

Clean Energy for the 21st Century – A package of initiatives to further demonstrate the Administration's commitment to addressing climate change, both by reducing domestic emissions of greenhouse gases and by encouraging the adoption of clean energy technologies in developing countries:

Investing in Clean Power – A proposed rule, and proposed legislation, to reduce emissions from older coal-fired power plants, a major source of greenhouse pollution. Rule would tighten standards but provide companies new flexibility to meet. Legislation would set a cap on carbon emissions from utilities, and could include financial incentives to retire old plants or switch to cleaner fuels. Would have major public health benefits by reducing smog and other air pollutants.

Choosing Fuel Economy – Challenge automakers to voluntarily provide American consumers with more fuel efficient cars and SUVs (as they are doing in the European market) and pledge to raise fuel economy standards if they don't.

Clean Energy Abroad – A \$250 million program, based on the recommendations of the President's Council of Advisors on Science and Technology, to promote clean energy technologies in developing countries through research, development, and export incentives.

Lands Legacy – Launch a new package of initiatives, and a Lands Legacy tour, to build on the Administration's conservation accomplishments and protect additional lands across the country:

Protecting Natural and Historic Sites – Presidential designation of sites warranting additional protection.

Permanent Conservation Funding – Secure guaranteed funding of at least \$1 billion a year for federal, state, and local conservation efforts.

Encouraging Private Land Conservation – A package of tax incentives to preserve farms, forests and other private lands.

Expanding Refuges – Set a goal of 100 million acres in refuges 2003, the 100th anniversary of the national wildlife refuge system.

Clean Water Across America – Set a goal of making all our rivers, lakes and coastal waters clean enough to fish and swim in doubling our investment in clean water over the next 10 years. Would increase funding to Clean Water State Revolving Funds (\$1.35 billion in FY 2000) and make them available to help farmers and ranchers reduce polluted runoff. Also call on Congress to reauthorize a strengthened Clean Water Act.

Greening the Globe – A new initiative to promote forest conservation and reforestation around the world, particularly in tropical regions facing the gravest threat of biodiversity loss. Would increase funding to USAID and other agencies to provide technical assistance and training, and increase funding for debt-for-nature swaps. Could challenge other developed countries to take similar effort or join us in a multilateral effort.

THE WHITE HOUSE
WASHINGTON

November 23, 1999

MEMORANDUM FOR MARIA ECHAVESTE

FROM: NEAL LANE *Neal*
SUBJECT: State of the Union Messages

I appreciate this opportunity to provide input for the President's Year 2000 State of the Union message. Science and technology should figure prominently in the record of accomplishments that will be featured in the address as well as in the initiatives announced to ensure continued progress toward the Administration's goals.

Accomplishments

When the President remarks on the eight years of record peacetime expansion in the U.S. economy, he should – as Alan Greenspan has – credit science and technology for much of the outstanding performance. Innovations in science and technology had multiple and reinforcing effects on the economy that:

- have resulted in improved productivity, yielding increases in wages or increases in benefits without letting loose higher inflation;
- have led businesses to continue to invest in high-tech capital equipment, making our capital stock more productive and profitable; and
- have provided U.S. businesses with payoffs from technology's efficiencies and from greater education in school and on the job that U.S. workers have acquired to keep pace with the new technology.

I hope the President will also remark on the progress toward a goal he and the Vice President established in 1994 of bringing the total national R&D investment up to 3 percent of GDP. By current projections, total annual R&D expenditures in the United States have outpaced growth in the economy as a whole for three consecutive years, with R&D as a share of GDP reaching 2.79 percent in 1999 – the highest since 1967. In 2000 the U.S. R&D/GDP ratio could exceed the all-time high ratio of 2.87 percent in 1964. The President's policies that spurred economic growth also spurred growth in R&D investment, and those investments will, in turn, ensure continued economic growth.

Initiatives

Most of the growth in R&D investment has occurred in the private sector. Federal investment remains critically important, however, and I hope the President will take every opportunity to

ensure his vision – which has bipartisan support on Capitol Hill – endures. The SOTU address should reemphasize 4 objectives:

- World leadership in science and technology. The most tangible evidence of commitment to this goal would come in the form of a substantial increase in the 21st Century Research Fund. This fund represents the kind of pure investment that characterized the early strategy of this Administration, and might well be renamed the 21st Century Research Investment Fund for this occasion. I hope to see particular emphasis given to all of the peer-reviewed R&D programs.
- A balanced R&D portfolio. As the President stated in the Online Town Meeting, we need to see substantial growth in the physical sciences and engineering disciplines (e.g., chemistry, physics, astronomy and space sciences, mathematics, and geosciences), with particular emphasis on the R&D initiatives identified by my office and OMB. For example, initiatives in the following areas would support advances in a number of disciplines:
 - *Information Technology:* This initiative will deliver to every American in every community the power of instant knowledge and instant communication. It will yield a stronger economy, better jobs, and higher quality health care and education for all citizens.
 - *Nanotechnology:* This initiative will lead to the following potential applications: nanoparticles for improving drug delivery, minute sensors for earlier detection of cancer, computer chips capable of storing trillions of bits of information on a pin-head, advanced materials stronger than steel, and artificial photosynthesis for clean energy.
 - *Climate Change Technology:* This initiative promotes research aimed at technologies that lower carbon emissions, reduce greenhouse gas emissions, and increase the efficiency of energy and materials used in transportation, buildings and manufacturing. One illustration of the potential of this initiative is the Partnership for Advanced Technology in Housing (PATH) site in California where the heating/cooling costs of new homes are less than \$23/month, and construction costs are about \$40/square foot – roughly \$25/square foot cheaper than the average cost for a single family home.
- Research to solve critical national problems. The President has called for research and development to give us tools to address problems that will confront us as we enter the new millennium. We need to develop technologies to fight emerging security threats such as chemical and biological weapons, or attacks on our national information systems and other critical infrastructures.
- Preparation of the 21st century workforce. Substantial growth in university-based basic research, important in civilian and military research but particularly important for DOD (which has decreased its basic research spending by more than ten percent in real terms since the start of the first Clinton Administration), is the best way to ensure that this country is well positioned to prosper from advances in science and technology. It links education with scientific advance, which are both vital to the economy.

I look forward to discussing these ideas with you after Thanksgiving.

November 24, 1999

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: Bruce Reed
Eric Liu

SUBJECT: State of the Union/Budget Ideas

Below is a brief overview of some of the ideas we are now developing for the budget and State of the Union. This list is by no means fixed. We've grouped the ideas by subject area, but many of them can and should be placed in a thematic framework of "next generation challenges."

Education

In addition to fortifying some key existing initiatives (teachers, accountability, after-school, charters), we would propose a slate of new proposals that focus on the future of public education.

- Class Size. We'll seek \$1.8-2.0 billion, at least \$500 million over what we won this year.
- Accountability Set-aside. Increase this year's \$134 million earmark to \$250 million.
- After-School. Our goal is at least 1 million kids in the program, at \$700-900 million.
- Charter Schools. To reach the President's goal of 3,000 schools, about \$180 million.
- Small Schools Initiative. New funding to reinvent the high school, enable smaller scale.
- Teacher Quality. Pay-for-performance demonstration, based on Denver's experiment.
- Principals Academies. Seed programs or fellowships to train public school principals.
- Test Prep for Disadvantaged Students. Help subsidize SAT/ACT prep for minorities.
- Distance Learning. Working with NEC to widen access to AP courses online.
- School Report Cards. Help states develop school report cards for parents.
- Achievement Incentive Fund. Bonuses for Title I schools that raise student achievement.
- Teacher Recruitment. We are developing a proposal on this.
- School Safety. Among other ideas, a national tipline to prevent violent incidents.
- Schools of the Future Fund. A pool of capital to finance local innovations in education.

Crime

- 21st Century Policing Initiative. \$1.275 billion request for the next installment in hiring up to 50,000 new officers; law enforcement technology; community prosecutors.
- National Gun Enforcement Project. Unprecedented resources in firearms enforcement:
 - *More ATF agents*. Fund 500 new ATF agents to investigate more gun trafficking cases.
 - *New ATF inspectors*. 100 new inspectors to ensure industry compliance with gun laws.
 - *1,000 new Federal gun prosecutors*. 1,000 new prosecutors to work with U.S. Attorneys.

- *Comprehensive tracing.* First step in an effort to trace every crime gun in America.
- *Expanded ballistics testing.* Help law enforcement catch more gun criminals.
- Re-entry Initiative. This focuses on the re-entry of released offenders into communities. It includes local supervision partnerships, re-entry courts, and more probation/parole officers.
- Police Gun Buybacks. This initiative would encourage state and local police to end the practice of re-selling used police guns and confiscated crime guns on the civilian market.

