Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	From: Marsha Scott, To: Bob Nash, Re: Mrs. Leahy (1 page)	05/25/1999	b(6)

COLLECTION:
Clinton Presidential Records
Automated Records Management System [Email]
WHO ([SLMA, Sallie Mae])
OA/Box Number: 500000

FOLDER TITLE:
[05/26/1999 - 12/06/1999]

2017-1074-F
jn350

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]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Laura K. Demeo (CN=Laura K. Demeo/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:26-MAY-1999 15:26:20.00

SUBJECT: Re: Issues

TO: Mae E. Haney (CN=Mae E. Haney/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: charles h. cole (CN=charles h. cole/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: phu d. huynh (CN=phu d. huynh/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: marsha scott (CN=marsha scott/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: kristina l. gordon (CN=kristina l. gordon/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: charles n. duncan (CN=charles n. duncan/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: dorian v. weaver (CN=dorian v. weaver/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

TEXT:
i dont know about IRS - vanessa should know. my understanding is that leahy should be nominated tomorrow - per sen. leahy's office, but vanessa/patrick might want to check that out. that info. came to me from mark also.

Mae E. Haney
05/26/99 02:57:52 PM
Record Type: Record

To: Bob J. Nash/WHO/EOP@EOP, Dorian V. Weaver/WHO/EOP@EOP, Marsha Scott/WHO/EOP@EOP, Charles N. Duncan/WHO/EOP@EOP
cc: Laura K. Demeo/WHO/EOP@EOP, Phu D. Huynh/WHO/EOP@EOP, Kristina L. Gordon/WHO/EOP@EOP, Charles H. Cole/WHO/EOP@EOP
Subject: Issues

Mark Childress indicated that we wanted to nominate the IRS folks tomorrow. Levitan, Wetzler, Nickles and Williams have cleared and he says we should probabl;y get Tobias tonight. Is this true and if so, should we get the paperwork ready and give the clerk a "heads up"?

Mark also indicated we wanted to appoint Marcelle Leahy, Sallie Mae, tomorrow . Is this true and should we gte the information ready?

Thanks

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
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COLLECTION:

Clinton Presidential Records
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WHO ([SLMA, Sallie Mae])
OA/Box Number: 500000

FOLDER TITLE:

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2017-1074-F
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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]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sara M. Latham (CN=Sara M. Latham/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:25-MAY-1999 11:39:25.00

SUBJECT: Marcelle Leahy

TO: Laura K. Demeo (CN=Laura K. Demeo/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
per your recommendation, she would like to be on the Sallie Mae Bd. - will
you begin the vetting process, thx

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Laura K. Demeo (CN=Laura K. Demeo/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:25-MAY-1999 11:42:10.00

SUBJECT: Marcelle Leahy

TO: Dorian V. Weaver (CN=Dorian V. Weaver/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Charles H. Cole (CN=Charles H. Cole/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Mae E. Haney (CN=Mae E. Haney/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
bob wants to put marcelle leahy on sallie mae. she has already been cleared for IJC. can we ask counsel to do whatever additional vet is needed for her to sallie mae? thx, we need to start this ASAP.
---------------------- Forwarded by Laura K. Demeo/WHO/EOP on 05/25/99 11:40 AM ---------------------------

Sara M. Latham 05/25/99 11:39:20 AM

Record Type: Record

To: Laura K. Demeo/WHO/EOP@EOP
cc:
Subject: Marcelle Leahy

per your recommendation, she would like to be on the Sallie Mae Bd. - will you begin the vetting process, thx

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mae E. Haney (CN=Mae E. Haney/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:25-MAY-1999 11:58:57.00

SUBJECT: Re: Marcelle Leahy

TO: Laura K. Demeo (CN=Laura K. Demeo/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Deborah Ho (CN=Deborah Ho/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Skye S. Philbrick (CN=Skye S. Philbrick/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Dorian V. Weaver (CN=Dorian V. Weaver/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Michael E. O'Connor (CN=Michael E. O'Connor/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Charles H. Cole (CN=Charles H. Cole/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Marsha Scott (CN=Marsha Scott/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Bob J. Nash (CN=Bob J. Nash/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Amy Comstock (CN=Amy Comstock/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
Laura,
I spoke with Amy and Mike. Debbie is going to pull Marcell Leahy's file (originally cleared 2/26/99) and Mike will look at the old vet and then pass it to Amy to look at the finanicial review. I indicated to Mike and Amy that Podesta wanted this done as quickly as possible! Thanks

Laura K. Demeo 05/25/99 11:42:05 AM

Record Type: Record

To: Dorian V. Weaver/WHO/EOP@EOP
cc: Mae E. Haney/WHO/EOP@EOP, Charles H. Cole/WHO/EOP@EOP
Subject: Marcelle Leahy

bob wants to put marcelle leahy on sallie mae. she has already been cleared for IJC. can we ask counsel to do whatever additional vet is needed for her to sallie mae? thx, we need to start this ASAP.
---------------------- Forwarded by Laura K. Demeo/WHO/EOP on 05/25/99 11:40 AM ---------------------------

Sara M. Latham 05/25/99 11:39:20 AM

Record Type: Record

To: Laura K. Demeo/WHO/EOP@EOP
cc:
Subject: Marcelle Leahy

per your recommendation, she would like to be on the Sallie Mae Bd. - will you begin the vetting process, thx

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Laura K. Demeo (CN=Laura K. Demeo/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:26-MAY-1999 17:36:07.00

SUBJECT: Re: Issues

TO: Mae E. Haney (CN=Mae E. Haney/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: charles h. cole (CN=charles h. cole/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: phu d. huynh (CN=phu d. huynh/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: marsha scott (CN=marsha scott/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: kristina l. gordon (CN=kristina l. gordon/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: charles n. duncan (CN=charles n. duncan/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: dorian v. weaver (CN=dorian v. weaver/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

TEXT:
bob wants to go with all these nominations tomorrow - thx

Mae E. Haney
05/26/99 02:57:52 PM
Record Type: Record

To: Bob J. Nash/WHO/EOP@EOP, Dorian V. Weaver/WHO/EOP@EOP, Marsha Scott/WHO/EOP@EOP, Charles N. Duncan/WHO/EOP@EOP
cc: Laura K. Demeo/WHO/EOP@EOP, Phu D. Huynh/WHO/EOP@EOP, Kristina L. Gordon/WHO/EOP@EOP, Charles H. Cole/WHO/EOP@EOP
Subject: Issues

Mark Childress indicated that we wanted to nominate the IRS folks tomorrow. Levitan, Wetzler, Nickles and Williams have cleared and he says we should probabl;y get Tobias tonight. Is this true and if so, should we get the paperwork ready and give the clerk a "heads up"?

