

**12/21/79 [2]**

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THE WHITE HOUSE  
WASHINGTON  
21 Dec 79

Louis Martin

The attached was returned in  
the President's outbox today  
and is forwarded to you for  
appropriate handling.

Rick Hucheson

Susan Clough

5925

FOR STAFFING
FOR INFORMATION
✓ FROM PRESIDENT'S OUTBOX
LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND
NO DEADLINE
FOR APPROPRIATE HANDLING
LAST DAY FOR ACTION

ADMIN CONFID
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SECRET
EYES ONLY

ACTION  
FYI

	VICE PRESIDENT
	JORDAN
	CUTLER
	DONOVAN
	EIZENSTAT
	MCDONALD
	MOORE
	POWELL
	WATSON
	WEDDINGTON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE
	ANDRUS
	ASKEW
	BERGLAND
	BROWN
	CIVILETTI
	DUNCAN
	GOLDSCHMIDT
	HARRIS
	KREPS
	LANDRIEU
	MARSHALL

	MILLER
	VANCE
	BUTLER
	CAMPBELL
	H. CARTER
	✓ CLOUGH <i>orig</i>
	CRUIKSHANK
	FIRST LADY ✓
	FRANCIS
	HARDEN
	HERTZBERG
	HUTCHESON
	KAHN
	LINDER
	✓ MARTIN
	MILLER
	MOE
	PETERSON
	PRESS
	SANDERS
	SPETH
	STRAUSS
	TORRES
	VOORDE
	WISE

4628 S. Michigan Avenue,  
Chicago, Illinois. 60653

December 10, 1979

Mrs. Lillian Carter,  
Plains,  
Georgia.

Dear Mrs. Carter:

I cannot begin to tell you what a tremendous impact you made on thousands of people who came to see and hear you on December 2, 1979. Wherever we go and what conversation is given about the ceremonies, Miss Lillian dominated and made many people who very absolutely proclaimed you and your radiant personality and the greatest they have seen in many years. We shall always treasure the memory of your visit and will always hold a very special place in our hearts for you and for our beloved President, Mr. Jimmy Carter. Our prayers go out to him and we know that God is able to carry us thru the trials and tribulations of the on-coming days which lay ahead.....but he will make a way for his return to the White House and we intend to play a most significant part in helping to do what lies in our power to cast the votes for his return.

The pressures were so great that I had to leave everything up to Mr. Maurice Perkins and his lovely mother to carry on for me, because of the pressures of the program at the church, and because I was appearing at 6:00 p.m. on the same evening doing a performance of William Shakespeare's "Othello" at the Bismark Hotel for a very long committed appearance for them on a "Tribute" to a friend of mine, and was not able to be with you as much as I wanted to.

Thank you for bringing the President's message of goodwill and Greetings to us.....we were touch by his graciousness and kindness. I am sending a special letter of thanks to him and attempting to arrange a program for February 15, 1980, in the City of Washington, D.C. with my Annual Presentation of the famous oration made by the late Booker T. Washington at Atlanta, Georgia at the Atlanta Exposition, 1865....."Cast Down Your Buckets Where You Are..... which I did at Tuskegee, Institute, Alabama, year before last to a capacity audience. It will be the occasion of of the National Negro History Month throughout America, and if we are able to carry it to Washington next year, great vibes throughout America will be given to million of Blacks from the message and the special dedication which we would make to the President for the ceremonies. I will be sending you a note in this regard from time to time as our plans materialize, because I would wish that your schedule would permit your presence, if we are able to resolve our appearance at the White House In February. The Grey haired gentlemen who is a member of the American Opera Company and the lady who sang would be in our party appearing on the program with an accompanist.

OK  
Lou's  
Marlin  
J

We are all so anxious to see you again and we want to next time have the opportunity to sit down and have dinner and enjoy more of your magnificent company and beauty of soul. Mr. Hatchcock was such a fine man and I hope that he was satisfied with the arrangements we made for the trip from the airport and back..... I had planned to come to the Polish Dinner but I simply could not attend..... as I previously stated, but we shall make that up to you in the future.(smile)

I wanted to get this note on to you before the Yuletide Season set in and you had a chance to rest a bit and enjoy some of the Golden moments Chicago must have brought to you.....

