

ADMINISTRATIVELY CONFIDENTIAL

THE WHITE HOUSE

WASHINGTON

April 2, 1979

CONGRESSIONAL LEADERSHIP BREAKFAST

Tuesday, April 3, 1979

8:00 a.m.

Family Dining Room

From: Frank Moore *F.M. / Les Francis*

I. INTRODUCTION

This meeting should focus almost exclusively on domestic issues.

II. PRESS PLAN

White House Photographer.

III. PARTICIPANTS

See attached list.

IV. AGENDA

1. Debt Limit/COWPS Reauthorization

You should thank the Leadership for their efforts.

On debt limit extension, the Speaker and Jim Wright took to the well and eloquently moved the Members. On the key procedural vote all but 24 Democrats voted with the Leadership. You might in a friendly way tell them that you know they can do it when they try and that you expect to see it happen more frequently.

With COWPS Reauthorization, Senator Byrd was largely responsible for our success.

2. Domestic Travels

You should talk about your receptions in Elk City, Dallas, Wassau and Milwaukee. You should mention the Obey dinner, your appearance with

Chairman Zablocki at Marquette and the Jefferson-Jackson dinner.

You should also mention your upcoming trip to Richmond, Virginia, and your desire to help Virginia Democrats knit the state party back together

Mrs. Carter's Travels

You should outline Mrs. Carter's cross-country travels, also.

March 19 - 21

Mrs. Carter made a cross-country trip stopping in four states:

Springfield, Massachusetts with
Congressman Boland

Lorain, Ohio with Congressman Pease
to view a downtown renewal of an old
theater.

She then went on to St. Louis and
Davis, California.

Her staff reports she was extremely
impressed with the warmth and friendliness
of the crowds.

March 31

Last Saturday she was accompanied by the
Democratic Members of the Michigan
delegation to a Jefferson-Jackson Day
dinner. The reception was quite warm
and she felt the trip was very good.

April 7

Next Saturday, Mrs. Carter will travel to
Groton, Connecticut, where she and Mrs.
John Glenn will jointly launch the
submarine U.S.S. Georgia and U.S.S. Ohio.

3. First Budget Resolution

Both Budget Committees begin mark-up today
(Tuesday). As you know, the Committees are
taking dramatically different approaches. You

should not comment on specific program areas, but rather restate your commitment to seeing your budget enacted. You should encourage the Leadership to do all they can to keep the First Budget Resolution from becoming a political football.

You might mention that the Budget Task Force has been instructed to work in support of all segments of your budget.

FYI: Program areas susceptible to cuts by the Senate Committee include:

- Real Wage Insurance
- HUD/EDA Increases
- Counter-cyclical
- States' Portion of Revenue Sharing
- CETA - Title VI
- Federal Employee Pensions and Pay

Areas which may be cut in the House Committee:

- Defense
- Research, including Space Shuttle
- Water Resources, EPA, Urban Parks
- Impact Aid
- Transportation - cut highways, increase mass transit
- Veterans Programs
- International Financial Institutions

Note: CETA may be increased to offset expected Senate cuts.

4. Real Wage Insurance

I suggest you not bring it up, but if someone does so you should ask the Speaker to do all he can to keep it in the House version of the

First Budget Resolution. (The Senate Committee staff has recommended that it be deleted, but it is still alive in the House Committee).

5. Department of Education

Senate

The bill is on the Senate calendar for this week. Senator Byrd has indicated that he may proceed with the vote despite "holds" placed on the bill. As we reported to you in the legislative report, Senators Moynihan, Hayakawa and Schmitt remain opposed. Senator Morgan is also opposed.

You should encourage Senator Byrd to move for a floor vote before the Easter recess. We have the votes now for passage.

House

The Government Operations subcommittee will complete its hearings this week and will mark-up next week. The full committee will vote the first week in May, and we anticipate that it will be very close. We also foresee problems with Members of both parties on the Rules Committee. As you will recall, we had similar problems last year. Chairman Bolling was opposed and we won in the committee by only one vote.

You should indicate your concerns and let them know that you may need their help.

