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4

Divider Title: _____

4. Crime/Drugs/Prisons - Reed

CRIME AND DRUG PRIORITIES

- **100,000 More Community Police Officers:** Continue implementing the Administration's signature program to increase police presence and expand community policing throughout the country. Add new emphasis on policing strategies that address quality of life issues and crime "hot spots."
- **Juvenile Crime Bill:** Enact comprehensive anti-gang and youth violence strategy that: funds local prosecutors; expands after school programs; bans violent juveniles from owning guns as adults; and requires child safety locks with every gun sold.
- **National Drug Control Strategy:** Enact and implement \$175 million media campaign, as part of the National Drug Control Strategy, to help counter recent increases in adolescent drug use.

High priorities/ Current commitments

1. Implementation of 100,000 community police officers (COPS) program.
2. Enact critical components of President's anti-gang and youth violence strategy in juvenile crime legislation.
3. National Drug Control Strategy's anti-drug media campaign targeting youth drug use.

New initiatives that are most promising:

1. Legislation to crack down on money laundering.
2. Testing and treatment of drug-using offenders.
3. Add technology component to community policing initiative to include innovations such as hand-held computers and crime mapping software.

Important initiatives that can be handled by others in the Administration:

1. Continuation of Brady Bill background checks (assuming Congressional action is not required).
2. Implementation of Violence Against Women Act.

CRIME & DRUGS PILLAR

BUILDING BLOCKS	DESCRIPTION	TIMELINE	BENEFITS	COSTS/FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL TIME COMMITMENT
Community Policing: 100,000 More Police	Continue implementing the Administration's signature program to increase police presence and expand community policing throughout the country. Add new emphasis on policing strategies that address quality of life issues and crime "hot spots."	Implementa- tion through FY 2000. New initiatives to be developed in FY 1998.	Majority of nation's police departments have received funds to hire a total of 63,000 new police (or equivalents) and for community policing training. These resources have been key to local efforts to drive down crime rates.	\$8.8 billion through FY 2000, nearly \$5.5 billion of which will have been appropriated as of FY 1998. New funds not necessary unless Congress extends life of hiring grants. If hiring grants are extended, they would cost about \$1.5 billion per year.	Currently has strong bipartisan congressional support. Some Members of Congress and Mayors have expressed concern about program funds expiring, and are looking to extend grants beyond the originally proposed 3 years.	Significant. Regular events to highlight signature crime initiative.
Community Policing: Crime Technology	Add technology component to community policing initiative. Include use hand-held computers, crime mapping software and other innovations.		Technology becomes more important as police departments begin to reach optimum force levels.	New funds for technology component not necessary if Congress expands non-hiring portion of program.		

CRIME & DRUGS PILLAR

Juvenile Crime Bill	Enact comprehensive anti-gang and youth violence strategy that: funds local prosecutors; expands after school programs; bans violent juveniles from owning guns as adults; and requires child safety locks with every gun sold.	House Republicans passed their version of a juvenile crime bill in June 1997; the Senate is planning to consider a somewhat improved version this fall.	Would allow localities to replicate Boston's comprehensive and successful anti-gang/ youth violence initiative (Operations Ceasefire/ Nightlite). By cracking down on gangs, tracing all youth crime guns, keeping schools open, etc., youth crime and murders have been cut dramatically.	The Administration's FY 1998 budget includes \$225 million to support its juvenile crime strategy (as well as other funds for prevention programs authorized by the Crime Act). Congress has favored more costly block grants to fund a juvenile crime strategy. The House CJS appropriations bill currently includes a new \$300 million block grant for enforcement and a new \$100 million block grant for prevention. The Senate CJS bill includes a new \$145 million block grant for enforcement and a \$75 million discretionary prevention program.	In the House, Republicans and Democrats were sharply divided over the juvenile crime bill. The Black Caucus viewed the Republican and Administration bills as too punitive. And both Democrats and Republicans fought the Administration's efforts to attach gun provisions to the legislation. While there is more consensus in the Senate, most Republicans are not supportive of the Administration's after- schools initiative -- and (as in the House) Republicans and Democrats alike will fight our gun measures.	Significant.
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CRIME & DRUGS PILLAR

National Drug Strategy	Enact and implement \$175 million media campaign, as part of the National Drug Strategy, to help counter recent increases in adolescent drug use. Potential new initiatives include: (1) money laundering crackdown (Treasury bill); and (2) initiative to test/treat drug-using offenders.	Media campaign needs to be implemented this fall. New Drug Strategy and Budget due each February. New initiatives need to be outlined at this time.	Reduces drug use and its consequences; and reduces drug-related crime and violence.	This year's overall drug budget was just under \$16 billion; most should be funded by Congress. House and Senate appropriators are supportive of the media campaign, though funding may be between \$110 and \$150 million.	Speaker Gingrich has expressed strong support for taking on the drug issue, and supports the media campaign. But we are unlikely to get Republican support on our other anti-drug initiatives -- and are more likely to see a Republican anti-drug bill, not to our liking, next fall.	Significant. Regular events to highlight drug problem and Administration initiatives.
Race/Crime Initiative	Enact and implement anti-crime initiatives to complement race dialogue: (1) increased community policing for high-crime, minority communities that have been traditionally under-protected; and (2) targeted crime prevention funds for high-crime, minority neighborhoods.	Next 12 months.	Would bring new police resources to communities that have the highest public safety needs and increase police interaction with the community. Would increase opportunities for minority youth and offer positive alternatives to gangs, guns and drugs.	The Crime Bill already authorizes substantial funds for these purposes (\$8.8 billion for police, \$6 billion for prevention), as does the Administration's and Congress' proposed juvenile crime legislation. Need Congress to appropriate money for these purposes and enact targeting legislation.	There should be bipartisan support for targeting community policing resources to high-crime, minority communities. But there has been almost no support among Republicans for funding the Crime Bill's prevention programs -- and limited support for adding prevention funds to the juvenile crime bill.	Limited. Part of overall race initiative.