Health Care

- Medicare/Prescription Drugs. This would be our same plan, with several *potential* modifications to reflect likely higher drug cost estimates, reduced baseline spending, lessened appetite for provider payment reductions, and likely improved Medicare trust fund solvency: (1) drop BBA extenders – not credible in the wake of BBRA; (2) dedicate more surplus/tobacco tax to help pay for drug benefit; (3) dedicate less of surplus to solvency.
- Health Insurance Coverage Options. There is a range of proposals we are considering:
 - *Disability.* Removing arbitrary limit on Medicare coverage for Kennedy-Jeffords.
 - *Medicare.* Medicare buy-in for certain 55 to 65 year-olds.
 - *Parents.* Allowing states to cover of parents of children in Medicaid and CHIP.
 - *Outreach.* To enroll uninsured children in Medicaid/CHIP, with emphasis on schools.
 - *Immigrants.* Restoring state options to cover legal immigrants.
 - *Small Business.* Encouraging small businesses to offer health insurance.
 - *Individuals.* Tax credit for individual insurance to address current tax inequity.
 - *Self-insured.* Accelerating the tax deduction for the self-insured.
- Quality and Consumer Protections. There are three initiatives here. First, the Patients' Bill of Rights. Second, new privacy protections. Third, outcomes-oriented health care research.
- New Medical Technologies. To address both the promise and the peril, we 1) invest more in NIH and research; 2) address abuses, including inappropriate licensing of genetic material, insufficient protections for human subjects in clinical trials, Internet drug sales, bioterrorism.
- Family Support. Recast our long-term care proposal in a package of family policies.

Welfare and Poverty

- Child Support. A package to 1) collect more child support; 2) provide more reliable support for mothers and children; and 3) help low-income fathers get jobs to support their kids.
- Welfare-to-Work Grants. New investments to help both long-term welfare recipients (mostly mothers) and non-custodial parents (mostly fathers) get and keep jobs.
- Cars-to-Work. There are several ways we could help low income families get the transportation they need to get to work, including loan programs and targeted car leasing.
- Housing/Homeownership. More HUD vouchers, and other tools to boost homeownership.

- Individual Development Accounts. Also "child development accounts," to set aside savings for kids, as well as other tools to build assets for low-wealth families.
- Food Stamp Outreach. Additional efforts, as well as a proposal on elderly nutrition.
- Legal Immigrant Benefits. At a minimum, we would adopt last year's proposals.

Families/Youth

- Child Care Subsidies. We would move CCDBG from mandatory to discretionary.
- Child Care Quality. Target our Early Learning Fund more on licensing and quality.
- Paid Leave. We are developing a demonstration, and also exploring a tax credit incentive.
- Temp/Contingent Workers. We are looking at ways to address this booming sector.
- Youth Empowerment Fellowships. To identify and reward youth-driven social innovations.

Service/Philanthropy

- AmeriCorps Reserves. Modeled on Army Reserves, a way to tap former AmeriCorps volunteers in continuing service. Also, a substantial budget request for AmeriCorps itself.
- Nonprofit SBA. We are looking at creating an SBA-type entity to help nonprofits.
- Philanthropy. We are considering a range of tax incentives to encourage more giving.
- Social Venture Fund. To help bring entrepreneurial grass-roots ideas to scale.
- Community Coaches. In schools, to guide students in community service.

Immigration/Civil Rights

- ESL/Civics Initiative. We are also looking to streamline naturalization/citizenship.
- AgNet Registry. Our electronic job registry for growers and migrant workers.
- INS Financing Reforms. To ensure sufficient funds for immigration services.
- EEOC/Equal Pay. Increased funding for EEOC and funds for our equal pay initiative.
- Hate Crimes. We will continue to push for legislation. We are also developing an idea that would target funding to a network of U.S. Attorney-led local working groups on hate crimes.

Tobacco

- Farmers. Studying proposals to make settlement funds for tobacco farmers tax-exempt.
- Look-back Proposals. We are developing a number of variations, as well as our excise tax.
- Litigation. We will again propose funding for the Justice Department lawsuit.

Technology and Other Policy Ideas

- Digital Divide. A public-private initiative to increase access to the Internet for the poor.
- Civic Engagement. New ideas on voting, jury duty, civilian-military relations.
- Food Safety. We are developing a package of proposals that may include a single agency.
- Homeless Access. Help states make Medicaid, CHIP and other programs more accessible.
- Domestic Violence. In addition to VAWA II, a new "safe workplaces" initiative.
- Native Americans. We are putting together a package on education and other areas.

THE WHITE HOUSE

WASHINGTON

November 24, 1999

MEMORANDUM FOR MARIA ECHAVESTE

FROM: GENE B. SPERLING

SUBJECT: FY 2001 BUDGET IDEAS

This memorandum provides a brief description of new ideas we are considering for the 2001 budget.

Education

- *Stay in College:* To address the rising, especially among minorities, college drop out rate by increasing appropriations for grant programs and encouraging colleges to front-load grants (for example, award a student's 4-year eligibility for Pell Grants in the first 2 years.) To create partnerships with colleges and businesses, similar to the GEAR UP program that would help provide guidance on course selections for solid career tracks, internships, work-study and mentoring that would make transitioning into the work world easier

Children

- *Universal 0-5 Preschool:* An initiative combining child care, early learning, Head Start and parenting education for a major and universal 0-5 initiative.

Poverty

- *Expand the Widow Benefit for Social Security to 75 Percent of the Couples' Benefit and Provide a Credit (\$10,000?) for up to Five Years Spent Raising Children:* The President could move further in endorsing a specific widow poverty option. He could also say that he would like us to get together and *do this option in a paid for manner that does not affect solvency.*

Taxes

- *Eliminate the Marriage Tax Penalty – for the EITC Also:* Make the standard deduction for married couples double that of single filers. An alternative proposal could be better targeted and thus provide more for those who pay a penalty. It could also be pitched as being pro working family. We could make a new deduction that would be a fraction of the lower earner's income – so that couples with only one earner would not get marriage penalty relief, but couples who paid the largest penalty (those who earned about the same amount) would get the largest bonus. EITC marriage tax relief would be an integral part of this proposal.

Banking Reform/Financial Services

- *Financial Privacy*: Initiative to protect personal financial privacy as an overarching administration goal in the President's final year in office that would deal with consumer protection issues and fixing problems with the Financial Modernization bill.
- *America Saves Initiative/financial Literacy*: A Clinton initiative to encourage savings and financial literacy for all Americans with a separate New Markets focus.

New Markets/Economic Development

- *Propose New \$100 Million Broadband Deployment Initiative for New Market Areas*: Provides grants to states and local areas to plan for and install high-speed Internet access infrastructure to help attract new business and job opportunities in our Nation's under-served communities.
- *Internet Access for Rural America*: Fiber optic cable is replacing traditional copper and coax cable as the primary source of data transmission. In rural areas, however, the small numbers of users per mile make the cost of installing fiber optic cable prohibitively expensive. In the Pacific Northwest, the Department of Energy's Bonneville Power Administration (BPA) has installed fiber optic cable within its right-of-way to provide communications between its facilities. In order that it has room to expand its data transmission capacity in the future, BPA's fiber optic cable contains excess capacity which BPA's has begun leasing to public utility districts (PUD) so that they may offer data transmission access to internet providers and their rural customers. BPA simply provides the backbone of the system, and the PUDs have to pay for the cost of local interfaces. The President could propose expanding such a program to all of the Federal power administrations, bringing affordable Internet access to a much greater geographic area.
- *Digital Divide*: Launch a bold initiative to help close the digital divide, by:
 - Expanding support for Community Technology Centers (currently at \$32 million);
 - Providing tax incentives for broadband investment in distressed urban and rural communities;
 - Encouraging the development of content that will help empower low-income families (e.g. adult literacy, English as a Second Language, local information on child care, health care, transportation, information needed to start own micro-enterprise); and
 - Subsidizing PC and Internet access to the home for low-income households;
 - Encouraging the private sector to provide PCs and Internet access with a "telecommuting tax credit."
- *Native American/New Markets Initiative*:

Health

- *Encouraging Small Businesses To Offer Health Insurance*: Creating a new tax credit for small businesses who decide to offer coverage by joining coalitions; encouraging private foundations to support coalitions by allowing their contributions towards these organizations to be tax exempt; offering technical assistance to small business coalitions from the Office of Personnel Management. This proposal was in the President's FY 2000 budget. (Costs: \$100 million over 5 years).

