

**From:** "Montgomery, Brian D."

**To:** "Bartlett, Daniel J.", "DeFrancis, Suzy", "Gerson, Michael J.", "McClellan, Scott", "Gonzales, Alberto R.", "Leitch, David G.", "Hobbs, David W.", "Westine, Lezlee J.", "Powell, Dina", "Ball, Andrea G.", "Libby, Lewis", "Spellings, Margaret M.", "Friedman, Stephen", "Barrales, Ruben S.", "Jackson, Barry S.", "Johnson III, Clay", "Connaughton, James", "Gambatesa, Linda M.", "Hadley, Stephen J.", "Rove, Karl C.", "Marburger, John H.", "Walters, John P.", "Hennessey, Keith", "Jenkins, Gregory J.", "McConnell, John P.", "Miller, Michael H.", "Montgomery, Brian D.", "Pelletier, Eric C.", "Towey, Jim", "Wehner, Peter H.", "Kavanaugh, Brett M.", "Hernandez, Israel", "Bolten, Joshua B.", "Silverberg, Kristen", "Bennett, Melissa S.", "Sayle, Desiree T.", "Townsend, Frances F.", "Rapuano, Kenneth", "Card, Andrew H.", "Miers, Harriet", "Rice, Condoleezza", "Bolten, Joshua B."

**Subject:** Cabinet Report for the Week of November 1, 2004

**Sent:** Fri, 29 Oct 2004 17:42:59 -0500

[Week of November 1.doc](#)

[Week of November 1 - Top Items.doc](#)

The Weekly Cabinet Report is prepared for use by the President. This report is also made available to assist staff responsibilities in the Executive Office of the President and is not to be distributed externally.



## **CABINET REPORT**

### **For the Week of November 1, 2004**

---

#### **DEPARTMENT OF AGRICULTURE**

---

- ***USDA to Allocate Regional Equity Conservation Funds to States.***

On November 1, Under Secretary for Natural Resources and Environment Mark Rey will travel to New Hampshire to announce the allocation of \$80 million in Regional Equity Conservation Funds to 14 states. The regional equity provision of the 2002 Farm Bill authorized the Secretary of Agriculture to “give priority funding” to states whose annual conservation allocation for approved applications falls below \$12 million. States receiving allocations are Alabama, Connecticut, Delaware, Hawaii, Maine, Massachusetts, Nevada, New Hampshire, New Jersey, Rhode Island, South Carolina, Vermont, West Virginia, and the Caribbean Area.

- ***USDA to Release Report Titled “The Devolution of Farm Programs.”***

On November 3, USDA will release a report titled “The Devolution of Farm Programs.” In summary, the move toward devolution, or decentralization, has not been evidenced in U.S. agricultural policy despite significant differences across states in such areas as commodity production, production costs, income distribution, and opportunities for off-farm work. The existing structure of USDA funding and program delivery already reflects an appreciation of the gains from devolution, with some programs accommodating differences in state and regional preferences. This report considers the implications of devolving \$22 billion in the 2003 budget outlays, mostly for domestic commodity and natural resource programs and rural development and housing programs.

- ***USDA to Release Report on the Decoupling of Farm Program Payments.***

On November 3, USDA will release a report on decoupling farm program payments. The term “decoupled” refers to the removal of the direct relation of farm program payments to production levels for purposes of categorizing these payments as either trade-distorting or non-trade-distorting in the context of our World Trade Organization commitments. The studies in this report analyze the effects of decoupled payments in the Federal Agriculture Improvement and Reform (FAIR) Act on recipient households, and they also assess land, labor, risk management, and capital market conditions that can lead to links between decoupled payments and production choices.

---

#### **DEPARTMENT OF COMMERCE**

---

- ***Secretary to Address the West Point Board of Visitors.***

On November 5, Secretary Evans will speak to the Board of Visitors at the United States Military Academy at West Point, New York. He will offer his thanks on behalf of the Administration to the Academy for their vital support of the war on terrorism.



- ***Decisions Due on Textile Petitions.***

This week, the Committee for the Implementation of Textile Agreements (CITA) Initiation will announce whether or not it will accept a petition from the textile industry based on threat of market disruption for certain types of Chinese garments. CITA is an interagency committee chaired by DOC with State, Treasury, Labor, and the U.S. Trade Representative serving as members with the purpose of implementing textile and apparel trade policy. If the petition is accepted, a *Federal Register* notice will be issued, opening a 30-day public comment period on the investigation. CITA then has 60 days to analyze the comments, conduct an investigation, and make a determination.

