctions announced this past spring. This action could provide leverage for a broader deal for similar self-restraint by Congress. We have already indicated support for sanctions reform legislation sponsored by Dodd, and are attempting to work with Helms and Lugar on their alternative proposals. However, it appears that the Helms legislation, which is most likely to move, will not contain our key priority (freestanding national interest waiver authority for the President) and may be more restrictive of the Executive Branch than Congress. As a fall-back, we would issue the Executive Order, challenge the Congress to get their own House in order, and then work with the Congress on a food and medicine sanctions bill that parallels the President's recent policy change. (There is an Ashcroft/Hagel amendment on food and medicine sanctions attached to the agriculture appropriations bill). *Timing: September* — [illegible]? — strongly

International Child Labor. The President recently sent the new ILO convention on the worst forms of child labor to the Senate. All indications are that Senator Helms and the Foreign Relations Committee will respond favorably to the convention, but there is no guarantee. We hope that Helms will hold hearings in September and move the Convention to the floor for advice and consent this year. We ~~need to find~~ a balance. ~~pressing him to move forward~~ without antagonizing him and making ratification more difficult. If the Senate gives its advice and consent, we can use the occasion of U.S. ratification to celebrate the President's leadership in efforts to eliminate abusive child labor. At the same time, we will be monitoring and pressing for full funding for our international child labor budget initiatives: (1) continued full funding ($30 million) for the ILO's International Program for the Elimination of Child Labor (IPEC); (2) $10 million in new funds for "Schoolworks!" – USAID's new program to help provide educational opportunities to remove children from abusive child labor; and (3) increased funding for customs and domestic child labor law enforcement.

I should call him personally

agree

Meet with Ex-Im and OPIC to Promote Manufacturing Exports. The President and Vice President could sit down with Jim Harmon at Export-Import Bank and George Munoz of OPIC to discuss everything that the two agencies are doing to address the global economic situation and to promote our initiative to boost manufacturing exports.

III. Protecting Consumers

[illegible]

Financial Privacy and Other Forms of Privacy. Through a radio address or Vice Presidential event, we could focus on privacy issues before Congress returns or around that time. We do not need to identify it with either the bankruptcy bill or financial modernization. However, it will create uncertainty about our intent in both contexts and raise our leverage without committing us to insist on it in any specific context. We would not be making much policy news -- as on May 4 when the President outlined our view and two weeks ago when Gensler reiterated it before the Senate Banking Committee. Our message would be that Congress has an opportunity this fall to provide financial privacy protections to Americans, and that with so much change in the financial industries and with new technologies, we should not let the opportunity pass to make clear that financial privacy is a high priority. *Timing: early September.*

IV. Addressing Key Industry Challenges

Balancing Industry, Consumer, and Environmental Interests in Biotechnology: We have the strongest biotechnology industry in the world – and enjoy enormous economic and environmental benefits. However, concerns about biotechnology are increasingly stymieing our agricultural trade, especially with Europe, and domestic environmental and consumer groups are becoming more critical and outspoken. Unless managed carefully, the biotechnology issue could grow to similar proportions as climate change. We are in the process of an Administration-wide review of our posture toward biotechnology that should culminate in the rollout of a coherent policy plan, following extensive consultation with key outside groups. We are considering addressing the consumer's right to know through voluntary labeling, placing greater emphasis on public education, and expanding scientific assessment in those areas where there are legitimate questions. On the trade side, given the strength of EU consumer antipathy, we are examining a shift in emphasis away from trade confrontation toward winning consumer acceptance through public education and science-based regulation. We will have to navigate a shift in our posture delicately, given strong Congressional interests in this issue and divisions among the diverse elements of our own industry. *Timing: late October.*

See paper attached & aim for labeling envo and country of origin key voluntary labeling consumers right to know

[illegible]

Strengthening the Domestic Oil & Gas Industry. In 1998 and early 1999, the oil and gas industry suffered unusually low prices. Small independent producers were hit particularly hard, and 50,000 jobs were lost. At the request of Secretary Richardson, the NEC initiated a process to identify steps to assist the industry. The industry is primarily interested in tax cuts, reduced environmental regulation, and greater access to federal lands -- each of which is opposed by the relevant federal agency. Moreover, OMB, CEA and Treasury believe that no real crisis exists, and point out that prices have rebounded. The President's decision to sign the Byrd/Domenici loan guarantee bill goes some distance in addressing the industry's concerns. Commerce will shortly send the results of a Section 232 trade investigation to the President that will recommend that we implement the existing national energy strategy, which was developed in response to an earlier Section 232 report on oil. We will need to determine whether we want to take additional steps to address DOE's concerns. *Timing: September-October.*

V. Other Initiatives and Announcements

School Modernization. There are more kids in school today than ever before. The growth of the school age population increases the need to build more new schools. In addition, existing schools are, on average, over forty years old and in need of modernization and repair. This is particularly true in urban and rural areas. The President's School Modernization proposal addresses this issue by providing tax credit bonds to help finance the building and repairing of over 6,000 schools. Representative Rangel, the House sponsor of the President's proposal, recently filed a discharge petition to force the House to consider this issue. The petition already has 190 of the 218 signatures necessary to force the House to vote on the issue. There are two upcoming opportunities to highlight this issue:

- On August 19th, the Department of Education will release the Baby Boom Echo report on the growing school age population.
- The labor movement has organized a series of school construction events throughout August, and has agreed to make school construction a focus on Labor Day. The President is scheduled to do a Labor Day school modernization at a site to be determined, near Camp David.

