

# Withdrawal/Redaction Sheet

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| DOCUMENT NO.<br>AND TYPE | SUBJECT/TITLE                                                                                              | DATE    | RESTRICTION |
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| 001. fax                 | From: John S. Satagaj, To: Julie Hopper, Re: Meeting with Mrs. Clinton [partial] (1 page)                  | 8/2/93  | b(6)        |
| 002. memo                | From: John Galles, To: Julie Hopper, Re: Meeting with Mrs. Clinton at 1 p.m. on 8/3/93 [partial] (2 pages) | 8/2/93  | b(6)        |
| 003. list                | Attendees at the White House Meeting on August 3, 1993 [partial] (1 page)                                  | 7/30/93 | b(6)        |

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[HRC Daily File] Tuesday August 3 [1993]

2014-0483-S

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- 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]

Tuesday, August 3<sup>rd</sup>

PHOTOCOPY  
PRESERVATION

# Withdrawal/Redaction Marker

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SMALL BUSINESS  
LEGISLATIVE  
COUNCIL

August 2, 1993

TO: Julie Hopper

Via Facsimile

FROM: John S. Satagaj, President

RE: Meeting with Mrs. Clinton

Per my discussion with Patti Solis, the following four individuals will be meeting with Mrs. Clinton on Tuesday, August 3 at 3:00 p.m.:

H. Ted Olson, SBLC Chairman of the Board (President, Specialty Advertising Association International), DOB: (b)(6) 001  
SSN: (b)(6) 001

Gary Petty, SBLC Treasurer (President, National Moving and Storage Association), DOB: (b)(6) 001 SSN: (b)(6) 001 Mr. Petty will be SBLC's witness at the hearing before the Committee on Small Business on Wednesday.

Peter McNeish, SBLC Secretary (President, National Association of Small Business Investment Companies), DOB: (b)(6) 001 SSN: (b)(6) 001

John S. Satagaj, SBLC President, DOB: (b)(6) 001 SSN: (b)(6) 001

Our Chairman, Mr. Olson, is flying in from Dallas for this meeting. If there is any way to arrange for a White House photographer, or for us to bring a photographer for just one picture, I believe it will be very helpful to Mr. Olson. Please advise us. Thank you.

JSS/S2817

# AMERICA'S CHILDREN AT RISK



## A National Agenda for Legal Action

A Report of the American Bar Association  
Presidential Working Group on the Unmet Legal Needs  
of Children and Their Families



# AMERICA'S CHILDREN AT RISK

## A National Agenda for Legal Action

The views expressed in this Report are solely those of the ABA Presidential Working Group on the Unmet Legal Needs of Children and Their Families. This Report has not been approved by the House of Delegates or the Board of Governors of the ABA. Viewpoints expressed herein are those of the Working Group and do not necessarily represent the official position or policies of the ABA, unless expressly stated.

Photographs that appear in this document were produced independently, and bear no relationship to subjects or cases discussed in the text.



## FOREWORD

The American Bar Association is committed to making the promise of the pledge "Justice for All" a reality for America's children and families.

Far too many of America's children and families are in real trouble. Poverty, violence, failures of our institutions and government—all have contributed to the crisis we face. As ministers of our system of justice, the nation's lawyers and the organized bar have a special duty to do something about it.

Last December, Judge A. Leon Higginbotham, Jr. accepted the ambitious challenge to develop the ABA's agenda for children and families, and to provide us with an action plan for the future.

This report is the culmination of that effort. It consolidates years of thoughtful work into one document, and provides us with a map to follow. I am especially grateful to the extraordinary efforts of Judge Higginbotham, Vice Chair Catherine J. Ross, the members of the Working Group, and the ABA staff who contributed to this Report.

With the support of lawyers and nonlawyers alike in implementing these recommendations, we can take significant steps toward improving the quality of life for America's children and their families.

J. Michael McWilliams  
President  
American Bar Association

July 1993

## **Members of the ABA Working Group on the Unmet Legal Needs of Children and Their Families\***

Hon. A. Leon Higginbotham, Jr.

**Chair**

Catherine J. Ross

**Vice Chair**

David M. Abromowitz

Jonathan D. Asher

Michael E. Barber

Hon. Rosemary Barkett

Doris M. Clanton

Kahlil Aryn Day

Sara-Ann Determan

Bernardine Dohrn

Hon. Bernice B. Donald

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Lisa A. Godfrey

Linda N. Goldstein

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Daniel L. Skoler

James M. Stillwaggon

Hon. Jean M. Toal

H. Rutherford Turnbull, III

Margaret Bush Wilson

Marshall J. Wolf

Diane C. Yu

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\*Appointed by ABA President J. Michael McWilliams.

## ACKNOWLEDGMENTS

This project would have been impossible without the unwavering support provided by ABA President J. Michael McWilliams, who appointed the Working Group, and R. William Ide III, who will succeed him as ABA President. We gratefully acknowledge the valuable contributions of ABA staff members, especially Gail Alexander, Howard Davidson, Robert Evans, Elizabeth Fish, Lillian Gaskin, Patricia Hanrahan, Mark Hardin, Margaret Haynes, Robin Kimbrough, Mabel McKinney-Browning, Paul Marcotte, Bruce Nicholson, Patricia Puritz, and Marianne Takas. The superb contributions of Lisa Klee Mihaly in drafting and editing were indispensable.

We are indebted to many individuals and organizations all over the country for contributing to our knowledge and understanding of the problems addressed in this Report by providing us with infor-

mation and reviewing preliminary drafts. Special thanks go to Professor Deborah Phillips who shared her expertise on child care with us and Professor Sanford Fox for his comments on the United Nations Convention on the Rights of the Child.

Kimberly Kelly and Marianne Hoffman of the University of Pennsylvania Law School provided valuable research assistance, as did attorneys and summer associates at Paul, Weiss, Rifkind, Wharton & Garrison, including Douglas Berman, Terri James, Christopher Jochimick, and Cecelyn Leon. Paul, Weiss provided critical staff support, more than 750 pro bono hours, and other resources without which this Report would never have been written, including the help of paralegal Patricia Rossi. We are especially grateful for the extraordinary secretarial and administrative dedication of Shifra Eva Stern.

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*Two men were fishing by a stream when an infant floated past. The first fisherman jumped in, rescued the child and handed him up to safety in the second fisherman's arms. No sooner had they settled the child down on the grass, when a second infant floated along. Again, the fishermen jumped in and rescued the baby. A third baby floated along, a fourth, and so on. The fishermen saved each in turn. Finally, a whole group of babies came floating downstream. The first fisherman grabbed as many as he could and looked up to see his friend walking away. "Hey," he shouted, "what's wrong with you? Aren't you going to help me save these babies?" To which the second fisherman replied, "You save these babies, I'm going upstream to see who's throwing all those babies into the river!"*

Folk Parable

## INTRODUCTION

**O**ur society is failing to protect its children and fails them even more once they are in crisis. Like the fishermen in the above parable, Americans of all political persuasions have recently agreed on one point: America's children are increasingly at risk.<sup>1</sup> But, like the fishermen, our society has failed to reach a consensus about when and how to protect those children.

This project has its roots in the April 1992 Los Angeles rioting that followed the acquittal of several white police officers accused of assaulting an African-American named Rodney King. The American Bar Association ("ABA") formed a task force at that time to examine racial and ethnic bias in our system of justice. That task force found that racial bias does exist in the justice system, and that, moreover, such bias is "in large part the inevitable consequence of the racial and ethnic bias in our society . . . . The disproportionate number of minorities that commit crime and fill our prisons is linked to poverty and to the lack of family structure and education that plagues the lives of the urban poor."<sup>2</sup> The task force urged the ABA to tackle the problems of youth and minority poverty in the inner cities, and to focus national attention on the problems of children and families in crisis *before* those children become enmeshed in the justice system.<sup>3</sup>

ABA President J. Michael McWilliams appointed this Working Group on the Unmet Legal Needs of Children and Their Families in response to that plea, and in furtherance of the ABA's vision of "justice for all—all for justice." The Working Group quickly realized that we had to examine both the root causes of these profound social problems and the ways in which the justice system can better serve children. This Working Group therefore looked at children

upstream, midstream, and downstream in the justice system.

The crisis of America's children is not limited to the poor, to racial minorities, or to inner cities. Children of all ages and all socio-economic groups suffer from inadequate child care, lack of health insurance, the high cost of housing, family breakdown and declining school quality.<sup>4</sup> The majority of American children will find themselves part of a poor or single-parent family at some point during their childhood, and recent studies suggest that these children need even more help.<sup>5</sup>

The Working Group accepted as a basic premise that families of all racial and socio-economic groups bear primary responsibility for their own children. But we also believe that the legal system should promote family life—not hinder it—and that where active state intervention in families becomes necessary, it should do more good than harm.

A few selected facts clarify the depth of the crisis facing America's children:

- Poverty jeopardizes children's development: it often reduces their I.Q., school performance, health and life achievement.<sup>6</sup>
- Children—especially the youngest children—are nearly twice as likely to live in poverty as any other group of Americans. Indeed, one in five American children lives below the standards the government acknowledges are required for bare subsistence.<sup>7</sup> In 1991, fully 24% of this country's preschool children were living in impoverished families.<sup>8</sup>
- Child poverty is not limited to the inner cities—the child poverty rate is even higher in rural areas than in the rest of the country.<sup>9</sup> Overall, our child poverty rate is higher than that in any comparable country.<sup>10</sup>

- Most poor children in this country have at least one parent who works.<sup>11</sup>
- Economic conditions now require many families to send both parents into the work force to raise their family out of poverty.<sup>12</sup> The increase in child poverty since the 1970s is attributable to many factors, including the declining earning power of many young parents and the growth of single-parent families.<sup>13</sup> More than two in five poor children live in two-parent households.<sup>14</sup>
- Children in single-parent (usually female-headed) households are far more likely to be poor than children in two-parent families.<sup>15</sup> During the last two decades, the proportion of children born outside of marriage has tripled—constituting 27% of all babies born in this country, 18% of Caucasian and 63% of African-American births.<sup>16</sup> Moreover, the divorce rate nearly tripled during this period,<sup>17</sup> so that only one-quarter to one-half of all children born today will live with both of their parents throughout their childhood.<sup>18</sup>
- Gunshot wounds are the leading cause of death for both African-American and white teen-age boys in America.<sup>19</sup>
- African-American and Latino children are more likely than Caucasian children to be poor.<sup>20</sup> Fully one-third of poor children are African-American, although African-Americans make up only about 15% of the population.<sup>21</sup>
- It costs about \$30,000 a year to imprison a youngster, and \$123,000 to keep a child in foster care to age 18—more than it costs to attend a first-class boarding school, private college or to support a slot in the Job Corps.<sup>22</sup>

We should not infer from these dire statistics that all poor or minority children are doomed to failure. Far from it. We are inspired by the lives of children who are trying desperately to make it, despite the odds: Children like Ladeeta Smith who grew up in a crime-ridden neighborhood, and watched her mother die of AIDS, but who is determined to go to college; children like 17-year-old Shawn Hunt, once embroiled in the drug trade and now headed for college.<sup>23</sup> We believe that the streets of America's inner cities and rural counties are filled with youngsters who could break through to a better life if somebody only gave them a chance. Such opportunities must be provided by society as a whole, by social institutions and by individuals who have the power to see beyond stereotypes and the moral fortitude to help children on their way. In short, each of us has a role to play. Children given the opportunity to pursue their dreams

and achieve their potential will repay society a hundredfold by their achievements.

As attorneys, and as representatives of the organized bar, the members of the Working Group look at the problems facing America's children through a special lens. (See Appendix A) We see what doesn't work when children and their families end up in overburdened courts, when potentially useful laws and regulations are enacted but not carried out, and when existing laws and regulations undermine children's well-being. We see the failings of administrative agencies, and the dependency and despair that result from poor education, dangerous neighborhoods, and lack of stability or hope. Thus, we can no longer confine our vision to a narrow focus on "law," but must look for ways in which legal changes may redress broad social problems.

As we probed these problems, we realized that, as a group, lawyers generally have had a far too limited vision of the needs of America's children and the preventive and corrective actions necessary to respond to those needs. We must candidly confess that some lawyers may overestimate the effectiveness of lawsuits in resolving social problems. Too often, lawyers indulge in an unarticulated belief that occasional legal victories for children that arise from complex judicial processes are so pivotal that they resolve the underlying social problems that place children at risk.

Litigation and legal advocacy, while important, cannot make up for all of the societal failures to nurture, care for and support children of all ages. During the preschool years—from birth to age three or four—children's ability to think and language skills progress rapidly. Child development experts advise that children need a good start that promotes development of cognitive and language skills, a positive self-image, motivation to learn and physical and mental health.<sup>24</sup> At the other end of the spectrum, adolescents also need support, but social programs frequently ignore them. Adolescence is a critical stage of development during which children remain amenable to intervention efforts designed to enhance their capabilities and achievements.<sup>25</sup>

Thousands of children and infants who need assistance never appear in the courts, nor should they. They are victims of deficiencies of the social system, for whom no lawyer can craft an adequate argument and no judge can devise an adequate decree that will aid them. They are lost in the sinking sand of poverty and powerlessness and lawyers, as a group, have done little to extricate them from those conditions. Most lawyers still operate primarily "downstream," after children are in crisis. By the time children appear before courts, they are already so far downstream that they are hard to reach.

Lawyers must play a more visionary role for children midstream and upstream. The legal profession should lead national, state and local efforts to help children in need. Lawyers must learn, and must help legislators and other citizens to understand that prenatal care, preventive health care, safe physical environments and quality child care are needed upstream to prevent children from getting into trouble with the justice system later. Similarly, like the fishermen, lawyers must plunge in up to their waists to help rescue children slipping into crisis—such as those who are falling behind in educational achievement, or living in inadequate housing in impoverished neighborhoods where they see no hope for a better future.