- *\$1,000 Tax Credit for Workers with Disabilities:* Provide workers with significant disabilities with an annual \$1,000 tax credit to help cover the formal and informal costs that are associated with and even prerequisites for employment, such as special transportation and technology needs. (Costs: \$700 million over 5 years).
- *Expanding Assistive Technology:* This proposal would double the budget for assistive technologies that enable people with disabilities to work. (Cost: \$35 million for 2001)
- *Keeping Out of Institutions and Getting to Work:* Provide support staff for the disabled allowing more people with disabilities to live at home and to contribute to the workforce. Furthermore this would free up people who are now taking time out from their jobs to help out their disabled relatives.

Reinventing Government

- *Green Pages in the Phone Book – Government Service and Hotline Numbers:* Develop a Green Pages section in the phone book that would describe in plain English basic rights and regulations the Government enforces, and services it provides with 1-800 numbers to find out more.

Child Labor

- *Call for a New Global Effort To Educate Children to Avoid Child Labor:* Presidential appeal to the international community to provide resources to reduce child labor by extending primary education to all children in poor developing country – (Cost – UNICEF estimate: \$7 billion annual global)

Trade

- *Increased Trade Compliance in China:* Devote a small amount of money (e.g., \$5 million) to increase the number of people at ITA working to ensure that China is complying with our trade agreements (30 people). This could also meet the requests of the AFL-CIO and NAM, who have both asked for increased trade compliance funding. And it could help build support for China WTO.

Savings

- *Son of USAs:* Tax policies modeled on Universal Savings Account that are potentially less expensive that would provide SEED money to help families establish the habit of saving for retirement.

HighTech

- *Information Technology for the Twenty-First Century:* This is the second year of a multi-year effort to significantly expand our investment in information technology research in three areas (VP has called for doubling IT research over 5 years): (1) Fundamental IT research; (2) Scientific and other applications of IT; (3) Economic, ethical, legal and social implications of the Information Cost: Last year's request was an increase of \$366 million.
- *Internet for Economic Development Initiative:* To expand Internet and its applications in 11 developing countries. Elements of initiative include: policy reform (encouraging developing countries to adopt Internet and e-commerce friendly policies); training of people in developing countries; support for applications of Internet – including e-commerce for small and medium-sized enterprises, distance learning, and telemedicine. Cost: \$45 million.

Manufacturing

- *Manufacturing Initiative:* To strengthen the competitiveness of US Manufacturing. This preliminary list of proposed initiatives have been grouped as follows:
 - Incumbent worker training;
 - Increasing manufacturing exports;
 - Development and diffusion of technologies;
 - Sustainable manufacturing

11/15/99 WZ

**2001 Budget Proposals:
The Working Families Project**

- **EITC**

- 1) Eliminate marriage penalty (increase the level of income for married filers)
- 2) Reduce the marginal tax-rate (reduce the phase down rate) 60 percent of EITC recipients are in the phase down region of the credit and face marginal tax rates of 50 percent.
- 3) Create a third tier for families with three or more children

- **Child care/Early education funding**

increase funding for child care of working poor thru CCDBG, require states to move in the direction of horizontal equity. Create new block grant, improve quality, create standards in exchange for funding and local decision-making on who benefits (0 -5). ← goals

- **Dependent Care credit**

Increase, target, and make refundable. (Or fold into child credit and increase/target credit to low-income families with young children)

- **Transportation**

- 1) Change food stamp statute to require states to use TANF vehicle asset limit for food stamps.
- 2) Set-aside HHS funds for car research. There are two studies that provide evidence that cars improve job and earning prospects significantly. They are local studies (Michigan and L.A.). More evidence would be helpful. A small set-aside for research that compares car/no car prospects in several different areas (city with transit, older suburb, rural) would be very helpful.
- 3) Promote auto-choice legislation (Lieberman, Moyn, McConnell) ↓ cost of insurance
- 4) Fully fund (with no earmarks) Access to Jobs and target only to public/private partnerships with employer contribution.
- 5) Change TANF IDA legislation to permit use for car purchase. → could help grow IDA

- **Child support**

Pass - thru to working parents.

- **Welfare - to - Work Grants**

New funds targeted to community service jobs to create infrastructure for future when there are more welfare recipients who cannot find a job - and meet the needs of those (especially in the cities.)

David
Elwood
paper on
why
Family

NWIS, 1999

Manny Walker - PPI

New Ideas

- 1200 for welfare recipients (1)

→ focus on carbon tax

PPI + Savings [lower rate] have point in why have units
below pol - impact on WZW in cities + urban areas in

Farms below 925, 000 → when you map these - we see impact on
and 10-25

critical to on market

N. part city is core, but when it's done

overall from paper 2. next step

our agenda:

II EITC

- elim marriage penalty

- 1. marginal tax rate

- create 3rd tier w/ 3 plus children: tax farms are dropping because they don't get
enough through etc

II clearly and honestly 27/15 study states have been
using under for welfare groups, as welfare
or why farms will do worse

① ↑ andy for a of why poor through COB ② require states
to move in the direction of horizontal equity ③ create new blk
grant, improve qual; create standards in exchange for landy
+ local decision-making on who benefits (0-5)

② push
states to
help all fams
in a urban
income unit
using ↑ in #8

states start to
use landy to
ask them to
also require in
equity is mandatory
use TANF
for welfare
rather than being it on time take
it on ability to pay.

ppr lose best when have well if
it were one system, + that low
be so difficult, but we have to make
it low in line with
unusually + how many
being served

③ create standards in exchange: this is comparable to charter school model
if we're paying any kind of \$, there ought to be net goals
NE → could have set goals + a reporting requirement. We had benchmarks
ppl think it is a mushy kind
mw: which is why net goals is a good idea
we are doing a paper on universal pre-k

emergency + non-trad hours: encourage states to do this

start-up funds help

need to be more neighborhood options for employees-based models
Las Vegas - look into

Connecticut: require meeting HHS standards - criteria needs to be met

III. Dependent Care Credit

↑ target, make refundable & fold into CC credit, + low-income families (incl. child care)

IV. Transportation

① A good stamp should require JHS to use TANF vehicle asset limit for bus passes

② set aside HHS funds for car research. There are 2 studies that show that cars improve job + earning prospects. (Michigan + C.A. Stanford studies). Need more research on this

requires/lets to
 require insurance company
 to offer this option.
 major web is necessary
 NY has done
 some of this.

③ Promote auto-choice legislation: Sen. Lieberman + Magnifico + McConnell
 + another Gov. ↓ cost of insurance by giving you choice - just him. losted insurance +
 order of pay more for other insurance. ↓ cost of insurance.

④ Fully fund Access to jobs + transport only to public/put
 partnership w/ employer contribution
 SE TAMP for pass or token + use existing Access for any ride costs, + as employer to help budget

⑤ A fast PDA zip in percent + use for car purchase

↳ more research thing
 All use EITC behind car purchase - would we link w/ (DAS?)

link use
 EITC + dump into
 PDA

↳ 2nd best use of EITC (1st is childcare + education)

IV

Quick report
 pass three to why bus

why not all to why parents

• Tim
 Smedley
 Sprague
 120 applicants
 interview

• Jimmy Ransoh
 New Hope in money

I

W2W grants

New funds granted to community soc jobs to create infrastructure
 for where when there are more self-representing who
 cannot find a job + meet the needs of those

Fathers

- Athens City OH 0000

- Cleveland - 2 hr singles

/ polk city, FLA

FY 01 Budget Ideas: Children and Families

(1) *Make the Child Care Tax Credit Refundable.* Today, the Child and Dependent Care Tax Credit (CDCTC) is not refundable, meaning that low-income families without tax liability are not helped by the credit. Analysis of the Child Care and Development Block Grant (CCDBG) demonstrates that only 10% of the low-income children eligible for a subsidy receive one. This suggests that many low-income families receive neither tax nor subsidy assistance with child care (analysis of income levels to come). Making the CDCTC refundable or partially refundable (targeted perhaps to those families not served by the CCDBG) would enable us to assist families struggling with child care costs.

(2) *Maintain Commitment to Boosting Child Care Subsidies:* The President's FY 99 and FY 00 budget requests have included \$7.5 billion over five years in mandatory funds for the Child Care and Development Block Grant (CCDBG). We recommend moving our CCDBG increase request to the discretionary side of the budget (the CCDBG has mandatory and discretionary titles). The discretionary title is currently funded at \$1.182 billion. The CCDBG is a forward-funded program, but we recommend investing in the program for FY 01 by either (1) adding \$818 million to title, reaching \$2 billion to the title overall and serving an additional 200,000 low-income children with subsidies, or (2) adding \$1 billion to the discretionary title (estimate of children TK).