CRIME & DRUGS PILLAR

Brady Bill	Work with state and local law enforcement to make sure that they continue to conduct background checks on a voluntary basis. Implement a national computer "Insta-Check" system for all firearms sales after November 1998.	National "Insta-check" system must replace 5-day waiting period by November 1998.	More than 250,000 fugitives, felons and other prohibited purchasers have been stopped from buying handguns. Murders committed by firearms down.	As of FY 1998, \$220 million will have been expended to help states improve their criminal history records. Additional funds (about \$50 million each year) probably will be necessary to continue this process, and to ensure that state and local law enforcement agencies participate in "Insta-check" system.	Despite recent Supreme Court decision, the overwhelming majority of state and local law enforcement agencies are still conducting background checks. Only Ohio and a handful of local jurisdictions have resisted. More work still needs to be done to ensure that states participate in the national "Insta-check" system, including pushing states to pass implementing legislation and providing states with additional funds to improve their criminal history records. The politics of this are more likely to be dominated by the pro-gun/anti-gun debate than by party affiliation.	Limited, assuming Congressional action is not required.
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CRIME & DRUGS PILLAR

Prisons/Penalties	Enforce/promote penalty enhancements for serious criminals -- such as "three strikes" and "truth-in-sentencing" -- and provide states with resources to incarcerate violent offenders. New initiative on coerced abstinence program -- take administrative action to require states to test, treat and keep offenders drug-free.	Implementation through FY 2000. This fall.	Serious criminals are serving longer sentences; state and federal prison capacity is up (approximately 40%); and prison overcrowding is down (only 3% at the state level; 24% in the federal system). A large portion of the state and local prison population is addicted to drugs, and testing/treatment may prevent these criminals from committing repeat offenses when released.	No new funds are necessary. The crime bill authorized more than \$10 billion for state prisons (construction and operations) and alternatives to incarceration; \$1.3 billion already has been appropriated (FY 97). Once requirement goes into effect, pressure will mount for new legislation allowing the use of Crime Act funds for testing and treatment.	Republicans have favored greater funding for prisons than Democrats and the Administration. But to make it easier for governors to access prison funds, Republican appropriators have watered down the Crime Bill's tough "truth-in-sentencing" requirements. Republicans have strongly resisted the Administration's efforts to allow prison grants to be used for drug testing and treatment.	Limited.
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CRIME & DRUGS PILLAR

Sex Offenders	Ensure states have adequate sex offender registries, community notification laws; fully implement national sex offender registry to link all state information.	Ongoing. Interim national registry in place as of this spring. Working with states in following months to ensure their full participation in national registry.	Communities are notified of released and paroled sex offenders. Law enforcement can more closely monitor sex offender whereabouts.	The Administration requested -- and the House and Senate appropriations bill currently include -- \$25 million to provide states with technical assistance to improve their sex offender registries.	Strong bipartisan support. Community notification laws are being litigated in federal and state courts.	Limited.
Domestic Violence	Continue implementation and consider expansion of Violence Against Women Act (VAWA), which includes enforcement and prevention initiatives to reduce violence against women.	Implementation through FY 2000. Legislation to expand VAWA being introduced in Congress this fall.	Funds have been used to promote pro-arrest policies, battered women shelters, rape prevention, and to establish a national domestic violence hotline.	More than \$500 million of the \$1.6 billion authorized for this legislation has already been appropriated. New legislation would require new funds.	There is strong bipartisan support for this initiative. Certain aspects of proposed new legislation are controversial, including within Justice Department.	Limited.

CRIME & DRUGS PILLAR

Victims Rights Amendment	Lead fight to amend Constitution to protect the rights of crime victims.	House held hearings in June of 1997. No Senate action yet. Should work to get passed by the end of this Congress.	Writes many of the protections that crime victims have gained into the Constitution.	No immediate budget implications.	Bipartisan support.	Limited.
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5

Divider Title: _____

Children and Families Pillar Priorities

The children and families agenda is cross-cutting. Priority issues range from education to health to environment to welfare reform to crime prevention, which are reflected in the overall grid. To ensure the President's rightful legacy as the children's President, we have three important challenges:

- 1) consolidate and strengthen the President's strong record of achievements -- expansion of health care for children, Head Start, immunizations, education, WIC, and EITC, protecting the environment, promoting early childhood development, making the streets and world safer for children;
- 2) ensure that we are as diligent in implementing these programs as we were creating them, particularly with respect to investments in children's health and education, welfare reform and crime prevention; and
- 3) pursue bold, new programs, of which child care should be a priority.

The Children and Families Pillar outlines priority issues not otherwise discussed in other pillars. The building blocks of the children and family pillars include three clear priorities:

- **Strengthen Child Care.** Address the significant quality and affordability crisis in child care for working families by launching at the October White House Conference an administrative and legislative initiative that targets: health and safety of children in care; quality of care; affordability of care; availability of both infant and toddler care and school age care; and public education. Broad parameters of initiative could be discussed at White House Conference and full initiative unveiled in the State of the Union.
- **Emphasis on 0-5 Early Learning.** Through strengthened child care, Parents as First Teachers, and expanded Head Start, we could ensure that any focus on child care has a strong education component. This is critical and appropriate given the attention that the First Lady's early learning conference brought to this issue and the overall importance of education to your economic and social agenda.
- **Improve Adoption and Child Welfare System.** Advance the President's Adoption 2002 initiative, which sets goals of doubling, by the year 2002, the number of children adopted or permanently placed each year, and of moving children out of foster care more quickly by: pushing Congress to act on pending legislation and appropriation requests.

5. Children and Renewal of Family - Sperling, Verveer, Echaveste, Reed

FAMILIES PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL TIME COMMITMENT
Strengthen Child Care for America's Children and the Working Families that Rely on It	Launch a comprehensive child care initiative that addresses: --Health and safety of children in care --Quality of care --Affordability of care --Availability of infant and toddler care --Availability of school-age, before- and after-school enrichment programs	10/23/97: WH Child Care Conference: set national goals and discuss outline of initiative SOTU: unveil full initiative	12 million children under 6 and 17 million between 6-13 need care, with both parents or a single parent in the workforce. Child care is essential for future productivity and a strong workforce, for successful welfare reform, and for early childhood development and school-readiness. Experts report a quality crisis in child care, with low state licensing standards and low wages/ high turnover in the profession. Studies tells us that crime increases after 3pm, that latchkey children are more likely to engage in risky behavior, and that quality after-school programs can have a positive effect on children's development and learning.	New budget authority necessary. A comprehensive initiative will require a significant investment of federal dollars to leverage state, local and private funds -- with DCTC reform, increase in child care subsidies, quality incentive funds, and school-age care development funds. Costing Ongoing and TBA.	Many elements have strong bi-partisan support, with legislation already introduced to address components of problem Governors may resist any perceived interference with state function of overseeing child care -- especially any new federal quality standards.	Significant