- ***Upcoming Economic Indicator Releases from Commerce.***

Personal Income and Outlays: September 2004 (November 1)

Manufacturers' Shipments, Inventories, and Orders: September 2004 (November 3)

---

## **DEPARTMENT OF EDUCATION**

---

- ***No Child Left Behind Blue Ribbon Schools Ceremony.***

On November 5, Secretary Paige will honor the 289 No Child Left Behind Blue Ribbon Schools for 2004 at a ceremony in Washington, D.C. The NCLB Blue Ribbon Schools Program recognizes schools that make significant progress in closing the achievement gap or whose students achieve at very high levels. The schools represent 43 states and the District of Columbia.

- ***Department to Conclude Teacher-to-Teacher Initiative Activities.***

On November 6, the Department will host the last Teacher-to-Teacher Initiative workshop on reading in Madison, Wisconsin. Similar workshops have been held in Wheeling, West Virginia and Bentonville, Arkansas. As part of this initiative, the Department has launched eLearning for Teachers, a series of free online professional development programs that allow teachers to view recent Teacher-to-Teacher Workshop sessions on reading, math, school leadership, and No Child Left Behind. School districts may count teachers' participation in these programs toward their professional development requirements.

### **Press Activity:**

- ***Statistical Reports to Be Released.***

This week, the Department of Education's National Center for Education Statistics (NCES) will release three new statistical reports. The first report, "Dropout Rates in the United States: 2001," is the latest in a series of reports that began in 1988 on high school dropout and completion rates. NCES will also release an Issue Brief, entitled "Educational Attainment of High School Dropouts 8 Years Later." The third report, "Trends in Educational Equity for Girls and Women," responds to a Congressional mandate to assemble a series of indicators that examine the extent to which males and females have access to the same educational opportunities.



---

## DEPARTMENT OF ENERGY

---

- ***Secretary Abraham to Host Roundtable with Executives in the Heating Oil Industry.***  
On November 4 or 5, Secretary Abraham will host a roundtable discussion with executives from the heating oil industry. The Secretary will solicit ideas on how best to address the expected increase in heating oil prices this winter. Heating oil inventories appear increasingly likely to enter the peak winter season at low levels, which, when combined with forecasts for colder than normal winter temperatures, could cause price spikes as demand increases.
- ***Award Selections for Nuclear Energy Research Initiative (NERI) Projects.***  
During the week of November 1, the Department plans to announce the award of approximately 19 NERI cooperative agreements to U.S. universities to support the DOE Office of Nuclear Energy, Science, and Technology's three main nuclear research and development programs: the Advanced Fuel Cycle Initiative, Generation IV Nuclear Energy Systems Initiative, and Nuclear Hydrogen Initiative. These programs are developing new nuclear generation technologies and advanced energy products – including high-efficiency electricity and hydrogen – that provide significant improvements in energy sustainability, economics, safety, reliability, and proliferation and terrorism resistance.

---

## ENVIRONMENTAL PROTECTION AGENCY

---

- ***Announcement of Agreement with Airlines on Drinking Water Controls.***  
The week of November 1, EPA plans to announce an agreement on drinking water controls with the Air Transport Association (ATA), the trade association for most of the major U.S. airlines. Under this agreement, the industry will implement monitoring and disinfection practices to protect the traveling public's health while the Agency reviews its existing drinking water regulations. Positive national media attention is anticipated.
- ***Cooling Water Intake Structures, Phase III.***  
On November 1, EPA will issue a rule as required under a consent decree with *Riverkeeper, Inc.* This rule affects facilities with National Pollutant Discharge Elimination System permits that use cooling water intake structures. Phase III is required to address smaller flow power plants and existing facilities in other industrial sectors, such as pulp and paper, chemicals, and metal manufacturing. This rule ensures that the best technology available is being used to protect fish and other aquatic organisms from being killed or injured by being trapped in the water pumps or sucked through the screens of the intake structures. Mixed trade press attention is anticipated with coverage of EPA's position and those critical that EPA's action is not protective enough.



### **Press Activity:**

- ***LA Times Story Expected on Mercury Rule.***  
The *Los Angeles Times* is working on a story for early next week challenging the perceived lack of analysis conducted by EPA on the proposed mercury rule. The tone of the article is anticipated to be negative.
- ***NBC News Story Expected on EPA's Ongoing Enforcement Action against DuPont.***  
NBC 5 Chicago is working on a story for November 5 regarding EPA's ongoing enforcement action against the DuPont Company for failing to report information to EPA about a substantial risk to public health from the synthetic chemical perfluorooctanoic acid (PFOA), which is used in the manufacturing of certain Teflon products. Tom Skinner, Acting Assistant Administrator for Enforcement, was interviewed. The story is expected to be positive and has the potential for widespread coverage by NBC affiliates.