\$2 billion over 2 yrs

(3) *Maintain Commitment to Improving Child Care Quality:* The President's FY 99 and FY 00 budget included \$3 billion over five years to create a new Early Learning Fund to provide assistance to local communities in improving child care quality, through a variety of allowable activities including licensing, accreditation, parent education, etc. We recommend maintaining a request for new child care quality dollars, tying the program to specific benchmarks for states and localities to meet, such as numbers of child care facilities licensed, accredited, etc. (Specific proposal TK)

2 ways
- EL Fund
- move to discretionary fund

↑ standardly
entitlement
↑ license +
screened.

(4) *Maintain Child Care Tax Credit for Businesses:* Maintain tax credit proposal from FYs 99 and 00 to provide tax relief to companies that offer child care services to their workers. (Cost: \$500 million over five years).

(5) *Advance Early Childhood Professional Development Grants:* Fund this new proposal at \$40 million to provide grants to partnerships between universities, child care providers, and school districts to offer training and professional development to child care providers around language and literacy. - in ESEA

competitive

(6) *Support Benefits for Alternative/Contingent Workers:* Alternative workers, including agency temps, part-time workers, and independent contractors, are less much likely than traditional workers to receive or be eligible for health insurance coverage and pension benefits from their employers. For example, seven percent of agency temporaries receive health insurance coverage from their employers, and only 24 percent are eligible; only four percent of agency temporaries participate in an employer retirement plan and only 10 percent are eligible to

Comps
based on:
discriminating
\$10 million

temp companies
offering bens?

head
start
\$211 new \$
X% for 900
X% for new
shots

do so. We may consider developing tax credits that encourage non-profit organizations and/or unions to offer (health insurance and) pension/401-k benefits. We are meeting with Treasury to discuss tax vehicles to provide organizations with incentives to offer these benefits.

not that you are offering this

(7) *Offer a Tax Credit for Businesses to Provide Paid Leave:* Provide a tax incentive for employers to provide paid leave benefits to workers (NEC is exploring this idea). *Demo.*

(8) *Support Domestic Partners:* Recognize the changing nature of the American family and empower non-traditional families by calling for the inclusion of domestic partners in the Family and Medical Leave Act. Take leadership in the drive to include domestic partners as health care beneficiaries by putting forward an Executive Order calling for the inclusion of domestic partners in the Federal Employee Health Care Benefit plan.

(9) *Advance an Agenda for Youth:* Demonstrate an across the board increase and investment in young people from small high schools to national service to family support to healthy adolescent development. The package could be focused on four components (drawn from research): Family, School, Health, and Communities.

eric gold

don't
+
leave

(10) *Youth Empowerment Fellowships:* Reward and support creativity by proving fellowships to young people that have developed innovative youth driven ideas ranging from engaging their peers in civic action to increasing academic achievement to improving their communities. The Fellowships could be modeled on programs such as the Echoing Green Fellowships which are targeted to post-college graduates to develop and implement their ideas. The awards would be selective (e.g. 100 per year), prestigious, and would represent a diverse set of young people and set of ideas for youth empowerment. The awardees would begin to develop a web of communication among each other and other young people on empowerment and action in their various communities.

social venture
fund - \$ to
pledging social
entrepreneurs

competition
and

curriculum
split between
state school
+
after school

(11) *Caring Community Grants:* Many community-based organization feel dis-empowered and unrecognized by the Federal government due to the fact that many funding streams require that they receive their funds through a school district or other entity. These grants could be dedicated directly to community based organizations that demonstrated accountability for healthy and academic development of teenagers by engaging the entire community and holding the community accountable for its actions. (Needs further development, but the idea is to reward successful CBOs and recognize their role in educating and raising young people)

Partnership

(12) *Rewarding Youth Achievement:* Re-invigorate the Rewarding Youth Achievement (RYA) proposal that was floated in the FY2000 budget. The goal of RYA is to increase the rate at which academically achieving, economically disadvantaged students graduate from high school and continue on to higher levels of education or training. RYA would provide longer term summer employment to youth who meet academic achievement and attendance standards. RYA participants would also be eligible to receive an end of the summer bonus if they perform well in their summer job. In addition, RYA would provide career assessment and counseling, mentoring, tutoring and strive to place participants in career related employment.

(13) **High School component for National Service** - Challenge States and local communities, to require all high school students to be an active member of their community by participating in community service. This call to action could strictly be a bully pulpit item or it could include grants to communities to start-up such initiatives. (Note: Thus far, we have been unsuccessful in adding any high school component to AmeriCorps).

Reserves: military vols

100,000 AmeriCorps

Health

✓ - Jennings: LT care →

✓ - Child Dev Accts IDA's - matched \$ for WIC
Child Savings Accts provide matching for retirement

cyntia

Dalton Connolly - asset gaps - 21st CCLB policy

SITC - directly like funds to groups

✓ - Second chance loans: Foster care \$
James O. Wilson: units to combat pov.

home visit + 2nd chance loans:
pregnant adolescents - places where
they can have kids & get on their
feet.

✓ Chuck Bran/ : voting - pol participation
congressional participation or youth involvement in politics
youth participation in politics

IDEAS

Benefits: Alternative workers, including agency temps, part-time workers, and independent contractors, are less much likely than traditional workers to receive or be eligible for health insurance coverage and pension benefits from their employers. We may consider developing tax credits that encourage non-profit organizations and unions to offer (health insurance and) pension/401-k benefits.

Lifelong Learning: A great need for the lower-end contingent wage-earner (such as the agency temp, part-time employee, direct-hire temporary worker) is to receive training and continuous, lifelong education to better adapt to the changing workforce. We may consider developing a lifelong learning fund with matching funds from the government that encourages like-businesses to develop regional lifelong learning centers.

UI/Workers Comp/FMLA/labor laws: Currently, many alternative workers are not covered under traditional labor laws and safety nets. For temps, and part-time workers, this is largely because they do not log sufficient hours to be eligible for UI and FMLA; independent contractors and contract workers may not be eligible because they have specific terms (start date and end date) for their contracts, which they enter voluntarily. While we would need to be cautious about how we expanded the various safety nets, it is worth considering ways to encourage unions and other non-profits to make these sorts of benefits available to this population (such as allowing pre-tax dollars to be put into personal unemployment insurance accounts).

*K70 who
y70 income*

*Treas. -
tax vehicle
to provide
incentives
for
benefits.*

Nov 23, 1999

Porters Chow FY01

OMB NEWBENS Sched Dec-154

why Dec 6 in back

- 1 I CC
- 2 II WNW
- 3 EITC
- 4 IMMIG BEN Restriction
- 5 Food Stamp
- 6 SSBG
- 7 IDAs
- 8 Del - ex offender
- 9 Del - disabilities

CC

- hard to get mandatory - put it on discretionary side
for FY01, and advance approp - \$2 bill in 1st yr
more in 2nd yr
OMB is looking towards mark

\$1 bill for FY01

\$1 bill for FY02

perhaps

\$5 bill over 5 yrs

Early Warning Fund - \$600 mill / yr, \$3 bill over 5 yrs
been our proposal.

OMB recommends scaling back

NR: we need a good component

? move to discretionary side

NR would you agree to dig ↑ in grant

Reliability: As far as used
DITC

CC Community college - compars based cc

alt hours

early ccl prof'l dev - lang/literacy dev

research and

Conclusion re: spectator

well to work

amb:1 Struc to support why families - single store - one stop car

~~the~~ chunky: support exes, vouchers in one place

therefor competitive grant pgs ~~trans~~ get more
TANF \$

make TANF + food stamps one stop mandatory - ^{adding} medical
would be good.

Competitive grants for job training + case mgmt & located
in 2-steps

Commit of TANF \$ to various things. Georgia tied in

~~4 grants +~~

for ~~the~~ New \$ for training + case mgmt

for support exes, more \$

more targeted to WKg well reys

This is low wage work broadly - many beneficiaries would be TANF recipients

→ W₂W grants:

OMB wants to use / to replace grants.

Will want: Father's proposal + use parts w/in it.

do written specific grants & competitive grants for ^{broader} ~~the~~ and.
\$250-500mM

→ extending deadline

1 mmHg

David wants to request Holt Jr's payment

gfp like proposal + want also:

→ HC: add indiv w/ disabilities regardless of when they come into the US

dom vto

refugees: no time limit

→ ^{lot part} ~~M. H. H. H. H.~~ Good stamps to all legal earnings.

Forkbays

Orings allow States option to _____

Car my assets xcept cars - my A.