Mark also indicated we wanted to appoint Marcelle Leahy, Sallie Mae, tomorrow . Is this true and should we gte the information ready?

Thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Laura K. Demeo (CN=Laura K. Demeo/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:26-MAY-1999 17:35:58.00

SUBJECT:

TO: Charles H. Cole (CN=Charles H. Cole/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
charlie - please call her ASAP.
---------------------- Forwarded by Laura K. Demeo/WHO/EOP on 05/26/99
05:27 PM ---------------------------

Mae E. Haney
05/26/99 11:14:38 AM
Record Type: Record

To: Charles W. Burson/OVP@OVP
cc: Bob J. Nash/WHO/EOP@EOP, Laura K. Demeo/WHO/EOP@EOP
Subject:

Bob Nash wanted me to give you a status report on the clearance for Lois DeBerry, Member of the Board of Directors for Sallie Mae. Mr. DeBerry was sent paperwork on 4/26/99 and has not returned the paperwork to the counsel's office. His clearance can not begin until he submits his paperwork. Please let me know if you have any questions. Thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mae E. Haney (CN=Mae E. Haney/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:26-MAY-1999 09:55:29.00

SUBJECT: final clearance--Marcelle Leahy

TO: Kristina L. Gordon (CN=Kristina L. Gordon/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Skye S. Philbrick (CN=Skye S. Philbrick/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Charles H. Cole (CN=Charles H. Cole/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Patrick W. Henning (CN=Patrick W. Henning/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Bob J. Nash (CN=Bob J. Nash/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Laura K. Demeo (CN=Laura K. Demeo/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Marsha Scott (CN=Marsha Scott/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
Marcelle Leahy, Member of the Board Directors of Sallie Mae, has received final counsel clearance and such appointment may proceed.
---------------------- Forwarded by Mae E. Haney/WHO/EOP on 05/26/99 09:50 AM ---------------------------

Deborah Ho
05/25/99 06:16:03 PM
Record Type: Record

To: See the distribution list at the bottom of this message
cc:
Subject: Marcelle Leahy

Message Sent
To:____
Mark Childress/WHO/EOP@EOP

Amy Comstock/WHO/EOP@EOP
Kristina L. Gordon/WHO/EOP@EOP
Mae E. Haney/WHO/EOP@EOP
Phu D. Huynh/WHO/EOP@EOP
Michael E. O'Connor/WHO/EOP@EOP
Dorian V. Weaver/WHO/EOP@EOP
William K. Winkler/WHO/EOP@EOP

=================== ATTACHMENT 1 ===================
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D61]ARMS29623165B.136 to ASCII,
The following is a HEX DUMP:

================== END ATTACHMENT 1 ==================

MEMORANDUM

TO: BOB J. NASH
ASSISTANT TO THE PRESIDENT
DIRECTOR, OFFICE OF PRESIDENTIAL PERSONNEL

FROM: MARK CHILDRESS
SENIOR COUNSEL FOR NOMINATIONS

MICHAEL O'CONNOR
ASSOCIATE COUNSEL TO THE PRESIDENT

AMY COMSTOCK
ASSOCIATE COUNSEL TO THE PRESIDENT

RE: MARCELLE LEAHY

DATE: May 25, 1999

You are hereby notified that the Office of Counsel to the President has completed its clearance review of the proposed appointment of Marcelle Leahy to be Member of the Board of Directors of Sallie Mae, and such appointment may proceed.

cc: Dorian V. Weaver, OPP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dorian V. Weaver (CN=Dorian V. Weaver/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:26-MAY-1999 20:48:23.00

SUBJECT: Re: Issues

TO: Phu D. Huynh (CN=Phu D. Huynh/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Mae E. Haney (CN=Mae E. Haney/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: kristina l. gordon (CN=kristina l. gordon/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: laura k. demeo (CN=laura k. demeo/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: marsha scott (CN=marsha scott/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: charles h. cole (CN=charles h. cole/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: phu d. huynh (CN=phu d. huynh/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: charles n. duncan (CN=charles n. duncan/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

CC: bob j. nash (CN=bob j. nash/OU=who/O=eop@eop [WHO])
READ:UNKNOWN

TEXT:
Bob,

We should NOT appoint Mrs. Leahy tomorrow. We must talk about the rest of the slate.

Mae, has Mark or anyone else promised that Mrs. Leahy should be appointed tomorrow? If so, notification of appointment was inappropriate.

In addition, no one on IRS should be nominated or announced until we reach a final decision on press.

In short, noneof these nominations/appointments are ready yet.

Vanessa

Mae E. Haney
05/26/99 02:57:52 PM
Record Type: Record

To: Bob J. Nash/WHO/EOP@EOP, Dorian V. Weaver/WHO/EOP@EOP, Marsha Scott/WHO/EOP@EOP, Charles N. Duncan/WHO/EOP@EOP
cc: Laura K. Demeo/WHO/EOP@EOP, Phu D. Huynh/WHO/EOP@EOP, Kristina L. Gordon/WHO/EOP@EOP, Charles H. Cole/WHO/EOP@EOP
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Mark also indicated we wanted to appoint Marcelle Leahy, Sallie Mae, tomorrow . Is this true and should we gte the information ready?

Thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Skye S. Philbrick (CN=Skye S. Philbrick/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:27-MAY-1999 08:31:16.00

SUBJECT: Sallie Mae

TO: Mae E. Haney (CN=Mae E. Haney/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
Do you know if we're doing a press release on this today? I believe it is
Leahy's wife who was named to this board. Thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Walker F. Bass (CN=Walker F. Bass/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:27-MAY-1999 10:07:56.00

SUBJECT: Sallie Mae

TO: Mae E. Haney (CN=Mae E. Haney/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TEXT:
---------------------- Forwarded by Walker F. Bass/WHO/EOP on 05/27/99
10:07 AM ---------------------------

Peggy A Clark <Peggy.A.Clark@slma.com>
05/27/99 09:40:38 AM
Record Type: Record

To: Walker F. Bass/WHO/EOP
cc:
Subject: Sallie Mae

Walker - SO sorry to bother you. But, I talked to Sky this am, she said that she would talk to Mae, who is handling the announcement. Would you please pass this e-mail off to Mae for me?