---

### **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

---

- ***Fee Schedule for Payment of Ambulance Services – Update for CY 2005.***  
On November 2, the “Medicare Program; Coverage and Payment of Ambulance Services; Recalibration of Conversion Factor; Inflation Update for CY2005” rule will be published in the *Federal Register*. This rule provides an annual update, based on the increase in the consumer price index, to the Medicare ambulance fee schedule of 3.3 percent, which increases estimated Medicare payments for ambulance services by approximately \$100 million. The notice does not make any discretionary policy changes. The statutory deadline for the update to be effective is January 1, 2005. The increase in payments, which is higher than in the past two years, should be favorably received.
- ***Meeting with National Association of County and City Health Officials.***  
On November 2, Centers for Medicare and Medicaid Services (CMS) Administrator Dr. Mark McClellan is scheduled to meet with The National Association of County and City Health Officials. The purpose of the meeting is to discuss actions that CMS can take to improve immunization rates among Medicare Beneficiaries.
- ***AHRQ Releases Report on Use of Melatonin for Treatment of Sleep Disorders.***  
On November 1, the Agency for Healthcare Research and Quality (AHRQ) will release an evidence-based practice center report entitled “Melatonin for Treatment of Sleep Disorders.” The new AHRQ review of the scientific evidence for melatonin – a commercially available, over-the-counter hormone – found that short-term use of melatonin is not effective for treating most sleep disorders. AHRQ's review was requested and funded by NIH's National Center for Complementary and Alternative Medicine.



- ***Magazine to Feature CMS Actuary.***

On November 5, an article in *Contingencies* magazine will feature CMS Chief Actuary Richard Foster who will describe the provision of actuarial assistance to Congress in 2003 during the development of the Medicare Modernization Act. In the article, Mr. Foster notes that solving the longer-range financing problems facing Medicare will require significant leadership and a strong spirit of bipartisanship in the future. HHS anticipates that this article will have a negative tone.

---

**DEPARTMENT OF HOMELAND SECURITY**

---

- ***DHS to Meet with an Afghanistan Government Delegation.***

On November 4, Under Secretary for Emergency Preparedness and Response Mike Brown will meet with an Afghanistan Government Delegation in Washington, D.C. led by Major General Malik Shahzada, Chief of the Disaster Response Department in the Ministry of Defense. The participants of the meeting will strengthen relations with the Afghanistan government and the U.S., expose the delegation to the U.S. planning and coordination methodology when carrying out emergency preparedness and response, and convey the U.S. long-term goals and vision for the future of Afghanistan. Media will not be present at the meeting.

- ***Bilateral Meeting with Japanese Director General of Customs and Tariff Bureau.***

On November 4 to 5, Customs and Border Protection Commissioner Robert Bonner will participate in a bilateral meeting with the Japanese Director General of Customs and Tariff Bureau Yoshio Tamura in Washington, D.C. The proposed agenda includes discussions on recent measures to strengthen the border control; the Container Security Initiative; compliance in trade; customs clearance; inward passenger processing; and the World Customs Organizations. Media will not be present at the meeting.

**Press Activity:**

- ***Secretary Ridge to Attend the Tennessee Valley Corridor Conference.***

On November 4, Secretary Ridge will attend the Tennessee Valley Corridor Conference in Somerset, Kentucky, at the invitation of Congressman Hal Rogers (R-TN). The Secretary will give brief remarks about DHS partnerships with the private sector and state and local officials. Media will be present.

---

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

---

- ***HUD to Announce Next Round of Tier Ranking System to Monitor Lenders.***

On November 5, HUD will announce the 17<sup>th</sup> round of its Tier Ranking System, which measures how well Federal Housing Administration (FHA) approved lenders are performing in



HUD's Loss Mitigation Program. HUD requires servicing lenders to enter into loss mitigation whenever FHA borrowers are in default on their mortgage. Since the initial inception of this ranking system, reported instances of loss mitigation have increased, and FHA's workout ratio has improved. FHA's workout ratio at the end of FY 2004 was over 54 percent, which indicates that the majority of defaulted loans are entering into loss mitigation rather than foreclosure.