Domestic Child Labor Law Changes. We are analyzing with DoL legislation sponsored by Senator Harkin to enhance protection of child laborers in agriculture. Currently, U.S. law bars DoL from providing the same protections from hazardous work and from limiting hours of work for children in agriculture as they provide for children in manufacturing and all other workplaces. Administration support for this legislation now might prompt agricultural employers to oppose U.S. ratification of the ILO Convention on the worst forms of child labor, even though we argue that convention does not require any change in U.S. law for ratification. If, however, the Senate gives its advice and consent to the ILO Convention, we may then wish to announce our support for Harkin's bill, perhaps coupled with a budget initiative to fund training to allow children to work more safely on farms.

Domestic Agricultural Labor Laws. We *may* have an announcement about new policy on domestic agricultural labor laws -- but we probably want to spend a few months making the case that there is a problem, before we suggest the solution. Labor is working on a plan. *Timing: Fall*

Report on New Markets for Environment and Energy Technologies: The President's

Committee of Advisors on Science and Technology (PCAST) has completed a report examining the development of energy and environmental technologies. The report concludes that trillions of dollars of investment in this sector will be made worldwide over the next 50 years, including over $100 billion in electricity generating capacity in developing countries over the next decade. This presents a giant export opportunity for U.S. companies. The report recommends $250 million in additional federal spending in FY 2001, ramped up to $500 million by FY 2005 in support of this effort. We could plan an event at which the President acknowledges receipt of the report, and announces that the FY 2001 budget will have funds to implement PCAST recommendations (DOE, USAID are ready to say this, according to OMB). The President could also challenge Secretary Daley to develop a plan to double environmental technology exports in 4 years, a challenge that he is prepared to accept. Industry leaders who helped draft the report (Bechtel, Hewlett Packard, Enron) would attend the event. This message is that we are supporting an effort to increase exports of new technologies, creating jobs for the 21st century in the process.

VI. Upcoming Economic Releases that May Provide Message Opportunities

August 17	CPI, Housing Starts, Industrial Prod & CU
August 19	Trade
August 25	Advance Durable Goods
August 26	GDP-II (rev)
September 2	Productivity
September 3	Employment numbers (August)
September 22	Surplus for FY99
September 30	Census: Income and Poverty Numbers
October 8	Employment numbers (September)

September 2, 1999

MEMORANDUM TO THE CHIEF OF STAFF

FROM: Bruce Reed
Eric Liu

SUBJECT: Possible Policy Announcements

EDUCATION

1. **Safe Schools Grants** (mid-September): The President can award $300 million in grants to 50 communities that will have won a nationwide competition to develop youth safety partnerships between schools and community, health, and law enforcement agencies. He also can announce $32 million in grants for anti-drug middle school coordinators. In addition, we are preparing an executive order to improve coordination of federal school safety efforts. *Possible September 11 radio address.*

2. **Teacher Quality Partnership Enhancement Grants** (September 7): The President will award $75 million to fund projects to promote comprehensive and lasting change to teacher preparation programs and help prepare excellent future teachers for America's classrooms. *POTUS announce at Sept. 7th class size event.*

3. **Tenth Anniversary of the Charlottesville Summit** (September 26-27) and **NGA Palisades Meeting on Standards** (October 1-2): The 10th anniversary of President Bush's Education Summit, which set ambitious, largely unmet goals for educational achievement by the year 2000, will attract considerable press attention. The President has expressed interest in commemorating the event, perhaps with a major speech on the future of education. Also, the governors will be meeting in Palisades, NY a few days later, to discuss their progress since the 1996 standards summit in Palisades where the President first called for ending social promotion. We may be in a position to announce the progress states are making in adopting their own version of a national test in 8th grade math. *Week of Sept. 27 – Oct. 1.*

/ Governors – this is their last forum

CRIME

1. **NICS Report** (early September): The President can release a report on the results of the FBI's National Instant Check System (NICS) over the past 6 months. The report will detail how many (and what types of) prohibited purchasers have been stopped from buying guns under the NICS, how long it takes the FBI to complete NICS checks, and how law enforcement is responding to NICS denials. *Sept. 9 meeting with mayors.*

[illegible]

2. **HUD Gun Buyback** (early September): The President could announce a $15 million gun buy-back program run by HUD, which is part of their larger Drug Elimination Grant program. *Sept. 9 meeting with mayors.*

3. **Report on Gun-Related Commerce** (after September 20): The Treasury Department is preparing a report on gun-related commerce in the U.S, which will include information on the overall number of guns bought and sold, as well as other information.