Due to the constraints of time, and of our limited expertise, we have not attempted to cover every possible topic that touches the lives of children. For the same reasons, we have performed little original research, but have relied heavily on numerous reports from many disciplines, and on our collective expertise regarding children's legal needs. The recommendations that follow reflect that, just as the problems confronting America's children are not new (though they have increased in intensity), most of the solutions we propose build on ideas that have been in circulation for years or even decades. The Working Group intentionally built upon the work that preceded it, just as thoughtful lawyers always attempt to build on precedent.

Precedents abound. A book published in 1909 entitled *The Century of the Child* contained chapters on homelessness, "soul murder in the schools," and child labor—all topics we consider below.<sup>26</sup> The report of the first White House Conference on Children proclaimed in 1909 that the best way to preserve high standards of citizenship and a productive economy is to ensure each child "humane treatment, adequate care, and proper education," a sentiment echoed at every subsequent White House conference on children.<sup>27</sup>

In the 1970s—a period during which the economic well-being of many children in the United States improved—many national groups focused on children's legal and other needs. The Children's Defense Fund began its advocacy work for low-income and minority children in 1973. The Institute of Judicial Administration and the ABA jointly devoted a decade to developing 23 volumes of standards relating to juvenile justice, and, in the late 1970s the ABA's Young Lawyers Division created the ABA Center on Children and the Law. The Carnegie Foundation funded a mammoth and much publicized research project which concluded that:



Lloyd Wolf

When we fail to support the development of the next generation and of the families that nurture them, we deprive ourselves and the nation of a part of our children's potential. Children who lose a sense of decent future [sic] are likely to become dispirited, angry, withdrawn, enraged. Above all, if they are excluded from the mainstream of society, they are rarely able to contribute to the well being of society as adults. Indeed, it is from the ranks of such condemned children that a large share of tomorrow's public wards will be recruited: the criminals, the derelicts, the embittered, the vandals, the muggers. For those Americans who enjoy the privilege of relative affluence, failure to support a comprehensive child and family policy is like deferring a heavy tax to their children.<sup>28</sup>

Yet—as a spate of more recent studies indicate<sup>29</sup>—the plight of America's children has worsened since 1980. Now, in the final decade of what was once optimistically heralded as "The Century of the Child," the bipartisan National Commission on Children authorized by Congress sent what its Chairman called a "stark and urgent message" to the American people: "at every age, among all races and income groups,

and in communities nationwide, many children are in jeopardy."<sup>20</sup>

The solutions are not always simple, and some are costly. Experts agree, however, that every \$1 spent on prevention of childhood distress will save our society from \$3 to \$6 in rehabilitation and punishment.<sup>21</sup> Therefore, while we are sensitive to the nation's financial condition and budget deficit, and have looked for effective low-cost reforms, more and wiser spending is a necessary part of the solution. The Working Group believes the nation would be better off spending more heavily on education, job training and housing than on foster care, homeless shelters and jails.

Nonetheless, because more than 65,000 of this nation's children are already in correctional facilities, and tens of thousands more encounter the legal system for reasons that include divorce, abuse, neglect, a perceived need for supervision, or delinquency, we also address reforms that are needed immediately so that the justice system can deal more effectively with children.

As the National Commission on the Causes and Prevention of Violence observed more than two decades ago, when:

the great civilizations fell, it was less often from external assault than from internal decay . . . .

The greatness and durability of most civilizations has been finally determined by how they

have responded to . . . challenges from within. Ours will be no exception.<sup>22</sup>

This year, on the 25th Anniversary of the report of the Kerner Commission on Civil Disorders, a commemorative study concluded that:

Those with vision need not despair about the experiment in democracy that Alexis de Tocqueville described so eloquently in *Democracy in America* in 1835. The fact is that we already know quite a bit about which investments work . . . . [T]he policies that work can be summarized as investing in people—especially children and youth . . . .<sup>23</sup>

The time for action is long overdue. The Report that follows includes general recommendations and proposes specific initiatives to the President, the Executive branch, Congress, the judiciary, state and local governments and the organized bar, as well as individual attorneys. If each responds, then this great nation should be able to reduce the number of children who fall into the rivers of despair, poverty, and failure, and to rescue many of those who have fallen in.

A. Leon Higginbotham, Jr.  
Chair

Catherine J. Ross  
Vice Chair

## EXECUTIVE SUMMARY

Our society is failing to protect its children and fails them even more once they are in crisis. As a result, America's children are increasingly at risk.

- Nearly one-quarter of all children under age six in the United States live in families with incomes beneath the federally recognized poverty level (\$11,892 annually for a family of three)
- Families with young children make up the largest proportion of Americans living in poverty. These poor families often cannot provide their children with adequate housing, food, or health care. The parents frequently suffer from high levels of stress and hopelessness that may reduce their ability to provide their children with the emotional support and stimulation necessary to healthy development.
- Most poor families are white, and the child poverty rate is even higher in rural communities than in the inner cities. Yet African-American children are far more likely than white children to be poor.
- Today, one in four children in this country is raised by one parent, due in large part to geometric increases in births outside of marriage and in the divorce rate over the last three decades. Only about half of the women entitled to child support receive the full amount to which they are entitled, and one-quarter do not receive any child support at all.
- Guns kill or injure 40 children every day. Gun-shot wounds are the leading cause of death among both white and African-American teenage boys in the United States.
- Fewer than half of all 17-year-olds in this country possess the academic skills needed to hold most entry-level jobs or to attend college.
- Eight million American children lack any kind of health coverage.
- The United States spends substantial amounts of money keeping roughly 600,000 children in foster care, but does not devote sufficient resources to preventive services that would help keep children safe in their own families.
- Families that need services—ranging from housing to counseling—too frequently cannot obtain those services at all, cannot get transportation to the services that are offered, or receive fragmented services from too many different social services agencies rather than the comprehensive services that experts agree they need.
- State courts are overwhelmed by cases involving families and children, because of, among other things, rapid rises in reported cases of abuse and neglect, and federal legislation that placed burdens on state courts without additional funding. Judges simply do not have the time to make critical decisions involving children. In Chicago, for example, juvenile delinquency judges hear 1,700 cases a month; in Los Angeles, juvenile court judges have about ten minutes to devote to each case.
- Children too frequently find themselves before courts without benefit of counsel, despite their constitutional and statutory rights to counsel in many kinds of cases.
- Children detained pending trial or confined following trial too often suffer placement in overcrowded facilities which fail to provide adequate education or health care, and which expose them to violence within the institution.



Lloyd Wolf

Lawyers have a particular interest in the fate of all American children—regardless of socio-economic class, race or ethnicity—because if children do not grow up strong and prepared to be self-sufficient, they will be unable to participate fully in either our economy or our democracy. As attorneys, the members of the Working Group see what happens to children when the system does not work—when potentially useful laws and regulations exist but are not enforced, when existing laws and regulations interfere with children's well-being, and when children and their families end up in the overburdened judicial system or as wards of the state, whether in foster care or correctional institutions. While the Working Group is sensitive to the nation's financial condition and the budget deficit, wiser and increased spending is a necessary part of the solution. Experts agree that every \$1 spent on prevention of childhood distress will save a minimum of \$3 later on in rehabilitation and punishment.

Five broad themes for addressing children's unmet legal needs emerged from the Working Group's deliberations:

- (i) The ABA should lead a national effort to recruit lawyers to provide free legal assistance to children *before* children end up in the court system—lawyers know how to identify resources, cut through red tape and work out inter-agency jurisdictional conflicts, and should help children who need this kind of representation as well as those who need representation in courts;
- (ii) federal, state and local governments should enforce the many strong laws and regulations that have already been adopted to assist families and children, including the Juvenile Justice and Delinquency Prevention Act, the Adoption Assistance and Child Welfare Act, the Fair Housing Act (which outlaws discrimination in housing), the McKinney Act (designed to aid the homeless), laws intended to enhance educational opportunity for all children, and child labor laws;
- (iii) the nation must enact new legislation—at the federal and state levels—to ensure that all fam-

ilies with children have incomes sufficient to provide them with the basic essentials of life, including safe, affordable housing and health care;

- (iv) states must improve the justice system's ability to meet the needs of children by (a) ensuring that all children who are entitled to counsel receive competent counsel, (b) reorganizing and funding the courts that handle cases involving children so that they can respond more adequately to children's needs, (c) including alternative forms of dispute resolution such as mediation, where appropriate, and (d) improving conditions of detention and confinement for juveniles; and
- (v) the nation must devote more resources to preventive services—offered on a voluntary basis before families are labelled as in need of state intervention. For example, families should receive housing and parenting assistance before their children enter foster care. Availability and quality of day care should be improved. Among other things, the nation must recognize violence and substance abuse as public health problems and should enact strong gun control legislation to protect children from guns in their homes, at school and on the streets.

Appendix B to this Report summarizes our recommendations regarding specific initiatives through which the President, the Executive branch, Congress, the judiciary, the states and localities, the organized bar and individual attorneys can respond to the unmet legal needs of America's children. Other recommendations and suggestions are contained throughout the Report.

The Working Group calls on the ABA to pursue implementation of those specific recommendations by continued advocacy under the leadership of a new ABA Steering Committee on the Unmet Legal Needs of Children and Their Families, and a new ABA-sponsored Coalition for Children that would include business and community leaders and child advocates as well as members of the organized bar.

**The Honorable A. Leon Higginbotham, Jr., Chair**  
(Appointed by ABA President J. Michael McWilliams)

Judge Higginbotham is of counsel to Paul, Weiss, Rifkind, Wharton & Garrison, which he joined after retiring as Chief Judge of the United States Court of Appeals for the Third Circuit. He served as a federal judge for more than 29 years, including 15 years on the Court of Appeals and 14 years on the United States District Court. In 1962, he was appointed to the United States Federal Trade Commission. He has served on many national commissions including the National Commission on the Causes and Prevention of Violence and the Commission on Reform of Federal Criminal Laws. Judge Higginbotham is the author of *In the Matter of Color*, published by Oxford University Press in 1978, which received the ABA's Silver Gavel Award. He has been an adjunct professor at several universities, including the University of Pennsylvania, Harvard University, Yale University, New York University, the University of Michigan and Stanford University.

**Catherine J. Ross, Vice Chair**  
(Appointed by ABA President J. Michael McWilliams)

Ms. Ross is an associate in the litigation department at Paul, Weiss, Rifkind, Wharton & Garrison. She earned a doctorate in history from Yale, held a post-doctoral fellowship at the Bush Center for Child Development and Social Policy at Yale and, prior to attending law school, was on the faculty of the Yale Child Study Center, Yale University School of Medicine. She has taught, written and consulted about child abuse and neglect, foster care, children's rights, the welfare system, and programs to serve impoverished children. Ms. Ross is joint editor of *Child Abuse: An Agenda for Action* published by Oxford University Press in 1980.

**David M. Abromowitz**  
(Appointed by the ABA Forum Committee on  
Affordable Housing & Community Development Law)

Mr. Abromowitz is an attorney at Goulston & Storrs, Boston, Massachusetts, where he specializes in housing development for low- and moderate-income residents. He founded and currently co-chairs the Lawyers Clearinghouse on Affordable Housing and Homelessness, a pro bono program of the Boston and Massachusetts Bar Associations, which provides legal services to non-profit developers and shelters.

**Robert G. Schwartz**  
(Appointed by the ABA Juvenile Justice Committee,  
Criminal Justice Section)

Mr. Schwartz is the co-founder and executive director of the Juvenile Law Center, a Philadelphia-based public interest law firm. He works with advocates and public policy makers throughout the country to improve child serving systems and is involved with promoting family and community-based services, ensuring delivery of quality health care, and reducing barriers to services.

**Michael E. Barber**  
(Appointed by the ABA Section of Family Law)

Mr. Barber, a sole practitioner in Sacramento, California, has extensive experience in child support enforcement. He is a past chair of the ABA's Section of Family Law and past president of the District Attorney's Family Support Council in California. Most recently, he served on the United States Commission on Interstate Child Support Enforcement, and he has worked for several United States presidential administrations on developing national child support policy.

**The Honorable Rosemary Barkett**  
(Appointed by the ABA Commission on Homelessness  
and Poverty)

Chief Justice Barkett is Chief Justice of the Florida Supreme Court. As chair of the Child Welfare and Child Support Study in Florida, she has been instrumental in changing public opinion on the protection of individual rights of children in that state. Chief Justice Barkett has also played a role in revising Florida's domestic laws affecting families and children.

**Daniel L. Skoler**  
(Appointed by the ABA Section of  
Individual Rights and Responsibilities)

Mr. Skoler is currently an associate commissioner within the U.S. Social Security Administration. He has served as the executive director of the National Council of Juvenile and Family Court Judges, a member of the Advisory Board of the ABA Center on Children and the Law, and a member of the ABA/IJA Joint Commission on Juvenile Justice Standards. He currently chairs the work group established by the ABA to assist the U.S. Executive Branch and the Senate in identification and clarification of issues relevant to the ratification of the United Nations Convention on the Rights of the Child.

**Diane C. Yu**  
(Appointed by the ABA Commission on Opportunities  
for Minorities in the Profession)

Ms. Yu is currently General Counsel for the State Bar of California. Prior to her present appointment in 1987, she was a White House Fellow in Washington, D.C., following three years as the Superior Court Commissioner in Probate and Family Law for Alameda County. She serves on the board of the California Consortium for the Prevention of Child Abuse.

**PHOTOCOPY  
PRESERVATION**

# MEMORANDUM

August 2, 1993

TO: Kim Tilley, Amy Nemko and Nicole Rabner  
FROM: Mark Bernkopf  
RE: *Windows* Training Session Confirmation

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Your *Windows* training session will be held on Tuesday morning August 3 from 9:00 a.m. to 10:30 a.m. in NEOB Room 7233.

PHOTOCOPY  
PRESERVATION

# FBI Nominee Draws Senate Panel's Acclaim

■ **Freeh:** 'Crime prevention is like health prevention,' the director-designate says in urging programs aimed at children.