6. Alaska Lands

It now appears that the Alaska Lands bill will be on the floor of the House the first week in May. You should mention that you have deep reservations about the Breaux-Huckaby substitute, and that you feel the Udall-Anderson substitute is a much more balanced approach. You should encourage the Leadership to help us if the Udall-Anderson bill reaches the floor.

7. Hospital Cost Containment

You should ask the Speaker whether he has talked with Henry Waxman about referral and the timing of Commerce Committee action. The Senate Finance

Committee will hold two days of mark-up before the recess on April 10 and 11. Kennedy has suspended mark-up for two weeks. You should encourage the Leadership to keep pushing the Committees.

8. Institute for Scientific and Technological Cooperation

You should thank Senator Inouye for his help and encourage the House Leadership to help on Wednesday when the Development Aid bill is taken up on the floor. Reasons for the Institute:

1. The Institute is playing a large role in planning for follow-up to your meeting with Lopez Portillo, and in plans for future scientific and technological cooperation with Egypt.
2. It will fit under existing aid money and personnel ceilings: It will thus represent a qualitative improvement, not a quantitative expansion, in bilateral aid.
3. Technological cooperation is the area of bilateral aid in which the US comparative advantage is greatest; the Institute will bring specialized personnel and procedures to bear on this task.

CONGRESSIONAL LEADERSHIP BREAKFAST

Tuesday, April 3, 1979

PARTICIPANTS

The President
The Vice President

Senator Robert C. Byrd
Senator Alan Cranston
Senator Warren Magnuson

Speaker Thomas P. O'Neill, Jr.
Congressman James Wright
Congressman John Brademas
Congressman Thomas Foley
Congressman Dan Rostenkowski
Congresswoman Shirley Chisholm

Chairman John White
Zbig Brzezinski
Jody Powell
Stu Eizenstat
Jim McIntyre
Frank Moore
Bill Cable
Terry Straub
Dan Tate
Bill Smith

~~Ken Long Report~~
8-3-79

34:

3 mile ds

Busette nearly gone
Pass mostly distributed every
private statement.

Arad Embargo n ~~leaded~~ Egypt

Don't limit: Thanks

Panama: Safe version unrelated
trucks. Murphy committed
not to violate Treaty.

Morning around country to help
members. Sales. White - paid
reception + crowds.

Outlets for Science + Tech.
Exchange w/ 200. Guidelines.

TIP

Elvis adds. Lestr will change
bid.

Wish can't help on Panama
leis - we have to save our chips
for things that help in Nov.
Time will help.

NH: TK - 360 turn - his
leis = excellent. You should
work closely w/ him. TK
didn't should telephone the
program. Stan is wants w/
TK but TK not selling when
w/ captures.

4-2-1

TIP can't

Subject cited with list.
Rumors - 32/15 against
package.

TIP wanted to know if
Byrd had been at his
hardness - Byrd
was 45 m late

R: midcast. Sunday arrival
 Sun. - Mon. early afternoon
 Banquet - evening - They'll
 leave Tuesday.

Total Cost \$16/yr for 4 yrs
 = cost 7 w/technical effort

Inaki wants 800m - 2.2b
 loans. Asks LDRS not to go
 alone this despite Inaki loan,
 on the bill.

Egypt aid 1.5 b ~~to~~ west

few yrs.

Moderate Arabs will condemn but
 hopefully won't spontaneously
 hurt Sadat. Difficult negot in
 future - "Full Autonomy" = tough
 issue.

Camp David Meeting:

29 Mar - Evening Speech
 Will Consultations

TIP 1st Budget Rev. 31.8 b
 unless knock out ROI +
 State Rev. 54. than 29 b.

Hoop Cost - won't bring up until at least Sept. in Waxman Cttee.

Bgd: Debt limit Wed. COWPS.

Hoop Cost - probably come towards end of 5th like the Nelson approach. Panama legis will be trouble but only need a majority vote this time.