Mae,
Sky told me that you were working on the announcement for Marcelle Leahy to be a board member for Sallie Mae. This is a BIG deal, here, as you would imagine. So, we want to call her and do our own press release. I have told the powers that be that we cannot put out a release until you guys do - however, we could start preparing one to release - but we need to talk to her. Please let me know when you expect to do the press release so that we can get our ducks in a row here.

My number is 202-969-8022. Thanks alot and hope you are doing well!

Peg

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mae E. Haney (CN=Mae E. Haney/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:27-MAY-1999 18:17:52.00

SUBJECT: Sallie Mae

TO: Kristina L. Gordon (CN=Kristina L. Gordon/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
This is the women that needs to be notified when the press is done on
Marcelle Leahy. Thanks
---------------------- Forwarded by Mae E. Haney/WHO/EOP on 05/27/99 06:16
PM ---------------------------

Walker F. Bass 05/27/99 10:07:51 AM

Record Type: Record

To: Mae E. Haney/WHO/EOP
cc:
Subject: Sallie Mae

---------------------- Forwarded by Walker F. Bass/WHO/EOP on 05/27/99
10:07 AM ---------------------------

Peggy A Clark <Peggy.A.Clark@slma.com>
05/27/99 09:40:38 AM
Record Type: Record

To: Walker F. Bass/WHO/EOP
cc:
Subject: Sallie Mae

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that she would talk to Mae, who is handling the announcement. Would you
please pass this e-mail off to Mae for me?

Mae,
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be a board member for Sallie Mae. This is a BIG deal, here, as you would
imagine. So, we want to call her and do our own press release. I have
told the powers that be that we cannot put out a release until you guys do
- however, we could start preparing one to release - but we need to talk to
her. Please let me know when you expect to do the press release so that we

can get our ducks in a row here.

My number is 202-969-8022. Thanks alot and hope you are doing well!

Peg

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Peggy A Clark <Peggy.A.Clark@slma.com> (Peggy A Clark <Peggy.A.Clark@slma.com> [UNKNOWN])

CREATION DATE/TIME:27-MAY-1999 09:42:36.00

SUBJECT: Sallie Mae

TO: Walker F. Bass (CN=Walker F. Bass/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TEXT:
Walker - SO sorry to bother you. But, I talked to Sky this am, she said that she would talk to Mae, who is handling the announcement. Would you please pass this e-mail off to Mae for me?

Mae,
Sky told me that you were working on the announcement for Marcelle Leahy to be a board member for Sallie Mae. This is a BIG deal, here, as you would imagine. So, we want to call her and do our own press release. I have told the powers that be that we cannot put out a release until you guys do - however, we could start preparing one to release - but we need to talk to her. Please let me know when you expect to do the press release so that we can get our ducks in a row here.

My number is 202-969-8022. Thanks alot and hope you are doing well!

Peg

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dorian V. Weaver (CN=Dorian V. Weaver/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:27-MAY-1999 14:42:55.00

SUBJECT: Sallie Mae

TO: Phu D. Huynh (CN=Phu D. Huynh/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
Phu,

I spoke with Senator Leahy's office. We plan to appoint Mrs. Leahy tomorrow. Do you know which vice? Has Marsha's office given you any info/press release?

V

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Phu D. Huynh (CN=Phu D. Huynh/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:28-MAY-1999 12:31:01.00

SUBJECT: Description of Sallie Mae

TO: Kristina L. Gordon (CN=Kristina L. Gordon/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
The Student Loan Marketing Corporation (Sallie Mae) was created by an act of Congress in 1972 to provide funding and liquidity for federally guaranteed education loans, and in 1996, Congress enacted and President Clinton signed legislation authorizing its restructuring as a fully private, state-chartered corporation. Sallie Mae is the nation's largest source of funding and servicing support for education loans for students and their parents.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jacquie_M._Lawing@hud.gov@INET@LNGTWY (Jacquie_M._Lawing@hud.gov@INET@LNGTWY [UNKNOWN])

CREATION DATE/TIME: 1-JUL-1999 19:57:30.00

SUBJECT: Re: Sallie Mae Deliverable for East St. Louis

TO: Jackson T. Dunn@eop (Jackson T. Dunn@eop [WHO])
READ:UNKNOWN

TEXT:
Please also remember when doing paper we have the $3 million EZ signing.
(same as Ag in Pine ridge). Thanks!

Lisa_Green@opd.eop.gov on 07/01/99 07:36:49 PM

To: Douglas S. Kantor/OGC/HHQ/HUD
cc: dunn_j@a1.eop.gov, Jonathan_A._Kaplan@opd.eop.gov, Anne_E._McGuire@who.eop.gov, Jacquie M. Lawing/SECY/HHQ/HUD, Patricia Enright/SECY/HUD/GOV, Ginny Terzano/PA/HHQ/HUD
Subject: Re: Sallie Mae Deliverable for East St. Louis

This is great news. Please make sure that we (Jay Dunn and me) have information no later than the first thing tomorrow morning because we are finalizing our press paper tomorrow.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: "Douglas S. Kantor" <Douglas_S._Kantor@hud.gov> ("Douglas S. Kantor" <Douglas_S._Kantor@hud.gov> [UNKNOWN])

CREATION DATE/TIME: 1-JUL-1999 19:22:51.00

SUBJECT: Sallie Mae Deliverable for East St. Louis

TO: Anne E. McGuire (CN=Anne E. McGuire/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TO: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP [OPD])
READ:UNKNOWN

TO: Lisa Green (CN=Lisa Green/OU=OPD/O=EOP [OPD])
READ:UNKNOWN

TO: dunn_j@a1.eop.gov (dunn_j@a1.eop.gov [UNKNOWN]) (WHO)
READ:UNKNOWN

CC: Patricia Enright <Patricia_Enright@hud.gov> (Patricia Enright <Patricia_Enright@hud.gov> [UNKNOWN])
READ:UNKNOWN