By RONALD J. OSTROW  
TIMES STAFF WRITER

WASHINGTON—Winning praise from the Senate panel considering his nomination, FBI Director-designate Louis J. Freeh Thursday advocated anti-crime programs aimed at children—in line with a central theme espoused by Atty. Gen. Janet Reno.

"Crime prevention is like health prevention," he said. "If we don't inoculate children against diseases, we have epidemics that take a terrible toll. Prevention is one of the most valuable tools in the anti-crime arsenal, and we must use it to help reduce the pandemic of crime that now exists."

Freeh, a federal judge from New York, told of a defendant who came before him earlier this week and pleaded guilty to a series of drug-related homicides "in a monotone and emotionless state which had an absolutely frightening impact on me."

He described the young man as an individual who grew up without a home, any love or direction, starting from the age of 3, and noted that there is "a distinct class of defendants who reach a certain point in their life where nothing can be done but to incarcerate them for the rest of their lives."

While acknowledging that the FBI does not deal with the root causes of crime, Freeh said that, "as an FBI agent and prosecutor, I have seen firsthand the terrible poverty and hopelessness in our major urban areas. As a high school student, I spent a summer working in a health care and literacy program in a rural area where the grinding poverty was just as bad as in our cities."

"Such conditions are intolerable and if we do not attack the root causes of crime and save our children, conditions will be even worse 10 years from now, and we will again have lost much of a new generation," Freeh said in an



BERNIE BOSTON / Los Angeles Times

FBI director-designate Louis J. Freeh at hearings on his nomination.

unusual expression by a nominee to head the FBI.

The only note of disharmony at the Senate Judiciary Committee hearing came when the ranking Republican, Sen. Orrin G. Hatch of Utah, accused the Clinton Administration of violating FBI independence "in its

desperate effort to cover up cronyism and legitimize the dismissal of the entire White House travel office staff."

Freeh did not comment on the travel office case, in which the White House directly contacted the FBI to investigate the unit and then called in the FBI's chief spokesman when drafting an unusual press release on the sensitive inquiry.

But Freeh said that he had been "assured completely and without reservation" by both President Clinton and Reno that he would be able to run the bureau free of political influence.

"If that changes, somebody will hear about it," Freeh told Sen. Charles E. Grassley (R-Iowa.).

The 43-year-old Freeh, a former federal prosecutor and FBI agent, was named to succeed William S. Sessions—who was fired by Clinton after refusing to resign in the wake of a Justice Department ethics report which found that he had abused his office. Freeh's approval by the committee and confirmation by the full Senate seems likely next week.

Sen. Alan K. Simpson (R-Wyo.), contending that Sessions "did a fine job," said that he suspects Sessions "took a torpedo underneath the waterline from someone in that agency." Simpson asked what Freeh would do if he discovered a network of FBI officials who had plotted against Sessions.

"A network like that has no place in the FBI," Freeh said. "I would eliminate it."

Sen. William S. Cohen (R-Me.), reacting to Freeh's choice of words, asked if he would be more specific and Freeh said that he would "administratively correct it."

Freeh, in other comments:

- Noted that 25% to 40% of the FBI's 10,000 special agents are eligible to retire over the next several years, which while it could sap the bureau of expertise will present the opportunity to recruit more agents of diverse ethnic backgrounds and more women—continuing efforts initiated by Sessions and his predecessor William H. Webster.

- Pointed to the proliferation of weapons technology and arsenals in the hands of "clearly terrorist nations" and cited "the possibility that some terrorist nation may one day acquire nuclear weapons."

# Committee Approves Ginsburg Nomination

By DAVID G. SAVAGE  
TIMES STAFF WRITER

**W**ASHINGTON—Supreme Court nominee Ruth Bader Ginsburg won a unanimous endorsement from the Senate Judiciary Committee on Thursday, paving the way for her likely confirmation by the full Senate next week.

The 18-0 vote came only six weeks after her nomination, and it showed again that President Clinton made a deft choice in selecting the 60-year-old appeals court judge.

The committee's liberal Democrats praised Ginsburg as a trail-blazing advocate for women's rights, while conservative Republicans lauded her record of restraint on the bench.

"As a justice, she will have the opportunity to follow in the footsteps of Justice Thurgood Marshall, one of the nation's constitutional giants, who began his career as a leading advocate in the struggle against discrimination," said Sen. Edward M. Kennedy (D-Mass.).

Sen. Orrin G. Hatch (R-Utah) said he is convinced that Ginsburg "respects the proper role of the judiciary in our system." Despite her liberal record as an attorney, in 13 years of rulings on the federal appeals court for the District of Columbia, Ginsburg often sided with conservative colleagues such as

Robert H. Bork and now-Justice Antonin Scalia, Hatch said.

As a Supreme Court justice, Ginsburg cannot be both another Marshall and another Bork, but only a few committee Republicans voiced doubts about Ginsburg's answers during her three days of hearings.

She endorsed the right to abortion—the first nominee to do so explicitly—but she refused to state her view on the constitutionality of the death penalty.

Committee Chairman Joseph R. Biden Jr. (D-Del.) said Ginsburg is "one of the brightest nominees ever to come before this committee" and is the "embodiment of a proper judicial temperament."

**T**he unanimous praise for Ginsburg contrasted sharply with the scene two years ago when the panel met to vote on the nomination of Clarence Thomas. The members split, 7 to 7, but agreed to send the nomination to the Senate floor. A week later it was revealed that law professor Anita Faye Hill had accused Thomas of sexual harassment, leading to another round of contentious hearings before he was finally confirmed as a justice.

Barring an objection from a senator, the full Senate is likely to confirm Ginsburg's nomination next week. She will be the 107th justice of the Supreme Court and its second female justice.

# ABA

DONNA T. <sup>met</sup>  
Ex. Cmte of the legal

- McWilliams said Reno interested & met w/ members in May or June;
- Reno said she wanted to be in release of report / ABA asked if she'd ask HRC, which she did.

- ABA convention in NY  
Reno expressing Cmte on Sat at unveiling

Rotie Lopez

- Present report to AG/HRC / Press
- Meeting w/ Ex. Cmte

35 pp.

ERK

Katherine Ross

202/373-3198

where to be reached in D.C.

seg / Format

MBK

6 people who chaired working group convenors of sup

Plus ABA P

FOH

George Bushnell

Pres. elect

94-95 has

B. M. M. - Ex. Com on the Bd of

Governors working closely - some at meeting

Judge # -

Rubenstein - Partner at Weiss <sup>bully</sup> ~~5300~~ ~~20~~  
underwritten in assent  
strong contributor

Press Conf. 10:15 w/ Reno

Judge, <sup>McWilliams on Report</sup>  
w/ to

formally presented to HRC & Reno  
HRC comments - want her to say it's  
important & want it to reach

Invite

Asking her

Kennedy

Going to ask if she & the President are

judge will act as moderator

willing to invite ABA members to WH &  
tell them it's imp to him & her  
get lawyers mobilized to rep. children  
high priority when making pro bono choices

\* Hope Admin be able to use the report  
advance policy issues

\* want her to say she'll give it a  
serious reading & Admin. work next

Personally comm to Dept. that  
report is worthy of study (good  
justice, could be better with HHS)

*News From . . .*

**Congressman**  
**David Bonior**  
Michigan - 10th District

2207 Rayburn  
Washington, D.C. 20515  
202/225-2106  
TTY Available

59 North Walnut, Suite 305  
Mt. Clemens, MI 48043-5677  
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526 Water Street  
Port Huron, MI 48060-5492  
313/987-8889  
Fax Available

**Over 100 Members of Congress Sign Letter:  
Health Care Reform Before NAFTA**

**Statement of Congressman David E. Bonior  
July 27, 1993**

We are here today to send one simple message -- NAFTA is not our priority ... health care is.

The debate over NAFTA will be divisive. It will be contentious. It will split our country.

The vast majority of the Members of our party oppose NAFTA.

But regardless of how we feel about NAFTA ... it must not interfere with our other pressing priorities ... like health care.

We expect the President to propose a health care package in September.

We are eager to work on it ... to build the coalition necessary to pass a package that will guarantee that no one in America will ever lose their health insurance ... to make sure that we in this Congress, for the first time in history, will guarantee Americans quality, affordable health care.

As many of you know, I am strongly opposed to NAFTA. So are many of us here. And so are the vast majority of those who signed this letter.

I do not believe NAFTA can be fixed with side agreements.

It is fundamentally flawed. It will not help the working people of the U.S. or Mexico.

The differences between the economic and political systems in the U.S. and Mexico are too wide. The number of jobs that will be lost are too high. And the cost to the environment will be too great.

But regardless of what eventually happens or does not happen with NAFTA ... health care must come first.

If we fail to act on health care reform, over the next two years, 1 out of every 4 Americans -- 63 million people -- will lose their health coverage for some period.

We cannot afford to delay. We cannot afford to get tangled in side issues.

Too many parents can't sleep at night because they worry -- who will pay the bills for a sick child?

Too many seniors have to choose between medicine and other necessities.

Too many businesses are going under because health insurance premiums are going through the roof.

We can't wait much longer for health care. And we can't afford to wage this fight under the cloud of NAFTA.

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

July 26, 1993

The Honorable William J. Clinton  
President of the United States  
The White House  
Washington, DC 20500

Dear Mr. President:

We are writing to urge you to withhold submission of legislation to implement the North American Free Trade Agreement until we have considered and passed health care reform legislation.

We believe health care reform will be one of the most complex legislative initiatives undertaken by Congress. Passage of a plan that controls costs and provides health security for all Americans will require our full attention.

The debate over NAFTA will be difficult and divisive. It will detract from our efforts to build a broad coalition of support for health care reform.

While we each hold different opinions about the merits of NAFTA, we all agree that health care reform must come first.

Sincerely,

David E. Bonior

Lane Evans

Marcy Kaptur

George Miller

Walter C. Rosten

Paula DeLoach

Shirley Brown

Bob Finner

## Signatories on Letter to President: Health Care Before NAFTA

Abercrombie, Neil (HI)  
 Applegate, Douglas (OH)  
 Barca, Peter W. (WI)  
 Barcia, James A. (MI)  
 Barlow, Thomas J., III (KY)  
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 Darden, George (Buddy) (GA)  
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 DeLauro, Rosa L. (CT)  
 Dellums, Ronald V. (CA)  
 de Lugo, Ron (VI)  
 Derrick, Butler (SC)  
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 English, Karan (AZ)  
 Eshoo, Anna G. (CA)  
 Evans, Lane (IL)  
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 Filner, Bob (CA)  
 Flake, Floyd H. (NY)  
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 Frank, Barney (MA)  
 Furse, Elizabeth (OR)  
 Gejdenson, Sam (CT)  
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 Green, Gene (TX)  
 Gutierrez, Luis V. (IL)  
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 Harman, Jane (CA)  
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 Hinchey, Maurice D. (NY)  
 Hochbrueckner, George J. (NY)  
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 Hughes, William J. (NJ)  
 Jacobs, Andrew, Jr. (IN)  
 Kaptur, Marcy (OH)  
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 Kleczka, Gerald D. (WI)  
 Klein, Herb (NJ)

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 LaRocco, Larry (ID)  
 Lehman, Richard H. (CA)  
 Lewis, John (GA)  
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 Manton, Thomas J. (NY)\*  
 Martinez, Matthew G. (CA)  
 Meehan, Martin T. (MA)  
 Miller, George (CA)  
 Mink, Patsy T. (HI)  
 Mollohan, Alan B. (WV)  
 Murtha, John P. (PA)  
 Nadler, Jerrold (NY)  
 Neal, Stephen L. (NC)  
 Oberstar, James L. (MN)  
 Obey, David R. (WI)  
 Olver, John W. (MA)  
 Owens, Major R. (NY)  
 Pallone, Frank, Jr. (NJ)  
 Payne, Donald M. (NJ)  
 Pelosi, Nancy (CA)  
 Peterson, Collin C. (MN)  
 Pomeroy, Earl (ND)  
 Poshard, Glenn (IL)  
 Rahall, Nick J., II (WV)  
 Roemer, Tim (IN)  
 Rose, Charlie (NC)  
 Rush, Bobby L. (IL)  
 Sanders, Bernard (VT)  
 Schenk, Lynn (CA)  
 Strickland, Ted (OH)  
 Stupak, Bart (MI)  
 Swett, Dick (NH)  
 Thompson, Bennie G. (MS)  
 Thurman, Karen L. (FL)  
 Towns, Edolphus (NY)  
 Traficant, James A., Jr. (OH)  
 Unsoeld, Jolene (WA)  
 Velázquez, Nydia M. (NY)  
 Vento, Bruce F. (MN)  
 Volkmer, Harold L. (MO)  
 Washington, Craig A. (TX)  
 Waters, Maxine (CA)  
 Wheat, Alan (MO)  
 Woolsey, Lynn C. (CA)

\* Signed onto letter after transmittal to President

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 Wheat, Alan (MO)  
 Woolsey, Lynn C. (CA)

\* Signed onto letter after transmittal to President

gp\13\agenda

AGENDA

## WHITE HOUSE MEETING WITH HILLARY RODHAM CLINTON

## PROPOSED SCRIPT

12:00-12:06

Photographers Present

*Stillp  
Photos*  
Stills

1. Hillary Rodham Clinton, Attorney General Reno and J. Michael McWilliams
2. All of above in number 1 plus A. Leon Higginbotham, Jr. and Catherine J. Ross
3. All of above in number 2 plus Ernest Rubenstein
4. All of above in number 3 plus other attendees:

## Cluster Conveners:

David M. Abromowitz  
Michael E. Barber  
Honorable Rosemary Barkett  
Robert S. Schwartz  
Daniel L. Skoler  
Deane C. Yu

## And:

George E. Bushnell, III (President-elect  
of ABA for 1994-95)

Barbara Mendel Mayden (ABA Board of  
Governors Executive Committee,  
representing R. William Ide, III  
(in-coming ABA President))

10/95 - Press Conf Report / AG will be  
present there // major focus HRC

12:06-12:15 Michael McWilliams (3 minutes), A. Leon  
Higginbotham, Jr. (2 minutes) and Catharine  
J. Ross (1 minute) present report to Hillary  
Rodham Clinton ~~AG~~

Photographers Leave ? ?