4. **Annual Report on School Safety** (mid-October): The Departments of Education and Justice will be ready to release the 2nd Annual School Safety Report, as well as a new web-based version of the Early Warning Guide.

5. **1998 Uniform Crime Report** (October): The FBI will likely release the final version of the 1998 Uniform Crime Report sometime in October. We will consult with the Justice Department to see if we can time the release of the UCR with any other crime announcements (i.e., COPS grants), or perhaps to make it the topic of a radio address.

6. **Housing Authority Lawsuit** (sometime this fall): A coalition of public housing authorities is considering a lawsuit against the gun industry. We are working with HUD, Justice, and Treasury to determine the Administration's role.

7. **Youth Tolerance Event** (October 26): A public-private partnership (AT&T, Court TV, the National Middle School Association, the Anti Defamation League, and Cable in the Classroom), along with the Departments of Justice and Education, will hold a national student dialogue on tolerance and diversity. Approximately 25 middle school students will assemble in Littleton, Colorado with interactive links to students in three other locations. The President announced this partnership in April and could speak at the event.

8. **Hate Crimes – Community Mobilization Event** (this fall): In November 1997, the President announced the creation of hate crime working groups led by U.S. Attorneys across the country. The President could host a roundtable to highlight what these working groups are doing. He could also demonstrate the Anti-Defamation League's "HateFilter" which protects children by blocking access to hate sites on the Internet.

9. **Domestic Violence Screening** (October): The Family Violence Prevention Fund is holding events around the country, including in Washington, D.C., to further educate and encourage health care providers to routinely screen for domestic violence. We could take this as an opportunity for the President to speak about our efforts on this issue.

10. **Gambling Package** (Sept/Oct): We are completing an interagency review of the Gambling Commission report. By September, we may be able to submit legislation to prohibit Internet and underage gambling and release a Treasury study on gambling and bankruptcy.

11. **Postal Fraud Prevention Event** (October): During the week of October 25, the Postal Service is planning to mail to every home in America – approximately 120 million addresses – a card containing valuable fraud prevention tips, including a new toll-free number that will connect callers with the FTC's Consumer Sentinel phone bank. We are checking to see whether the President could make this announcement.

HEALTH CARE

1. **Report on HMO Withdrawal in Medicare** (late September): In addition to events like the Sept. 8 speech, which underscores legislative priorities (Medicare, PBOR, and the bipartisan Work Incentives Improvement Act), the President can release a new report detailing HMO withdrawals and benefit limitations (including limits on prescription drugs) in Medicare managed care. This event would highlight the need for managed care reimbursement reforms such as those proposed by the President, and should be timed to follow the budget veto.

2. **State-by-State Medicare Report** (mid-September): The President can release a report with new state-specific information on Medicare, including detailed demographic information and statistics on statewide managed care penetration. We could do special invitations to regional press for local coverage. The Vice President is interested in releasing this report.

3. **Rural Health Grants** (September): The President or VP could announce a grant program ($125 million over four years) to promote the development of rural health networks and enhance the delivery of emergency medical services. Funds will also be used to help convert qualified local hospitals to "critical access hospitals," which are eligible for higher reimbursement rates under the Medicare program.

4. **Organ Donation** (September): The President or VP can announce new efforts to increase organ donation: (1) $5 million in grant funds; (2) an executive memorandum to increase the amount of paid leave available to a Federal employee who serves as an organ donor for seven days to thirty days a year; and (3) a new guidebook for health care professionals on counseling families about organ donation. Both have indicated their interest in this event.

5. **Health Care Coverage Reports and Initiative** (late September/early October): The President and First Lady could release a new Families USA report on enrollment in the CHIP program. The President and the First Lady could then: (1) release a new TANF regulation establishing financial incentives to enroll eligible individuals into Medicaid; (2) announce a campaign to distribute applications for and information about CHIP through school systems around the country; (3) release the second Federal Interagency Task Force Report on Children's Health Insurance Outreach, including new outreach efforts by the Postal Service, Americorps and the Department of Transportation; and (4) direct the Department of Education and HHS to develop a plan to make school-based screening for health insurance a standard part of school enrollment, like immunizations.

6. **Privacy Regulation** (October): The President can release a major new regulation providing comprehensive privacy protections for electronic medical records. We are pressing HHS to complete the regulation by October.

WELFARE

1. **Housing Vouchers** (September): We should be ready to award contracts to communities for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. The VA/HUD appropriations bill fails to fund the President's request for an additional 100,000 additional vouchers, 25,000 of them for welfare to work.

2. **Bonuses to Reward Reduction in Out-of-Wedlock Births** (by September 15): We can award $100 million in bonuses to up to five states that have had the largest decrease in the percentage of births that are out-of-wedlock, and also decreased their abortion rates. The likely winners are California, Michigan, Massachusetts, Alabama, and D.C.