Jane Bryne was beaten to her knees by the presence of your being here and I am sure that she is much ashamed of her pre-determined actions, because we have brought her out front for the manner in which she treated our President, but in the end, she gave him more support and caused a black population, of whom she has let down, to censure her most severly.....but God is still in the fixing business and he does all things well.....

We are going to keep praying and praying until the President gets back in the White House and then he can go home to Georgia when he gets ready.....we love him and the whole Carter family.....

Thank you a thousand times.....Enjoy a Blessed Xmas Season and give us love and gratitude to Mr. Hatchcock.....

Respectfully yours,

*James Lewis Hicklin III*  
James Lewis Hicklin, III,  
Founder

The Cultural Citizen's Foundation  
4628 S. Michigan Avenue,  
Chicago, Illinois.  
60653.

*James  
the  
3000  
to Chicago  
people  
Rest  
this  
page  
please.  
2/1/74  
M  
at 4 for you*

THE WHITE HOUSE  
WASHINGTON  
12/21/79

Landon Butler

The attached was returned in the President's outbox today and is forwarded to you for your information.

Rick Hutcheson

NAME Rose Hall

TITLE Wife of Paul Hall, President of Seafarers International Union

CITY/STATE New York

Phone Number--Home (201) 664-4117

Work ( )

Other (212) 499-6608 - direct line to  
House from NY office.

219

Administratively Confidential

Requested by [Signature] Eandon Butler

Date of Request 12/20/79

If possible, call before  
Christmas.

**INFORMATION (Continued on back if necessary)**

Paul Hall has been seriously ill in a New York hospital for several weeks. Although very few people know it, he has an inoperable brain tumor. Paul, himself, is unable to take phone calls.

Your call to Rose is simply to inquire about Paul and to let them know you are thinking of them during the Christmas season.

NOTES: (Date of Call 12-20)

*Paul in very serious condition*

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regular foreign affairs breakfast  
friday, december 21, 1979

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THE WHITE HOUSE  
WASHINGTON

*For All*

*12-21-79*

- > UN Sanctions
- > Waldheim's efforts +
- > Allies re Iran
- > Ex Im default
- > SU/Afghan (Pak, Iran)
- > Pres. finding/ Iran
- > Korea
- > N/S Korea

*Lacey Benson*

- > Harold/PRC/COMCON
- > Dip relations to Iran
- > Aid to Shah/Pan
- > Amb to Mexico
- > 3 islands
- > World Ct - Iran forum
- > Boland
- > Mus to U.S.
- > El Salvador - strengthen  
Pot Pot 150 km