FAMILIES PILLAR

Promote Adoption and Improve Child Welfare	Double the number of children adopted each year by 2002 and move children more quickly from foster care to permanent homes -- President's <i>Adoption 2002</i> initiative. Promote <i>Adoption 2002</i> by pushing Congress to act on pending legislation and appropriations requests.	9/97: Senate expected to consider adoption bill Need leadership to ensure Congressional action	Approximately 500,000 children are in foster care, with approximately 100,000 legally free and waiting for adoption. Seven out of 10 are minority children, older, or have special needs.	The President's <i>Adoption 2002</i> initiative is nearly cost neutral, with targeted savings from foster care. House bill, HR 867, is cost neutral; Senate bill has not been fully costed, but is estimated at several billions.	Bipartisan, broad-based support for President's <i>Adoption 2002</i> initiative. House overwhelmingly passed HR 867, which included many elements of initiative; Senate's more expensive bill, S 511, still awaits action.	Limited, assuming continued involvement by First Lady.
Help Parents Balance Work and Family	Expand FMLA to ensure that employees can take up to 24 hours of unpaid leave for school and early childhood education activities, routine family medical or dental appointments or elderly health and care needs. Propose other family-friendly initiatives, to encourage telecommuting, self-employment, etc. Issue report on new tensions that work places on the family.	Push Congress to introduce legislation	Helps working parents balance work and family by enabling them to take needed time off.	FMLA expansion is cost neutral. Has limited support from advocacy groups who would much prefer to see FMLA applied to businesses with fewer than 25 employees.	FMLA expansion has broad but unenthusiastic support in Congress. Opposition exists from some of our natural supporters -- labor, key Democrats.	Limited.

FAMILIES PILLAR

Protect Children from Negative Influences of Media and Promote Quality Children's Television	Continue leadership in development of TV ratings, V-chip, and quality TV programming for children.	Ongoing	Tools such as TV ratings and the v-chip enable parents to make informed decisions about their children's TV watching.	Cost Neutral.	Bipartisan support Media Industry resistance	Limited, assuming continued involvement of Vice President and First Lady.
Protect Children from Risks of Tobacco	Pass tobacco legislation that restricts access and advertising to kids and reduces children's smoking by 50% in seven years.	Frame debate in early fall. If conclude that outline of settlement is worth pursuing, push legislative approach in Fall.	Reduces number of children who will become addicted to tobacco, thereby reducing vast amount of tobacco-related illness and death.	Revenue from settlement could amount to billions of dollars (perhaps \$3-8 billion a year). Chances of success depend on agreement on overall settlement.	Could gain bipartisan support; strong regional concerns from tobacco states.	Significant. Because of potential opposition from both sides of ideological spectrum, this initiative will require a substantial commitment from the President.

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6. Gifts to the Future - Verveer

“Gifts to the Future” Priority Considerations

“Gifts to the Future” in the context of the nation’s millennium observance provides a powerful construct to underscore existing administration initiatives, like the heritage rivers project or wiring the nation’s schools. It should also be utilized to give powerful validation to new initiatives. Some of the proposals set forward in this context would require budget commitments; others would call on the corporate and nonprofit communities to make a significant private commitment.

One idea that has engendered considerable staff support is for the President to use the millennium to call on all Americans to make a specific contribution to the future in their own communities. This should be something tangible like enhancing the physical condition of our schools, or a specific national contribution to a monument or project that everyone would be asked to voluntarily financially support.

Another project that has special merit and addresses a critical need is a proposal to protect endangered historical treasures -- “America’s Cultural Heritage Act.” We believe that such an initiative would garner significant bipartisan interest. The federal dollars appropriated could be leveraged for matching corporate and nonprofit contributions.

To follow up on the President’s request, the First Lady will make a major investment of her time in promoting cultural initiatives, particularly the need to create a permanent funding stream for the arts and humanities through new sources of dedicated revenue to augment the NEA and NEH, and to address the inadequate funding of our nation’s cultural institutions.

MILLENNIUM PROJECT AND "GIFTS TO THE FUTURE"

Using the framework "Gifts to the Future" in the context of the Millennium Project, the President can underscore key government initiatives and challenge citizens, corporations and non-profits to be engaged at the grassroots level to make tangible contributions to the next generation. It can also be used to reinforce the Administration's themes of opportunity, responsibility and community and national service. The agenda for children can also be framed as a "gift to the future" -- both in terms of specific Administration-related commitments and public and private efforts across the country. What follows are some examples.

INVESTMENTS IN OUR CHILDREN'S FUTURE

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS (e.g. Who does this help? How does it help them?)	COSTS/FEASIBILITY (e.g. What does it take to achieve? Who pays (\$ or capital)? What is the likelihood it will occur?)	POLITICAL RAMIFICATIONS (e.g. How does it affect the party?)
Reinforcing existing Admin. commitments for completion by year 2000.	<u>Examples:</u> - National Service Summit goals - Goals 2000 - America Reads - Teachers in inner-city schools - Wiring our schools and libraries	Ongoing	Specific programs to benefit all Americans, particularly children -- designed especially to enable citizens to meet the challenges of the next century.	Already budgeted.	Strengthen political stance by fulfilling pledge, especially those to next generation.
America's Schools and related investments in improving the lives of children and their communities	- Commitment in each community to improve local schools, making them safe and attractive learning environments. - Follow-through on the wiring of all schools and libraries.			Some federal incentive for school repairs and a challenge to parents, corporations and unions in every community. Also a challenge to every community to undertake a tangible project as a "Millennium Community."	Increases American sense of community and optimism.

INVESTMENTS IN OUR CHILDREN'S FUTURE

Environmental Protection	"Heritage Rivers," most endangered national parks.	Ongoing	Economic activity, increased tourism. Preservation of national legacy.	Heritage Rivers already budgeted. No cost estimate for parks, etc.	
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CULTURAL HERITAGE AND CREATIVITY

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS (e.g. Who does this help? How does it help them?)	COSTS/FEASIBILITY (e.g. What does it take to achieve? Who pays (\$ or capital)? What is the likelihood it will occur?)	POLITICAL RAMIFICATIONS (e.g. How does it affect the party?)
"Worthy Ancestors"	Preserving America's treasures like archives, artifacts, parks, monuments, battlefields, and intellectual property. (e.g the National Archives has a severe need to address the preservation of key historical documents.) Challenge communities at the local level to address local preservation needs.	Next three years	Preserving our history for future generations. Economic activity, particularly the role of intellectual property in stimulating new creativity. Grass roots civic involvement.	Federal incentives through an "America's Cultural Heritage Act" - which would also require matching funds from corporate and non-profit entities. Also specific appropriations of funds for archives to preserve historical records now at risk. (Request 10% increase over next 3 years)	Creates new federal budget needs. Potential: to appeal for significant public support.