Tip how P. can't do it
can we hold line on inflation P. 8 1/2% rate.
no way to turn around this year. Growth rate 2.2%..
Actions we might take - considered 20+ possibilities - all step in some interest group. Don't want RWI to be identified as a lost cause - would produce high wage settlements.
no sign of a serious inflation.
Bns = expanding. Profits will be embarrassingly high
wage demands will escalate

Cranston - D shd support elim.
of State Rev. Sh. - D: that was
a campaign promise. I won't
object as long as the B aren't
put into some other rapid
growth program. B

State + local aid = 80 b.

Rivlin says Admin budget
unrealistic. Say start
fall = 6 billions. Rylos
will again B - across board
cuts.

Bal. Budget discussion: need
to pre-empt the issue
w/ a Dem. Alternative -
Jim W. FY 1982 shd be
a bal. budget.

1982 - must balance - Does
must reduce those not
set by law - across the
board if would ask w/
more approp. than revenue -
w/ a way out - suspended
application in case of this
law.

VP - To coordinate Consult
on Will re Camp David
discussions.

- 4 -

Masses - Tie budget to 90 % GNP.

Danger = $\frac{2}{3}$ vote proposal. -

62% of approx = not controllable
they're entitled. Throws
it back at Pres to veto grand
social programs.

Revised
1/2/77

THE WHITE HOUSE
WASHINGTON

March 19, 1979

CONGRESSIONAL LEADERSHIP BREAKFAST

Tuesday, March 20, 1979
8:00 a.m.
Family Dining Room

From: Frank Moore

I. INTRODUCTION

The Leadership will want to know about the Camp David meeting. You should use this opportunity to listen to their major domestic concerns.

After a review of the Camp David meeting in as much detail as you feel is appropriate, you should invite the Members' opinions on oil pricing and mandatory energy conservation measures. You should also solicit their thoughts on the fight against inflation (the Speaker continues to favor mandatory price controls).

II. PRESS PLAN

White House photographer.

III. PARTICIPANTS

See attached list.

IV. AGENDA

1. Camp David Meeting

You should give a general report on yesterday's Camp David meeting, concluding with a request for their thoughts. Avoid specific proposals discussed at Camp David.

2. Mid-East Treaty Signing Ceremonies

Some Members are very concerned about the cost of the Mid-East Treaty. If it comes up, you should remind them of the Israelis' past performance with numbers and reassure them.

3. SALT II

Senator Cranston may raise questions about the SALT Treaty. If agreement on SALT seems imminent, you may want to mention this. Otherwise, I wouldn't mention it unless he does.

4. Hospital Cost Containment

This issue will begin heating-up. The Senate Finance Committee begins mark-up of HCC on Thursday. You should ask the Members (particularly Senator Byrd) to support and fight for the bill.

5. SBA Reauthorization (H.R. 90)

The bill as reported by Neal Smith's Small Business Committee has a number of similarities with the bill you vetoed last year. You should ask the Speaker for his help. (The bill probably won't come to the floor until next week -- so there is time to settle on a workable strategy).

CONGRESSIONAL LEADERSHIP BREAKFAST

Tuesday, March 20, 1979

PARTICIPANTS

The President
The Vice President

Senator Robert C. Byrd
Senator Alan Cranston
Senator Warren Magnuson
Senator Daniel Inouye

Speaker Thomas P. O'Neill, Jr.
Congressman James Wright
Congressman John Brademas
Congressman Thomas Foley
Congressman Dan Rostenkowski
Congresswoman Shirley Chisholm

Chairman John White
Zbig Brzezinski
Jody Powell
Jim McIntyre
Bill Cable
Dan Tate
Jim Free
Bob Thomson
Bob Beckel
Bill Smith

Mr. President:

Personal business has demanded my presence in Georgia for the day. I have given you a separate memo with more detail of my whereabouts.