12:16- • Comments by Hillary Rodham Clinton (and at  
your discretion), Attorney General Reno

We want the format that Hillary Rodham Clinton  
will find most desirable. Options are that she  
merely acknowledge receipt of the report and note  
that the ABA can make a significant difference if  
its members attempt to implement the  
recommendations. Please note that we quote  
Hillary Rodham Clinton at p. 6 where we note that  
she stated so forcefully:

We must start by changing our profession's  
priorities. The law, the lawyers, and the  
judges protecting our families deserve at  
least the respect now given to the law, the  
lawyers, and the judges protecting our  
corporation boardrooms.

mention  
HRC  
• acknowledge  
Report  
• Thank for help  
work  
• keep as other  
KIT

will need NAFTA  
update for the  
mtg that includes  
Banior

12:30p<sup>7</sup>m

JORDANA sending  
over letter

X2645

PHOTOCOPY  
PRESERVATION

# Withdrawal/Redaction Marker

## Clinton Library

| DOCUMENT NO.<br>AND TYPE | SUBJECT/TITLE                                                                                                 | DATE   | RESTRICTION |
|--------------------------|---------------------------------------------------------------------------------------------------------------|--------|-------------|
| 002. memo                | From: John Galles, To: Julie Hopper, Re: Meeting with Mrs. Clinton<br>at 1 p.m. on 8/3/93 [partial] (2 pages) | 8/2/93 | b(6)        |

### COLLECTION:

Clinton Presidential Records  
Fist Lady's Office  
Liz Bowyer  
OA/Box Number: 5433

### FOLDER TITLE:

[HRC Daily File] Tuesday August 3 [1993]

2014-0483-S

sb347

### 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)]

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an agency [(b)(2) of the FOIA]  
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financial institutions [(b)(8) of the FOIA]  
b(9) Release would disclose geological or geophysical information  
concerning wells [(b)(9) of the FOIA]



August 2, 1993

Memorandum

To: Julie Hopper

From: John Galles  
Executive Vice President

1155 15TH STREET, N.W.  
SUITE 710  
WASHINGTON, D.C. 20005  
202-293-8830  
FAX: 202-872-3543

Re: Meeting with Ms. Clinton at 1 p.m. on 8/3/93

Below listed are the names, birthdates, and social security numbers, addresses and phone numbers for the NSBU participants in our scheduled meeting.

Gary Kushner  
Kushner & Company Inc.  
141 East Michigan Ave., #400  
Kalamazoo, MI 49007  
(616) 342-1700

(b)(6) 002

Bill Lindsay  
Lindsay-Sandbak  
5660 Greenwood Plaza Blvd., Suite 514  
Englewood, CO 80111  
(303) 779-0613

(b)(6) 002

John Polk  
Council of Smaller Enterprises  
200 Tower City Center  
Cleveland, OH 44113  
(216) 621-3300

(b)(6) 002

John Galles  
National Small Business United  
1155 15th Street, NW, Suite 710  
Washington, D.C. 20005  
(202) 293-3300

(b)(6) 002

Mary Del Brady  
Allegheny Health Education &  
Resource Foundation  
320 East North Avenue  
Pittsburgh, PA 15212  
(412) 359-6922

(b)(6) 002



August 2, 1993

Memorandum

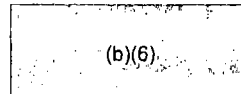
To: Julie Hopper  
From: John Galles  
Executive Vice President

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Re: Meeting with Ms. Clinton at 1 p.m. on 8/3/93

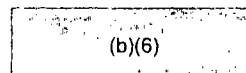
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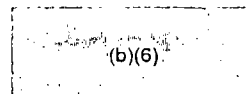
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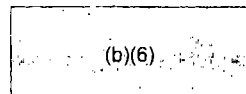
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Council of Smaller Enterprises  
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Cleveland, OH 44113  
(216) 621-3300



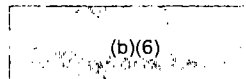
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John Galles  
National Small Business United  
1155 15th Street, NW, Suite 710  
Washington, D.C. 20005  
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002

Mary Del Brady  
Allegheny Health Education &  
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320 East North Avenue  
Pittsburgh, PA 15212  
(412) 359-6922



002

# Biography



NATIONAL SMALL BUSINESS UNITED

1155 15TH STREET, N.W.  
SUITE 710  
WASHINGTON, D.C. 20005  
202-293-8830  
FAX: 202-872-8543

## ***Gary B. Kushner*** ***Treasurer*** ***National Small Business United***

Gary B. Kushner is the founder and President of Kushner & Company, Inc. in Kalamazoo, Michigan. Kushner & Company is recognized nationally for its expertise in health care cost containment, flexible benefits and retirement plans for small and medium-sized employers.

Mr. Kushner is the 1993 Treasurer of National Small Business United (NSBU) and served on the Board of Trustees for a few years. He is a very active small business advocate. Mr. Kushner served on the U.S. Chamber of Commerce Health Care and Employee Benefits Committee and participated as a special advisor to the U.S. Senate's Committee on Aging. He was also appointed by the Governor to Michigan's Entrepreneurial and Small Business Commission.

Mr. Kushner speaks to both national and regional groups on benefit plans for small employers and is recognized as an expert in his field. He has testified before the U.S. Senate Finance Committee, the U.S. House Ways and Means Committee and the U.S. House Small Business Committee on employee benefit issues affecting small and medium-sized employers.

Mr. Kushner holds a B.A. from Franklin and Marshall College in Lancaster, Pennsylvania and an M.P.A. in Personnel from Western Michigan University.

# Biography



1155 15TH STREET, N.W.  
SUITE 710  
WASHINGTON, D.C. 20005  
202-293-8830  
FAX: 202-872-8543

## ***Mary Del Brady Board of Trustees National Small Business United***

Mary Del Brady is Vice President of Allegheny Health, Education and Research Foundation (AHERF), the only state-wide health care system in Pennsylvania. AHERF delivers a comprehensive range of health care services through seven hospitals, a continuing care facility, a medical college and a research institute.

A small business owner and advocate for 16 years, Brady was partner in Nursing Services, Inc., the largest, locally-owned nursing personnel service in Pittsburgh and founder of MDB, Inc., a temporary clerical and administrative personnel service.

Brady serves as Chair of the Economic Development Committee of the Pennsylvania Chamber of Business and Industry. She is also a member of the Governor's Economic Development Partnership Committee, as well as a special subcommittee whose responsibilities include policy recommendations regarding health care access and affordability.

Brady has served in numerous leadership capacities including National President of the National Association of Women Business Owners, a member of the Governor's Small Business Advisory Council, steering committee member of the Governor's Conference on Small Business, Vice-Chair of the Pennsylvania Delegation to the 1986 White House Conference on Small Business and President of the Institute for Women Entrepreneurs.

---

***For More Information Contact Marcia Bradford: (202) 293-8830.***

***9/92***

# Biography



***John Paul Galles***  
***Executive Vice President***  
***National Small Business United***

1155 15TH STREET, N.W.  
SUITE 710  
WASHINGTON, D.C. 20005  
202-293-8830  
FAX: 202-872-8543

John Paul Galles has been the Executive Vice President of National Small Business United since 1987. He is the chief operating officer of the association and is responsible for the planning, implementation and evaluation of policies and activities for the 60,000 member association of small business owners, directing the Washington, D.C.-based staff.

Mr. Galles is a frequent speaker and is often quoted on health care reform and the special concerns of small business in this area. He also speaks frequently on capital formation issues.

Mr. Galles participates in a number of coalitions and organizations, including the Concerned Alliance of Responsible Employers, the Coalition on Occupational Safety and Health, the Product Liability Alliance and the American Tort Reform Association, the Council Against Drug Abuse, the Wye Energy Group and the Trade Association Liaison Council. He also participated in the National Leadership Coalition for Health Care Reform.

Additionally, Mr. Galles serves on the Executive Committee of the National Advisory Council to the U.S. Small Business Administration and is a member of the American Society of Association Executives.

Mr. Galles previously served as Executive Director of the Small Business Association of Michigan, a 3,000 member, statewide association of small business owners, which is an affiliate member of NSBU. Mr. Galles was very active in state legislative and administrative efforts to improve the economic climate for small business in Michigan. From 1983 to 1986, he served on the Governor's Small Business Working Group, he was a member of the Board of Directors of the Independent Business Research Office in Michigan and he was appointed by the Governor to serve on the Board of the Michigan Energy Options Study Committee and the state's Environmental Boards and Commissions Review Committee.

Mr. Galles is a graduate of Indiana University, with a B.A. in Business, Management and Administration.

## **WILLIAM N. LINDSAY, III**

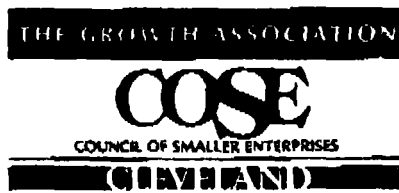
Bill graduated from Gettysburg College in 1969 with a Bachelors degree in Political Science. He obtained the designation of Chartered Life Under ("CLU") in 1976 from the American College of Life Underwriters in Bryn Mawr, Pennsylvania. Bill has also taken graduate classes offered by the American College of Life Underwriters, Bryn Mawr, Pennsylvania in Pension and Estate planning. Currently, he is enrolled in the Certified Employee Benefit Specialist courses ("CEBS") offered by the Wharton School of Business, University of Pennsylvania.

Bill is also a Registered Principle with the National Association of Securities Dealers and the Securities and Exchange Commission.

Bill has published and co-authored a series of articles or white papers on insurance, employee benefits, health care, and health care reform. These include: "Marketing of Small Groups" by the Alpha Center, "A Primer of Health Insurance Underwriting" by the Alpha Center, "The Evolution of Health Insurance in America" by AHCPR, "The Future of American Insurance Companies" by the National Underwriter magazine.

Bill currently serves as the chair of the Colorado Health Policy Council's Steering Committee. He also co-chairs the Health Care Committee for the Greater Denver Chamber of Commerce. He is currently the Vice President of the Colorado Group Insurance Association and co-chair for their Health Care Reform Committee. Bill is also on the Board of the Rocky Mountain Heart Planning Consortium and sits on the Health Care Committee for the National Small Business United.

He has been a co-recipient of the Colorado Business Magazine "Ethics and Business" award and the Colorado Trust's "Community Service" award.



**JOHN J. POLK**

Vice President, Greater Cleveland Growth Association  
Executive Director, Council of Smaller Enterprises (COSE)

The Greater Cleveland Growth Association is the nation's largest local chamber of commerce. COSE is the Association's small business division, which serves a membership of 12,000 local small businesses with programs in management education, technical assistance, government advocacy and employee benefits.

COSE's health care plans provide group health care coverage to nearly 10,000 small companies. Member companies cover 67,000 workers and more than 165,000 greater Clevelanders.

COSE's health care plan is a national model for a creative, private-sector approach to providing affordable group health care coverage to small employers and their workers.

COSE's health plans have been the focus of articles in INC. magazine, Nation's Business, the Wall Street Journal, the Los Angeles Times, the New York Times, the Chicago Tribune, the Washington Post, Industry Week, and many industry and technical publications.

#### Legislation/Health Care Policy

John Polk has provided research and testimony before numerous legislative committees and policy groups, including:

The U.S. Bipartisan Commission on Comprehensive  
Health Care (The Pepper Commission)

The National Commission on the Prevention of  
Infant Mortality

Greater Cleveland Growth Association  
200 Tower City Center • 50 Public Square • Cleveland, Ohio 44113-2291  
(216) 621-3300 • FAX (216) 621-6013

THE CHAMBER OF COMMERCE FOR GREATER CLEVELAND

Page 2.

The Labor and Human Resources Committee of  
the U.S. Senate

U.S. Senate Finance Committee

U.S. House of Representatives Ways & Means Committee

In January 1993, Polk was appointed as the business representative on the Ohio Health Care Board by Ohio Speaker of the House Vernal Riffe. The Ohio Health Care Board is charged with creation of public - private partnerships to address health care needs, promotion of a health care financing and delivery system that encourages cost controls and increases access and conducting research as requested by the Ohio General Assembly.

In addition, Polk has briefed President Bush, the White House staff, and other Administration officials regarding the "COSE model" for market based health care reform.

He also served as a technical advisor on health policy issues for the White House Conference on Small Business.

#### Seminars, Conference, Industry Presentations

Polk has discussed small business and health care issues before numerous organizations, including:

The National Association of Manufacturers

The National Governors' Association

The Southern Governors' Association

The Association of Private Pension and  
Welfare Plans

The International Federation of Employee  
Benefit Plans

The American Chamber of Sciences/  
Georgetown School of Law

The American Chamber of Commerce Executives

National Small Business United

Re: ABA Working Group  
on the Unmet Legal  
Needs of Children &  
Their Families

DATE

July 28, 1993

MEMORANDUM

To **VIA FACSIMILE**

From

Margaret Williams, Esq.

Subject

A. Leon Higginbotham, Jr.

ABA Working Group on the Unmet Legal  
Needs of Children and Their Families

I am writing to follow up on our conversation regarding the participants in the presentation of the Report of the above group to the First Lady and the Attorney General on Tuesday, August 3rd.

We deeply appreciate Hillary Rodham Clinton's interest in our project and her willingness to receive our Report personally. We will be absolutely flexible in working with your office on the number of participants.

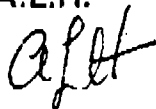
For your convenience, I am attaching two lists of prospective invitees, along with brief biographies of each Working Group member as they appear in the Report. Group one consists of 11 persons: the current and incoming ABA Presidents, the Vice Chair of the Working Group, the conveners of the six Working Group substantive clusters, a senior partner of my firm and myself. Group

two includes all of the above plus the rest of the members of the Working Group.