CC: Ginny Terzano <Ginny_Terzano@hud.gov> (Ginny Terzano <Ginny_Terzano@hud.gov> [UNKNOWN])
READ:UNKNOWN

CC: "Jacquie M. Lawing" <Jacquie_M._Lawing@hud.gov> ("Jacquie M. Lawing" <Jacquie_M._Lawing@hud.gov> [UNKNOWN])
READ:UNKNOWN

TEXT:
Sallie Mae came through with a deliverable for East St. Louis and we are very excited about it. They will establish a college information center at a local library in East St. Louis. The center will have a full-time staff person to counsel prospective college students on their options and voluminous resources. It is modeled on the DC College Information Center and the Boston Higher Education Center. The initial cost to start the center will come from a $50,000 grant from the Sallie Mae Trust (their charitable foundation).

They would like Paul Carey, Executive Vice President and Larry O'Toole, Vice President of Sallie Mae and President of Nellie Mae to be invited to the event.

They are faxing me more information and I will make sure that Ginny has it.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lisa Green (CN=Lisa Green/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 1-JUL-1999 19:36:02.00

SUBJECT: Re: Sallie Mae Deliverable for East St. Louis

TO: "Douglas S. Kantor" <Douglas_S._Kantor@hud.gov> ("Douglas S. Kantor" <Douglas_S._Kantor@hud.gov> [UNKNOWN])
READ:UNKNOWN

CC: ginny terzano <ginny_terzano@hud.gov> (ginny terzano <ginny_terzano@hud.gov> [UNKNOWN])
READ:UNKNOWN

CC: "jacquie m. lawing" <jacquie_m._lawing@hud.gov> ("jacquie m. lawing" <jacquie_m._lawing@hud.gov> [UNKNOWN])
READ:UNKNOWN

CC: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

CC: patricia enright <patricia_enright@hud.gov> (patricia enright <patricia_enright@hud.gov> [UNKNOWN])
READ:UNKNOWN

CC: Anne E. McGuire (CN=Anne E. McGuire/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: dunn_j@a1.eop.gov (dunn_j@a1.eop.gov [UNKNOWN]) (WHO)
READ:UNKNOWN

TEXT:
This is great news. Please make sure that we (Jay Dunn and me) have information no later than the first thing tomorrow morning because we are finalizing our press paper tomorrow.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lisa Green (CN=Lisa Green/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 3-JUL-1999 15:19:42.00

SUBJECT: Sallie Mae Deliverable for East St. Louis

TO: Jackson T. Dunn (CN=Jackson T. Dunn/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Anne E. McGuire (CN=Anne E. McGuire/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

CC: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TEXT:
I'm not sure that this deliverable will actually make it into our paper or into the President's remarks. How do we want to deal with this?

I know Sallie Mae is no longer a public entity, but because of the quasi public nature I am sending this to both of you to ponder.
---------------------- Forwarded by Lisa Green/OPD/EOP on 07/03/99 03:15 PM ---------------------------

"Douglas S. Kantor" <Douglas_S._Kantor@hud.gov>
07/01/99 07:18:53 PM
Record Type: Record

To: dunn_j@a1.eop.gov, Lisa Green/OPD/EOP, Jonathan A. Kaplan/OPD/EOP, Anne E. McGuire/WHO/EOP
cc: "Jacquie M. Lawing" <Jacquie_M._Lawing@hud.gov>, Patricia Enright <Patricia_Enright@hud.gov>, Ginny Terzano <Ginny_Terzano@hud.gov>
Subject: Sallie Mae Deliverable for East St. Louis

Sallie Mae came through with a deliverable for East St. Louis and we are very excited about it. They will establish a college information center at a local library in East St. Louis. The center will have a full-time staff person to counsel prospective college students on their options and voluminous resources. It is modeled on the DC College Information Center and the Boston Higher Education Center. The initial cost to start the center will come from a $50,000 grant from the Sallie Mae Trust (their charitable foundation).

They would like Paul Carey, Executive Vice President and Larry O'Toole, Vice President of Sallie Mae and President of Nellie Mae to be invited to the event.

They are faxing me more information and I will make sure that Ginny has it.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Walker F. Bass (CN=Walker F. Bass/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-JUL-1999 15:50:47.00

SUBJECT: from Peg Clark

TO: Heather M. Marabeti (CN=Heather M. Marabeti/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
Also, would you please pass this portion of my message along to Heather -
(or if you know anything, fill me in, too.)

Sallie Mae has been working with Jon Schnur on a number of projects regarding lifelong learning. We have recommended Paul Carey to serve on the Presidential Advisory Committee on Lifelong Learning. Jon said that he ison the key OVP list which has now been referred to you guys. Paul is the number two person at Sallie Mae and the person who started our lifelong learning initiatives. Sallie Mae is the largest funding entity developing programs in this area. (Paul is a lifelong Dem at Sallie.) Anyway, as I said, I understand that his name was sent over as a key OVP person to serve on the Committee. If this is not quite right, or if you need further info, please, please let me know....as they are looking to me to bird dog this with Tom Downey. We can marshal major support, if necessary, but if he's already on the list as OVP, then I won't tell him to gear any more support to bug you with,..having been there many times myself.
Please let me know. You can call or e-mail me.. my direct line is 202-969-8022. Best to you and THANKS!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Skye S. Philbrick (CN=Skye S. Philbrick/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:12-OCT-1999 16:59:27.00

SUBJECT: Mari Carmen Aponte

TO: Charles H. Cole (CN=Charles H. Cole/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
Marie Therese asked if you could call Mari Carmen and give her an update on Sallie Mae even if there is no update. Her number is 202-363-2050.
Thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Tom Butts <tombutts@umich.edu> (Tom Butts <tombutts@umich.edu> [UNKNOWN])

CREATION DATE/TIME:14-OCT-1999 19:25:34.00

SUBJECT:

TO: Broderick Johnson (CN=Broderick Johnson/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TEXT:
p.s. Mr. Clay went south today on the Sallie Mae indexing. Don't
think students got anything for it. Not good!!!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jeffrey Denny <jeffrey_denny@fanniemae.com> (Jeffrey Denny <jeffrey_denny@fanniemae.com> [UNKNOWN])

CREATION DATE/TIME:18-OCT-1999 15:54:54.00

SUBJECT: hallooo

TO: Laura E. Schiller (CN=Laura E. Schiller/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TEXT:
Sup for the weekend? Sat p.m. looks OK for me. Ugood? Below, a Frank speech you might like.