- ***HUD Restructuring to Maintain Affordable Housing for the Elderly.***

On November 1, the Office of Affordable Housing Preservation is scheduled to close on the restructuring of the Van Nuys Apartments, a 299-unit multifamily property in Los Angeles, California that serves elderly people on Section 8 rental assistance. As a result of the restructuring, there will be a net savings in Section 8 payments of \$3.7 million over the next 20 years.

- ***Assistant Secretary Liu to Chair FAHRO Roundtable.***

On November 4, Assistant Secretary for Public and Indian Housing Michael Liu will chair a disaster relief roundtable in Orlando sponsored by the Florida Association of Housing Redevelopment Officials (FAHRO). The "Hurricane Roundtable" will bring together 20 Public Housing Authorities (PHA) impacted by the recent wave of hurricanes in Florida. The purpose of the meeting is to share information, including relief funding policies and procedures, and strategies to address the needs of PHA's impacted by recent disasters.

- ***HUD to Respond to Senate Question on HOPWA Renewal Grants.***

HUD is preparing a response for the Senate Appropriations Subcommittee on Veterans Affairs, HUD, and Independent Agencies regarding the 2004 standards used to renew Housing Opportunities for People With AIDS (HOPWA) competitive grants. The National AIDS Housing Coalition is advocating changes in the FY 2005 appropriations act that would prohibit HUD from using match requirements on competitive funds awarded for supportive service activities. The change would require that HUD automatically renew all housing projects, including those that do not provide permanent supportive housing, such as emergency shelter or transitional housing programs. HUD does not recommend this change.

---

## **DEPARTMENT OF THE INTERIOR**

---

- ***Washington Post on Royalty Relief Programs.***

*The Washington Post* is working on a story about royalty relief programs under the Department for stripper wells and wells producing heavy oil. The newspaper contended that relief was not necessary given the record oil price highs, and the Department is working with the paper to provide background information on the programs. The tone of the story is expected to be fair and will likely run in the next week.



---

DEPARTMENT OF JUSTICE

---

- ***Acting Solicitor General to Present Argument in Race Discrimination Case.***  
On November 2, the Acting Solicitor General will present argument as *amicus curiae* supporting petitioner in *Johnson v. California*. The questions presented are: (1) whether state-imposed racial classifications in prisons are subject to strict scrutiny under the Equal Protection Clause; and (2) whether California's policy of segregating prisoners by race in two-person cells for a minimum of 60 days each time a prisoner enters a new institution violates the Equal Protection Clause. The Acting Solicitor General will argue that state-imposed racial classifications in prisons are subject to strict scrutiny and that California's policy violates the Equal Protection Clause.
- ***Argument in Firearm Statute Case.***  
On November 3, the Department will present argument as respondent in *Small v. United States*. Section 922(g)(1) of Title 18, United States Code, renders it "unlawful for any person . . . who has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year" to possess a firearm. The question presented is whether the statutory reference to convictions entered in "any court" includes convictions entered by the courts of foreign countries.
- ***California Clean Water Act Settlement.***  
The Department will lodge a settlement with the Orange County Sanitation District on or about November 1 to resolve Clean Water Act claims against the District regarding ocean discharges of sewage. Under the terms of the agreement, the District will subject all sewage to secondary treatment prior to discharge at a cost of approximately \$640 million. The State of California will join in the settlement.
- ***Community Policing Report.***  
On November 1, the National Institute of Justice (NIJ) is scheduled to release "Community Policing Beyond Big Cities," a report that discusses a study of eight law enforcement agencies in small- to medium-sized cities and rural areas in California, Idaho, and South Dakota. Researchers identified five progressive stages of community policing and found a wide array of innovative problem-solving initiatives undertaken by officers and sheriffs.
- ***Delinquency Prevention in Schools Study.***  
On November 1, the National Institute of Justice (NIJ) is scheduled to release a study entitled, "Toward Safe and Orderly Schools – The National Study of Delinquency Prevention in Schools." Problem behavior is widespread in the Nation's schools and most common in urban areas and middle schools. Schools have adopted a large array of diverse approaches to prevent delinquency and promote school safety, but a recent study sponsored by NIJ found that many commonly used programs are either unproven or poorly implemented. This report summarizes the study's findings and recommendations. Characteristics of successful programs and ways that schools can improve program quality and implementation are discussed.



---

## DEPARTMENT OF LABOR

---

- ***Department of Labor to Announce Grant to Police Foundation.***

On November 1, the Department will announce plans to make an additional \$1 million available to the Fraternal Order of Police Foundation's Steve Young Memorial Scholarship program. The program was developed by the Fraternal Order of Police in partnership with the Department of Labor to connect surviving spouses of law enforcement officers who have been killed in the line of duty to an array of benefits and services, training, education, and employment opportunities available through One-Stop Career Centers. Secretary Chao will make the announcement in Allegheny County, Pennsylvania.