Frank Moore

March 19, 1979

To: Mr. O'Neill
From: Ari

1. FY '80 Budget: Appropriation subcommittees have begun hearings. Bills on track for floor action beginning June 13th.

First Budget Resolution: Will reach markup first week in April. Administration has reduced deficit estimate to \$28.4. Due to slightly less optimistic economic projections (6.4% v. 6.2% unemployment; 7.7% inflation) and re-estimates, Giaimo thinks \$31.8 billion is more realistic. He is deciding whether to come in tight and fight off all amendments, or whether to build in enough room for a cut on the floor. Real wage insurance and the state share of revenue sharing will be attacked.

2. Real Wage Insurance: Sympathetic Committee Democrats are exploring means to hold down the cost, which Committee staff predict could reach \$6 billion. One suggestion would be to move the trigger from 7% to 7.5%. Being kept alive largely with an eye to the Teamster's negotiation.

3. Panama Canal: The four committees (Merchant Marine, Foreign Affairs, Judiciary, Post Office) are under April 10th reporting deadline. Murphy remains a problem on some features. Subcommittee markup begins tomorrow.

4. Hospital Cost Containment: Serious problems in Commerce. Both Luken and Murphy (a pro vote last year) are against the bill. Waxman subcommittee rebelled at July 1 deadline. Waxman advises an extension till September. Full Ways and Means Committee is closely divided.

5. Alaska D-2 Lands: Interior adopted Huckaby weakening amendment. Both Merchant Marine and Interior under April 23 reporting deadline. Will be fought out on floor.

6. Council on Wage and Price Stability: Reauthorization with additional employees on floor today.

7. Constitutional Amendment: Judiciary plans hearings beginning March 27 to hear Paul Samuelson, Arthur Burns, Greenspan, National Taxpayers Union, and Charlie Schultze. Will then break until May.

8. Standby Energy Plans: The four plans submitted by the President (restrictions on outdoor lighting; thermostat settings in federal buildings, weekend gas closings, and rationing) must be approved by both Houses by early May. The last two are controversial. Hearings begin this week.

9. SBA Authorization: Awaiting a rule. This measure makes loans available at 3% and 5% for homeowners and businessmen. It does not include a credit elsewhere test. It includes farm operations. In addition OMB believes the authorization level is too high. Bolling, Giaimo, Foley, Mineta, Derrick, Panetta, Bedell are prepared to take on the first two in a substitute. This would virtually cure the third. But its not worth doing if the authorization level alone will draw a veto.

PASSED HOUSE:

Countervailing Duties
China-Taiwan
Debt Limit
First recession for FY '79

OTHER MAJOR LEGISLATION:

National Health Insurance (Administration decision within week)
Welfare Reform (Awaiting Administration bill)
Trade Agreement (Expected in April)
Social security amendments (only disability before summer)
Rail deregulation (Expect Administration bill next week)
Department of Education (Bill filed)
Department of Natural Resources (Strong opposition to Forestry transfer.
Tentative Administration decision to proceed by reorganization order
subject to one House veto, rather than by legislation, threatens
full-scale battle)
Public Financing (Hearings nearly complete. Committee closely divided)
Intelligence Charters
Criminal Code Reform
Illinois Brick
Lobby Reform
Amendments to revolving door rule (Danielson proposes six month deferral
Administration for technical amendments)
Nuclear Waste Management
Nuclear Licensing
160 Acre Amendments
Sugar Bill
Countercyclical
Federal Pay Comparability
Regulatory Reform (Expect Administration bill in week)

P. Mex. trip - important - Portillo
= emotional, strong, and tough

World Probs = frustrating to
me. ~~They~~ ^{frustrate} - no loss of
Am. lives except 24 times
repeated.

Machine in custody -

SE Asia :

Camp David - Egypt - Jailed

Tip: Budget Res. will not
provide less than \$30b
deficit. Optimize efforts
- only two easy places
to cut - Gen'l rev. sharing
& real wage loss if not
passed.

Dept. Hunt

Countersailing ~~with~~

Maggie - we'd app close to
Pres. budget.

Bradenia. Turkey

Foley - NCC - 10 other
members for 90907
Dority - Senate
problem

2025th Brief Mar. 6, 1979

IC. I'd like to "turn" (?) my
att'n to For. aff. Don't
important but I need you to
take on resp. for Don Aff
in next couple of weeks.