Remarks Prepared for Delivery by
Franklin D. Raines
Chairman and CEO, Fannie Mae
Greater Washington Board of Trade
Morning Star Breakfast
Washington, DC, October 14, 1999

Thank you, Jim for that introduction and for the invitation to be your Morning Star speaker, and thanks to Cellular One for sponsoring the series this year. There are few words in the English language more daunting than the term ?breakfast speech.? But I?ll do my best.

Let me also thank John Tydings and the Board of Trade for your leadership for a greater Washington. These are optimistic times for the DC area. I would hesitate to use the term ?bull market? because it sounds like the beginning of a political joke. But in fact we should all be bullish on Washington. I?ve lived here for most of the past 22 years, served in the public and private sector here and raised my family here. And I can tell you ? never has the future of Washington looked brighter for everybody.

The Board of Trade has a lot to do with that. To give you an example I?m familiar with, the Board has teamed up with Fannie Mae to bring our Employer-Assisted Housing Program to more companies and families in the area. Basically, we can help your companies help your employees become homeowners. This is fantastic for them and it?s a plus for your recruiting and retention. But it?s also great for the region. We know a community of homeowners is better off and the citizenry is more active, engaged and determined to be proud of the place where they live.

Expanding homeownership is what Fannie Mae does. We are the country?s largest affordable housing company. Some people still think we?re a government agency or even that candy company from Chicago. But we?re a private Fortune 500 corporation on the New York Stock Exchange, and our job is to guarantee that mortgage lenders from Anacostia to Alaska have a ready source of low-cost financing to lend to average working families to buy a home. To do that, we own or guarantee $1.2 trillion in mortgages. So the largest non-bank financial services company in America is based right here in DC on Wisconsin Avenue.

But I?m not here to talk about Fannie Mae. Instead, I would rather talk about the future of our hometown of Washington, DC, a city in a region that is undergoing an historic transformation. I have tried to be part of that transformation not only in my six years at Fannie Mae, but also as the federal budget director, as a member of the new mayor?s transition team, through service on non-profit boards, as a member of the board of America Online ? and even as a baseball fan who wants to bring a Major League ball team to the city.

To capture the change in our region and what it means for the business community, it may be interesting to note that Fannie Mae?s evolution somewhat mirrors the evolution of this city. And a key lesson from my company?s experience can also apply to building an even greater Washington.

That is, in 1938, Fannie Mae began as a government-owned corporation, providing public sector solutions to a public need for affordable housing. In 1968, we became a private company when the federal government sold its last stock holdings. As a private company, we carry out a public mission that tries to improve the quality of life in America.

Greater Washington itself is undergoing a similar transformation. From its humble beginnings as a village on the Potomac, Washington became a government town, dominated in almost every aspect by the public sector. But today, as we celebrate the city?s 200th anniversary, Washington has begun what you could call the process of being ?privatized.? That is, we have entered a whole new era for the city ? the post-government era ? a period in which the private sector is ascending in dominance as the federal role in the local economy recedes.

Government will continue to have a heavy influence of course. But the private sector will have a greater influence than ever. And if it chooses to make a wise investment, the business community can have a greater impact on the quality of life in the area by applying private sector solutions to public needs.

How did we get here? What does this new era mean for the city, the region, the citizens, the economy and the business community? As civic leaders, business leaders and good corporate citizens, what new roles ? what new responsibilities ? can we take on? How can we build an even greater Washington in the post-government era?

Let me try to answer these questions, first by looking back.

We all know the thumbnail history of Washington, how it was one of the few cities in the world that was created to serve as a seat of a national government. Before 1800, it was called ?the capital of Miserable Huts.? Cows grazed on what is now the Mall, hogs rooted through the trash and homes were infested with snakes. One observer called Washington ?a city so many are willing to come to and all so anxious to leave.? At the time, less than 10 percent of the available lots were sold. And the only commercial establishment in the city was a brewery.

It was actually a great time for private enterprise. One aspect of that may be best summed up by the story about a Georgetown merchant named Samuel Davidson. Apparently, Davidson was a close friend of Pierre L?Enfant when the French architect designed the layout of the city. According to legend, Davidson would invite L?Enfant to a nearby tavern, get him good and drunk, and then pick his brain for where he was going to put the federal buildings. Kind of like, ?Pierre, old buddy ? have another ale on me. So, tell me again ? where are you putting the Treasury Department??

Then Davidson would sneak off and buy up certain choice parcels, which he later sold to the government for a discount. But he would also keep certain edge properties, which he sold at a huge profit to private merchants. That?s how Davidson amassed enough wealth to build his mansion in Georgetown, which is called ?Evermay,? and it?s still there near Dumbarton Oaks, fully restored. It?s quite beautiful.

But the business community also came through for Washington. Apparently after the British burned the city in 1814 to try to demoralize the country, Congress came just a couple of votes short of moving the capital to another city. But the District?s bankers pulled together and offered to finance the reconstruction, and so the capital stayed here. The Civil War brought a huge growth in government and commerce, and the population nearly doubled between 1860 and 1870. And in 1889 the Washington Board of Trade was founded to help manage the city's growth.

In the 20th century the federal impact on the region took off as World War I and II and the New Deal brought a wave of people to support the war effort and staff new government agencies and programs. President Kennedy?s call to public service brought even more ambitious programs and people to Washington, and that continued with the Great Society expansion of centralized government.

The first twinge of a counter-movement could be seen when President Johnson?s budget office was looking for a few last-minute savings to deliver a balanced budget in 1969, and it proposed privatizing Fannie Mae. This turned out to be one of its wisest policy decisions Congress ever made. At the time, Fannie Mae had $185 million of government capital to guarantee a constant nationwide flow of mortgage finance. Today we have almost $18 billion of private equity capital, and it?s fueling national homeownership rates at record highs and mortgage interest rates at the lowest levels in the entire market.