3. **Welfare to Work Competitive Grants** (September): The Labor Department will be ready to release over $200 million in Welfare-to-Work competitive grants to non-profit, community, faith-based, and business groups. In September, Labor also will announce a grant to set up a program to help as many as 10,000 former welfare recipients we hire to take part in the 2000 Census find permanent employment when the Census is over.

4. **Teen Pregnancy Prevention** (September): We should be ready to release: (1) preliminary national data showing the teen pregnancy rate in 1998; (2) a best practices toolkit for communities; and (3) a report to Congress on teen pregnancy prevention efforts to date.

5. **High Performance Bonus** (late September): We should be able to award $200 million in high performance bonuses to states that have been the most successful in helping people move from welfare to work and remain in the workforce, and issue a draft rule that could expand the bonus to reward states for increasing Medicaid and food stamp coverage.

6. **Individual Development Accounts:** (by September 15th): We can award nearly $10 million for the first IDA demonstration grants under the new Assets for Independence demonstration program that the President signed into law last October. Grants are going to 35 community-based organizations in about half the states. This would also be an opportunity to highlight our FY 2000 budget request to double IDA funding to $20 million.

CHILDREN AND FAMILIES

1. **Introduce Legislation to Prohibit Discrimination Against Parents** (September): The parental discrimination legislation the President called for in the State of the Union, which received a flurry of press attention this spring, will be ready to introduce in September.

2. **Adoption Bonuses** (September): The President and First Lady can announce HHS figures showing a substantial increase in adoptions since 1996, and award financial bonuses to states

for their adoption increases. This is also an opportunity to push Congress to complete foster care legislation which passed the House and is pending in the Senate. *Sept 24th event.*

3. **Announce Proposed Rule on Paid Leave for New Parents** (October): In his commencement speech at Grambling State, the President directed the Labor Department to propose new regulations to help states use the Unemployment Insurance (UI) system to support parents taking leave to care for a newborn or adopted child. The new regulations would authorize an expansion of the UI system, allowing states that wish to use unemployment insurance to assist new parents to put their plans into effect.

TOBACCO

1. **Justice Department Lawsuit** (later this year): While the Department completes the preparation of its case, we can expect a high-profile fight with Congress over the $20 million appropriation we requested.

SERVICE / PHILANTHROPY

1. **Americorps Fifth Anniversary** (October 20): This is an opportunity to build up bipartisan support for Americorps to ensure its survival in future years. We can develop a slate of policy proposals to this end, ranging from service learning initiatives to voucher-style proposals to spur citizen service.

2. **Philanthropy Conference** (October 22): At this White House Conference led by the First Lady, we could unveil a package of proposals to encourage giving.

September 2, 1999

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: Bruce Reed
Eric Liu

SUBJECT: Strategic Overview - Fall 1999

This brief memo provides an overview of our congressional and executive strategy for the coming months. We have also attached a lengthier memo that details a range of possible policy announcements and events for the fall. And we will at a later date be sending you a slate of other non-legislative policy initiatives that we could undertake in the balance of the term.

I. Congressional Action

In addition to the budget debate, the major legislative activity when Congress returns will center around four substantive areas:

- **Patients Bill of Rights**: The House should pass it in mid-September. We should press for a quick conference, and set this up as the bill that panicked members turn to when they realize they have to pass something before Congress goes home.

- **Juvenile Justice**: An agreement on gun shows is not out of the question, but more likely the conference will founder or produce a stripped-down bill that dies with a Senate filibuster or veto. We should keep the pressure on throughout the fall; conceivably, we could tell them not to go home without getting it done right.

- **Jeffords-Kennedy**: This bill, the Work Incentives Improvement Act, is waiting for offsets and House passage. It is a good candidate to wrap into any year-end vehicle, like an extenders bill. (The foster care bill, which passed the House, is another contender.) One note from Chris Jennings: we should when possible acknowledge other sponsors (Jeffords-Kennedy-Roth-Moynihan, Lazio-Waxman-Bliley-Dingell).

- **Education**: The House will probably pass a Title I bill we won't like; the Senate may mark up ESEA reauthorization in committee. Our best chance to fight for education reform this year is to insist on the $200 million for Title I accountability we asked for in the Labor/HHS bill. Class size will be the key partisan battle on that bill.

II. Executive Action

We have attached a list of actions – regulations, reports, grants, etc. -- the President can take on his own over the next three months, with or without help from Congress. These include:

- **Education:** We can award a series of grants that will: (1) give us a platform to highlight the budget battles over class size, school construction, and our Children/Education Trust Fund; and (2) reassure parents, through grants, reports and speeches, that we're doing all we can on school safety.

- **Youth Violence:** We will be able this month to do a formal kick-off of the grassroots National Campaign Against Youth Violence, and issue an executive memorandum creating a DPC Task Force to coordinate federal efforts on this problem.