- ***Department to Announce \$1.5 Million Grant to Shoreline Community College.***

On November 5, the Department will announce a \$1.5 million grant to Shoreline Community College in Shoreline, Washington. The grant is part of the President's High Growth Job Training Initiative to train workers for jobs in automotive services. The grant will help implement a new training curriculum that will be used to train workers for technician jobs in Seattle and the surrounding communities. Employment and Training Administration Assistant Secretary Emily Stover DeRocco will make the announcement in Washington.

- ***Los Angeles Hotels Face Boycott.***

UNITE HERE Local 11 (coalition of the former Union of Needletrades, Textiles, and Industrial Employees and the Hotel Employees and Restaurant Employees International Union), which represents hotel housekeepers, bellmen, waiters, and other workers at nine Los Angeles-area hotels, is gathering signatures from rank-and-file members to approve a boycott of the hotels. The boycott is expected to be approved by members and will be launched before November 2.

---

## NASA

---

- ***Expedition 9 Crew Returns to Earth.***

The International Space Station Expedition 9 crewmembers, Commander Gennady Padalka and NASA Science Officer Mike Fincke, landed on target in the steppes of Kazakhstan on October 23 after 188 days in space. In addition to continued studies on the effects of weightlessness on the human body, Fincke conducted multiple experiments in the physical sciences, completing more than 100 percent of the research agenda with 24 research experiments. During their mission, Padalka and Fincke received two Russian Progress Cargo supply ships and conducted four spacewalks.

- ***Cassini-Huygens Mission Status Report.***



The *Cassini* spacecraft beamed back information and pictures on October 26, after successfully skimming the hazy atmosphere of Saturn's moon Titan. As anticipated, the spacecraft came within 750 miles of Titan's surface. At the time, *Cassini* was about 826 million miles from Earth. Perhaps as many as 500 images were taken by the visible light camera and were transmitted back to Earth. The flyby was by far the closest any spacecraft has ever come to Titan, the largest moon of Saturn, which is perpetually covered by smog. Titan is a prime target of the *Cassini-Huygens* mission because it is the only moon in our solar system with an atmosphere.

---

## OFFICE OF NATIONAL DRUG CONTROL POLICY

---

- ***UN Office of Drugs and Crime to Release Report on Afghan Poppy Cultivation.***  
On November 3, the United Nations will release an estimate of poppy cultivation in Afghanistan. The figures are expected to be more favorable than earlier press reports but still show a significant increase in poppy cultivation over 2002-2003 estimates. In response to this report, Director Walters will likely compose an op-ed highlighting U.S. and international programs to eradicate the poppy crop in Afghanistan for release after November 3.
- ***USA Today Story on Medical Marijuana Ballot Initiatives.***  
As early as November 1, *USA Today* will run a story on ONDCP's opposition to ballot initiatives that would legalize marijuana for certain medical conditions in Oregon, Montana, and Alaska. Recently, ONDCP dispatched Deputy Director Scott Burns to meet with opponents to these referenda in these states. The story is expected to be positive.

---

## DEPARTMENT OF STATE

---

- ***Uruguay to Hold Presidential and Parliamentary Elections.***  
Uruguay will hold Presidential and parliamentary elections on October 31, and if needed, run-off elections on November 28. Recent polls indicate that the leftist coalition candidate, Frente Amplio (FA) leader Tabare Vazquez leads with 47 to 52 percent of the potential vote over Blanco Party candidate Jorge Larranaga, who has 31 to 35 percent support. Ruling Colorado Party candidate Guillermo Stirling trails badly with between 9 to 13 percent of popular support.