This bright idea ? shifting public functions to the private sector ? would foreshadow a paradigm shift that would occur years later on a larger scale. But the writing was already on the wall. In the seventies and eighties, the growth of government ? coupled with disillusionment over Watergate and Vietnam ? began to raise questions about the size, impact, efficiency, effectiveness and certainly the cost of the federal government. Even defenders of activist government were wondering whether many public needs could be better, more efficiently met with the discipline and accountability of private sector management and private capital.

By the nineties, the pendulum of government growth began to swing in earnest. The end of the Cold War permitted a downsizing of military spending. There has been a move to shift more authority and functions to the states. The Clinton Administration made a point of trying to instill market discipline and private enterprise practices in the operations of the federal government to improve its performance, and many functions have been outsourced and privatized. Federal employment and contracts began to shrink. Today the government has the lowest employment since the Kennedy Administration. And the balanced federal budget has helped to impose a new discipline on the growth of federal spending in general, reducing the role of the federal government in the national economy.

We all know the result ? the federal government?s impact on the region is diminishing. But early predictions that the regional economy would suffer as a result have not come true. Quite the opposite, in fact, because at the same time the private sector?s size and impact have grown, and in phenomenal ways. We?ve reached a new phase in Washington?s history ? the post-government era, where the region?s economy is fast being dominated not by the public sector, but by private enterprise.

Just this week, there was a front-page story in the New York Times that captured this transformation with the headline ?Information Superhighway Is Just Outside the Beltway.? You know something?s happening when a story about this region is front-page news in the Times. It called the city, ?Washington.com? and said we?re ?the home to far more entrepreneurs and other business people than federal workers and assorted private companies and institutions connected to the government.?

Many of you know the statistics. Half the Internet?s backbone is supplied by companies here. We now have more than 9,000 technology-related companies here ? more than the Route 128 corridor outside Boston or the Research Triangle in North Carolina. We have some of the biggest names: AOL, MCI Worldcom, Nextel, Network Solutions. This industry brings us more than 300,000 information technology jobs ? 11 percent of the country?s ? and almost as many as the number of federal jobs. And venture capital in the region has more than doubled in the past two years. Investors are bullish on the Washington area. Not mentioned by the New York Times is the presence in the region of some of the largest financial institutions in the nation that are also leveraging information technology ? Fannie Mae, Freddie Mac and Sallie Mae.

Certainly this private sector growth has a lot to do with the federal presence. The government and particularly the Defense Department has had a huge appetite for advanced technology, computer systems, telecommunications and satellites. Proximity to the Federal Communications Commission brought new telecommunications companies here in the wake of deregulation. The National Institutes of Health, the Food and Drug Administration and other federal research agencies spawned a cluster of biomedical and science-related commercial enterprises.

But it appears that the private sector is weaning itself from government and is growing independently, with less reliance on federal contracts or contacts. The CEO of one new computer startup bragged that he had no government contracts whatsoever. Of course the government will still remain an important customer, although on different terms as a result of outsourcing and procurement reforms. These changes ? part of the government?s effort to adopt more efficient business management practices ? mean the government is acting more like a normal commercial buyer, even for government-unique purchases.

And like a virtuous circle, the government is going to benefit a lot from the advances of these new businesses in the region, including not only applications of the Internet to government operations, but also the Revolution in Military Affairs ? the digitized battlefield ? and new database mining capabilities that will improve the integrity of government benefit programs.

This new post-government economy is having its most visible impact along the Dulles Corridor and Tyson?s Corner, especially if you?re stuck on the Beltway or I-66 during rush hour. But it?s also fueling the renaissance of the city of Washington. The most obvious sign is the new construction, rehab and renewal, both residential and commercial, as home prices rise and the retail and office markets boom. The out-migration of DC has slowed, and families are moving closer to the city and even back into it. The signs of progress are everywhere. I?m not wild about those trenches they?re cutting into the streets to lay down new fiber optic cable, but that too is a sign of progress. Another sign we haven?t seen in a while was the DC Council debating the size of a tax cut rather than service cuts.

On the whole, the region has declining poverty levels, less crime and falling unemployment. In fact, employment in the area increased by more than 12 percent in the nineties, adding over 276,000 jobs, according to the Urban Institute.

But as a Brookings report this summer warned, not everybody in the region is benefiting. Maybe you remember reading about it ? a map showed that while the western half of the region is thriving, the eastern half of the region is carrying the area?s burden of poverty and distress. But on a more hopeful note, it also said the Washington area has the resources and a growing philanthropic impulse to bridge this divide and close the income and opportunity gaps.

This is the future of Washington in the post-government era. The question is, what is the role of state and local government in this new economy? And what is the role of private business ? what is our civic obligation?

Certainly, Washington will be part of a national trend in which local leaders are meeting more public needs with local solutions. There's an old story about a new Congressman who returned to his home district for a town meeting. A citizen stood up and complained about the trash collection on her street. The Congressman listened carefully, but then said, ?With all due respect, ma'am, this is a local problem. Have you told your mayor about your complaint?? And the woman replied, ?No, I haven't. I didn't want to start that high up.?

Today, across the country, some of the best solutions are coming not from the federal government but from local leaders, local partners and local strategies backed by private investment. We?re seeing more localcoalitions and partnerships involving business, government, education
and the nonprofits emerging to address local social and economic problems. Communities are becoming the new national laboratories for ideas and innovation. We are seeing tailor-made solutions that really work, and more reaching out to private sector investors like Fannie Mae, especially when it comes to housing and community development.

Some of you know that Fannie Mae has pledged to invest $1 billion in DC over the next four years to boost affordable homeownership and rental housing here for 8,000 families. One of our strategies is to pick several neighborhoods where we can make a tangible difference and touch off even further renewal. One of the best examples is our partnership with Howard University to turn around LeDroit Park. But Fannie Mae is just one player. We could not do any of these housing investments without local leaders like my three guests this morning ? Eric Price, the new Deputy Mayor for Planning and Economic Development, Dr. Hassan Minor from Howard University, and Chris Smith of the William C. Smith and Company.