- **Crime/Guns:** We will have two newsworthy reports on guns, charter commitments on the youth violence campaign, and after Congress has left town, the possibility of a housing authority lawsuit on gun violence.

- **Tobacco Lawsuit:** While we're battling with Congress over funds to bring the suit, Justice may soon be ready to be more explicit about the nature and timing of its complaint.

- **Health Care:** We'll keep generating reports to keep the spotlight on Medicare and other legislative priorities, and issue the privacy regulation after Congress goes home.

- **UI/Paid Leave:** Following up on the President's promise at Grambling, we have a regulation in the works that gives states the flexibility, on an experimental basis, to use their unemployment insurance programs to support paid leave. The Labor Department will soon be issuing proposed rulemaking on this.

- **Other Executive Actions:** Another new proposed regulation should also get press attention: a new welfare rule to reward states for boosting Medicaid and Food Stamp coverage (so-called high-performance bonus). We can also find an opportunity to push a good initiative buried in our budget request: a $70 million program that combines ESL and civics education to help new immigrants become full participants in our society. In addition, we could launch a high-profile commission: on boosting voter participation, especially among the young (raised by Rep. Bernie Sanders); or on healthy parenting. And finally, the First Lady's conference on philanthropy could give us an opportunity to unveil some new policies to encourage giving.

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Sandy Berger to Chief of Staff re: Foreign policy/national security priorites (4 pages)	08/12/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Ann O'Leary
OA/Box Number: 19578

FOLDER TITLE:

Events/Strategy Memos

2013-0436-S
rc1286

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]

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503

August 11, 1999

MEMORANDUM TO KAREN TRAMONTANO

FROM: DANIEL SAKURA
CHIEF OF STAFF, COUNCIL ON ENVIRONMENTAL QUALITY

SUBJECT: EVENT PROPOSALS

The attached list responds to your request for information about possible events and announcements in September, October and November.

At this point, our highest priorities include the roadless announcement with the U.S. Forest Service, Headwaters forest and a budget message.

We are working to identify additional event possibilities relating to clean air, clean water and other EPA issues.

If you have any questions, I can be reached at 456-6144.

cc: Roger Ballentine
Elliot Diringer
Beth Viola
Brad Campbell

8/11/99

POSSIBLE ENVIRONMENTAL EVENTS/EXECUTIVE ACTIONS

September

- Announce draft rules for the National Forest road system and roadless areas with USDA/Forest Service in response to a letter from Members of Congress. Announcement could be in Washington, D.C. (John Podesta has participated in these discussions.)

- Visit Headwaters forest in Northern California to announce possible release of draft management planning guidance for the newly acquired area, in conjunction with the State of California. A visit would provide an opportunity to highlight one of the Administration's most visible conservation achievements. (Event could also be in October.)

- Highlight Lands Legacy with announcement of acquisition of sensitive lands using Land and Water Conservation Funds (LWCF). The President could announce permanent protection of Civil War site by the National Park Service at the Chancellorsville Battlefield, near Fredericksburg, Virginia, with a possible tie in with FY 2000 budget. (We are working with Roger Ballentine on this.)

- (Vice President is tentatively planning to announce release of Oceans Report, on September 2 in Boston.)

October

- Announce veto of appropriations bill(s) which contain highly objectionable riders (e.g. Interior appropriations and Energy and Water) or deep funding cuts for environmental programs (e.g. Interior and Commerce, Justice, State).

- Participate in the National Wildlife Refuge Week (October 10-16) with the U.S. Fish and Wildlife Service to highlight importance of Lands Legacy at a National Wildlife Refuge. There are many opportunities for events in the mid-Atlantic/East Coast, along with a possible tie in with the FY 2000 budget relating to Congress' deep cuts in Lands Legacy and possible shutdown of National Wildlife Refuges during hunting season.

- Consider announcing a possible directive to U.S. Army Corps of Engineers to reevaluate proposed navigation projects in eastern Arkansas in the White River National Wildlife Refuge. Conservation groups support reevaluating the projects, while Rep. Marion Berry has expressed strong reservations.

November

- Announce Duck Stamp award winner (early November) in conjunction with U.S. Fish and Wildlife Service at the Interior Department in Washington. Proceeds from the sale of Duck Stamps are used to acquire wildlife habitat. As an alternative, a photo-op with the ~~winner~~ at the White House would likely receive substantial press coverage.

- Announce completion of the Final Environmental Impact Statement (EIS) for the Hanford Reach of the Columbia River in Washington State with the Department of Energy and the U.S. Fish and Wildlife Service. The EIS is currently considering the management of 90,000 acres of land at DOE's Hanford Nuclear Reservation in south central Washington State. Senator Murray has actively supported the process.

- Recycling event with corporate leaders who have made major commitments to recycling.

- USDA/Conservation Reserve Enhancement Program (CREP) river announcement, with rivers to be determined.