C  
Q

CONGRESSIONAL QUARTERLY

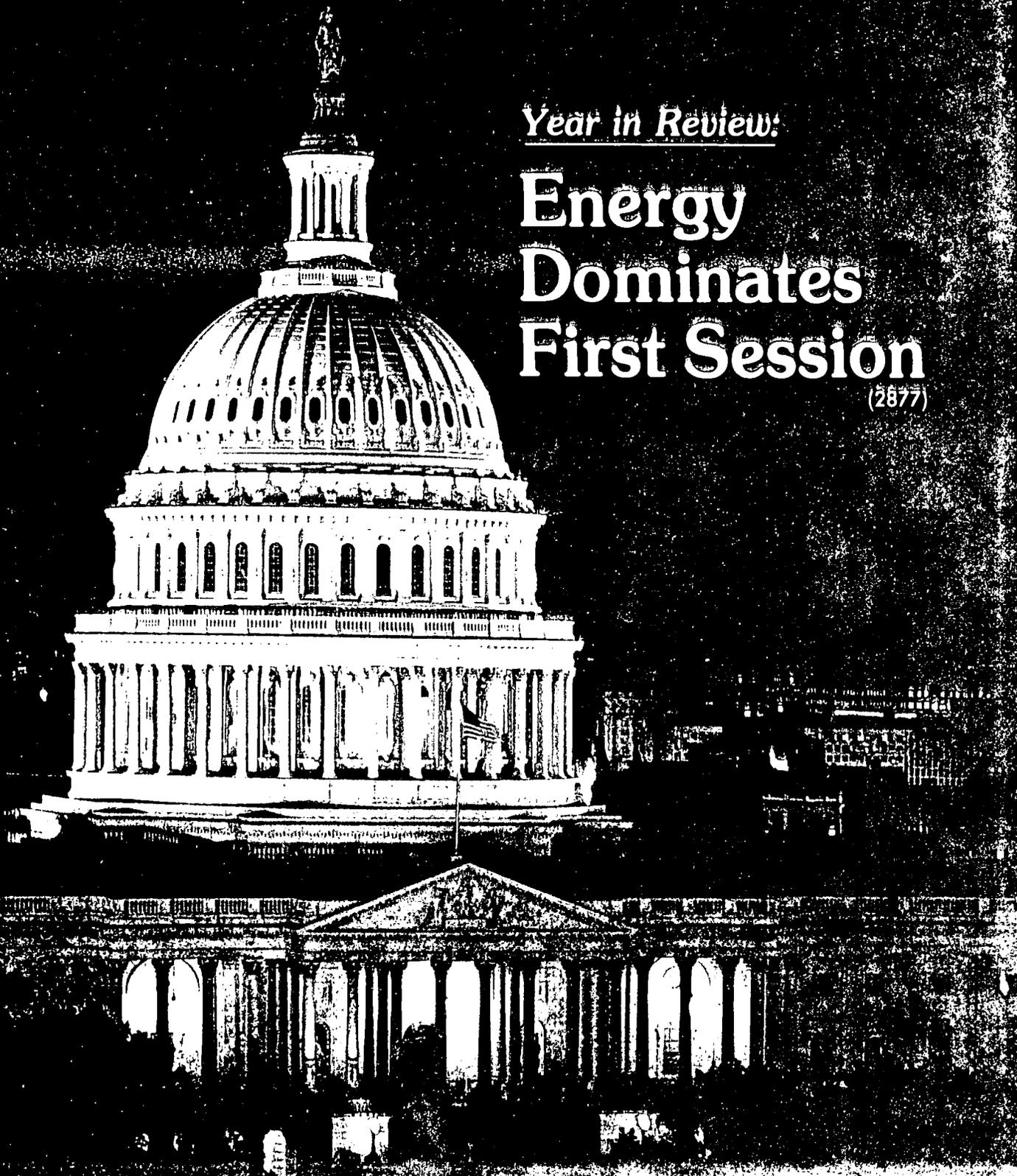
**Weekly Report**

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Vol. 37, No. 51

• Pages 2869-2936

• Dec. 22, 1979



Year in Review:

**Energy  
Dominates  
First Session**

(2877)

the  
CEI

the christian CENTURY

DECEMBER 26, 1979

JAMES M. WALL  
EDITOR

407 SOUTH DEARBORN STREET  
CHICAGO, ILL. 60605  
312 - 427-5380  
HOME 312 - 279-7166



C  
/

## 'How My Mind Has Changed': Previewing the Series for This Decade

Martin E. Marty

## Argentina: Non-News About Nonpersons

Dorothee Sölle

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Top Stories of '79: Two  
Strong Personalities

Surveying a Decade

Epiphany Meditation:  
'Strangely Manifest'

12/21/79

1. FROM THE FIRST DAY THAT THE AMERICAN EMBASSY WAS INVADED ↗  
AND OUR DIPLOMATIC STAFF WAS SEIZED AS HOSTAGES IN IRAN,
2. WE HAVE PURSUED EVERY-LEGAL-CHANNEL AVAILABLE TO US  
TO SECURE THEIR SAFE & PROMPT RELEASE.
3. ON AT LEAST 4 SEPARATE OCCASIONS THE WORLD COMMUNITY
4. -- THROUGH THE UNITED NATIONS SECURITY COUNCIL  
AND THROUGH THE INTERNATIONAL COURT OF JUSTICE --
5. HAS EXPRESSED ITSELF CLEARLY & FIRMLY ↗  
IN CALLING UPON THE IRANIAN GOVERNMENT TO RELEASE THE HOSTAGES. /

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(=OVER=) (YET IRAN TODAY.....)