As the private sector grows in size and influence, the business community simply has a greater combined ability to improve the quality of life in the region ? and do it with private sector solutions. We can do this not only as good corporate citizens, but also as smart business leaders making a good long-term investment. Now I don't need to tell this audience that investing in the community is a good thing to do. You already know that, and you're already doing it. As far back as 1969, the Greater Washington Board of Trade itself was building housing for low-income families and establishing a major job training program for the disadvantaged.

There is still plenty to be done. But the message of this year ?s Washington Business Philanthropy Summit is that while corporate philanthropy is on the rise, and business leaders do want to get more involved, they need to know how. My friend Chris Smith was one of the heroes of the Philanthropy Summit, and the story of one of his business ventures is a good example of the kind of investments that this region needs from us in the post-government era.

It ?s called the Parklands. It ?s a community in Anacostia, just off the Suitland Parkway. You should have seen it a few years ago. Sixty acres of dilapidated, boarded-up apartments ravaged by neglect, crime, drugs and disrepair. A war zone. We were in danger of losing a generation of children over there.

But when Chris Smith saw Parklands, he didn ?t just see a problem. He saw a community that was waiting to come out. It ?s like an artist who looks at a canvas or a stone and sees the art inside trying to come out.

You should see Parklands now. Since 1991, Chris ?s company has invested over $53 million to create four residential apartment villages. They have a million-dollar Splash Park. They have private bus service to the Metro, they have a new shopping center with small business incubation services, they have a special partnership with the DC police, they have summer youth jobs programs, they have two day care centers and they have parenting skills training. Next year they ?ll have a new arts and recreation center. And just two weeks ago, we cut the ribbon on the Oxon Creek townhomes, which are 210 new town homes for families of mixed incomes to buy.

This was almost entirely a private enterprise. Company employees provided sweat equity along with staff, parents and students of the Garfield Elementary School. They brought in others to help with the repairs, including District Electrical Services, Huron Paint, Shue Painting, District Glass, Express Iron and Virginia Roofing. Bank of America financed the deal, and the DC Housing Finance Agency helped. Fannie Mae helped to close the deal by providing about $22 million in financing and a $350,000 seed grant from the Fannie Mae Foundation for the arts and community center.

None of this would have happened without Chris coming in, seeing a business opportunity to improve a neighborhood, and pulling together a wide range of people with a stake in seeing Washington succeed.

We can all learn something from Chris and the Parklands project. There are countless business opportunities to improve the quality of life in the DC area. And it ?s a new imperative today in the post-government era.

Fannie Mae has several strategies. In addition to our $1 billion investment in DC ? which is what we do ? we also offer technical assistance to nonprofits and others who want to make a difference and want to know how. Basically, we share intellectual capital. A few years ago we took a $350 million reduction in earnings to expand the Fannie Mae Foundation, which supports a wide range of community improvement activities, including the annual Help the Homeless Walkathon. We also encourage our employees to volunteer their time and talents, and we ?ve adopted Woodson High School to help the students there succeed.

These strategies I ?ve called before ?augmentative giving ? ? basically, instead of giving dollars and stepping away, or giving in-kind contributions, it ?s taking what you know ? your business skills ? and applying them in a manner that has an effect on the quality of life in our region. Anybody can do it. Anybody can find a way to apply your business to improving the region. Why, even if you were a sludge company, even if you ?ve got nothing else to offer, you can help in community cleanup activities and work with nonprofits doing that.

All of us can leverage our business expertise, our contacts and our resources directly in service of the community. Serving public needs is no longer the exclusive domain of the public sector. As the private sector grows in dominance in the region, we will have a greater role to play. We must take the lead not only in housing, but in education, transportation, health care, social development, environmental protection and other areas of public importance similarly to what the business community has done in other progressive regions of the country.

The possibilities are limited only by our imagination. How can we use the new technologies the region is developing to deal with these problems? What role can the Internet play in education? How can advanced communications help in law enforcement? How can esoteric financing techniques support public infrastructure? How can interactive technology leverage the cultural and historical resources of DC to build employment opportunities in the central city? These are just a few questions about how this new private sector can interact to have a greater impact on the region.

Washington is a region on the upswing. There is a lot to be bullish about. It ?s a very smart place to invest, whether your investment is commercial or philanthropic. The post-government era in Washington is upon us, and it ?s ours to shape. Together, we have the ability to write the future history of Washington in this new era.

Thank you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: "Oberg, Jon" <Jon_Oberg@ed.gov> ("Oberg, Jon" <Jon_Oberg@ed.gov> [UNKNOWN])

CREATION DATE/TIME:29-OCT-1999 16:46:30.00

SUBJECT: FW: Bloomberg -- Sallie Mae Could Get Windfall Under House Disabi lity Bill

TO: Hildy Kuryk (CN=Hildy Kuryk/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TEXT:
Here's the hot higher ed issue of the day in the form of a newspaper
article.
> Sallie Mae Could Get Windfall Under House-Passed Bill
>
> Washington, Oct. 29 (Bloomberg) --
> SLM Holding Corp., the dominant player in the student loan market, could
> reap a windfall under a provision quietly added to a bill now pending in
> Congress.
> The provision, which is opposed by the Clinton
> administration, would change the interest-rate index used to pay
> federal subsidies for student loans. Lenders' returns would be
> based on commercial paper rates, rather than Treasury bill rates,
> which have been lower and more volatile lately.
> The provision has a good chance of becoming law because it's
> been attached to a popular measure that would help the disabled
> find jobs. ``The odds are certainly better than shareholders had
> assumed this year," said Chuck Gabriel, senior political analyst
> with Prudential Securities Inc. ``This is a popular bill with
> bipartisan support."
> The House passed the disabilities bill 412-9, and the Senate
> passed it 99-0. President Bill Clinton is unlikely to veto such a
> popular measure, and if he does, there's a good chance the veto
> will be overturned.
> Dispute Over Costs
> Government officials estimate the benefit for SLM, the
> parent of Sallie Mae, could be about $700 million over the next
> 10 years, though company officials dispute that estimate. Other
> major student loan providers like Citigroup Inc. and Bank America
> Corp. would also benefit if the proposed change were to become
> law.
> ``What the industry is essentially doing is asking the
> government to write them a commercial paper to Treasury bill swap
> at cost because the private sector is asking more than they want
> to pay," Donald Feuerstein, a senior Education Department
> official, said.
> A Sallie Mae official said the provision is more likely to
> save the government money. Its most important impact, would be to
> make it easier for Sallie Mae and others to issue asset-backed
> securities pegged to indexes that investors prefer, such as the
> London interbank offered rate.
> ``It makes our earnings more consistent, not greater," said