CULTURAL HERITAGE AND CREATIVITY

Digitizing historical and cultural materials.	Protecting "America's Archives" for future generations (Builds on wiring the schools because of need to assess quality programming)	1998-2001	Offers education access at all levels. Improves the quality and accessibility of libraries.	Would require approximately \$100 million in government funds and \$100 million in corporate matching funds to cover the most significant and endangered materials.	Demonstration of government partnership with new technology companies.
Maintaining our federal commitment to preserving and enhancing our cultural heritage	*Institutions: - Archives - Smithsonian, etc. *Agencies: - NEA, NEH, IMS *Other Fed. Agencies with cultural activities such as the Park Service, etc.	Ongoing	Affects all Americans. Improves education, builds citizenship, benefits the economy and tourism, revitalizes communities.	Already budgeted.	Some agencies, like the NEA, have been targeted by the Right for elimination.
Create a permanent funding stream for the arts through new sources of dedicated revenue.	Cultural institutions are significantly underfunded. NEA funds combined with private giving will continue to be inadequate.	1998-99	Helps all Americans build their communities. Promotes creativity and the importance of preserving our cultural heritage. Furthers the importance of arts education as an integral part of the curriculum.	Research on dedicated revenue in progress at the Treasury Department.	Would diminish cultural agencies as political targets.

CULTURAL HERITAGE AND CREATIVITY

Carry out key elements of the comprehensive plan for the White House complex and the U.S. Capitol Preservation plan.	The National Park Service has spent 5 years developing plans for the preservation and improvement of the White House and surrounding park for the next 20 years. The Capitol has similar plans for preservation and public access.	Park Service plan available for public comment in 1998.	Preserves one of America's most important democratic symbols.	Provide leadership, Marshal public support, and recommend adequate funding through the appropriate agencies.	Potential for bipartisan support as a Millennium goal.
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BUILDING FOR THE FUTURE

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS (e.g. Who does this help? How does it help them?)	COSTS/FEASIBILITY (e.g. What does it take to achieve? Who pays (\$ or capital)? What is the likelihood it will occur?)	POLITICAL RAMIFICATIONS (e.g. How does it affect the party?)
Call for a new American philanthropy.	Use bully pulpit to urge Americans to increase their charitable giving or may want to target giving to a specific national project.	1998-2001	Helps all charitable organizations and the people they serve -- from health to culture to children's needs.	No Government appropriation.	Dems in favor of individual responsibility , civic renewal.

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7. International Economic Leadership - Tarullo, Summers, Sperling

INTERNATIONAL ECONOMICS PRIORITIES

Outside observers have identified trade liberalization as a core element of the President's historical legacy. By embracing trade liberalization and making the connection to American economic dynamism and international leadership in the 21st century, the President has contributed to a fundamental reorientation of the Democratic party. The President's success in integrating China and Russia into the global economic system will also make a lasting impact both on the world economic system and in the security sphere for decades to come. These two legacy areas suggest a limited number of priority initiatives for the second term on international economic leadership:

Opening Markets around the World: The challenge for the remainder of the second term is to reassert U.S. leadership for trade liberalization consistent with our interests and values. This requires, in the first instance **passage of fast-track trade negotiating authority**, which is now widely seen as requisite proof that the U.S. has the will to liberalize. Of the specific trade agreements that would be negotiated under this authority, **the FTAA** has the greatest potential to make a lasting impact, by helping to consolidate U.S. economic and political leadership in the hemisphere. Finally, we should consider whether to push for the launch of another **global round** of trade talks during the President's latter part of the second term. While this has considerable symbolic appeal, there are conflicting views whether it would be the best vehicle for advancing U.S. trade interests.

Integrating Key Economies into the World Economic System: Just as Truman's policies at the end of the Second World War laid the foundations for the international system over the past half century, so President Clinton's policies at the end of the Cold War will lay the foundations for the next half century. The President has already made major headway on integrating Eastern Europe, Russia, and the FSU states into the world economy and encouraging market reform. This process must continue through the second term, with increased emphasis on **completing Russia's entry into the WTO**. Our efforts have been less successful and less consistent with respect to China--where the challenges are quite different. Any sustainable improvement in the relationship with China will require **bringing China into the WTO on strong terms, ending the mutually damaging annual Congressional debate over MFN** and providing the basis for substantially increased U.S. exports to China. However, it is important to recognize our chances of success are only moderate. Also, Dan, Sandy, and Gene all think that, without major political cost, you could press forward on an **Africa initiative** which could be a lasting and significant achievement.

INTERNATIONAL ECONOMIC LEADERSHIP PILLAR

BUILDING BLOCKS	DESCRIPTION	TIMELINE	BENEFITS	COSTS/FEASIBILITY	POLITICAL RAMIFICATIONS
Opening Markets around the World	Secure <u>Fast Track</u> Negotiating Authority.* ^N	Fall/ Winter 1997	Trade has been a major source of dynamism in the U.S. economy and will only grow in importance. But trade also has discernible distributional consequences.	<u>Feasibility:</u> • Fast Track: Fair • Chile: Fair • FTAA Launch: High • Asia-Pacific: Moderate/low; requires sustained effort • Financial Services: Low • Electronic Commerce: Fair • Agriculture: Too early to predict • Medical Equipment: Fair • Chemical Products: High • Environmental: High • Energy: High • WTO Round: possible tradeoff with short-term success in individual sectors and regional trade agendas	Defining issue for the President and the Democratic Party. The President generally gets credit for a courageous stance. Trade liberalization is extremely divisive within the party; symbolic issue. • Strongly opposed by traditional Democratic base. • Success of Fast Track and Chile will hinge on solid Republican support. • However, many of sectoral initiatives should encounter little opposition and Asia-Pacific agenda supported by business and labor.
	Conclude Free Trade Agreement with <u>Chile</u> .	Spring/ Summer 1997			
	Launch Negotiations towards <u>FTAA</u> .	April 1997	<u>Winners/Supporters:</u> • U.S. Exporting Industries & Agricultural Producers • U.S. Services Industries • U.S. Multinationals • U.S. Consumers • Trade Partners, especially Emerging Markets		
	Eliminate Barriers in <u>Sectors</u> at Core of U.S. Competitiveness:*				
	• Financial Services • Electronic Commerce • Agriculture^N • Medical Equipment • Chemical Products • Environmental Goods & Services^N • Energy Equipment & Services^N	Dec. 1997 1997-8 1999-2000 1997-8 1997-8 1997-8 1997-8			
	Achieve Genuine Opening in <u>Asia-Pacific</u> Markets, including Japan, through APEC, WTO, and bilaterally.	Ongoing	<u>Losers/Opponents:</u> • Less-skilled manufacturing workers (e.g., apparel, footwear, & textile) • Organized Labor • Environmentalists	<u>Cost (budget does not include):</u> • Fast Track: costs TBD associated with possible expansion of trade adjustment programs • Individual Trade Agreements: cost of tariff revenues foregone TBD • WTO Round: TBD	
	Announce/Launch New <u>WTO Round</u> of Negotiations, building on post-Uruguay Round activities to shape new economy ^N	1999	<u>WTO Round:</u> Potentially far-reaching but agenda needs considerable analytic and institutional work.		