TIP Worship Cost. Commence
cell differently - try to
bring out around July 1.
Tip gives his inventory.
197 Budget his - 31.9 billion
deficit.

Tip - you seem to be spending
so to 7 yr time on For aff -
like previous presidents.

WFM Speech to Members of
House + Senate.

Brad Hope can complete Taiwan
legis by Thurs 7 this week

WFM → look out for close
votes.

J.C. Back to Mid east for 5
minutes - Cranston
looks paired.

Carl But Wen
meets.

① Speech District
Ldr + selected
members

② Byrd - List.

LDSH 1844 1-31-79

Memo to P. on MFN
China & Russian
Kreps.

Reasons
to do it now.
Timing.
Cancer prospects

J.C. Teng briefing - Teng agreed
we need SALT - SALT I:
USSR 40% advantage SALT II
- parity.

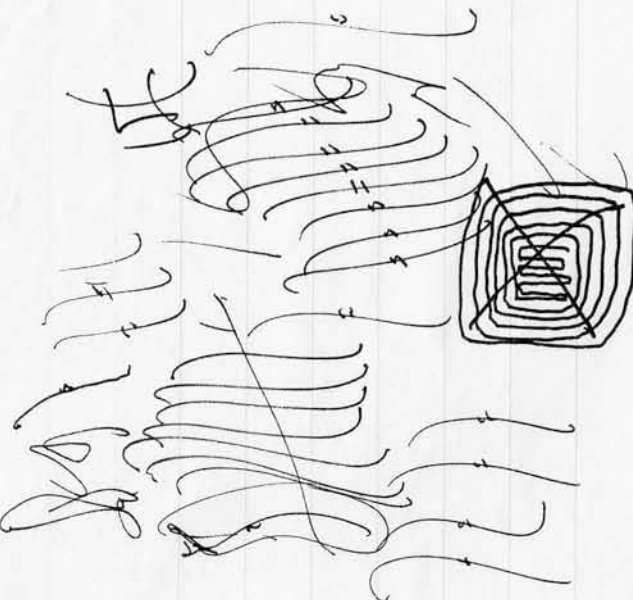
MFN - JC wants MFN for
Soviets - China both.

China legis:

Mid-east →

James L.

Surface Trans
Real Wage Inc
Counter. duties.



Surface Transpoted
Dro



JC - Taiwan - PAC they'll
be a lot of rhetoric.
We have for 15 yrs good
relation of China, India,
Japan etc. Great strength
in Asia.

Jim Wright

Mexico - trip Why not
buy their oil. We want
their energy. Jim's speech
= misrepresented -

Mexico don't need ~~oil~~
to send in oil but do need
to send in gas because
too expensive to liquefy
& transport elsewhere

TIP

Need a defined
agenda that will appeal
to the people -
→ e.g. Hosp Cost Cont
transcendous aspect

Tough ones coming up
right out of the box

e.g. { Debt Limit &
Continuously defers
Panama

1st 6 weeks

JC

Follows Script

Adm 8/4/79
1/10/79

Controversies will be as sharp but
not as many
we do not anticipate recession
in 1979 Economy is strong.

Budget - strict but fair -
strong defense.

If see opportunities we'll work w/
Congress to further reduce
the deficit.

need ~~to~~ control expenditures
- control fiat infl w/o it.

Real Wage Inc

Our success of Teamsters
depends on it - so they can hold
down if we can protect their
interests.

Hosp Cost Cont: goal is to bring
good reap from a number
of Hosp Corp.

SALT II - won't predict dates -
hope we can conclude

Panama: tough vote. Treaty
is a binding K. ~~need~~
legis to kill Trans. Wants
rapid ~~and~~ passage.
Bound by treaty as a K.

PAC

Better relationship w/ Taiwan
now coop up us thoroughly.
Regulation of arms sales etc
will be doubtless w/ legis.

Reorg proposals:

didn't mention the
press report.

Byrd

Rules fight, last Congr
= most difficult I've ever
served in. Wants to eliminate
the 1st filibuster. Make Sen.
scheduled more predictable.