If you have a car + less than 1000 equity, need

works on 126 ellipticity - for all non-INT¹ host galaxy requirements

USDA elderly Good Starts → promote arch effct + ely dnyrd to reach out
\$65/syrs + elderly

~~USDA~~

SSBG Life time for arch

omb - use one-stop of arch mechanisms

↳ arch on disbursement side

FNS

WIC is at near full participation

↳ planning to go for 7.5 goal

steady ↑ over the yr

need an ↑ of \$109 over 2000

SSBG

some small over 2000 level

1775 in 1999

want to target it specifically to child welfare or state

12/1/99 203

now will go for 1909

child welfare:

IDA's

gene, vice + president (what's)

\$25 million

should cars be ely use for IDAs

Q for New

- Herd/Start

- why discounting

- do you get cars

GITC

per rate for fams w/ 3 children is nearly 2x rate for fams w/ 2 children. Do something more for that

if you could decrease the repub. y. budget
marriage penalty - we would need to do more per
extend etc for married couples

sub: DCTC to other tax brns phase in when etc ^{phase out} ~~ages~~

constr: also think  food stamps in that way

Child Support Enforcement

- simplify distribution rule

- paternity est proposal
+ other from best pr

- ~~unproven~~

how to if collecting

Fatherhood

boyh

demerit

1 Coh

Snare

TANF

- BA savings - re-purpose

- Cap TANF Supplemental growth fund
for ACF, we may need to do more funds

← Child Care & Adult Caregiver Program →

↳ state agencies who oversee day care etc.
Sponsors play dual role of oversight
to ↑ fin intake

↳ assets

Cynthia: Having in-house
transitional medical expenses in or

Pool leave

demon for states that want to use variety of mechanism
to provide pool leave bene to new parents

Head Start:

\$200+ million

— Maybe $\frac{1}{3}$ of 5.9 bill (↑ go ^{600 plus} ~~5.9~~)
+ rest in 02 6.9 bill for $\frac{1}{2}$ way

OMB: we have an obligation to do what he's already announced

- CC \$2 bill
- HSA - why not

New Ideas Brainstorming Meeting

October 19, 1999

VII. Child Care

Kohl - \$500 million
tax incentive
deduction

- current → Tax pieces; new business taxes
- Block Grant expansion
- new → After hours/emergency child care
- Campus-based care
- after school

→ - Jeffords - early levy and
ESEA based at HHS
① our current proposal
② additional
after school
campus based

VIII. Leave Policy

- Expand to domestic partners/non-immediate family members
- Paid leave demonstration projects

→ Dodd's domestic leave
ADL: why not? a guy to happen
emergency - only pulpit -
this one. but prior, to doctors
California has a definition

IX. Adoption and Foster Care

- FFS submitted proposal together new &
H. O. Indian
Caucasian
dual race (not
proposed)
- New uses for SSBG
- Grandparents - kinship care
re: S

X. Youth

- Potential White House Conference
- After-school
- High School Reform

we can cite
of non-trad'l
parenting

XI. Changing Work Landscape

XII. Other

- Family Planning

dodd
proposal
given to try
demonstrations
paid leave
through TOL
2000

- telecommunity & business ~~idea~~
- proposed business rules to fringe benefits
- min savings + future requirements on UI - or exp. out
- OSHA should examine balance to min health & safety
- demo projects directly with beneficiaries + UI receipts to temp agencies - + then reporting type exposures to de?
- bargaining
- pay equity
- exec order giving H1 / pension benefits to temps? or # hrs / wages?

Suzanne Selden

Contingent workers

subsidies
NR:

Child Care

more subsidy & over to discretionary

PR:

7.5 → 5

NR: 1 hr opportunity as dynamic

early learning

plans omitted, Kennedy, Stevens

BR early learning and \$1 bill or more - it's ok & so long as we have it
We haven't gotten any closer

need to make it more appealing

compulsory based

- #

After school / emergency care

BR: can we expand from leave or times

BR: no right?

NR: re-propose it!

BC want to make DCTC refundable

on CCDBG wants to buy it at a market + put into discretionary

BR I'm sure business wouldn't design w/ a visible quality component

After school - promise universal - ~~on~~ do on the path to...

Goal (but has to be \$500,000 to reach \$1 million likely

Leave

- demo projects: pool of funds to states for paid leave on state or substate basis

BR: could you add paid leave benefit to California's plans for break for paid leave

- domestic partners

BR: oh, extended family leave?

AR: in Calif dom partners defined by time not gender

BR: ^{so it really is} Wrench + family leave

This would be great - would get a good light going

BR: ^{bookends - (but I had thought of it first)} NR: ask and tell policy

Adoption

- child welfare in Indian country

- SSBG = designate new body to CW of country

Youth

↑ gear up
N.S. reform more serious

WHL conference: pos youth agenda

EL I like the negative message... National campaign to end adolescence

Don't call it youth

EL finding ways for yth ppl to express their voices
on-line youth referendum -
making them the target and

BC we have n had much success w/ these budget increases

BC Rewarding Achieving Youth - RAY
give kids who do well a summer job + \$

rewarding youth-run orgs

BC matching funds for allowances

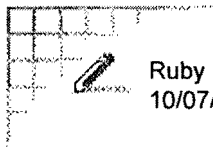
BC saving seats for kids

BC Youth "Kids Save" but it's for their retirement

Day Work Landscape

- Telecommute or credits
going at home with

SBA - same entity that found the working needs



Ruby Shamir
10/07/99 06:14:35 PM

Record Type: Record

To: Nicole R. Rabner/WHO/EOP

cc:

Subject: sotu ideas

new worker:

- insurance subsidies for telecommuters/new types of workers
- establish networks of support
- est w/in DOT or DOC an agency

18-24 year old uninsured

- extend benefits similar to aging out

do an accomps document for new worker: tax, sba,

Although this does not relate specifically to our issue area, I thought I would throw out an idea I had [for next year?] that may or may not have already been thought of and hashed out. The most recent Census Health Insurance Coverage Report states that most people who are insured (over 70 percent) tend to be covered by their employers, but that part-time workers had a higher uninsured rate than full time workers. Among the poor, workers were less likely to be insured -- in fact 47.5 percent of full-time working poor were uninsured. self-employed? how do we extend those benefits to those who work part time, those who work from home, poor who are not insured, the 18-24 year olds who work or go to school, many of whom temp.

, among other groups, some of the people least likely to be insured are 18-24 year olds [30 percent]. Additionally, the report stated that

May 14, 1999

MEMORANDUM FOR BRUCE REED

**FROM: NICOLE RABNER
RUBY SHAMIR**

SUBJECT: "WORK AT HOME" STATISTICS

You asked us to verify the following quote by the President:

"When I became President in America, there were 3 million people making a living primarily out of their own home, for example. When I was reelected, there were 12 million. Now there are 20 million, in only two years." [4/25/99]

We cannot find a match for these figures in our research in part because the methods of data collection in this area employed by the various agencies and private companies are inconsistent. Each of these entities uses different definitions for people who make their living from home, making aggregating the various sets of numbers impossible (e.g. the definition of telecommuters ranges from people who telecommute once a month, to people who telecommute once a week).

The following statistics represent a range of the figures we could quote on the total number of people who make at least a portion of their income from the home, the number of people who own and operate home-based businesses, and the number of people who telecommute.

Note: The figures in each category can overlap because households, and workers can play one or more of these roles at once (for example: a worker can be a telecommuter who owns and runs a small home-based business on the weekends).

Overall Home-Based Income Earners

The March 1998 release of "Work at Home" statistics by the Bureau of Labor Statistics (BLS) reported that 21 million people "did some work at home" in 1997 for which they were directly or indirectly compensated, a 1.5 million increase from the 1991 figure of 19.5 million. In this report BLS noted that there was a marked increase in the number of wage and salary workers who reported direct compensation for their work at home from 1.9 million in 1991 to 3.6 million in 1997. This BLS Data comes out every six years, and is from a supplement to the Current Population Survey.

The International Data Corporation (IDC), a market research company that has conducted phone surveys since 1986, reports that the total number of home office households – which includes households of corporate after-hours workers, telecommuters, owners of home-based businesses, and other self employed people – has increased from 24.6 million in 1993 to 37.3 million in 1998. IDC projects that this figure will rise to 43.2 million by 2000.

CyberDialogue, a New York based research and consulting firm that has been tracking telecommuting rates for over a decade (also by phone), cites a slightly higher number for people who make some part of their income from the home because it additionally includes less frequent telecommuters and independent contractors. This data claims that the number of "home-workers" almost doubles from 28.7 million in 1993 to 54.6 million in 1998.