^N New initiatives to which Presidential commitment has not yet been made.

* Highest priority initiatives.

INTERNATIONAL ECONOMIC LEADERSHIP PILLAR

BUILDING BLOCKS	DESCRIPTION	TIMELINE	BENEFITS	COSTS/FEASIBILITY	POLITICAL RAMIFICATIONS
Integrate Key Economies into International Economic System	<u>Russian Reforms:</u> Put Russia on sustained path to market economy by coordinating MDB and bilateral efforts	Ongoing	<u>China/Russia:</u> These efforts will help draw the geopolitical map of the 21st century. Future generations of Americans will reap the fruits of enhanced national security and international prosperity associated with successful integration of these two former rivals. European and Asian allies will benefit similarly.	<u>Russian Reforms:</u> Moderately risky, but no real alternative; substantial (TBD) cost in bilateral and multilateral lending (already included in budget).	<u>Russia Initiatives:</u> Strong bipartisan support among moderates.
	<u>Russia WTO:</u> * Complete Russia's WTO accession on strong terms.	1998		<u>Russia WTO:</u> Moderate feasibility, no budgetary cost.	
	<u>The Eight:</u> Fully integrate Russia as member of the Eight.	Ongoing		<u>The Eight:</u> Highly feasible & low cost.	
	<u>China WTO:</u> * Complete China's WTO accession on strong terms and secure permanent MFN.	1998	<u>Africa:</u> This effort fundamentally reorients our African economic policies towards the market and puts them on a sustainable footing. Renews hope and opportunity in Africa and may contribute to diminution of crises requiring emergency humanitarian and military assistance.	<u>China WTO & Permanent MFN:</u> Extremely challenging, no budgetary cost.	<u>China WTO & Permanent MFN:</u> Strong support among centrist Republicans and Democrats, support by business community and foreign policy opinionmakers. Strong opposition among right-wing Republican groups (Christian rights, anti-Communist, anti-proliferation) and left-wing Democratic groups (human rights, organized labor).
	<u>Africa:</u> * Promote private-sector- led growth in Africa through passage of trade legislation and implementation of debt initiative.	Fall/ Winter 1997		<u>Africa:</u> High feasibility; new budgetary costs of \$200+ million over 5-10 years (not included in budget).	<u>Africa:</u> Strong support from Congressional Black Caucus, foreign policy opinionmakers. Expect little organized opposition from either party.

^N New initiatives to which Presidential commitment has not yet been made.

* Highest priority initiatives.

INTERNATIONAL ECONOMIC LEADERSHIP PILLAR

BUILDING BLOCKS	DESCRIPTION	TIMELINE	BENEFITS	COSTS/FEASIBILITY	POLITICAL RAMIFICATIONS
Building Domestic Support for Open Trade	Strengthen <u>Adjustment Assistance</u> for workers displaced by trade or production shift. ^N	Fall/ Winter 1997	Achieving broad support for open trade requires policies that help challenged workers adjust and safeguard high domestic levels of protection for workers and the environment.	<u>Adjustment Assistance:</u> High feasibility. Cost estimates range from a hundred million dollars to over a billion annually (budget does not include).	<u>Adjustment Assistance:</u> Critical as cover for some Democrats on fast track. Key union priority; but not sufficient to gain union support.
	Secure fast track authority that permits labor & environmental <u>Side Agreements</u> .*	Fall/ Winter 1997		<u>Side Agreements:</u> Low political feasibility. Negligible cost.	<u>Side Agreements:</u> Top union & environmental priority. Trade-labor linkage is key dividing line between Republican and Democratic parties; extent of sanctions is dividing line issue within Democratic party.
	Seek protection of <u>Core Labor Standards</u> in trade fora such as WTO and FTAA.	Ongoing		<u>Core Labor Standards:</u> Success will require years of perseverance. Negligible budgetary cost. Potential opportunity cost in loss of international leadership on trade liberalization.	<u>Core Labor Standards:</u> Strong support among Democrats, strong opposition among Republicans. Key union priority.
	Internationalize <u>Sweatshop Eradication</u> efforts through labor ministerial with Central America and G-8 Employability Conference. ^N	November 1997; February 1998		<u>Sweatshop Eradication:</u> High feasibility of making progress through variety of vehicles; poor prospects for expanding/replicating Apparel Initiative internationally. Negligible cost.	<u>Sweatshop Eradication:</u> Partisan issue, but dividing line is weaker than on legislated approaches. Unions favorable, but low priority relative to trade sanctions.

^N New initiatives to which Presidential commitment has not yet been made.

* Highest priority initiatives.

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8

Divider Title: _____

8. Savings / Entitlement Reform - Sperling, Summers

ENTITLEMENT/SAVINGS PILLAR PRIORITIES

September 3, 1997

1. **Social Security.** The top priority in this area is ensuring that Social Security is reformed so that its financial integrity and its commitment to progressive social insurance is preserved. As a Democratic President who is trusted and who believes in this program, you have a special opportunity to take the lead in preserving it. Unlike 1983 there is no immediate crisis to force action: you will need to exert leadership to convince the nation of the wisdom of acting with foresight so that we can avoid a crisis later on.

Key Decisions:

- The critical procedural decision is how to create a bipartisan openness to working together on this, whether to start some sort of process or commission in 1998, and when and how specific proposals are put out that could lead to actual legislation. Because most proposals can be portrayed as tax increases or cuts by critics, preventing harsh politicization of proposals is critical.
- The key substantive issues will be whether you open the door to some form of individual accounts. This may be a prerequisite for working in a bipartisan manner, yet Democrats are likely to have diverse views on the subject for fears of a slippery slope toward privatization. Other difficult issues will include equity investments by the Trust Fund, how benefits should be taxed, and whether or not a potential budget surplus should be saved and used to extend the life of the Trust Fund.

2. **Medicare** The balanced budget included fundamental reforms of Medicare and established a Medicare Commission to pursue additional future reform. Most of your advisors are wary of our ability to know how to fix for decades something so contingent on a dynamic health care market, yet believe there is still potential for serious improvements and reforms in your second term.