JC

MAT: wants rapid passage
of control duties law.

IRAN

We have no way to control
internal affairs.

MID-EAST

Negotiations going back this
week.

Don Brown

Asks mtg w/ Vance Bag re
for policy issues w/
* Leadership - FM will set up

JC - maybe this week

Bader - Panama -

Home the more that
can be done by Executive
order & the less by
legis. the better. Also
sweeper of w/ refer for
US ~~state~~ citizens.

JC - binding K.

VICE PRESIDENT'S SCHEDULE

Tuesday, January 16, 1979

8:00a House/Senate Leadership Breakfast
(60 min) Family Dining Room

9:45a Al Hofstede, Erv Dauphin

10:45a former Senator Hughes, Doug Coe

TENT:

11:15a Drop by meeting of UAW SE Regional Directors
(10 min) Roosevelt Room

11:30a Meeting with the President, Dr. Brzezinski, Admiral
Turner, Hamilton Jordan

NOTE:

2:00p President meeting with James McIntyre

2:30p Depart for residence

3:00p Taping for "Good Morning America" at residence
(20 min)

4:00p William's wrestling match at St. Albans
(vs. Sidwell Friends)

5:00 PM
① New Swatons
10:10
② For 10:10
mids 10:10
Senate
a Senate
Bin point
at night

Subj Vance
Boston
was there
VP in war
Chimney
10:10
award
any date

Tip's awards before Easter
Inte Dept 1 Coes
** 10:10*
Track day
NHI
Ann. Pres expects
to see NHI
started
Chimney - nois but
not before
Edwards Dept
Alaska kids
Pres & Fran
of Congress
10:10
Charles

January 15, 1979

MEMO TO: The Speaker
FROM : Irv Sprague
SUBJECT: Leadership Breakfast, White House, 8 a.m. Tuesday, Jan. 16

The White House says the President intends to stay away from legislative details tomorrow and instead talk about the highlights--foreign affairs, budget, inflation, politics. Attending: James McIntyre, Zbigniew Brzezinski, John White.

THE SCHEDULE

Policy Committee starts Tuesday on committee assignments.
Caucus acts on committees and chairmen Jan. 23.
House acts on committee assignments Jan. 24.
Caucus acts on Ways and Means and Appropriations subcommittees Feb. 6.
Budget presented January 22.
State of the Union message January 23.
Economic message January 29.

EARLY ACTION

Appropriations Committee will begin oversight hearings Jan. 31. Budget hearings begin Jan. 25.

Debt Limit needs quick action. Money runs out toward the end of February.

Countervailing Duties needs quick action. Waiver authority expired January 1. Essential to wrap up trade talks.

Panama. Implementing legislation to be introduced this week. Five committee jurisdiction. Administration wants action by April.

MAJOR LEGISLATION PROBABLY PROPOSED BEFORE EASTER

Anti-Inflation. Hospital cost containment, real wage insurance, wage and price council authorization, truck and rail deregulation.
National Health Insurance (Decision still open.)
SALT Treaties (Senate)
China (Trade with Taiwan)
Trade Treaties (Timetable already running)
Department of Education
Alaska Lands
Public Financing (House)
Federal Reserve Membership (February hearings)
Intelligence Charters

TROUBLES

Labor Law Reform
Lobby Reform
Clinch River
Federal Pay Comparability
Foreign Aid
Welfare Reform (Reduced proposal)
Countercyclical Revenue Sharing
National Development Bank
ACTION authorization
Saccharin Ban (May 1 deadline)
Social Security changes.
Criminal Code Reform
Milk Parity Supports (March 31 deadline)
Natural Resources Reorganization
160-acre Amendments
Tax Carryover Rules
Nuclear Waste Management
Sugar Legislation
Privacy Legislation
Federal Crop Insurance
Rehabilitation Amendments
Fair Housing Legislation

- State & Union
- Sta
- Copy 3

- Palestine ^{Paris}

J - Thurneigan Auto

Foreign Travelers

Divisi - Min

Watch



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