I look forward to talking with you soon. Once again, thanks for all of your help.

Catherine Ross is sending you a copy of the Report under separate cover for delivery tomorrow.

A.L.H.



enclosure

cc: (via facsimile)  
Evelyn Lieberman, Esq.  
(w/enclosures)

# Withdrawal/Redaction Marker

## Clinton Library

| DOCUMENT NO.<br>AND TYPE | SUBJECT/TITLE                                                             | DATE    | RESTRICTION |
|--------------------------|---------------------------------------------------------------------------|---------|-------------|
| 003. list                | Attendees at the White House Meeting on August 3, 1993 [partial] (1 page) | 7/30/93 | b(6)        |

### COLLECTION:

Clinton Presidential Records  
Fist Lady's Office  
Liz Bowyer  
OA/Box Number: 5433

### FOLDER TITLE:

[HRC Daily File] Tuesday August 3 [1993]

2014-0483-S

sb347

### RESTRICTION CODES

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**ATTENDEES AT THE WHITE HOUSE  
MEETING ON AUGUST 3, 1993**

| NAME                                        | SOCIAL SECURITY NO. | BIRTH DATE |
|---------------------------------------------|---------------------|------------|
| A. Leon Higginbotham, Jr.                   |                     |            |
| Catherine J. Ross                           |                     |            |
| J. Michael McWilliams                       |                     |            |
| David M. Abromowitz                         |                     |            |
| Michael E. Barber                           |                     |            |
| Hon. Rosemary Barkett <i>friend of Reno</i> |                     |            |
| George E. Bushnell, III                     |                     |            |
| Barbara Mendel Mayden                       |                     |            |
| Ernest Rubenstein                           |                     |            |
| Robert S. Schwartz <sup>1/</sup>            |                     |            |
| Daniel L. Skoler                            |                     |            |
| Diane C. Yu                                 |                     |            |

(b)(6)

003

*Janet Reno*

<sup>1/</sup> He was cleared for a meeting with Janet Reno on 7/26/93.

*(212) 373-3198*

PAUL, WEISS, RIFKIND, WHARTON & GARRISON  
1285 Avenue of the Americas, New York, N.Y. 10019-6064  
(212) 373-3000

FACSIMILE COVER LETTER

FROM: A. Leon Higginbotham, Jr. DATE: July 28, 1993

TOTAL NUMBER OF PAGES: 10 (Including Cover Sheet)

TO THE FOLLOWING:

| <u>NAME</u>             | <u>FIRM/COMPANY</u>                                            | <u>FAX. NO.</u><br>(list alt. where possible) | <u>Time<br/>Sent</u> |
|-------------------------|----------------------------------------------------------------|-----------------------------------------------|----------------------|
| Margaret Williams, Esq. | The Office of the First<br>Lady Mrs. Hillary<br>Rodham Clinton | 202-456-6244                                  |                      |
| Evelyn Lieberman, Esq.  | " "                                                            | " "                                           |                      |
|                         |                                                                |                                               |                      |
|                         |                                                                |                                               |                      |
|                         |                                                                |                                               |                      |
|                         |                                                                |                                               |                      |
|                         |                                                                |                                               |                      |
|                         |                                                                |                                               |                      |

Return original to: ☐ Sender ☐ Records

COMMENT/MESSAGE:

Return Facsimile Number: (212) 373-2151

THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE ADDRESSEE AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED AND CONFIDENTIAL. IF YOU ARE NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE. THANK YOU.

If transmission is incomplete, or you have other questions, please call: (212) 373-2194

Operator: Shifra Eva Stern/Secretary

**GROUP ONE**  
**11 Persons**

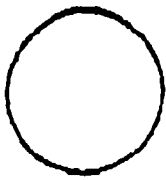
**A. Leon Higginbotham, Jr.**  
**Chair**  
**Catherine J. Ross**  
**Vice Chair**  
**J. Michael McWilliams**  
**ABA President**  
**R. William Ide, III**  
**ABA President-Elect**  
**David M. Abromowitz**  
**Michael E. Barber**  
**Hon. Rosemary Barkett**  
**Robert G. Schwartz**  
**Daniel L. Skoler**  
**Diane C. Yu**  
**Ernest Rubenstein**  
**Paul, Weiss, Rifkind, Wharton & Garrison**

**GROUP TWO**  
**41 Persons**

**A. Leon Higginbotham, Jr.**  
**Chair**  
**Catherine J. Ross**  
**Vice Chair**  
**J. Michael McWilliams**  
**ABA President**  
**R. William Ide, III**  
**ABA President-Elect**  
**David M. Abromowitz**  
**Michael E. Barber**  
**Hon. Rosemary Barkett**  
**Robert G. Schwartz**  
**Daniel L. Skoler**  
**Diane C. Yu**  
**Ernest Rubenstein**

**Jonathan D. Asher**  
**Doris M. Clanton**  
**Kahlil Aryn Day**  
**Sara-Ann Determan**  
**Bernardine Dohrn**  
**Hon. Bernice B. Donald**  
**Hon. Fernande R.V. Duffly**  
**Maria Foscarinis**  
**Stephanie Franklin-Suber**  
**Lisa A. Godfrey**  
**Linda N. Goldstein**  
**Iris McCollum Green**  
**Fay Hartog-Rapp**  
**Kimberly Hornak**  
**Zona F. Hostetler**  
**Bobbi Tillmon Mallory**  
**James Morales**  
**James R. Neuhard**  
**John L. Popilek**  
**Blake Ramsey**  
**Pamela J. Roberts**  
**Deborah H. Schenk**

L. William Schmidt, Jr.  
Debbie Segal  
Nancy G. Shor  
Tracey E. Skinner  
James M. Stillwagon  
Hon. Jean M. Toal  
H. Rutherford Turnbull, III  
Margaret Bush Wilson  
Marshall J. Wolf



# **NAWBO's**

---

## **Fact Sheet**

### **Summary**

The National Association of Women Business Owners (NAWBO), headquartered in Chicago, is the only dues based national organization representing the interests of all women entrepreneurs in all types of businesses. The organization currently has 50 chapters. It is affiliated with Les Femmes Chefs d'Entreprises Mondiales (World Association of Women Entrepreneurs), in 28 countries.

### **History**

NAWBO traces its origins to a small group of Washington, D.C. business women who began meeting informally in the Spring of 1974 to talk about mutual experiences, exchange information and develop business skills. Recognizing the value of the group, they incorporated as the National Association of Women Business Owners on December 19, 1974. Two years later they began recruiting members from across the country, and in 1978 the first chapters were formed.

### **Membership**

Membership is open to sole proprietors, partners and corporate owners with day to day management responsibility. Active members who live in a chapter area automatically join both chapter and national. Those who do not live in a chapter area join as at-large members.

### **Headquarters**

National headquarters are based in Chicago at 600 Federal Street, Suite 400, Chicago, Illinois 60605. For information contact (312) 922-0465.

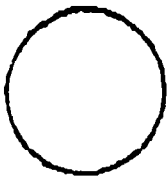
### **Mission Statement**

NAWBO provides a strong and continuing voice and vision for women business owners within the economic, social and political communities.

NAWBO exercises leadership to create a business climate which realizes the integration of values, profits, technology and people.

NAWBO views its mission as:

- Developing products and services that meet the needs of established women business owners.
  - Expanding business development opportunities for women business owners.
  - Impacting public policy through active participation in the political process.
  - Creating and nurturing leadership skills to move women business owners into positions of influence.
  - Forming private sector partnerships and coalitions to achieve mutual goals.
  - Researching and communicating the evolving entrepreneurial models represented in women's businesses.
  - Expanding its participation in the global economy, building on its strong international relationships.
  - Supporting the needs of emerging women business owners.
-



# Women Business Owners

## Quick Fact Sheet

*"Women-owned businesses employed more people in the United States than the Fortune 500 companies did worldwide in 1992."* — The National Foundation for Women Business Owners

### Women-Owned Businesses in the National Economy

- Women own and lead over 6.5 million businesses (1992)
- Provide jobs for over 11 million people
- Operate in every industrial sector including manufacturing, agribusiness, and retail, as well as high-growth industries such as health, and business and professional services
- Well established: over 40% in business 12 years or more
- Highly stable
- 33% of businesses are incorporated; 29% are partnerships; 38% are other unincorporated businesses
- Number of women-owned businesses grew 3.7% between 1982 and 1987 (U.S. Census Bureau)
- Women own 30% of all businesses (U.S. Census Bureau)
- Women are projected to own 50% of all businesses by 2000

### NAWBO Businesses: A Major Economic Force

#### Contributing to the Gross National Product

Women-owned businesses reported continued growth over the past two years despite the economy—contributing revenue to the economy and creating jobs:

- 50% have sales over \$250,000; 25% over \$1 million
- 50% have 5 or more employees; 17% have 25 or more
- 10% have payrolls over \$500,000
- 57% reported sales increases in the past year; 25% had sales increases of more than 20%
- 25% added employees in the past year
- 1992 was a year of change and expansion: 54% improved the quality of business processes; 46% developed a new product or service line; 32% increased expenditures for equipment; 26% expanded into new markets

#### Financing

Access to capital remains a serious concern:

- Sources of short-term capital:
  - 71% turn to business earnings or private sources
  - 52% turn to commercial banks
  - 25% turn to vendors
- Credit cards, vendor credit, and commercial bank loans are the most frequent types of short-term financing used
- For long-term capital needs:
  - 67% turn to private sources or business earnings
  - 60% turn to commercial banks
  - 29% use leasing companies

34% have used or expect to seek venture capital

- Term loans and leasing equipment are the most frequently used types of long-term financing
- Women business owners tend to be fiscally conservative: on a scale of 1 (most conservative) to 5 (high risk-taker), the average ranking is 2.5.

#### Looking Forward

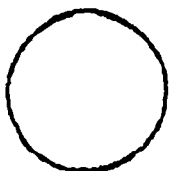
Women business owners are optimistic about the future and are growth-oriented:

- 35% expect to add employees
- 66% expect sales to increase; 30% expect sales to increase more than 20%
- 61% are optimistic about the U.S. economy, almost double the percent who were optimistic two years ago
- 84% are optimistic about their own businesses, up 10% from two years ago
- 97% set growth through profitability, expansion, or acquisition as their major goal over the next three years; 10% have organizational change as a major goal

#### Profile

- 43% are between the ages of 40 and 49
- 67% are married
- 36% have one or more children still at home
- 68% have at least a bachelor's degree; 42% have done post-graduate work

Source: National Foundation for Women Business Owners, Women-Owned Businesses, the New Economic Force, 1992; Biennial Membership Survey of Women Business Owners, 1992. The Foundation is NAWBO's non-profit educational and research foundation.



# NAWBO's

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## Vision

### Vision Statement

By the year 2000, the National Association of Women Business Owners (NAWBO) is a powerful and prestigious organization respected worldwide for pioneering innovative and effective changes in the business culture and in public policy.

Viewing its mission as training leaders for a world of change, NAWBO provides its members with the vision and flexibility to identify and respond to the challenges facing us in the 21st Century—training them not only to manage the course of change, but to change the course of management.

Recognizing that people are our greatest resource and ideas and innovation are our products, NAWBO members have forged entirely new styles of entrepreneurship, management and leadership which are transforming the workplace, and serving as a visionary blueprint for the world.

NAWBO members have been leaders in humanizing technology and managing the information explosion. Member firms serve as laboratories, trailblazing dramatically new corporate cultures which are holistic, value-driven, strategic, longer range in their thinking, and dedicated to quality, creativity, innovation, professional development and enhanced productivity.

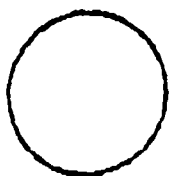
Believing that profits are maximized by a highly valued and motivated workforce,

NAWBO members nurture and inspire their employees through incentives and rewards, recognition for their ideas and accomplishments, and on-going training to keep their team operating at sustained high levels of performance, productivity and personal satisfaction.

But NAWBO is more than a crucible creating a new corporate ethos—NAWBO and its members are at the forefront in conceptualizing and shaping public policy for the 21st Century. Members serve as commissioners on appointive bodies, on prestigious boards of directors and as elected officials. And its alumnae serve as mayors, governors, members of Congress, Senators, trade representatives, and cabinet officers.

Recognizing that the world is interdependent and that change is the only constant, NAWBO members work for policies that unleash the creativity of capitalism and open new vistas of innovation and opportunity; for policies that value people as our greatest natural resource, and which train our workforce of today and tomorrow for the constantly evolving jobs of the future; for policies that transcend narrow interests and national borders, and that foster trade and a spirit of international cooperation; and for policies that strengthen the fabric of society, and enhance the quality of life on planet earth.

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# **NAWBO**

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## *Affiliations*

### **Les Femmes Chefs d'Entreprises Mondiales**

As the official U.S. member of Les Femmes Chefs d'Entreprises Mondiales (FCEM), or World Association of Women Entrepreneurs, NAWBO's network extends around the world.

FCEM, a growing international women business owner organization, reaches 28 country members and nearly 30,000 businesses in North and South America, Europe, Asia, Africa, and the Far East. FCEM is now building affiliates in Eastern Europe, and the former Soviet Union.

NAWBO'S affiliation with FCEM gives members an edge to be positioned as leaders in the global economy. NAWBO members were instrumental in developing FCEM's first international trading directory, listing women business owners from Italy to Gabon, the Netherlands to Taiwan. NAWBO is now working with FCEM to develop an electronic directory and on-line bulletin board service.

### **National Foundation for Women Business Owners**

The National Foundation for Women Business Owners (NFWBO) is a non-profit foundation, organized to help fulfill NAWBO's vision for the year 2000. It is the research and educational arm for extending the reach of the organization, for continuing growth for our members and their businesses, and for sharing what our members have learned with other women business owners across the country and around the world. For more information please contact Dr. Sharon Hadary, Executive Director, 1377 K Street, N.W., Suite 637, Washington, DC 20005 or call (301) 495-4975 or FAX (301) 495-4979.