Key Decisions:

- Who should be our four members to the Medicare Commission. We must decide by December 1, 1997.
- Do we continue to promote income-related premiums outside of the Medicare Commission -- such as in our FY1998 budget.
- Do we seek a proposal that tries to combine extending the age of Medicare eligibility with additional coverage for those between the age of 55-67? Do we seek a more major anti-fraud proposal.

3. **Private savings/pensions.** Rubin, Summers and I believe that we should seek ways to promote savings, and that we could do so in a bipartisan way with Chairman Roth. We also need to look at ways to expand pension coverage of more low-wage workers, and will examine ways to encourage more meaningful retirement savings for middle class families as we examine improvements in Social Security.

ENTITLEMENT REFORM PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS (e.g. Who does this help? How does it help them?)	COSTS/FEASIBILITY (e.g. What does it take to achieve? Who pays (\$ or capital)? What is the likelihood it will occur?)	POLITICAL RAMIFICATIONS (e.g. How does it affect the party?)
Social Security Reform	Need to address projected long-run imbalance in Social Security program. Larger challenge is to ease the burden from the retirement of the baby boomers.	Initial proposals possible in either early 1998 or late 1998/early 1999. See attached memorandum.	See attached memo.	See attached memo.	See attached memo.
Medicare Reform	Need to address projected long-run imbalance in Medicare program.	Medicare commission needs to be appointed by end 1997; commission report due March 1999.			

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9

Divider Title: _____

9. Health Care/Improving Health Status - Jennings, Reed

HEALTH CARE PRIORITIES

- **Medicare and Medicaid reforms:** Improving the efficiency and long-term viability of these critical programs. This includes: implementing major Medicare reforms in the Balanced Budget; considering initiating important Medicare reforms in the next budget; and appointing a successful Medicare Commission and considering additional Medicaid reforms.
- **Coverage expansions:** Decreasing the number of uninsured Americans through incremental, flexible, responsible programs. This includes: aggressive implementation of the children's health initiative and a possible new outreach initiative, and potentially new initiatives to cover groups such as coverage for uninsured elderly not yet eligible for Medicare (one of the most difficult populations to cover); families of workers in small businesses (through voluntary purchasing coops); and families of people between jobs. Because of funding limitations, options will likely be limited to one of these initiatives.
- **Consumer protections:** Continuing to develop consensus on a broad range of public and private consumer protections to address the public's serious concerns about quality in the rapidly changing health delivery system. This includes: following through on genetic discrimination legislation; promoting privacy protections; developing a comprehensive consumer bill of rights in conjunction with the Quality Commission; and strengthening food safety.
- **Tobacco, research and other high-priority public health initiatives:** Promoting a strong research and public health agenda to improve the overall health of Americans. This includes: addressing the tobacco settlement; creating a biomedical research trust fund; proposing initiatives to reduce racial health disparities; dealing with increasing pressures to address the needle exchange issue; and passing FDA reform among others.

High-priorities / Current commitments

1. Children's health implementation
2. Medicare reform: Commission and anti-fraud and abuse initiatives
3. Tobacco settlement
4. Key and potentially controversial nominations: Surgeon General, FDA commissioner
5. FDA reform/pediatric labeling

New initiatives that are most promising

1. 21st century biomedical research trust fund
2. Quality / privacy protections
3. New Medicare reforms: high-income premium and age eligibility demo
4. Coverage initiatives: voluntary purchasing coops; coverage of uninsured seniors not eligible yet for Medicare; and Medicaid kids' outreach

Important initiatives that can be handled by others within the Administration

1. Food safety
2. Race and health initiative
3. Genetic discrimination protections
4. Medicare budget provisions implementation
5. Needle exchange