Home-Based Businesses

According to the BLS, 6.5 million of the 21 million wage and salary workers who did some work at home, were self-employed and more than 4.1 million self-employed workers were working in home-based businesses.

According to IDC there were 16.9 million income generating home-office households in 1993 and 22.2 million such households in 1998, with a projected increase to 26 million in 1999. This can include people who run a home-business full time or on the side, or those who may not identify themselves as home-business owners on their tax returns (potentially, so as not to be penalized for zoning and other violations).

CyberDialogue's data shows that 12.4 million people in 1993 were self-employed people who do any type of work at home for which they are compensated (telecommuters not included) including home-based business owners. In 1998 the figure was 19.6 million.

Telecommuters

According to a study by the U.S. Department of Transportation (DOT), in 1992 approximately 2 million people telecommuted, mostly from home (99% telecommuted from home). The study projected that by 2002, 7.5-15 million workers would telecommute from home and from telework centers. The DOT defined telecommuters as people who work from home or from a satellite telework center at least one day per week.

IDC defines telecommuters as those who telecommute at least three days per month. IDC estimates that there were 6.1 million telecommuters in 1993, 8.2 million telecommuters in 1996, and 9.9 million telecommuters in 1998. IDC also projects that there will be 11.7 million telecommuters in 2000.

CyberDialogue defines telecommuters as those who telecommute at least one day per month. According to CyberDialogue, there were 7.3 million telecommuters in 1993, 8.7 million telecommuters in 1996 and 15.7 million telecommuters in 1998.

Despite the discrepancies in the data, we can reliably make the following points:

- There has been a steady increase in the number of people who make a portion of their income from the home – whether as telecommuters, home based business owners, or others – and this figure continues to rise.

- This trend is promising in that it indicates greater flexibility in the corporate workplace, and reflects the expansion of technology into many more American homes. However, it also demonstrates another trend that has been gaining momentum: that the average workweek has lengthened considerably for people in a wide-range of professions – from managers to truck drivers – who are in their child-rearing years.

We have passed this information on to Paul Glastris and June Shih.

As we develop policies to address the needs of this growing population of workers, we might consider developing a reliable, uniform way of counting them year to year. We could, for example, insert questions in the Current Population Survey, a monthly Census Department survey of approximately 50,000 households, such as: Do you make any part of your income from work you do at home? Do you telecommute to your central office three times a month from home or from a telework center? These statistics would give us a better sense of the direction our policies could go.

Overall Work at Home Statistics

Every six years the Bureau of Labor Statistics (BLS) releases "Work At Home" Statistics which apply to people who telecommute approximately once a week, home-based business owners, and other self employed people. Because the data is measured every six years, the short term trend line is more difficult to determine. According to the BLS report released in March 1998, more than 21 million people did some work at home in May 1997. The BLS figures show:

- The number of people who did some work at home only grew by 1.5 million since 1991 – however, of people specifically paid for the work they did at home (i.e. not just those who took their briefcases home) increased substantially. In 1991, only 1.9 million wage and salary workers who worked at home got paid for their work while in 1997, 3.6 million wage and salary workers got paid for their work at home.
- More than 70% of people who made a portion of their income from home were married-couple families, and over 9 million of those who did some work at home had children under 18.

Overall Work at Home Trends

The following CyberDialogue statistics show a year to year trend in people who make a living from home, however the BLS and CyberDialogue numbers cannot be aggregated because they use different definitions for people who made a portion of their income from home. The CyberDialogue count – noticeably higher than BLS's -- includes once-a-month telecommuters, people (whether self-employed or working for a company) who bring work home after hours, independent contractors, and home-based business owners.

1990:	25.3 million
1991:	27.9 million
1992:	27.3 million
1993:	28.7 million
1994:	34.9 million
1995:	40.9 million
1996:	42.2 million
1997:	52.1 million
1998:	54.6 million

Therefore, according to CyberDialogue data, the number of people who make some part of their living from the home has more than doubled in this decade alone.

Home-Based Businesses

According to BLS, of the 21 million people who did some work at home in 1997, about 6.5 million were self-employed. More than 4.1 million self-employed workers were working in home-based businesses. The vast majority of these people -- 3.8 million -- were white.

According to a study produced by the Small Business Administration Office of Advocacy, age is not a factor for men entering business, while the likelihood of women becoming home-based

business owners increases with age. The study also noted that home-based businesswomen in their 20s earn substantially less than self-employed women in their 20s who work outside of the home. However, businessmen of the same age make almost the same income, regardless of their business location.

Home-Based Business Trends

This CyberDialogue count includes self-employed people who do any type of work at home for which they are compensated (telecommuters not included) including home-based business owners. Here again, the CyberDialogue numbers appear more inflated than the BLS numbers, but they show a short term trend (the government numbers do not).

1990: 11.2 million
1991: 11.6 million
1992: 12.1 million
1993: 12.4 million
1994: 14.2 million
1995: 15.6 million
1996: 16.4 million
1997: 18.3 million
1998: 19.6 million

Therefore, according to CyberDialogue data, in the last decade the number of self employed people who do any type of work at home for which they are compensated has almost doubled.

Telecommuting

According to a study by the U.S. Department of Transportation, in 1992 approximately 2 million people telecommuted, mostly from home (99% telecommuted from home). The study projected that by 2002, 7.5-15 million workers would telecommute from home and from telework centers (a projected 50.3% would telecommute from telecommuting centers closer to home than the central office). The DOT defined telecommuting as people who work from home or from a satellite telework center at least one day a week. The study estimated that fuel emissions, time spent travelling, and gasoline costs would all sharply decline as a result of telecommuting.

Telecommuting Trends

CyberDialogue, a New York based research and consulting firm, has been tracking telecommuting rates for over a decade and has released data showing a rapid increase in telecommuters. CyberDialogue's definition of telecommuters -- which is more liberal than the DOT definition -- includes people who work for a central office from home at least once a month, independent contractors, and part-time, informal telecommuters.

1993: 7.3 million telecommuters
1996: 8.7 million telecommuters
1998: 15.7 million telecommuters

Therefore, we could reliably say that since the President took office the number of telecommuters has doubled. The rapid increase in telecommuters can be attributed in part to the decrease in cost of personal computers, and a more compelling reason to use them – the Internet. Between 1993 and 1997 the number of home-based business owners who were on-line increased roughly eight-fold.

You asked us to verify the following quote by the President:

“When I became President in America, there were 3 million people making a living primarily out of their own home, for example. When I was reelected, there were 12 million. Now there are 20 million, in only two years.” [4/25/99]

We cannot find a match for these figures anywhere in our research. Attached, please find statistics on people who make their living from home, including a more detailed look at telecommuters and owners of home-based businesses. You will notice that there is a big discrepancy between the numbers that the government uses, and those of private companies such as CyberDialogue and International Data Corporation. Each of these entities uses different definitions for people who make their living from home, making aggregating the various sets of numbers impossible (e.g. the definition of telecommuters ranges from people who telecommute once a month, to people who telecommute twice a week). In addition to a lack of consistent definitions, there has never been a uniform measuring system that has chronicled trends year to year.

Despite the difficulties with the data, we can reliably make the following points:

- There has been a steady increase in the number of people who make a portion of their income from the home – whether as telecommuters, home based business owners, or others – and this figure continues to rise.
- This trend is promising in that it indicates greater flexibility in the corporate workplace, and reflects the expansion of technology into many more American homes. However, it also demonstrates another trend that has been gaining momentum: that the average workweek has lengthened considerably for people in a wide-range of professions – from managers to truck drivers – who are in their child-rearing years.

As we develop policies to address the needs of this growing population of workers, we might consider developing a reliable, uniform way of counting them year to year. We could, for example, insert questions in the Current Population Survey, a monthly Census Department survey of approximately 50,000 households, such as: Do you make any part of your income from work you do at home? Do you telecommute to your central office three times a month from home or from a telework center? These statistics would give us a better sense of the direction our policies could go.