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## **NATIONAL SMALL BUSINESS UNITED**

**MEMBERS:** 65,000 small business owners.

**REPRESENTS:** NSBU represents small business owners in many service and industrial sectors. NSBU places a major emphasis on small business advocacy, taking a bi-partisan approach to working with Congress and other elected officials.

**TODAY'S SPEAKER:** Gary Kushner, Treasurer and Chair (see bio)

**SCOPE OF INFLUENCE:** Limited influence on Congress. Good with media.

**APPROACH TO REFORM:** Individual mandates; individual responsibility as the cornerstone of any health care reform effort.

**SUMMARY OF POSITION:**

In the past, they have been the more liberal, progressive group (more open to discussing employer mandates as long as cost containment and individual responsibility are addressed). Within the last year, however, they have become more adamantly opposed to an employer mandate.

NSBU's membership includes several models for small employer purchasing cooperatives. They support the right for small business to organize their own HIPC's and to manage their own health care activities.

Streamlining of delivery system necessary, not just refinancing and containing costs.

Contain costs with emphasis on universal coverage and through provider/payor interactions at community level not federally imposed restrictions.

Including workers' compensation with health care reform could be valuable to small business owners and employees, but there are concerns about how it will be implemented.

Oppose payroll taxes financing prefer broad-based taxes, including consumption. They have expressed support for an increased

income tax to help finance coverage.

**POSITION ON  
PLAN:**

Likely to oppose mandate, but perhaps not actively.

**INTERACTION W/  
TASK FORCE AND  
WORKING GROUPS:**

Transition, Ira Magaziner.

**HOT BUTTON ISSUES:**

Employer mandate.

# Biography



## *Margaret A. Smith*

Margaret Smith is an attorney who specializes in representing small and medium-sized businesses. She maintains offices in Silicon Valley and San Francisco, California, with an affiliate office in Washington, D.C. In addition to her law firm, she owns two other small businesses: one offering business consulting services in the international market; and one offering business support services to small, professional companies.

Ms. Smith is a member of the Board of Trustees for National Small Business United (NSBU), a member of the Board of Directors of the National Foundation of Women Business Owners and a member of the U.S. Chamber of Commerce Small Business Advisory Council. Ms. Smith serves on the Board of the Women's Fund for the Santa Clara County Community Foundation and is a member of several local business organizations. She also serves as a Judge Pro Tem in the Small Claims Division of the California Municipal Court.

Ms. Smith has been recognized both locally and nationally for her involvement in and dedication to the small business community. She has presented Congressional testimony on issues affecting small business, and has been interviewed by numerous print and broadcast media regarding her views on small business issues. She is a guest speaker on radio talk shows and a frequent guest lecturer for small business seminars.

Prior to the practice of law, Smith gained extensive professional and business experience in Washington, D.C., in both the political and private business sectors. She served as public affairs coordinator and legislative specialist for a national real estate trade association; as an executive assistant/researcher for the executive staffs of two major newspapers; and as a member of the media relations staff of the nation's largest oil company.

Ms. Smith returned to school as a 30-year-old single parent, completing both college and law school at night while raising two sons and working full time. She received her undergraduate degree from the George Washington University, Washington, D.C., and her Juris Doctorate from the University of Santa Clara Law School, Santa Clara, California.

1155 15TH STREET, N.W.

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WASHINGTON, D.C. 20005

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## **SMALL BUSINESS LEGISLATIVE COUNCIL**

**MEMBERS:** Coalition of 100 small business trade associations

**REPRESENTS:** The Council organizations represent at least 1.6 million small businesses in diverse economic sectors (manufacturing, retailing, distributing, professional and technical services, construction, transportation and agriculture).

**TODAY'S SPEAKER:** Gary Frank Petty, Treasurer and member of the Board of Directors (see bio)

**SCOPE OF INFLUENCE:** Newsletter widely distributed. Well liked by key congressional members.

**APPROACH TO REFORM:** Their health care reform proposal does not include an employer mandate, but have signaled their willingness to discuss if the cost issue is adequately addressed and small businesses are not unduly burdened.

**SUMMARY OF POSITION:**

They developed a reform proposal about two years ago.

Establishment of global spending goals and rate structures that reflect local circumstances.

Recently released statement supportive of price controls.

Encourage creation of voluntary small business "buying groups."

Limits on employee tax exclusion for employer-paid health coverage.

Reform of small group case market should recognize importance of association insurance plans (including MEWA's) as a means of providing coverage and relevance of workers compensation as a large component of the health care debate.

**POSITION ON  
PLAN:**

Noncommittal, but open.

**INTERACTION W/  
TASK FORCE AND  
WORKING GROUPS:**

Transition.

**HOT BUTTON ISSUES:** Cost control, employer mandate.

**Small Business Legislative Council  
Representative**

**Gary Frank Petty  
Treasurer and Member of the Board of Directors**

[Gary Frank Petty] is the Treasurer and a member of the Board of Directors of the Small Business Legislative Council (SBLC). He is one of SBLC's volunteer officers. He is the President and CEO of the National Moving and Storage Association (NMSA), one of the trade association members of SBLC.

Mr. Petty has served as the President and CEO of NMSA since 1988. He has a background in association management, law and higher education. He holds a Juris Doctor degree from Delaware Law School, a Doctor of Philosophy from the University of Michigan, a Master of Arts and Bachelor of Arts from Western Michigan University.

Mr. Petty will be accompanied by John S. Satagaj, the President of the SBLC. Mr. Satagaj has served as the President of the Small Business Legislative Council since 1986. He began representing small business interests in Washington in 1978 when he served as a special counsel to the first Chief Counsel for Advocacy for Small Business, Milton D. Stewart. Mr. Satagaj is a partner in the law firm of London and Satagaj. He has a Juris Doctor degree from the University of Connecticut and an L.L. M. in Taxation from George Washington University.



Oral Presentation of Gary Frank Petty  
on Behalf of the  
Small Business Legislative Council

Thank you for this opportunity to present the views of the Small Business Legislative Council (SBLC). In accordance with your request, I will not describe our organization and we are submitting a written statement for the record.

Let me begin by saying we approach this debate with great optimism because if the election of the President sent one signal to us, it is that the country would finally be united in agreeing upon the need for immediate, comprehensive health care reform. For at least two years, we have been preaching the need for comprehensive reform led by meaningful cost containment and the pews have been almost empty. We are pleased they are now filling up fast.

The question today is "what is the best way to ensure that employees of small business get health coverage?"

The answer begins and ends with the statement "control costs." We are well aware of the number of Americans employed by small business without health care coverage. That fact, however, must be placed in context. What about the many, many millions of Americans who do receive their health care benefits through a small business employer? In comparison, this latter figure is a rather significant number.

We are convinced the gap would shrink even further if small employers had the comfort of knowing that the costs of coverage would not become a quagmire from which they could not extricate themselves. Further, we are more concerned about all those currently providing coverage. They have simply run out of options for controlling costs by their own actions; they have changed programs, tried managed care, self-insurance and cost sharing. They have absorbed all the costs they can. Unless we control costs, all is for naught.

For that reason, we have concluded that in the short-term, some form of fee and price controls is necessary to rein in health care provider costs. The truth is, we need to separate the health care profession from the health care business. We wish the marketplace would make these adjustments, but we are not so naive to believe free enterprise guarantees the perfect system. Since 1977, SBLC has been an outspoken advocate of antitrust policy, taxation policy (such as the President's investment tax credit) and procurement policy that allow the government to smooth out the market "imperfections" to permit a competitive economy to thrive. In this health care debate, we have come to the conclusion, the government must undertake a role to control costs.

We think the health care provider community should be asked to defend or oppose a particular cost control approach, rather than the employer community. It is time to recognize the market is not going to produce cost containment by itself.

I know the subject of using mandates to require small businesses to provide coverage is under consideration. Let me say, it is hard for us to imagine that anyone could warmly embrace the concept of mandatory participation, particularly small business owners, for whom economic freedom, the right to

---

Having said that, let me first make two observations and then some suggestions about mandates.

In our on-going discussions with our members, it is apparent to us that most small businesses have come to view access to health care as almost a fundamental right. It is something they do expect all Americans to have. Second, most small business owners would tell you they believe it is their responsibility to provide it. The barrier, as noted, is cost and the framework for undertaking the responsibility is the freedom to determine how to do it.

These observations, combined with the recognition we are asking others, such as health care providers to make dramatic changes in their contribution to the system, lead us to the conclusion we cannot summarily rule out any alternative that adversely affects us, if it is part of a comprehensive solution, notwithstanding our reservations. Six years ago it may have been appropriate. Now is the time to be agents for change, not shackled servants to the past. After all, is it not the nature of the successful entrepreneur to take the risky road to pursue a better tomorrow?

First, as noted above, cost controls would have to be put in place as a condition precedent. It does get a little tiring to us for others to suggest employers need to do more. We are prepared to make further sacrifices, but not before others in the system have been made to do their fair share. Let's not forget we are currently responsible for providing coverage to many Americans.

Second, any mandatory responsibility would have to be a shared responsibility. The employer and employee must share the responsibility for health care. At best, price and fee controls or global budgeting are short- to mid-term solutions; without getting the individual directly involved in some financial way, we will never impose the long-term discipline necessary to restrain our health care appetite. We believe taxation of the excess cost of benefits to the employee would be an excellent starting point. If there is to be a mandatory participation requirement, it should be borne by both the employer and employee.

Third, resolution of the growing problem of workers compensation costs must be part of a comprehensive solution. We are certain cutting workers compensation costs would be a very attractive inducement for accepting any mandatory responsibility.

A small business moving and storage company in Des Moines, Iowa has six local drivers making annual salaries in the range of \$20,000 to \$25,000 each. The company does not provide health insurance for these drivers, primarily because of the high cost of workers compensation insurance. At the state rate of \$20 per \$100 of payroll, a driver earning \$25,000 would cost the company \$5,000 a year in workers compensation insurance premiums. On the other hand, that same driver, 30 years old and single, would cost the company \$190 per month, or \$2,280 per year, for health insurance, if offered by the company. If the company paid both workers compensation insurance and health insurance, the total annual cost would be almost 30 percent of the driver's salary.

For the six drivers on an annual basis, the company pays about \$27,000 for workers compensation, or more than the annual salary of any single driver. Even assuming \$250 a month for health care insurance per driver, the company's annual cost would be \$18,000. Obviously if the company provided both types of

If the task force presents a proposal to the President that is credible on these counts, we believe you will be able to make a strong case to small business that they need to be a part of a comprehensive solution.

There are several other components of the health care debate I would like to touch upon briefly. The first is the delivery system itself. We have supported the basic concept behind "managed competition." The idea of buying groups appeals to us. What we have not been able to reconcile is a mandatory requirement for small businesses to join such a group. As I indicated earlier, small business owners want to retain the flexibility to choose their approach to assuming this responsibility.

Associations, for example, have offered one alternative approach for many small businesses to provide health care benefit coverage. Further, we do not think one can rule out self-insurance, in whole or part, if there is a way to ensure its legitimacy under comprehensive reform. We do not know how one reconciles self-insurance options with managed competition, but we are always struck by the number of smaller businesses that do provide meaningful benefits to their employees with some type of self-insurance arrangement. We believe small business will want to retain some flexibility in that regard.

At this time, we are not sure what role the insurance industry will play in the new world after comprehensive reform. If we build on the current system, some administrative reforms are necessary, to reduce the high cost of administering small business programs. We do know that using pre-existing conditions and other underwriting devices to "cherry-pick" the market are not acceptable if we are to have comprehensive reform, universal access, and cost control.

Even if we have mandatory responsibility for coverage, shared by employers and employees, we still have those who are unemployed, are part-time employees, and others who, for one reason or another, do not fall within the employer-based system. As you know, the price tag for universal access is significant.

How we pay for universal access, even with some mandatory shared responsibility, is rapidly replacing the mandate issue as a major concern. We do not have a specific revenue proposal in mind, but we do believe it must be one that is absorbed by the citizenry as a whole, rather than one that is rolled directly into the costs of health care that must be borne by the employer community.

There are many other aspects of health care reform I have not touched on in our remarks. For example, we believe reforms of public sector programs, Medicare and Medicaid, are in order. We believe strongly that medical malpractice reforms are necessary. We believe significant cost savings can be achieved by fundamental civil justice reform.

In conclusion, we believe it is important for small business to be part of a solution, not an obstacle to reform. Clearly, controlling costs is our paramount concern. In our minds, this debate is "a work in progress" and we cannot take any option off the table. We look forward to working with the members of this task force and the President to find a solution that works for all Americans in a fair and equitable manner.

PAUL, WEISS, RIFKIND, WHARTON & GARRISON  
1285 Avenue of the Americas, New York, N.Y. 10019-6064  
(212) 373-3000

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"Children at risk"

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Please respond to: A. Leon Higginbotham, Jr.  
Paul, Weiss, Rifkind, Wharton & Garrison  
1285 Avenue of the Americas  
New York, New York 10019  
(212) 373-3135

July 28, 1993

**VIA FEDERAL EXPRESS**

The Honorable Janet Reno  
Attorney General of the United States  
United States Department of Justice  
10th and Constitution, N.W.  
Room 4400  
Washington, D.C. 20530

**ABA Working Group on the Unmet Legal Needs  
of Children and Their Families**

Dear Janet:

The primary writing task of our Working Group is finished and I am pleased to enclose our final report, "America's Children at Risk." While we make several references to your invaluable insights -- at pages 3, 13 and 59 -- no one knows better than we that your comments at our brunch on June 5 had a profound impact on us and caused the final report to be better, more comprehensive and more thoughtful than it otherwise would have been.