STRATEGIC/MESSAGE PLANS

Office of Environmental Initiatives

August 10, 1999

Achievements and priorities given to the environment have distinguished this Administration from those past and continue to demonstrate clearly the differences between Democrats and Republicans. We have an opportunity to leave two indelible environmental legacies, as 1) the first Administration to address seriously the threat of global warming; and 2) the Administration that made environmental conservation a true and *permanent* national priority, through our Lands Legacy proposal.

1. LANDS LEGACY

A. **Objective** – In addition to securing as much of our relevant FY2000 budget as possible, we are working toward enacting authorizing legislation that would create permanent funding for the Land and Water Conservation Fund and other environmental priorities.

B. **Possible Presidential Actions** –

? if think works

- Announcement and perhaps appearance at site of significant LWCF land acquisition (e.g. Baca Ranch).

- Radio Address on using this time of economic prosperity to secure long-lasting natural prosperity for future generations, perhaps announcing proposed acquisitions.

- Opening of historic section of Civil War battlefield in Fredricksberg saved from development with LWCF funds.

- Visit to site where public-private partnership, without federal land acquisition, preserved valuable and threatened land. Our LL initiative is about more than land acquisition by the federal government, as we have numerous programs to assist private landholders to work with government and non-profits to do the right thing.

- Possible veto of Interior Appropriations bill.

C. **Republican Agenda and Response**

The Republicans are united in not wanting to give the President a legacy, but divided on the substance. Several bills which establish permanent funding for environmental priorities are bipartisan (Murkowski, Lott, Don Young, etc.). While these bills do contain some provisions we support, their emphasis is on "coastal impact assistance" to states that produce offshore oil and gas. The promise of large sums of money to a number their states is the primary Republican motivation – not environmental protection. Some Republicans, mostly Westerners and conservatives, are deeply opposed to these bills, because they believe such legislation will lead to more federal ownership of property. Our agenda will be criticized from this perspective.

D. Timing and Strategy

Relevant bills have not passed committee in either house. Even when they do, floor action is unlikely, or at least unlikely to be successful. Budgetary points of order and opposition from the House leadership are problems. The strategy then is to insert acceptable legislation into an end-game/omnibus situation. This will need to remain a top priority for the President in that context, and Senator Lott has similar interests in trying to include a bill acceptable to him.

Thus, we face several hurdles: 1) keeping this a top priority for us; 2) finding common ground on language with Lott/Young; 3) overcoming objections from House leadership as well as appropriators like Stevens and Domenici; and 4) convincing our supporters that whatever deal clears these tests is worthy of their support.

It is not at all clear that a sharp, partisan message from the President will be the best tool for increasing our chances of reaching a deal. Our message should be to the American people and it should be mostly positive.

2. CLIMATE CHANGE

A. **Agenda** – Promoting domestic actions to reduce greenhouse gas emissions while expanding political support for both strong domestic and international measures. Our focus will be on public education, securing funding for our Climate Change Technology Initiative budget and Clean Air Partnership Fund, legislation to give companies credit for reducing emissions, and ongoing diplomatic efforts.

B. Specific Initiatives/Possible Presidential Actions

- *Bioenergy.* This week, the President will sign an executive order and participate in an event promoting the development of this clean energy source for the 21st century.

- *Utilities.* We are working on a major initiative which if successful would result in a significant portion of the electric power-generating sector to announce voluntary reductions in greenhouse gases. This would be an appropriate announcement for the President and the Vice President, most likely in September or October.

- *Federal Fleet.* We are working on an Executive Order that would demonstrate federal leadership in the effort to reduce petroleum consumption, to purchase efficient and alternative vehicles, and to save taxpayers money. We hope to have this done in October or November.

- *Science/Budget.* In conjunction with new information regarding the science of climate change, the President could deliver a strong message to Congress on their failure to fund our climate priorities.

- *Vetoes.* Several appropriations bills may contain very serious climate change riders.

- *Economic Event.* In conjunction with NEC, we are exploring an economic event that would highlight the economic opportunity for American business in producing and exporting the technology that will help the world fight global warming.

C. Republican Agenda and Likely Response

Republicans have for the most part given up on the strategy of fighting over whether or not climate change is real. Instead, they characterize our proposals and economically unsound, a threat to U.S. sovereignty, and extreme. Some of our opponents have introduced legislation that is extremely modest but which could serve as an excuse for doing nothing else. We will continue to be criticized for negotiating a treaty that some studies show would be costly to implement.

D. Timing and Strategy

Over the next two months, we need to keep the pressure on Congress vis a vis our budget and the riders. Public opinion is supportive of our position, and many see the Republican opposition as a function of powerful special interests. We should press that theme. At the same time and beyond, we need to continue to educate the public on the science, and to keep stressing "win-win" domestic proposals that will help us fight climate change and provide economic opportunity to farmers, small businesses and others.