10.14
New Ideas

- Supporting youth

- ① we don't have enough support systems

we have after school - maybe universal

ESEA - sets up work. match

→ budget ↑

we now serve — kids

- ② Supporting mentoring, GEAR UP, TRIO

→ American jobs recovery

- ③ H.S. reform - ESEA has proposed

- ④ Health ed

HUD youth center

American jobs

- ⑤ School Sch. to work - Phasing out - how continue

Summit? on adolescence in America

⑥

Oct 10

CC

tax rules
↑ in b/x grant

threshold: sm businesses?

new: scratch early long hand - live pthods
sketches

new: after hrs - emergency

new: sm. comp. based core expand - look at need

FMCA

our current proposals

↓ threshold

FMCA covered what 24 hrs lease

new: expand to domestic partners

voluntary has a bill for this for non-immigrant term (grants, 11/10/05)

new:

paid leave do we want to do a demo project w/ paid leave
benefits DOB competitive grant project

Policy code

- ind line
- active and
- benefit

new: to France SSBG - as in SSBG go directly to child welfare

Youth

- potential at work
- after school
- reform HS
- talk @ Cambridge

WRW

(From Jimmy)

↑ we are now at \$25 million

Delaware Mfg

- Yatra
- Homburg
- GmE
- DC CHIP

- encourage cc pooling
small firms

- pilot projects : to provide
• security
• flextime/working

OCT 13

- Aquant - talent agency w/

- Don Puck

- "Emerging Workforce Study" - Interim Career Service

- MIT professor Tom Malone: Initiative on Inventing the Organizations of the 21st Century

et al
→ wrote in Harvard Management Review

George Barnett - John Stuyvesant labor economist
in December 1932

- Attend the Endgame

- Working Policy "union"

testified recently before
House Committee on Education and the Workforce
- Sara Horowitz

- hard to measure

- Institute of Electrical & Electronic Engineers - IEE

- help security + training
- health + program

- haggles economy

- run into antitrust laws when indivs try to negot w/ ~~large~~ HC or person firms

can't blackmail b/c are free laborers or temps

- lift cap on contributions to IRAs

- HIB 1501

- 8/23/01 m/crosoft + temps qm crisis

- AFL-CIO: Working for America Institute

= BLS - 4.5% of 25 million
workers are temps, contingent, P/T or contract // 8.5 million American and consultants

- George Geros: ^{boss} Contingent Work: American Employment Relations in Transition

- Deroy Murdock - Third Millennium

- New Deal at work - Peter Cappelli

→ accidental systems, remedial training, protection for displaced

for AS:
deduction from Fed taxes to cover HC premiums
→ make it easier for wife & kids to get HE + 401K

- Talent Alliance at AFT

- EPIC/MPTA Michigan term

October 19, 1999

**MEMORANDUM FOR MELANNE VERVEER
SHIRLEY SAGAWA**

**FROM: NICOLE RABNER
ANN O'LEARY
RUBY SHAMIR**

SUBJECT: SETTING PRIORITIES AND STRATEGIES

This memo is intended to help begin a conversation about the priorities and strategies for the First Lady's issues team over the next 12 months. We hope to be able to set priorities and goals for reaching Administration goals on specific policies related to Children, Youth, and Families, as well as clarify the mission and operation of the issues team to carryout these priorities.

Priorities and Issue Areas – Operational

Over the next several weeks, the issues team would like to set specific goals on three fronts:

- (1) **Major Issues This Year:** Major issues that the First Lady would like to address and highlight in the last year of the Administration, e.g. a youth development agenda and/or a conference on teenagers; *for an conference*
- (2) **On-Going Issues:** Detailed goals and strategies for on-going policy priorities related both to the work of the DPC Children, Youth and Families team, as well as the broader work of the First Lady (see attached memo); and,
- (3) **New Issues:** Brainstorming and clarification of new issues that the First Lady would like to track and propose in the next year.

Work on Legacy

In addition to the on-going policy work, the issues team would like to support the First Lady's effort to establish her legacy in the policy arena. In order to accomplish this task, we suggest a number of strategies:

- **Legacy documents and messages.** We propose several ideas for consideration: (1) the First Lady could put out a series of "white papers" or longer articles on the policy accomplishments of the Clinton Administration in areas that she has worked hardest, e.g. adoption; (2) the First Lady could give a series of legacy speeches on these policy areas; and/or, (3) the First Lady could consolidate her legacy in preparation for a book that would highlight her policy work as part of her role as First Lady.

*- get back
[copy]
- not going
- re memory*

*remains on
copy of Agenda
that we
will get*

- Close-Out Meetings. At the beginning of December, the First Lady could hold a series of meetings to receive reports on accomplishments and suggestions for the final year from coalitions (e.g. the Prescription for Reading partnership).
- Check-in meetings. In addition, the First Lady and/or staff could hold a series of meetings with individuals who have been helpful in the policy arena to help brainstorm on how best to focus our efforts in the next twelve months, e.g. Bob Greenstein could come in to give a briefing and hold a discussion on priorities in areas of TANF, Foodstamps, WIC, etc.

Issues Coordination

Finally, the issues team would like to have a discussion about how to most effectively develop and coordinate policy issues with other offices and entities with which the First Lady will be working over the next year.

- ↓
- She wants to consolidate schedules of FL that potentially have overlapping staffing
 - She wants to see issue positions

- what can't get done
- what can we highlight
- what are going to die w/o her

Strategies and Priorities for First Lady's Issues Team
October 1999-October 2000

Helping Parents Balance Work and Family

CHILD CARE FY2000, 2001 *Have enacted lot agency - purposes*

Continue to assume primary WH responsibility for advancing the Administration's request to boost child care subsidies, provide greater tax relief on child care, improve child care quality, and expand Head Start. This year to date, there has been no movement on authorizing legislation for CCDBG increases or the creation of Early Learning Fund, but our child care tax proposals were a part of the objectionable Roth tax cut. Further, in the FY 2000 Labor-H appropriations context: (1) the Senate increased the CCDBG by \$818 million, while the House did nothing; and (2) the Senate increased Head Start by \$507 million (\$100 below the President's request level).

AFTER-SCHOOL PROGRAMS *success, pushing hard*

Continue to monitor the Labor-H bill to push for the Administration's request for \$600 million in FY 2000. This year to date, the House has allocated \$300 million and the Senate \$400 million. In addition, the issues team will work with the DPC to develop possible ideas for the State of the Union around universal access to high-quality after-school programs, and will continue to push for, foster and facilitate public-private partnerships such as the 21st Century Community Learning Centers' partnership with the Mott Foundation.

FAMILY AND MEDICAL LEAVE / PAID LEAVE

Continue to monitor the advancement of our FMLA-expansion proposals: (1) lowering the employer-covered threshold from 50 to 25 workers; and (2) providing an additional 24 hours of leave each year to FMLA-covered workers to allow them to attend parent-teacher conferences and routine doctors' appointments with a son or daughter. The Issues team will continue to take a lead DPC role in advancing proposals to achieve wage-replacement for workers on some form of FMLA-leave, such as through the Unemployment Insurance system.

LONG TERM CARE *- lead*

Continue to track the Administration's long-term care agenda, including the long term care tax credit and the National Family Caregiver Support Program. To date, the long-term tax credit has not seen action and the National Family Caregiver program has not been included in Labor-H appropriations.

Addressing the Needs of America's Children and Youth

EARLY CHILDHOOD DEVELOPMENT

Continue to monitor the national early childhood discussion, advance the Prescription for Reading-partnership agenda, and urge child care and Head Start funding in FY 2000 appropriation and the development of the FY 2001 budget request, and the early literacy components of the Elementary and Secondary Education Act reauthorization.

*7 HCL wants to have 2 mtg in December
They will come w/ ideas for commitments
JF EL*

part of research at home

*could we get some version of Dadd
Head Start advance approps*

FOSTER CARE AND ADOPTION

Continue to advance the foster care and adoption agenda, most specifically to urge passage of the Independent Living Act, passed by the House and pending in the Senate.

*we should call Spafford
Ruckelshaus
Chaffee (T)*

YOUTH

Highlight the need as a society to better work together to support teenagers in their healthy development by putting forward a positive agenda for youth development. Possibly hold a youth development summit (ideas memo forthcoming).

NATIONAL SERVICE

Highlight the success of AmeriCorps through the 5th anniversary event on October 29th. Announce the Call to Action for AmeriCorps Alums and work on potentially bigger announcement of an AmeriCorps reserves program for SOTU.

SUPPORT FOR THE WORKING POOR

Monitor issues such as Food stamps, WIC, TANF.

*- be responsive to Bob Greenstein
- gay to get vested in the spring
- need to pass ESEA package by summer
- have to do by 9.2000
- HS reform w/ your involvement*

Strengthening America's Public Schools

SCHOOL IMPROVEMENT/TEACHER QUALITY

Follow and support the reauthorization of the Elementary and Secondary Education Act of 1965. Specific issues that the First Lady may want to follow and focus include: accountability provisions - turning around failing schools and social promotion; teacher quality provisions; support for public school choice; and, support for high school reform. Currently, the House is taking up the bill in a piece-meal fashion. The Senate has not yet begun work on the bill.

*Challenge
failing schools*

CHARTER SCHOOLS

Charter School legislation was reauthorized in 1998. At this point, it will be important to continue to push for quality and accountability in the ever-increasing number of charter schools throughout the nation.