As someone who has worked with Attorney Generals for more than three decades, I cannot overstate how much difference your excellence and your extraordinary insights will make. We do not plan to let this report be used merely as a book weight or for the collection of dust; hopefully, we can, along with many others, help generate the momentum that will improve the lives of many children, so that fewer will be at risk.

Catherine Ross has written to you separately, and we all look forward to seeing you on Tuesday, August 3rd. It is my understanding that your schedulers and Mrs. Clinton's schedulers are coordinating the times. I will make myself available for that entire day to be helpful in any way possible.

Sincerely,

A handwritten signature in cursive script, appearing to read "Leon", written in dark ink.

A. Leon Higginbotham, Jr.

PAUL, WEISS, RIFKIND, WHARTON & GARRISON  
1285 Avenue of the Americas, New York, N.Y. 10019-6064  
(212) 373-3000

FACSIMILE COVER LETTER

FROM: A. Leon Higginbotham, Jr. \_\_\_\_\_ DATE: July 28, 1993 \_\_\_\_\_

TOTAL NUMBER OF PAGES: 10 (Including Cover Sheet)

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| Evelyn Lieberman, Esq.  | " "                                                            | " "                                    |              |
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Operator: Shifra Eva Stern/Secretary

DATE

July 28, 1993

MEMORANDUM

To **VIA FACSIMILE**

From

Margaret Williams, Esq.

Subject

A. Leon Higginbotham, Jr.

ABA Working Group on the Unmet Legal  
Needs of Children and Their Families

I am writing to follow up on our conversation regarding the participants in the presentation of the Report of the above group to the First Lady and the Attorney General on Tuesday, August 3rd.

We deeply appreciate Hillary Rodham Clinton's interest in our project and her willingness to receive our Report personally. We will be absolutely flexible in working with your office on the number of participants.

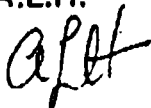
For your convenience, I am attaching two lists of prospective invitees, along with brief biographies of each Working Group member as they appear in the Report. Group one consists of 11 persons: the current and incoming ABA Presidents, the Vice Chair of the Working Group, the conveners of the six Working Group substantive clusters, a senior partner of my firm and myself. Group

two includes all of the above plus the rest of the members of the Working Group.

I look forward to talking with you soon. Once again, thanks for all of your help.

Catherine Ross is sending you a copy of the Report under separate cover for delivery tomorrow.

A.L.H.



enclosure

cc: (via facsimile)  
Evelyn Lieberman, Esq.  
(w/enclosures)

**GROUP ONE**  
**11 Persons**

A. Leon Higginbotham, Jr.  
Chair  
Catherine J. Ross  
Vice Chair  
J. Michael McWilliams  
ABA President  
R. William Ide, III  
ABA President-Elect  
David M. Abromowitz  
Michael E. Barber  
Hon. Rosemary Barkett  
Robert G. Schwartz  
Daniel L. Skoler  
Diane C. Yu  
Ernest Rubenstein  
Paul, Weiss, Rifkind, Wharton & Garrison

**GROUP TWO**  
**41 Persons**

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 Catherine J. Ross  
 Vice Chair  
 J. Michael McWilliams  
 ABA President  
 R. William Ide, III  
 ABA President-Elect  
 David M. Abromowitz  
 Michael E. Barber  
 Hon. Rosemary Barkett  
 Robert G. Schwartz  
 Daniel L. Skoler  
 Diane C. Yu  
 Ernest Rubenstein

Jonathan D. Asher  
 Doris M. Clanton  
 Kahlil Aryn Day  
 Sara-Ann Determan  
 Bernardine Dohrn  
 Hon. Bernice B. Donald  
 Hon. Fernando R.V. Duffly  
 Maria Foscarinis  
 Stephanie Franklin-Suber  
 Lisa A. Godfrey  
 Linda N. Goldstein  
 Iris McCollum Green  
 Fay Hartog-Rapp  
 Kimberly Hornak  
 Zona F. Hostetler  
 Bobbi Tillmon Mallory  
 James Morales  
 James R. Neuhard  
 John L. Popilek  
 Blake Ramsey  
 Pamela J. Roberts  
 Deborah H. Schenk

L. William Schmidt, Jr.  
Debbie Segal  
Nancy G. Shor  
Tracey E. Skinner  
James M. Stillwagon  
Hon. Jean M. Toal  
H. Rutherford Turnbull, III  
Margaret Bush Wilson  
Marshall J. Wolf

## APPENDIX A

### Members of the ABA Working Group on the Unmet Legal Needs of Children and Their Families

**The Honorable A. Leon Higginbotham, Jr., Chair**  
(Appointed by ABA President J. Michael McWilliams)

Judge Higginbotham is of counsel to Paul, Weiss, Rifkind, Wharton & Garrison, which he joined after retiring as Chief Judge of the United States Court of Appeals for the Third Circuit. He served as a federal judge for more than 29 years, including 15 years on the Court of Appeals and 14 years on the United States District Court. In 1962, he was appointed to the United States Federal Trade Commission. He has served on many national commissions including the National Commission on the Causes and Prevention of Violence and the Commission on Reform of Federal Criminal Laws. Judge Higginbotham is the author of *In the Matter of Color*, published by Oxford University Press in 1978, which received the ABA's Silver Gavel Award. He has been an adjunct professor at several universities, including the University of Pennsylvania, Harvard University, Yale University, New York University, the University of Michigan and Stanford University.

**Catherine J. Ross, Vice Chair**  
(Appointed by ABA President J. Michael McWilliams)

Ms. Ross is an associate in the litigation department at Paul, Weiss, Rifkind, Wharton & Garrison. She earned a doctorate in history from Yale, held a post-doctoral fellowship at the Bush Center for Child Development and Social Policy at Yale and, prior to attending law school, was on the faculty of the Yale Child Study Center, Yale University School of Medicine. She has taught, written and consulted about child abuse and neglect, foster care, children's rights, the welfare system, and programs to serve impoverished children. Ms. Ross is joint editor of *Child Abuse: An Agenda for Action* published by Oxford University Press in 1980.

**David M. Abromowitz**  
(Appointed by the ABA Forum Committee on Affordable Housing & Community Development Law)

Mr. Abromowitz is an attorney at Goulston & Storrs, Boston, Massachusetts, where he specializes in housing development for low- and moderate-income residents. He founded and currently co-chairs the Lawyers Clearinghouse on Affordable Housing and Homelessness, a pro bono program of the Boston and Massachusetts Bar Associations, which provides legal services to non-profit developers and shelters.

**Jonathan D. Asher**  
(Appointed by the ABA Standing Committee on Legal Aid and Indigent Defendants)

Mr. Asher has been the Executive Director of the Legal Aid Society of Metropolitan Denver since 1980. He has been recognized for his dedication to making legal services available to indigent Colorado residents. He is a former director of litigation and Supervisory Attorney for Colorado Rural Legal Services and Director of the Colorado Coalition Legal Services Program.

**Michael E. Barber**  
(Appointed by the ABA Section of Family Law)

Mr. Barber, a sole practitioner in Sacramento, California, has extensive experience in child support enforcement. He is a past chair of the ABA's Section of Family Law and past president of the District Attorney's Family Support Council in California. Most recently, he served on the United States Commission on Interstate Child Support Enforcement, and he has worked for several United States presidential administrations on developing national child support policy.

**The Honorable Rosemary Barkett**  
(Appointed by the ABA Commission on Homelessness and Poverty)

Chief Justice Barkett is Chief Justice of the Florida Supreme Court. As chair of the Child Welfare and Child Support Study in Florida, she has been instrumental in changing public opinion on the protection of individual rights of children in that state. Chief Justice Barkett has also played a role in revising Florida's domestic laws affecting families and children.

**Doris Clanton**  
(Appointed by the ABA Section on Dispute Resolution)

Doris Clanton currently works as Assistant Counsel to the Senate Governmental Affairs Committee (chaired by Senator John Glenn). She is a former criminal and juvenile law practitioner. She works with the Section on Dispute Resolution Staff on the Mediation in the Schools project and on youth issues.

**Kahlil Aryn Day**  
(Appointed by the National Asian Pacific American Bar Association)

Mr. Day has worked primarily as a general practitioner. He is a past president of the Asian Pacific American Bar Association of Florida and an active member of the Florida Bar Committee for Equal Opportunities in the Profession.

**Sara-Ann Determan**  
(Appointed by the ABA Consortium on Legal Services and the Public)

Ms. Determan is a partner at the Washington, D.C. law firm of Hogan and Hartson. She is the former president and treasurer of the District of Columbia Bar and former chair of the ABA Section of Individual Rights and Responsibilities. She currently chairs the steering committee for the ABA Postconviction Death Penalty Representation Project, as well as the ABA Committee on Delivery of Legal Services. She is a board member and founder of the Women's Legal Defense Fund, a board member of the National Capital Area American Civil Liberties Union and a trustee of the Lawyers' Committee for Civil Rights Under the Law.

**Bernardine Dohrn**  
(Appointed by the ABA Section of Litigation)

Ms. Dohrn is the Director of the Children and Family Justice Center at Northwestern University School of Law.

She is co-chair of the ABA Litigation Section's Task Force on Children. She has worked extensively in the Cook County child welfare system, with the Juvenile Law Project of the American Civil Liberties Union, and the Children's Rights and Homeless Advocacy Projects of the Legal Assistance Foundation of Chicago.

**The Honorable Bernice B. Donald**  
(Appointed by the ABA Steering Committee  
on Racial and Ethnic Bias in the Justice System)

Judge Donald currently serves on the United States Bankruptcy Court for the Western District of Tennessee. Previously, she served for six years as Judge of the General Sessions Criminal Court of Memphis, Tennessee. Judge Donald is past president of the National Association of Women Judges, where she helped pass resolutions seeking legislation on the rights of children. She served as chair of the board of Mid-town Mental Health Center, which provides services for children and families.

**The Honorable Fernande R.V. Duffly**  
(Appointed by the National Asian Pacific  
American Bar Association)

Judge Duffly is Associate Justice in the Commonwealth of Massachusetts Trial Court. She has experience in the Probate and Family Court, which has jurisdiction over divorce, parental rights termination, guardianship and support, and other probate and equity matters. She was engaged in the private practice of domestic relations law for 14 years.

**Maria Foscarinis**  
(Appointed by the ABA Commission on Homelessness  
and Poverty)

Ms. Foscarinis founded and directs the National Law Center on Homelessness and Poverty, which engages in impact litigation, policy advocacy and research. She was formerly a litigation associate at Sullivan & Cromwell in New York, where she represented homeless families on a pro bono basis.

**Stephanie Franklin-Suber**  
(Appointed by the National Bar Association)

Ms. Franklin-Suber is a partner with the firm of Schnader, Harrison, Segal & Lewis, Philadelphia, Pennsylvania. She is chair of the Small and Minorities Business Committee of the Philadelphia Bar Association, and former president of the Barristers' Association of Philadelphia.

**Lisa A. Godfrey**  
(Appointed by the National Conference of Women's  
Bar Associations)

Ms. Godfrey practices law in Kalamazoo, Michigan, with Reed, Stover & O'Connor, P.C. She is a member of the National Conference of Women's Bar Associations and currently serves as its president. She has worked to influence legislation and policies that affect women and families.

**Linda N. Goldstein**  
(Appointed by the ABA Section of Real Property,  
Probate & Trust Law)

Ms. Goldstein is a partner with the Washington, D.C. office of New York's Lane & Mittendorf. Ms. Goldstein has also served in the Office of General Counsel, U.S. Department of Housing and Urban Development, where she was responsible for legal issues concerning the Federal Housing Administration. Ms. Goldstein chairs the ABA Special

Committee on Affordable Housing (Section of Real Property and Probate). She was recently appointed Vice Chair of the Advisory Committee, Center for Community Development, The Martin Luther King, Jr. Center for Nonviolent Social Change.

**Iris McCollum Green**  
(Appointed by the National Bar Association)

Ms. Green is a founding partner of Green & Foshee in Washington, D.C., where, among other things, she has represented children in abuse and neglect cases. Her interest in children's rights stems from her work in civil rights law at the U.S. Department of Justice.

**Fay Hartog-Rapp**  
(Appointed by the ABA Section on Urban, State and  
Local Government)

Ms. Hartog-Rapp has represented public schools in abuse/neglect proceedings, truancy cases and other juvenile court proceedings. She also has expertise in educational and rehabilitative services for disabled students.

**Kimberly Hornak**  
(Appointed by the ABA Young Lawyers Division)

Ms. Hornak is a prosecutor on the Special Victim Team in Salt Lake City, Utah, which handles child sexual and physical abuse cases. She currently chairs the Children and the Law Committee of the ABA Young Lawyers Division. She also sits on the board of Utah's chapter of the National Committee for Prevention of Child Abuse.

**Zona F. Hostetler**  
(Appointed by the ABA Center for Professional  
Responsibility)

Ms. Hostetler has served on the ABA ethics committee and is the immediate past chair of the ABA's Committee on Professionalism. She has served on numerous bar committees concerned with legal aid and pro bono activities and is currently on the Council for the ABA's Individual Rights and Responsibilities Section. She practices law in Washington, D.C.

**Bobbi Tillmon Mallory**  
(Appointed by the National Bar Association)

Ms. Mallory has been a family law attorney for approximately 14 years and is a senior partner in the law firm of Mallory, Brown-Curtis & Mallory. She has served on numerous family law committees and is currently vice chair of the ABA Family Law Section's Family Courts Committee.

**James Morales**  
(Appointed by the Hispanic National Bar Association)

Mr. Morales is a staff attorney at the National Center for Youth Law, San Francisco, where he advises legal aid lawyers on issues affecting low-income children. He specializes in fair housing law, juvenile corrections and youth employment.

**James R. Neuhard**  
(Appointed by the ABA Special  
Committee on Funding the Justice System)

Mr. Neuhard is the director of the State Appellate Defender Office, Detroit, Michigan. He is chair of the ABA Special Committee on Funding the Justice System, which will investigate and attack the system-wide crisis in funding for all aspects of the justice system. He is the immediate past president of the National Legal Aid and Defender

Association and the former chair of the ABA Bar Information Project.