- ***Ukraine to Hold Presidential Election.***  
Ukraine will hold its presidential election on October 31. The two leading candidates are Prime Minister Viktor Yanukovich and opposition leader Viktor Yushchenko. The campaign has been characterized by abuse of administrative resources, harassment of the opposition, and skewed media coverage in favor of Yanukovich, who is President Kuchma's designated successor. If, as anticipated, no candidate gets 50 percent of the vote, a second-round run-off between the top two finishers will be held on November 21. The Organization for Security and Cooperation in Europe (OSCE) and major non-governmental organizations (NGOs) are mounting a large election observer mission, but many worry that Yanukovich will be declared the winner even though Yushchenko has led in the polls throughout much of the campaign.
- ***Presidential and Legislative Elections in Palau.***  
On November 7, President Tommy Remengesau will stand for reelection to a second four year term. The Vice President will be elected separately, as will the nation's nine at-large senators and one delegate (congressman) from each of Palau's 16 states. The election will likely be a referendum on the government's progress on economic development and popular perceptions of independence from the United States.
- ***Intergovernmental Working Group on International Health Regulations (IHRs).***  
The Intergovernmental Working Group on the World Health Organization IHRs will meet in Geneva from November 1 to 12 to negotiate revisions to those regulations. U.S. Permanent Representative to the United Nations and Other International Organizations in Geneva Ambassador Moley and Department of Health and Human Services Assistant Secretary for Public Health Emergency Preparedness Simonson will lead the U.S. delegation. The goal is to achieve a more effective instrument for today's public health challenges by, among other things, expanding the IHRs' scope of coverage of diseases and establishing core surveillance and response capacities for managing "public health emergencies of international concern."
- ***International Visitor Leadership Program: U.S. Elections Programs.***  
This week, 25 NGO leaders and journalists from Cote d'Ivoire, Iraq, Kyrgyzstan, Malaysia, the Philippines, Singapore, and Vietnam are participating in election-related International Visitor Leadership Programs. Participants will observe campaign activities at the local, state, and national levels; discuss key campaign issues with citizens, academics and interest groups; and meet with their professional counterparts to discuss election coverage by the print, broadcast, and online media. In addition, the visitors will gain insight into citizen participation in the U.S. democratic system, foreign policy issues, the role of NGOs in the decision-making process, and U.S. Muslim voters and Muslim-American issues.

### **Press Activity:**

- ***"Night of 1000 Dinners" Lunch.***  
Assistant Secretary for Political-Military Affairs Bloomfield will host a lunch on November 4 for a small group of U.S. and foreign journalists to draw attention to Adopt-A-Minefield's "Night of a 1000 Dinners" (N1KD) and to highlight the United States Government's lead role in Humanitarian Mine Action.



---

## DEPARTMENT OF TRANSPORTATION

---

- ***Secretary Mineta to Meet with China's Rail Minister.***  
On November 3, Secretary Mineta will meet with Minister Liu Zhijun, Minister of Railways of the People's Republic of China. Minister Liu is in the United States visiting several sites to learn about local railroad infrastructure planning. His current itinerary includes trips to Erie, Pennsylvania; Dallas, Texas; and Chicago, Illinois.
- ***DOT Order Limiting Flights at Chicago's O'Hare Goes Into Effect.***  
The DOT order limiting peak-hour scheduled flights at Chicago's O'Hare International Airport will go into effect November 1. The order was issued by the Federal Aviation Administration (FAA) on August 18 following discussions with domestic airlines providing scheduled service at the airport. Flight schedules previously published indicate that the airlines are complying with the FAA order.
- ***Inspector General Issues Reports on Amtrak, FAA and DOT Management Challenges.***  
During the week of November 1, DOT's Office of the Inspector General (OIG) will release three reports: 1) Annual report listing the top 10 management challenges facing the Department of Transportation (November 1); 2) Annual assessment of Amtrak's financial performance and needs (November 2). The report will focus on Amtrak's financial performance in 2003 and year-to-date for 2004, and it will also provide initial observations on Amtrak's 2005 grant request including a discussion of risks; and 3) Final report on the Federal Aviation Administration's (FAA) Hazardous Materials (HAZMAT) Program (November 2). OIG staff assessed whether FAA's execution of its HAZMAT Program is adequate to ensure industry's compliance with HAZMAT regulations. The Amtrak report may generate limited press attention; if so, it is not likely to be negative.

### **Press Activity:**

- ***New York Times Interview on Alcohol Intervention in the ER.***  
On October 12, *The New York Times* interviewed National Highway Traffic Safety Administrator Jeff Runge on the issue of alcohol intervention in hospital emergency rooms. The positive article may be delayed until the week of November 1.