Improving Health Care for all Americans

HEALTH CARE REFORM

Continue to monitor Patients Bill of Rights and other reforms.

*- medicare buy-in
- CHIP for adults*

CHILDREN'S HEALTH

Continue to monitor the progress of the CHIP program/Medicaid enrollment. Explore opportunities to improve CHIP/Medicaid enrollment in D.C.

MEDICARE

Continue to monitor Medicare reform and modernization, as well as Medicare BBA givebacks, and prescription drug benefits. Currently, Administration positions being developed vis-à-vis BBA giveback proposals and congressional legislative action.

*we just
0*

GME's

Continue to monitor the GME proposal through FY 2000 as well as pending legislative proposals.

WOMEN'S HEALTH

Continue to monitor family planning, mammography, breast cancer issues.

DISEASE PREVENTION AND RESEARCH

Continue to monitor appropriations status of various diseases, including asthma, epilepsy, and colon cancer.

Crime

JUVENILE JUSTICE

Continue to monitor this legislation with regard to a number of issues including treatment of children in prison, disproportionate minority confinement, and prevention programs.

YOUTH VIOLENCE/SCHOOL CRIME

We are working on the development of a comprehensive youth agenda for FY 2001, including a possible expansion of after-school programs and a White House Conference on Youth which would focus on a range of issues in the adolescent years. We also continue to be involved in the development of the National Campaign Against Youth Violence and the White House Council on Youth Violence.

GUNS

Currently, we are unsure about the standing of the Juvenile Justice bill with regard to guns. Apparently, the Senate and House Republicans (Senator Hatch and Rep. Hyde) have been working on language, but it does not seem as if the House Democrats (Rep. Conyers) have seen or evaluated the language. We will continue to monitor the progress of this legislation.

RACIAL PROFILING - follow up

In June, the President issued a directive to the Secretary of the Treasury, the Attorney General and the Secretary of the Interior to design and implement a system to collect and report statistics relating to race, ethnicity, and gender for law enforcement activities within those departments (this directive only reaches federal law enforcement). Within the next few weeks, the agencies will submit to the President reports on current policies and data collection implementation plans. By December 2000, the DoJ will issue an evaluation of the first year of field tests.

Economic Development, Security and Empowerment

NEW MARKETS → get present of this time

Follow the progress of New Markets legislation which includes: the New Markets Tax Credit, America's Private Investment Companies (APICs), and New Markets Venture Capital (NMVC) Firms. We may want think about ways to incorporate New Markets message into First Lady's economic development agenda, and find creative ways to ensure that her priorities impact future

planning in this area. We should also consider making sure that the First Lady is appropriately referenced for her work in this area (i.e. microcredit)

MICROCREDIT

Chronicle the First Lady's travel in and outside the U.S. and her work for and commitment to microcredit. Perhaps develop report/white paper following up on selected communities where the First Lady's work on the issue has made a significant impact. - no add'l \$ for microcredit
- interest:

SOCIAL SECURITY

Continue to track the Administration efforts to save and strengthen Social Security; continue to track importance of issue to women.

ECONOMIC SECURITY ISSUES

Continue to monitor bankruptcy reform, minimum wage, financial modernization, pensions, and other issues.

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**Strategies and Priorities for First Lady's Issues Team
October 1999-October 2000**

Work of Children, Youth and Family Team

Priorities in FY2000 Labor-H-ED Appropriations

Education
Health
Labor

Priorities/Proposed Initiatives for FY2001

Youth Violence

SOTU

DPC Specific Work

Parental Discrimination – transmittal and EO
Unborn Victims Act

On-going FLOTUS Policy Issues – Where to we want to end up?

Helping Parents Balance Work and Family

CHILD CARE

Appropriations strategy
Any movement on authorizing bills?

AFTER-SCHOOL PROGRAMS

Keep pushing for increase in 21st Century

FAMILY AND MEDICAL LEAVE

FMLA/UI issue

LONG-TERM CARE

Addressing the Needs of America's Children and Youth

EARLY CHILDHOOD DEVELOPMENT

Any more follow-up to WH conference?

FOSTER CARE AND ADOPTION

Foster Care bill

YOUTH

Possible WH Summit on Youth Development

NATIONAL SERVICE

Policy announcements as part of AmeriCorps 5th Anniversary

Possibility of announcement of AmeriCorps Reserves

[ADD: HELP FOR THE WORKING POOR

Foodstamps, WIC, TANF]

Strengthening America's Public Schools

SCHOOL IMPROVEMENT

ESEA Reauthorization – focusing on turning around failing schools

CHARTER SCHOOLS

Implementation issues

DC Charter Schools

TEACHER QUALITY

Improving Health Care for all Americans

HEALTH CARE REFORM

CHILDREN'S HEALTH

CHIP policy deliverables

MEDICARE/MEDICAID

WOMEN'S HEALTH

AIDS

DISEASE PREVENTION AND RESEARCH

Advancing Women's Economic Security and Empowerment

MICROCREDIT

SOCIAL SECURITY

LEGAL SERVICES

WOMEN'S ECONOMIC SECURITY

WOMEN'S RIGHTS AND EMPOWERMENT

First Lady Work

Major Issues to highlight/WH Conferences

Youth Development

Legacy Document

Outreach to Women's Groups/Others?

Tracking National Issues that have specific impact on NY

Options for Increasing Benefits for Domestic Partners

Background:

- According to the Human Rights Campaign WorkNet, "From 1994 to 1998, the number of married couple households in the US increased by just 2 percent, while the number of unmarried partner households increased by 11 percent. In 1998, there were 5.9 million people in the US living with a domestic partner. Of these, approximately 28 percent, or 1.7 million people, were in same-sex relationships." This changing family pattern calls for a re-assessment of policies that support and reward families and a recognition that providing benefits for domestic partners is a step toward providing equal pay for equal work (benefits can comprise up to 40 percent of compensation packages).
- There has been a groundswell in the past two years of private companies, colleges and universities, and state and local governments that now offer benefits for domestic partners – since 1997, the number has gone from a few dozen to 2,800.
- While there is growing support, resistance continues to appear. Today, the NYT ran an article about the Exxon-Mobile merger. In 1997, Mobile began to offer DP benefits due to the large amount of business they do in San Francisco. In acquiring Mobile, however, Exxon has chosen to cancel the benefits for domestic partners and, thus, former Mobile employees will no longer have access to benefits for their domestic partners.
- Arguments against providing benefits for domestic partners, often include a "high cost" argument. This argument has not proved true in the companies that have adopted benefits for domestic partners – only an average of 1-2% of employees take advantage of benefits. This low percentage could be attributed to the fact that most domestic partners are both working and many will be offered health care through their own employer.
- The Administration has taken steps to make the Federal workplace better for gay and lesbians. Last year, the President issued an executive order prohibiting discrimination in the Federal workplace on the basis of sexual orientation. While this effort was applauded by the gay rights community, there is concern that implementation of the order is not consistent across agencies. Supporting benefits for domestic partners would be viewed as the next step in a non-discrimination agenda.
- Political support – both Gore and Bradley have publicly acknowledged that they would support benefits for domestic partners in the Federal Workforce

Option A: Support the "Domestic Partnership Benefits and Obligations Act of 1999" sponsored by Representative Barney Frank.

This bill would provide benefits to domestic partners of Federal employees. Benefits would include retirement, health insurance, life insurance, and workers' compensation. Domestic partners would not be defined by sexual orientation, but would be defined as two people who are

one another's sole domestic partner, who reside with one another, and who share responsibility for common welfare and financial obligations. In order to qualify for benefits, employees would have to file an affidavit of eligibility of benefits with their employer.

The Office of Personnel Management has approximated the cost of domestic partner benefits to be \$18 billion over five years.

Pros: While this bill is unlikely to pass, publicly supporting it would send a tremendous signal that providing domestic partner benefits is a recognition of changing family patterns, the need to continue to support employees in their efforts to balance work and family as defined by the employee, and the need to equitably support individuals with domestic partners for the same work performed by married employees.

Con: Supporting this bill would likely be viewed as a retreat of the Defense of Marriage Act. While extending benefits to domestic partners would not "threaten" the state of marriage, it would be seen as condoning and rewarding same-sex partnerships.

Option B: Support Representative Maloney's bill to amend the Family and Medical Leave Act (FMLA) to permit leave to care for a domestic partner, parent-in-law, adult child, sibling, or grandparent if the family member has a serious health condition.

This option is not mutually exclusive of the first option. It would send a clear signal that the Administration recognizes the changing family patterns and the support that adults play for one-another in terms of long-term health care.