HEALTH CARE PILLAR						
BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
I. ENTITLEMENT REFORM						
New Medicare Reforms	Implement reforms before Medicare Commission report including, income-related premium, intensive fraud and abuse initiatives, a requirement that Medicare managed care plans cover Rx drugs, and Medicare buy-in demonstration for 55-65 age group -- the most difficult to insure population.	Next six months. These provisions could go into the FY 1999 Budget or -- if concerned about tying too closely to budget process -- could be introduced as free-standing initiatives.	Action-oriented approach rather than waiting for Commission recommendations. While it would not solve the long-term financing challenges, some of these proposals will save billions of dollars for the Medicare program.	Achieve savings for Medicare, which could be used for desirable initiatives, such as expanded (relatively low-cost) benefits or to fund demos for future Medicare reforms -- like a Medicare buy-in for younger seniors. Such a demo could have implications for ability to raise the Medicare eligibility age from 65 to 67.	Aging advocates and some of our Democratic base (like Gephardt) will oppose income-related premium outside of context of broader reform. Linking it to a popular idea like buy-ins for younger seniors or requiring HMOs to provide Rx drug coverage may help. Taking such an approach would be received positively by "elites," but they probably would still say it is insufficient.	Significant. In the absence of Presidential involvement, Democratic base and aging advocates could revolt against these proposals.
Medicare Commission	Appoint commission to consider feasible long-term reforms for the program.	Commission appointed by Dec. 1, 1997. Report due in 1999.	Address long-term financing challenges of Medicare program.	No significant costs. Potential savings if consensus reached on broad-based Medicare reform. Commission required under the Balanced Budget Agreement.	If Commission is made up of respected politically experienced and credible members, its recommendations have the potential to advance controversial, difficult but necessary reforms.	Limited.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Implementation of Medicare Reforms in the Balanced Budget	Ensure smooth implementation of the most comprehensive Medicare reforms in the program's history. Assure that agency focuses on the new choices and benefits available to beneficiaries, making the program more market-driven and beneficiary-friendly. Monitor the effect of Medicare preventive benefits to see if they save money.	Intensive in next six months and throughout 2nd term.	Implement broad-based structural reforms, new preventive benefits, and extend the life of the Trust Fund by at least a decade.	\$115 billion in savings over five years. Included in FY 1998 Budget.	Reinforces commitment to Medicare reforms. Tests HCFA's ability to show that Medicare can be a viable, strong, and flexible Federal health program.	Limited.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Fraud and Abuse in Medicare and Medicaid	New actions to stop fraud and abuse in health care system. First, take immediate action against home health care companies and other providers who overbill and defraud Medicare and Medicaid. Second, consider unveiling a more comprehensive legislative approach as a free-standing bill or as part of the FY 1999 Budget.	Immediate action in September or early October. Unveil new legislative approach in Fall or Winter.	Reduce fraud and abuse in Medicare and Medicaid, restoring confidence in these programs.	Currently working with HHS/HCFA to determine what actions can be taken right away and what require legislative action. Large savings possible but unlikely to be scored by CBO in a significant way. Potential savings in new Budget. May require upfront administrative investment. HHS and OMB currently reviewing.	Support from aging advocates and consumers. Providers will likely oppose.	Limited. One or two well-publicized events this fall.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Medicaid Reform	Identify and propose reforms to Medicaid such as asking Medicare commission to study Medicaid as well and proposing demonstrations and evaluations on Medicaid managed care and long-term care. In addition, could reconsider per capita cap policy.	FY 1999 Budget and throughout second term.	Prepares for the demographic changes that will affect Medicaid as strongly as they will Medicare.	Could contain modest savings but much more likely to have costs, if combined with additional access to long-term care services.	Support from states (except for any reconsideration of per capita cap), elite media. Possible opposition from aging and low-income advocates and Democrats.	Limited.
II. COVERAGE EXPANSIONS						
Early Retirees	Offer access to Medicare before age 65 and provide subsidies for lower-income pre-Medicare eligibles.	Possibly in the context of the tobacco settlement or in FY1999 Budget.	Targets the most difficult to insure population in the country.	New budget commitment. Costs about \$2-\$5 billion per year. Tobacco settlement or high-income premium could offset some of these costs.	Addresses high priority for the labor and aging advocates.	Significant involvement to enact.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Workers Who Change or Lose Jobs	Help pay health care premiums for workers who change or lose their jobs.	Possibly in the context of tobacco settlement or in FY 1999 Budget.	Sound policy. Helps workers and their families -- in an increasingly transient economy -- keep their health care coverage when they change or lose their jobs. Builds on Kassebaum-Kennedy legislation.	In President's FY 1998 Budget but not in final budget deal. \$2-\$4 billion per year. Probably best population to target without substitution problems. Needs better communication strategy to attract broad support.	Needs additional publicity to elicit broad-based support, but labor and health policy community think next logical step.	Significant involvement necessary to enact. (If not, may not be worth dedicating limited resources in upcoming budget).
Implementation of Children's Health Initiative	Ensure effective implementation of children's health initiative.	Intensive in next six months and throughout 2nd term.	Implement strong state programs to expand health coverage to millions of uninsured children.	Paid for in FY 1998 Budget. May require additional administrative costs for Federal oversight.	Reinforces commitment to children. Failure to significantly decrease numbers of uninsured children would be highly problematic.	Limited if combined with involvement of First Lady.
Medicaid Outreach Bonus	Allows states to get the same enhanced match as they do under the children's health initiative for successfully enrolling kids already eligible for Medicaid.	In next six months.	Possibly in the context of tobacco settlement.	About \$1 billion a year. Probably would receive broad-based support from states and consumer groups but may be difficult to secure funding source after unprecedented \$24 billion investment.	Address concerns of states like Minnesota that would focus on already eligible kids; less likelihood of crowd-out. Popular with Medicaid supporters.	Limited.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Small Business Insurance Coverage Reform	Develop legislation to help small businesses gain access to affordable health care insurance by developing voluntary purchasing cooperatives.	FY 1999 Budget	Targets employers who have the most difficulty providing health care coverage to their workers.	New budget commitment. Costs are minimal -- less than \$100 million per year.	Popular among business community and consumers. Could take advantage of House Republicans (Fawell) interest in pursuing a similar (although flawed) strategy. Jeffords may be interested in combining this proposal with consumer protection agenda.	Limited.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Expand Access to HIV Drugs through Medicaid benefits.	Currently Medicaid does not pay for HIV drugs until a certain level of disability is reached whereas AIDS drugs are recommended as early as possible. Develop strategy for Medicaid access to drugs before disability.	Vice President requested a study from HCFA on the feasibility of a demo. Study expected shortly..	Offers lifesaving drugs earlier -- when they are thought to be more beneficial. Reduces pressure on other AIDS funding programs, such as AIDS Assistance Drugs Programs.	New budget commitment. HCFA determining costs of doing as a small demonstration as well as legislation. This proposal could be prohibitively expensive to fund in a way that is satisfactory to AIDS advocates.	Extremely high priority for AIDS community, but could encourage disease and other interest groups to ask for similar benefit and thus cause serious controversy.	Limited. Vice President has been closely involved.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
III. CONSUMER PROTECTIONS						
Consumer Protections, Quality	Develop consensus on a broad range of public and private consumer protections for health care plans. These could include appeals and grievance procedures for patients in a rapidly changing health care delivery system.	Likely to be raised in a bipartisan fashion by Congress this fall. Quality Commission is also likely to issue Consumer Bill of Rights in November and final recommendations next spring.	Addresses the need for better consumer protections and quality assurances.	New budget commitment. Federal costs are likely to be minimal but insurers and business community will likely argue that private premiums will increase.	Significant support from consumers who worry about lack of protections in managed care environment. Opposition from managed care groups and business. Could be combined with some business priorities such as voluntary purchasing cooperatives.	Limited.