---

## DEPARTMENT OF THE TREASURY

---

- ***Department to Announce the New Fixed Rate for Series I Bonds.***  
The Department will announce a new fixed rate for Series I savings bonds on November 1. The fixed interest rate component for new issues of Series I Bonds must be announced by the Treasury Department each May 1 and November 1. No market impact is expected since the Series I Bond rate will not be largely altered and savings bonds are a very small component of Treasury's debt issuance.
- ***Upcoming Economic Indicator Releases.***  
ISM Purchasing Managers' Manufacturing Index: October (November 1)  
Challenger Layoffs: October (November 2)



New Motor Vehicle Sales: October (November 2)  
ISM Purchasing Managers' Non-Manufacturing Index: October (November 3)  
Consumer Credit: September (November 5)

---

## DEPARTMENT OF VETERANS AFFAIRS

---

- ***New State Veterans Cemetery to Open in Virginia.***  
On November 1, Under Secretary for Memorial Affairs J.W. Nicholson will participate in a dedication ceremony at the Albert G. Horton, Jr. Memorial Veterans' Cemetery in Suffolk, Virginia. More than 700 people are expected to attend the ceremony including Congressional, State, and local representatives, and representatives from various Veterans Service Organizations. The new cemetery will be available to the more than 150,000 veterans in the Hampton Roads area of Virginia, and burials are expected to begin in the middle to the end of November.
- ***The American Legion to Conduct Site Visits within VA Heartland Network.***  
The American Legion will conduct site visits at VA Medical Centers in Marion, Illinois, on November 1 and St. Louis, Missouri, on November 2 as part of a nationwide program entitled "A System Worth Saving." This is an attempt to demonstrate to Congress, from the Legion's perspective, the value of VA's health care system and document its current ability to provide for the needs of the veterans it serves. During the visit, officials at the American Legion will meet with VA patients, physicians, nurses, other staff, and volunteers.
- ***British National Health Service to Visit the VA Tennessee Healthcare System.***  
On November 3, a delegation of 14 executive leaders and physicians from Britain's National Health Service (BNHS) will visit the Nashville Campus of the VA Tennessee Valley Healthcare System for a demonstration of Bar Code Medication Administration (BCMA). Under the BCMA system, all units of medication leave the pharmacy with a bar-coded label that can be scanned to correspond with a bar code on the patient's wrist. BCMA reduces medication administration errors to near zero.
- ***Tuscaloosa VA Medical Center to Host Outreach Event for Alabama Guard.***  
On November 6 and 7, VA will host a Combat Veteran Outreach Event for the 877<sup>th</sup> Engineer Battalion of the Alabama National Guard during its drill weekend in several Alabama cities including Hamilton, Winfield, Vernon, and Fayette. Two teams will provide information and education packets on VA combat veteran health care benefits, arrange appointments for enrollment, and provide initial assessments and follow-up with the Combat Veteran Primary Care Team.

### **Press Activity:**

- ***VA Psychologist Interviewed by Los Angeles Times.***  
On October 18, VA psychologist Jennifer Vasterling was interviewed by the *Los Angeles Times* regarding her study of veterans of Operation Iraqi Freedom and Operation Enduring Freedom. The story will focus on the mental health of veterans who serve in war zones. VA anticipates that the story will be favorable because the Department proactively tracks mental



health and neuropsychological outcomes associated with military service. A print date for the story has not yet been scheduled.

---

## **OTHER AGENCIES**

---

### **General Services Administration:**

- ***GSA Committed to Accessible Federal Buildings.***  
On November 4, Deputy Administrator David Bibb will address the first meeting of the U.S. Access Board's Courthouse Access Advisory Committee and discuss GSA's goal of exceeding minimum accessibility standards in all new and existing courthouses. GSA has been a leader in making Federal buildings accessible since the 1970s.

### **USAID:**

- ***Administrator Natsios to Meet with the Director of India's Department of Biotechnology.***  
On November 4, Administrator Natsios will meet with Dr. M. Bhan, Director of India's Department of Biotechnology. Topics of discussion will include collaborative research in agricultural biotechnology and programs under a Memorandum of Understanding with the Government of India on biotechnology collaboration.