Roger Ballentine

Cc: George Frampton

THE WHITE HOUSE

WASHINGTON

August 10, 1999

What about cuts in NASA Langley Aero research — an [illegible]?

BC

MEMORANDUM FOR KAREN TRAMONTANO

FROM: NEAL LANE Neal Lane

SUBJECT: Long-term Strategy for Science and Technology

A focus on American leadership in science and technology would be an excellent strategy for the next six months since it offers opportunities for bipartisan cooperation and achievement.

STRATEGY FOR SCIENCE AND TECHNOLOGY

The President has increased the S&T budget in each year of his presidency. The Research Fund for America -- an unprecedented proposal for support of S&T in the FY 1999 budget request -- fared extremely well in Congress. The President has helped to persuade the American people that continued American leadership in the world, a healthy economy, a strong defense posture, and a better quality of life for all Americans depend on our enduring commitment to research and to technology. We are following through on that commitment with strong support for research and development appropriations bills and for the specific agenda items and possible Presidential actions that follow.

Legislative Agenda

1. IT^2 Authorization Bill. The President's FY 2000 Budget requests funding for an initiative for Information Technology in the Twenty-First Century (IT^2). We are working with the House Science Committee and the Senate Commerce Committee to develop legislation that endorses this strategic initiative in three areas: a) long-term fundamental research in computing, information, and communications; b) increased investment in high-end computing to support particularly challenging research in science and engineering; and c) increased research to identify, understand, anticipate, and address the socioeconomic effects of information technology, including education and workforce issues.
2. Reauthorization of the Office of Educational Research and Improvement. We are working with the Department of Education (ED), DPC, and OMB to create a permanent authority for ED's research arm. The proposal offers a bold new vision for carrying out educational research that focuses on a small set of priorities, improves the rigor, quality, and utility of educational research, insulates the agency

from political influence, and bolsters its institutional capacity. Much of the proposed structure for the new research agency draws on the NIH and NSF models.

3. International Technology Transfer: We are working with both the House and Senate on legislation that directs a review to improve international technology transfer policies and practices at the Federal laboratories, particularly with respect to cooperative research and development agreements. The purpose is to ensure that defense and economic security issues are appropriately assessed in these international partnerships. H.R. 209 (Technology Transfer Commercialization Act) passed the House and a similar version is expected to pass the Senate in the near future. The National Science and Technology Council has an effort underway that would be responsive to the legislation.
4. Food Safety. At the request of the President, his Council on Food Safety prepared a response to a National Academy of Sciences report that called for a major restructuring of our federal food safety system. The Council's response to this report committed the federal food safety agencies to a strategic planning exercise including exploring various administrative and legislative options to improve the system's efficiency and effectiveness. Over the next few months, this planning process will create an environment suitable for additional White House leadership to proposed new food safety legislation or take administrative actions that address issues such as overlapping jurisdiction (e.g., eggs) or structural improvements (e.g., consolidation of the inspection force).

Possible Presidential Actions

Science and technology underpin all of the major policy areas identified for development of the strategic plan. The following actions (listed in estimated chronological order) often support multiple priorities (which are identified in parentheses).

1. Nobel Laureates Letter Supporting CTBT (S&T; Strong America). The American Physical Society is ready to provide this letter to the President for release **anytime** the Administration decides to make a major push on the treaty.
2. *National Bioethics Advisory Commission Report on the Ethical Use of Human Embryonic Stem Cells* (S&T; Ethics). NBAC will deliver its report to the President at the end of **August**. NIH plans to publish its draft guidelines for public comment in the Federal Register in **September**. The President could meet privately with the NBAC Chairman and the NIH Director in August, to receive the report and charge NIH to use the NBAC recommendations in drafting its guidelines. The President could use the public release of the draft NIH guidelines as an opportunity to call for support for biomedical research, prior to the appropriations markup of Labor/HHS.
3. *Federal Policy on Research Misconduct: Protecting the Integrity of the Research Record for Federally Funded Research* (S&T; Ethics). This policy will be published for comment in the Federal Register in **September**. The policy underscores the President's emphasis on sustaining public trust in the scientific enterprise, and it's release offers an opportunity for the President to make a

statement on that topic, as does an **October 14** workshop at the National Academy of Sciences.

4. State-Federal-Industry Partnership for K-12 Math and Science Teacher Recruitment (S&T; Education). In **September** we will be ready to announce the pilot program (10 school districts) that will provide core funding for establishing partnerships with local industries to ensure year-round, high-wage employment for math and science teachers.

5. *Creating the 21st Century U.S. Scientific, Technical, and Engineering Workforce* (S&T; Education; Economy). The President directed the NSTC to produce this report, which deals with the participation of women, minorities and the disabled in the science and technology workforce. The report should be ready for release in **September or October.** The President and Vice-President could meet with executives of high-tech companies that rely heavily on the science, technology, and engineering workforce to announce these companies' commitments to increase diversity in the workforce, while also releasing the report.