> Paul Carey, executive vice president for marketing at SLM.
> The Congressional Budget Office said it would lower the
> government's cost by $20 million over five years, Carey said. The
> actual cost would depend on market conditions.
> SLM shares rose 1 1/4 to 48 1/16 today.
> Legislative Strategy
> The change in the Sallie Mae subsidy index was attached to
> the disabled bill before the House passed it last week. The
> Senate must accept the House provision before any change in the
> student loan index can become law.
> Key decision makers for the Senate will be Finance Committee
> Chairman Bill Roth, a Delaware Republican, and Senate Majority
> Leader Trent Lott of Mississippi.
> Sallie Mae has spent close to $750,000 on lobbying this
> year, and hired a bevy of outside lobbyists, including two
> former congressmen, to complement its four-person in-house team,
> according to reports filed with the Senate.
> The proposed new method of calculation would pay lenders a
> rate based on a quarterly average of three-month commercial paper
> rates. The federal subsidy is now calculated by taking the
> quarterly T-bill average rate, adding 280 basis points and then
> dividing by four. The proposed method would take the quarterly
> commercial paper rate, as reported by the Federal Reserve in
> publication H-15, add 234 basis points and divide by four.
> 10 Basis-Point Difference
> Under recent market conditions, Sallie Mae would get a yield
> 10 basis points higher than under current law, Carey said. The
> effect on Sallie Mae income would be small, he said. More
> importantly asset-backed sales would be easier.
> ``If they get this change they'll be better able to match
> assets and liabilities," said Jonathan Adams, an analyst at
> Prudential Securities Inc. That's because the cost of Sallie
> Mae's debt ``follows the cost of commercial paper more than it
> follows 90-day Treasury bills."
> Sallie Mae has approximately $35 billion in student loans on
> its books, and has about $15 billion in asset-backed securities
> outstanding. It expects to have acquired $10 billion in loans by
> year end, Carey said.
> Under current law, student borrowers' interest rates are 1.7
> percentage points above the Treasury bill index while they are in
> school, rising to 2.3 percentage points with a cap of 8.25
> percent, after students leave school.
> In general, lenders draw an interest rate about one-half
> percentage point higher than the rate students pay, with the
> federal government making up the difference.
> The total cost of federal subsidies for the loans, which
> come largely in the form of interest rate and default guarantee,
> is about $2 billion annually.
> The number of college students borrowing for college has
> more than doubled in the past decade, according to the U.S.
> Department of Education. During 1997, 5.4 million college
> students received a total of $34 billion in loans from the
> federal government and private lenders.
> --William Roberts in Washington (202)624-1897, with reporting by

> Vincent Del Giudice and Laura Litvan in Washington and Vladimir
> Cole in New York/mmw

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Charissa L. Smith (CN=Charissa L. Smith/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 1-NOV-1999 11:07:05.00

SUBJECT:

TO: rsslg@erols.com (rsslg@erols.com @ inet [UNKNOWN])
READ:UNKNOWN

CC: drwild@gte.net (drwild@gte.net @ inet [UNKNOWN])
READ:UNKNOWN

Records Management@EOP (Records Management@EOP [UNKNOWN])
READ:UNKNOWN

TEXT:
Good morning- you'll had asked if I had a contact at Fannie Mae- and I believed that I did- but it is Sallie Mae, not Fannie Mae- (Marcia Drinkard, Y2K Project Director).

Sorry- Charissa

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Stephen N. Boyd (CN=Stephen N. Boyd/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 4-NOV-1999 12:13:57.00

SUBJECT: St Pete Times inquiry on SallieMae tax brk

TO: David Vandivier (CN=David Vandivier/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TEXT:
David-

Vanita Gouda [202-463-0579] of the St Pete Times would like info on our position on a tax break for Sallie Mae that is apparently in current legislation. Do you have anything on this?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: David Vandivier (CN=David Vandivier/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME: 4-NOV-1999 12:19:47.00

SUBJECT: Re: St Pete Times inquiry on SallieMae tax brk

TO: Stephen N. Boyd (CN=Stephen N. Boyd/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
Steve - I will call you on this in a few minutes- I am on the line right now. Did the reporter say what bill this was in?

Stephen N. Boyd
11/04/99 12:13:51 PM
Record Type: Record

To: David Vandivier/OMB/EOP@EOP
cc:
Subject: St Pete Times inquiry on SallieMae tax brk

David-

Vanita Gouda [202-463-0579] of the St Pete Times would like info on our position on a tax break for Sallie Mae that is apparently in current legislation. Do you have anything on this?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Stephen N. Boyd (CN=Stephen N. Boyd/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 4-NOV-1999 12:49:00.00

SUBJECT: Re: St Pete Times inquiry on SallieMae tax brk

TO: David Vandivier (CN=David Vandivier/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TEXT:
I called and left her a message to try to get bill#. will let you know.
thx.

David Vandivier
11/04/99 12:19:46 PM
Record Type: Record

To: Stephen N. Boyd/WHO/EOP@EOP
cc:
bcc:
Subject: Re: St Pete Times inquiry on SallieMae tax brk

Steve - I will call you on this in a few minutes- I am on the line right now. Did the reporter say what bill this was in?

Stephen N. Boyd
11/04/99 12:13:51 PM
Record Type: Record

To: David Vandivier/OMB/EOP@EOP
cc:
Subject: St Pete Times inquiry on SallieMae tax brk

David-

Vanita Gouda [202-463-0579] of the St Pete Times would like info on our position on a tax break for Sallie Mae that is apparently in current legislation. Do you have anything on this?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Charles H. Cole (CN=Charles H. Cole/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 6-DEC-1999 15:25:41.00

SUBJECT: Rahm Emanuel

TO: Lauren A. Skryzowski (CN=Lauren A. Skryzowski/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
Re your call, Rahm is for Freddie Mac, not Sallie Mae.