# **Cabinet Report**

**For the Week of November 1, 2004**

**Office of Cabinet Affairs  
October 29, 2004  
456-2572 (EEOB)  
456-0165 (WW)**

---



## TOP ITEMS FOR THE WEEK OF NOVEMBER 1, 2004

- ***USDA to Announce Watersheds Selected for 2005 in Conservation Security Program.***  
On November 1, USDA will announce the availability of \$200 million for farmers in 202 watersheds selected under the Conservation Security Program for 2005. This includes at least one watershed in each state. The Conservation Security Program was created in the 2002 Farm Bill and is a voluntary program that provides financial and technical assistance to farmers to promote the conservation and improvement of soil, water, air, energy, plant and animal life, and other conservation purposes on Tribal and private working lands.
- ***The 1989 Education Summit: A Re-Evaluation.***  
On November 4, the Miller Center of Public Affairs at the University of Virginia will host a conference marking the 15<sup>th</sup> Anniversary of the 1989 Education Summit. In 1989, President George H.W. Bush convened all of the Nation's governors at a summit on education. The summit promised a new emphasis on, and changes in, public secondary education and was a milestone in the process that led to NCLB. Secretary Paige will highlight how your Administration has addressed, through NCLB, education recommendations made by the 1989 summit.
- ***GSE Housing Goals Rule to be Published.***  
On November 2, the Government Sponsored Enterprise (GSE) Housing Goals final rule will be published in the *Federal Register*. The rule will require the GSEs, Freddie Mac, and Fannie Mae, to increase their lending to low- and moderate-income families and underserved communities. The final rule includes consideration of more than 300 separate comments received from the GSEs, Congress, and the housing industry. HUD anticipates much interest in this final rule.
- ***Bureau of Labor Statistics to Release Reports.***  
On November 3, BLS will release the Metropolitan Area Employment and Unemployment Report for September 2004. On November 4, BLS will release the preliminary Productivity and Costs Data for the third quarter of 2004. On November 5, BLS will release the Employment Situation Report for October 2004. Secretary Chao will participate in press activities following the release of the Employment Situation Report for October 2004.
- ***Interest in Voting Rights Program.***  
OPM expects continued media and Congressional interest in the Voting Rights Program and the role of both DOJ and OPM. Senator Ted Kennedy (D- MA), Representative Robert Wexler (D-FL), and Representative Henry Waxman (D-CA) have already made inquiries. On October 27, at the request of House Government Reform minority staff, OPM provided a briefing on OPM's role in the program. Under the Voting Rights Act of 1965, OPM is responsible for providing Federal examiners to register voters and receive complaints during elections, and Federal observers to monitor the election process in areas designated by the Attorney General. OPM is preparing to send 843 observers to 21 locations across the country.

---

## KEY SPEAKING AND TRAVEL ENGAGEMENTS

---



Date	Location	Audience / Event	Speech
<i>Secretary Abraham</i>			
5-November	Washington, D.C.	Retirement Ceremony for Admiral Skip Brown	Remarks
<i>Secretary Chao</i>			
1-November	West Homestead, PA	Fraternal Order of Police Event	Remarks
2-November	TBD, KY	Political Events	Remarks
5-7 November	Miami, FL	Political Event	Remarks
<i>Secretary Evans</i>			
<div style="border: 1px solid black; padding: 5px; text-align: center;">b(6)</div>			
4-November	Austin, TX	University of Texas School of Law Symposium	Remarks
5-November	West Point, NY	West Point Board of Visitors Dinner	Remarks
<i>Secretary Mineta</i>			



1-November	Washington, D.C.	Air Traffic Control Association 49 <sup>th</sup> Annual Conference	Remarks
5-November	Washington, D.C.	Office of the Inspector General 2004 Award Ceremony; 37 <sup>th</sup> Annual Secretary's Awards Ceremony	Remarks
5-November	Richmond, VA	Coalition of Asian Pacific Americans of Virginia Reception and Dinner	Remarks
<i>Secretary Norton</i>			
1-November	Loveland/ Greely/ Longmont/ Jefferson County/ Arapahoe County, CO	Political Event	Remarks
<i>Secretary Paige</i>			
4-November	Charlottesville, VA	University of Virginia 1989 Education Summit	Remarks
5-November	Washington, D.C.	No Child Left Behind Blue Ribbon School Ceremony	Attend
7-November	Mexico City, Mexico	Prepare for US-Mexico Bi-National Commission Meeting	Travel
<i>Secretary Powell</i>			
4-November	Washington, D.C.	Host Iftaar Dinner	Remarks
5-November	Washington, D.C.	Host Nixon-Ford Policy Planning Staff Alumni Luncheon	Remarks



<i>Secretary Principi</i>			
7-November	New York, NY	United Spinal Association 2 <sup>nd</sup> Annual Veterans Leadership Brunch	Attend



<i>Secretary Ridge</i>			
4-November	Somerset, KY	Tennessee Valley Corridor Summit	Remarks
<i>Secretary Snow</i>			
5-7 November	Knoxville, TN	University of Tennessee Development Council (T)	Remarks
<i>Secretary Thompson</i>			
1-November	Milwaukee, WI	Political Event	Remarks
b(6)			
<i>Secretary Veneman</i>			
1-November	Ohio River Valley, OH (TBD City); Northwestern WV (TBD City)	Conservation Security Watershed Program	Grant Announcement