6. Presidential Summit with CEO's (S&T; Economy; Education). In **September**, the President should me with CEO's and University Presidents to discuss the impacts of current appropriations measures on the long-term prospects for the Nation's S&T enterprise.

7. *PCAST Report on Contributions of S&T to the New Economy* (S&T; Economy). In **September** the President's Committee of Advisors on Science and Technology will produce a report that documents the payoff from the Federal investment in science and technology that the President should transmit to Congress and many other audiences.

8. Interagency Education Research Initiative grants (S&T, Education). The first round of research grants under the IERI will be made in **September**. Inspired by PCAST, this ED-NSF-NICHD initiative will fund large-scale, rigorous research focused on improving key K-12 educational outcomes through technology. The President could use this opportunity to voice his support for educational research funding.

9. *Report from the IWG on Launch Range Review* (S&T; Economy). This report, which will be released in **October**, will make recommendations concerning the civil, commercial, and national security roles and responsibilities for operation, maintenance, improvement, and modernization at U.S. space launch bases and ranges, which the President could announce and implement.

10. Mentoring Awards (S&T; Education). The President established these awards for mentors of underrepresented groups in S&T in 1996 and could make presentations to the new awardees in **October** and make a statement about the importance of diversity to a strong, national S&T enterprise.

11. Dedication of the Relativistic Heavy Ion Collider (S&T ; Economy). On **October 4** the Relativistic Heavy Ion Collider, or RHIC will be dedicated at Brookhaven National Laboratory on Long Island. This new $600 Million particle physics facility will allow experiments designed to turn back the clock to a simulate conditions right after the big bang and test basic theories about what the universe is and how it got that way. The dedication ceremony would be an [illegible] the President to emphasize the need for stable, substantial investments [illegible]

12. Young Scientists Awards (S&T; Education). Each year approximately 60 scientists in their early careers receive Presidential awards for excellence, which the President could present in **November.** The President could use the opportunity to announce new commitments to recruiting a talented, diverse S&T workforce.

UP?

13. Institute for National Information Infrastructure Protection (S&T; Economy). The President's Committee of Advisers on Science and Technology have endorsed establishing a private, non-profit federally funded institute to address the vulnerability of increasingly interconnected U.S. information networks through research, engineering testing, "best practices" research, and vulnerability studies. We have overseen a study of the proposal whose preliminary findings are positive on establishing such an institute. There appears to be significant private sector support for it as well. This could be rolled out as early as **November**.

14. Executive Order on International Energy Cooperation (S&T; Environment; Energy; Economy). Following on the recommendations of the just-released PCAST report, *Powerful Partnerships*, the President could issue an Executive Order in **November** that would create a strategic management process to develop a vision and a plan for international energy research, development, demonstration, and deployment (RD3) activities. The EO could create an NSTC working group with representatives from each of the primary agencies associated with international energy RD3 needs. The working group would conduct a portfolio assessment of energy RD3 needs, building on the work of PCAST, and help coordinate the final FY2001 budget proposals for international energy RD3 areas. The EO would also establish an external Advisory Board to help closely link activities with the private sector and to systematically develop effective partnerships. In addition, the President could use the EO to direct related policy actions at the various federal agencies and the Multilateral Development Banks.

15. Regional Meetings on the Government-University Research Partnership (S&T; Education; Economy). On **November 4-5** at Purdue (IN), **December 1** at Stanford (CA), and in **January** at Georgia Tech OSTP will convene regional meetings to discuss the principles of the Government-University research partnership. The meetings would be opportunities for the President to call for renewed support for university-based research and greater integration of teaching and research.

16. Symposium on Enhancing Innovation (S&T; Economy). OSTP, DOC, DOD, DOT, the Council on Competitiveness and the Industrial Research Institute will sponsor this meeting **November 30/December 1.** The symposium will look at nonbudgetary items that will further enhance the U.S. innovation engine. The best opportunity for the President would be a speech on the afternoon of November 30.

17. Medal of Science/Medal of Technology (S&T; Economy). In **December**, the President should present the Medals of Science and Technology (the American equivalent of the Nobel Prize) to the most outstanding scientists and engineers in the country, using the opportunity to renew the Nation's commitment to stable, substantial investment in S&T.

18. Executive Order on International Technology Transfer at the Federal Laboratories (S&T; Economy). In **January**, the President could issue an E.O. (under development by the National Science and Technology Council) clearly defining procedures to ensure thorough assessment of national security and economic competitiveness concerns, primarily with respect to cooperative R&D agreements and licenses.
19. International Conference on Integrated Nano/Microtechnology for Space Applications (S&T; Economy). The President could role out the Nanotechnology Initiative for the FY 2001 budget on **January** 23-28.

Timing and Strategy

The President should undertake some public events supportive of science and technology investments this Fall to underscore his continued support for his R&D budget request and to indicate a strong commitment to substantial and stable funding for R&D. These events would lead up to a strong FY 2001 budget and SOTU statements.