Genetic Discrimination Legislation	Develop strategy to pass legislation the President has endorsed preventing health plans and employers from discriminating on the basis of genetic information.	This fall. Possibly as part of larger consumer protection and quality reform.	As genetic information becomes more accessible, there is a need to guarantee this information is used to improve health status and not to discriminate against individuals with genetic predispositions.	New budget commitment. Minimal.	Consumer groups, women's organizations, labor groups support.	Limited.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Privacy Protections	Work with HHS to finalize their statutorily-mandated report on privacy protections and develop positions on outstanding controversial issues.	Likely to be addressed in the context of consumer protection/quality debate this fall.	Develop appropriate protections as health care shifts to large network providers, managed care, and information management companies; major long-term implications for use of medical information in the computer age and in the context of medical research advances.	New budget commitment. Likely cost is minimal though unknown. Lots of interest in this issue. However, wide array of viewpoints particularly with regard to enforcement.	Consumer and health advocacy organizations will support. Managed care companies and businesses (who fear excessive government regulation) could oppose. Bipartisan interest on the Hill could help mitigate this opposition.	Limited.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Food Safety	Follow through on agency commitments in last June's report to President to issue new regulations on food safety and launch public-private initiative.	This fall -- propose regulations for juice and eggs, and launch the public-private education campaign.	Improve safety of our nation's food supply.	\$43 million in FY1998 request. Congress likely to provide full funding. Additional funding for FY 1999 may be necessary.	Bipartisan; will be supported by industry and consumers.	Limited.
	Propose legislation authorizing USDA to recall contaminated products, assess civil penalties, and implement training systems.	This fall -- as early as September 3.	Improve safety of our nation's food supply; enable USDA to respond as quickly and effectively as possible to Hudson Foods-type incidents.	New budget commitment for improved tracing systems but minimal costs.	Requested authority to recall and assess civil penalty rejected twice in past by Congress. Consumer groups will support; industry will probably oppose.	Limited.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
IV. TOBACCO, RESEARCH, AND OTHER HIGH PRIORITY PUBLIC HEALTH INITIATIVES						
Tobacco Settlement	Secure FY 98 appropriations. Pass tobacco legislation that: codifies FDA authority and restricts access and advertising to kids; reduces children's smoking by 50% in 7 years; and reduces overall tobacco consumption and invests billions of dollars from the settlement on improvements in insurance coverage, research, and public health.	Frame debate in a Presidential event in early fall. If conclude that settlement or outline of settlement is worth pursuing, push legislative approach in Fall and in remainder of this Congress.	Potential important new investments in health care (see investments in rest of document). Reduces vast amount of tobacco-related illness and death, reduces harm to children.	Revenue from settlement could amount to billions of dollars (perhaps \$3-8 billion a year). Chances of success depend on agreement on overall settlement.	Could gain bipartisan support; strong regional concerns from tobacco states.	Significant. Because of potential opposition from both sides of ideological spectrum, this initiative will require a substantial commitment from the President.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
21st Century Biomedical Research Trust Fund	Consider significantly increasing the NIH research budget (as much as double, from about \$13 billion to about \$26 billion over 10 years). These funds would be designed to supplement -- not supplant -- investments for high priority disease categories that show good potential for treatment/cure.	FY 1999 Budget and in context of overall tobacco settlement.	Ensure that most promising research is expedited and life and cost-saving cures/ treatments are found. Could be dedicated solely to cancer to ensure association with tobacco-related research and to limit costs.	New budget commitment of billions of dollars a year. Could be done with potential funds from tobacco settlement. HHS is also considering suggesting a health insurance premium tax (of about 1.4%) to supplement any dollars made available from the tobacco settlement	Lots of bipartisan support for biomedical research.	Limited. Perhaps an event with NIH in the fall.
Race and Health	Public health campaign oriented toward reducing racial disparities in health status or care in areas, such as asthma, cancer, infant mortality, diabetes, and heart disease.	FY1999 Budget	Reduce disparities in health status of minorities and contribute to overall health initiatives.	New budget commitment of approximately \$100 to \$300 million a year. Could be included in our Budget, but need to secure status from OMB.	Support from health care advocates as well as minorities. Reinforces President's overall race agenda.	Limited. Would be part of overall race initiative.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Making health status -- rather than just coverage -- a priority	Strong arguments can be made for greater focus on improving Americans' health status rather than on merely improving coverage. This could mean a greater emphasis on prevention, health promotion research, and other public health strategies.	Throughout the remainder of the Administration.	Shifting our focus to health status -- rather than coverage -- could help improve health of many Americans.	Unknown at this time. Depends on the policies developed and whether they are federally-funded or achieved through requirements in the private sector.	Could be very popular if done with scientific validation. If not done carefully, it could be viewed as "feel good" policy that has little impact.	Limited.
Surgeon General Nomination	Announce Dr. David Satcher as Surgeon General and work with Congress to get him confirmed.	Mid-September.	Address a multi-year vacancy.	By the very nature of the position, this nomination could be controversial.	Nomination could bring controversial issues, such as needle exchange, to the forefront.	Limited.
FDA Commissioner Nomination	Select and nominate FDA Commissioner and get confirmed.	This Fall.	Fill FDA Commissioner position.	If handled poorly, this nomination could become controversial.	We should avoid leaving this post open for much longer.	Limited. Vice President has been closely involved.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
FDA Reform	Makes FDA more efficient and responsive to concerns of industry, while ensuring continued commitment to public health.	October or soon thereafter.	Pending legislation includes many of the reinventing government provisions we have advocated.	Likely to happen because of the industry's and Administration's interests in ensuring continuation of FDA user fees, which have been critically important to financing the rapid review of new drugs.	Pharmaceutical industry and the Hill strongly support. Consumers are luke-warm, but generally supportive.	Limited. Vice President has been closely involved.
Pediatric Labeling Implementation	Implementing new rule to ensure adequate testing and labeling for drugs widely used on children.	Rule proposed in August. Implement in next 3 months.	Ensure that children get high quality treatment care. According to the American Academy of Pediatrics, "this is one of the most important advances for pediatric drug therapy in several decades."	Currently seeking public comment. Cost to industry is relatively modest.	Support from AIDS, children's, physicians groups. Concern among pharmaceutical companies due to philosophical opposition to a mandate.	Limited. Already did well-publicized event.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Needle Exchange	Consider lifting the ban on federal funding for needle exchange. (HHS Secretary has the authority if she determines programs would reduce HIV transmission and not increase overall drug use).	No decision has been made.	HIV infections among injection drug users, their sexual partners, and their children are at a very high level and are increasing. Needle exchange programs have been shown to be effective in reducing the rates of needle sharing and HIV infection among participants. Would bolster support for local prevention groups and public health officials seeking to implement programs at the community level.	Relatively inexpensive.	Extremely controversial. Republican appropriators were close to rescinding the Secretary's authority to lift the restriction, but did not do so. Many national organizations, including the U.S. Conference of Mayors, the American Medical Association, and the American Bar Association, have come out in support of needle exchange. NIH Director Varmus supports. McCaffrey still likely to oppose but continues to send signals of openness to science-based conclusions in this matter.	Limited.

HEALTH CARE PILLAR

BUILDING BLOCKS OF PILLAR	DESCRIPTION	TIMELINE	BENEFITS	COSTS/ FEASIBILITY	POLITICAL RAMIFICATIONS	PRESIDENTIAL COMMITMENT
Continued Leadership on Bioethics (consistent w/Morgan state speech)	National Bioethics Advisory Commission fall report recommending stronger protections for human subjects of unregulated research (possibly propose legislation). Ensure implementation of commitments on Tuskegee, human radiation experiments, and secret human research.	This fall.	All Americans benefit from greater protections for participation in research, especially among minorities.	Minimal. Already expect recommendations. Determining feasibility of enacting with broad-based legislation.	Lots of underlying support for ensuring protections for subjects of this research.	Limited.
AIDS Vaccine	Do everything possible to reach goal of developing vaccine in the next decade, including new AIDS vaccine center at NIH and high profile meeting with companies.	Announcement about center and meeting in next few months.	Developing a vaccine for this deadly disease plaguing millions around the world.	Paid for. Costs for vaccine center paid for in NIH budget.	Strong support from key Congressional offices and AIDS community, provided funding does not undermine other areas of AIDS investments.	Limited.