**John L. Popilek**  
(Appointed by the ABA General Practice Section)

Mr. Popilek has been a Superior Court Commissioner for approximately five years. He works daily with juveniles in detention centers and residential placements, and is involved with a number of committees in Arizona which are working to reform the juvenile justice system. Currently, he serves on a committee that is working with the Arizona educational system to improve the relationship between educational institutions and the juvenile justice system.

**The Honorable Blake Ramsey**  
(Appointed by the ABA Judicial Administration Division)

Judge Ramsey is currently a Utah Pro Tem circuit court judge on family law matters and an attorney in private practice at Rieke-Cisil and Savage. She has seven years experience as a juvenile law and family law attorney. She is chair of the board for the Parry Center for Children and The Salvation Army Harbor Light for the Homeless.

**Pamela J. Roberts**  
(Appointed by the ABA Special Committee on the Drug Crisis)

Ms. Roberts is a partner with the law firm of Nexsen, Pruet, Jacobs & Pollard in Columbia, South Carolina. She is a member of the ABA Special Committee on the Drug Crisis and chairs its Juvenile Justice Task Force. She is immediate Past Chairperson of the ABA Young Lawyers Division and from 1990-92 served on the advisory board to the ABA Center on Children and the Law.

**Deborah H. Schenk**  
(Appointed by the ABA Section of Taxation)

Ms. Schenk is a professor of law at New York University School of Law, specializing in problems of low-income taxpayers and small businesses. She is a former chairman of the ABA Low Income Taxpayers Committee. Currently, she is a member of the Association of the Bar of the City of New York's Committee on Personal Income.

**L. William Schmidt, Jr.**  
(Appointed by the ABA Section of Real Property, Probate and Trust Law)

Mr. Schmidt practices estate planning, probate and business planning law in Denver, Colorado. He offers insight on the property rights of minors, guardianship, and representation of children in property and trust cases.

**Robert G. Schwartz**  
(Appointed by the ABA Juvenile Justice Committee, Criminal Justice Section)

Mr. Schwartz is the co-founder and executive director of the Juvenile Law Center, a Philadelphia-based public interest law firm. He works with advocates and public policy makers throughout the country to improve child serving systems and is involved with promoting family and community-based services, ensuring delivery of quality health care, and reducing barriers to services.

**Debbie Segal**  
(Appointed by the ABA Standing Committee on Lawyer's Public Service Responsibility)

Ms. Segal is the executive director of the Atlanta Volunteer Lawyers Foundation, a pro bono organization which works with law firms and private attorneys to facilitate representation of children in contested custody cases, truancy cases and deprivation cases. As a civil litigator, she has extensive trial and appellate experience in domestic and housing cases.

**Nancy G. Shor**  
(Appointed by the ABA Administrative Law and Regulatory Practice)

Ms. Shor is the Executive Director of the National Organization of Social Security Claimant's Representatives (NOSSCR), where she works with publicly funded and private advocates for Social Security disability and Supplemental Security Income disability claimants.

**Tracey E. Skinner**  
(Appointed by the ABA Youth Education for Citizenship)

Ms. Skinner is a solo practitioner in Baltimore, Maryland and has been practicing law for eight years. Her interest in children's rights issues started in the beginning of her career when she took on pro bono cases in the special education area. Since then, as past chair of the Maryland State Bar's Young Lawyers Section and as a member of the ABA's Special Committee on Youth Education for Citizenship, she has been involved with law-related education for young students.

**Daniel L. Skoler**  
(Appointed by the ABA Section of Individual Rights and Responsibilities)

Mr. Skoler is currently an associate commissioner within the U.S. Social Security Administration. He has served as the executive director of the National Council of Juvenile and Family Court Judges, a member of the Advisory Board of the ABA Center on Children and the Law, and a member of the ABA/JJA Joint Commission on Juvenile Justice Standards. He currently chairs the work group established by the ABA to assist the U.S. Executive Branch and the Senate in identification and clarification of issues relevant to the ratification of the United Nations Convention on the Rights of the Child.

**James M. Stillwagon**  
(Appointed by the ABA Coordinating Committee on Immigration)

Mr. Stillwagon is counsel to the firm of White & Case in New York City and serves as trustee and counsel to the Maternity and Early Childhood Foundation of the State of New York, which provides funds for prenatal and neonatal care for the urban and rural poor. His professional expertise is in immigration law.

**The Honorable Jean M. Toal**  
(Appointed by the ABA Standing Committee on Association Communications)

Judge Toal practiced law for 20 years prior to her present election to the South Carolina Supreme Court. She has practiced primarily trial and appellate litigation before all trial and appellate level courts, both state and federal, in South Carolina. She served as a member of the South Carolina House of Representatives for 13 years. She was the

first woman in South Carolina to chair a standing committee of the House of Representatives.

**H. Rutherford Turnbull, III**

(Appointed by the ABA Commission on Mental and Physical Disability Law)

Mr. Turnbull, chair of the ABA Commission on Mental and Physical Disability Law, is a professor of special education and a professor of law in the areas of special education law, mental disabilities law and public policy at the University of Kansas at Lawrence. He co-directs The Beach Center, the nation's only federally funded rehabilitation and research and training center that focuses exclusively on families of persons with disabilities.

**Margaret Bush Wilson**

(Appointed by the ABA Special Committee on Youth Education for Citizenship)

Ms. Wilson is a senior partner in the law firm of Wilson & Associates. She is the past chair of the NAACP National Board of Directors and served nine terms in that office from

1975-1984. She presently chairs the ABA Special Committee on Youth Education for Citizenship.

**Marshall J. Wolf**

(Appointed by the ABA Section of Family Law)

Mr. Wolf practices domestic relations law at Wolf and Akers in Cleveland. He is chair of the ABA Family Law Section. He has served as a member of numerous family law committees and is a fellow of the American Academy of Matrimonial Lawyers and the International Academy of Matrimonial Lawyers.

**Diane C. Yu**

(Appointed by the ABA Commission on Opportunities for Minorities in the Profession)

Ms. Yu is currently General Counsel for the State Bar of California. Prior to her present appointment in 1987, she was a White House Fellow in Washington, D.C., following three years as the Superior Court Commissioner in Probate and Family Law for Alameda County. She serves on the board of the California Consortium for the Prevention of Child Abuse.

**MEMORANDUM**

**TO: KIM TILLEY**  
**FROM: AMY ZISOOK**  
**SUBJECT: SMALL BUSINESS ASSOCIATIONS**  
**DATE: JULY 30, 1993**

A National Small Business United -  
John Galles, Executive Vice President: 202-293-8830  
65,000 + members; 50 states

B National Association for the Self Employed -  
Bennie Thayer, Chairman of the Board: 202-466-2100  
320,000 + members; 50 members

A National Association of Women Business Owners -  
Joyce McLaughlin, President;  
Contact: Virginia Littlejohn: 301-608-2590  
5,000 members

B Small Business Legislative Council -  
John Satagaj: 202-639-8500  
100 Associations

(HASN'T ENDORSED) yet but still friendly  
SA - TA - JAY  
• will want some of the assoc present / we determine  
(NOTE: NASE is one of his members & counts)

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**NATIONAL FEDERAL OF INDEPENDENT BUSINESSES (NFIB)**

The NFIB represents 600,000 small business owners. During the last decade the NFIB has become an extremely visible and vocal voice for small businesses on Capitol Hill, however very closely allied with Republicans. They strongly oppose employer mandates and tax increases of any type, and have opposed our efforts through out the task force process. Their opposition has been used as an effective marketing tool this year to increase their membership and in many cases siphon members from other small business groups.

The NFIB is trying to work out a program to provide health insurance to their members and want that flexibility on the association insurance issue. Another high priority is the self-employed tax deductibility, however this alone would not be sufficient to gain a positive reaction. Despite their strong opposition to government regulation, they have voiced support for strong cost containment provisions (price controls) on providers.

The NFIB yields an especially strong influence with House members from the Midwest and the South. We will need to be prepared to respond to their active opposition should we expect to have sufficient support in the House, and to provide cover for the other small business groups who may play a more constructive role. Although they do not yet support the Chafee bill, it is their intention to do so. ASSESSMENT: Active opposition.

**NATIONAL SMALL BUSINESS LEGISLATIVE COUNCIL**

The Small Business Legislative Council is a Coalition of 100 small business trade organizations, which represent at least 1.6 owners. Despite the fact that they, as an organization of other organizations, can claim more small business owners than NFIB, they have yet to wield much clout or deliver an effective grass roots campaign on any issue of importance to them. Having said that, they are well liked by those members of Congress who know them, i.e., Rostenkowski and Pryor. They have been an early participant in the health reform debate, introducing their own reform proposal two years ago.

Although they have been willing to consider employer mandates and have been largely supportive of our outline, they strongly support the inclusion of association insurance plans (MEWA's) and this to date may well be our greatest hurdle for their support. Although their impact is small, their support will be greatly needed to offset the otherwise broad small business opposition. ASSESSMENT: Unclear.

#### NATIONAL SMALL BUSINESS UNITED

Small Business United represents over 65,000 small business owners. Their bi-partisan approach has yielded limited congressional influence, but their public advocacy has played well in the media. Earlier this year they indicated a willingness to consider individual mandates, but their openness has become more qualified in recent months. They will oppose employer mandates, but may be willing to speak supportively of other provisions in the proposal. The association insurance issue will also be a concern for them. They need to be more actively wooed. ASSESSMENT: Qualified opposition.

#### NATIONAL RESTAURANT ASSOCIATION

The National Restaurant Association represents 15,000 foodservice operations, which covers nine million foodservice employees and part-time employees. They are a founding member of the Healthcare Equity Action League (HEAL), designed to find a market-based solution to reform. They are politically active on Capitol Hill and very conservative. Adamently opposed to employer mandates and global budgeting. ASSESSMENT: Oppose.

#### NATIONAL ASSOCIATION OF MINORITY CONTRACTORS

The Minority Contractors Association represents 3,500 black, hispanic, asian-pacific, and native American contruction contractors in over 45 states. Their membership is highly transient, largely uninsured, and most employ less than 10 employees. Their greatest influence is in the African-American community. They have opposed employer mandates (supported individual mandates), but are open to discussion about small business subsidies in conjunction with mandates. They are likley to respond to good data showing that our plan will be affordable for small businesses. They strongly support maintaining association insurance plans. They strongly support the 100% tax deductability for self-employed. ASSESSMENT: Unclear, likely to be modified opposition.

 **NATIONAL ASSOCIATION OF WOMEN BUSINESS OWNERS**

The National Association of Women Business Owners represent about 4,000 women small business owners. Still a relatively new organization (formed in 1978), they have expanded their membership to 50 states. They oppose employer mandates, but have been open-minded to discussions of small business subsidies for small businesses within the mandate. They work closely with the Small Business United, and although they are likely to oppose the plan, may constructively do so by supporting individual provisions. They need to be wooed. ASSESSMENT: Unclear.

**THE NATIONAL ASSOCIATION OF PRIVATE ENTERPRISES**

The National Association of Private Enterprises (NAPE) represents 40,000 small business owners with 10 employees or less. Over 60 percent of their members are 40 years of age or younger. This relatively new organization (established in 1983) provides a network of bulk purchasing and insurance for their members. The NAPE offers a benefit plan that includes access to more than 48 products such as travel discounts, health insurance, and scholarships for NAPE members and their families. NAPE is new to the grass root advocacy process and their impact on Capitol Hill is still small.

NAPE strongly supports cost containment measures that include global budgets and malpractice reform, and the self-employed tax deduction is a strong issue with this group. However, employer mandates, prohibiting association insurance policies, and FUTA increases is very likely to result in their opposition. Their position will be simple: if small business labor costs increase under this plan, they will oppose. If we can quantify substantial small business assistance to offset what would otherwise be cost increases, their position may be qualified. ASSESSMENT: Opposition, may be qualified.

 **THE NATIONAL ASSOCIATION OF SELF-EMPLOYED**

The National Association of Self-Employed represents 320,000 small business owners. The self-employed tax deduction is a very strong issue with this group, as well as association insurance coverage. However, additional costs of the reform proposal will weigh heavily in their reaction, if we are not able to quantify subsidies. ASSESSMENT; Unclear.

## THE WHITE HOUSE

WASHINGTON

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- o **PROHIBITING ASSOCIATION PLANS.** Many associations provide low cost insurance to their members as one of their membership services (many also do bulk purchasing and other networking programs for their small business members). Association, which rely on underwriting, pre-existing condition exclusions, and other such things to keep costs low for their members -- such as the COSE plan in Cleveland -- will not be allowed to continue to operate under our plan. Association insurance plans also generate additional operating revenue for association budgets.

### CHAMBER OF COMMERCE

The Chamber's represents approximately 215,000 businesses, of which over 90 percent have less than 100 employees (71% have less than 10 employees). The service and retail industries comprise 56% of their membership. They have a strong grassroots network and a significant presence on Capitol Hill.

Their approach to reform is managed competition and early in the debate they indicated their willingness to support employer mandates with sufficient subsidies for low-wage employees and their employers. However, they have paid a price for this position within their membership, where a growing number have cancelled their membership. NFIB has capitalized on the Chamber's employer mandate position, forcing the Chamber to take a much harder line in recent weeks.

The other key issue for the Chamber is limiting Alliance participation at no more than 100 employees. As recently as last week, they indicated that anything over 150 would guarantee their opposition.

It is critical that the Chamber remain neutral until our proposal is released, however, they are under increasing pressure to start an opposition campaign in August to help off-set the criticism they are taking on their right. This has been temporarily stalled, through a steady effort to show our changes in response to their proposals. **ASSESSMENT:** They will oppose in September, but may qualify their opposition.

Kim

Here are summaries of each of these sm. business groups + where they stand with us on health care reform. This document is on the disk. I can do something much more detailed if you wish.

mail pm