1. YET IRAN TODAY STILL STANDS IN ARROGANT DEFIANCE OF THE WORLD COMMUNITY.
2. IT HAS SHOWN CONTEMPT -- NOT ONLY FOR INTERNATIONAL LAW,
3. BUT FOR THE ENTIRE INTERNATIONAL STRUCTURE ↘  
FOR SECURING THE PEACEFUL-RESOLUTION-OF-DISPUTES-AMONG-NATIONS. /
4. IN AN IRRESPONSIBLE ATTEMPT AT BLACKMAIL
5. -- TO WHICH THE UNITED STATES WILL <sup>NEVER</sup> ~~NOT~~ YIELD --
6. KIDNAPPERS AND TERRORISTS, SUPPORTED BY IRANIAN OFFICIALS, ↘  
CONTINUE TO HOLD OUR PEOPLE UNDER INHUMANE CONDITIONS.
7. WITH EACH DAY THAT PASSES,  
OUR CONCERN GROWS FOR THE HEALTH AND WELL-BEING OF THE HOSTAGES.

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(=NEW CARD=) (WE HAVE MADE CLEAR.....)

1. WE HAVE MADE CLEAR FROM THE BEGINNING ↘  
THAT THE UNITED STATES PREFERS A PEACEFUL RESOLUTION ↘
2. TO THE OTHER REMEDIES WHICH ARE AVAILABLE TO US UNDER INTERNATIONAL LAW.
3. FOR A PEACEFUL RESOLUTION TO BE ACHIEVED,
4. IT IS NOW CLEAR THAT CONCRETE ACTION MUST BE TAKEN ↘  
BY THE INTERNATIONAL COMMUNITY.
5. ACCORDINGLY, I HAVE DECIDED TO ASK FOR AN EARLY MEETING ↘  
OF THE UNITED NATIONS SECURITY COUNCIL ↘
6. TO IMPOSE INTERNATIONAL ECONOMIC SANCTIONS UPON IRAN ↘  
UNDER CHAPTER "VII" OF THE UNITED NATIONS CHARTER. /

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(=OVER=) (THE GOVERNMENT OF IRAN.....)

1. THE GOVERNMENT OF IRAN MUST REALIZE THAT IT CANNOT FLOUT WITH IMPUNITY ↘
2. THE EXPRESSED WILL AND LAW OF THE WORLD COMMUNITY.
3. THE SECURITY COUNCIL MUST ACT TO ENFORCE ITS DEMAND ↘  
THAT-IRAN-RELEASE-THE-HOSTAGES.
4. THE WORLD COMMUNITY MUST SUPPORT THE LEGAL MACHINERY IT HAS ESTABLISHED ↘
5. SO THAT THE UNITED NATIONS AND THE INTERNATIONAL COURT OF JUSTICE ↘
6. WILL CONTINUE-TO-BE-RELEVANT IN SETTLING SERIOUS DISPUTES ↘  
WHICH THREATEN PEACE AMONG NATIONS.
7. I CAN THINK OF NO MORE CLEAR AND COMPELLING CHALLENGE ↘  
TO THE INTERNATIONAL COMMUNITY.

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(=NEW CARD=) (THE LIVES OF.....)

1. THE LIVES OF OVER 50 INNOCENT PEOPLE ARE AT STAKE.
2. THE FOUNDATION OF CIVILIZED DIPLOMACY IS AT STAKE.
3. THE INTEGRITY OF INTERNATIONAL LAW IS AT STAKE.
4. THE CREDIBILITY OF THE UNITED NATIONS IS AT STAKE.
5. AND AT STAKE, ULTIMATELY, IS THE MAINTENANCE OF PEACE IN THE REGION.
6. AS WE CALL ON THE SECURITY COUNCIL TO ACT ↘  
IN BEHALF OF INTERNATIONAL LAW AND OF PEACE,
7. WE AGAIN CALL ON THE GOVERNMENT OF IRAN TO END THIS CRISIS ↘
8. BY RELEASING THE HOSTAGES WITHOUT FURTHER DELAY.

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(=OVER=) (BECAUSE OUR HOLY DAYS APPROACH.....)

*AND NOW,*

1. BECAUSE OUR HOLY DAYS APPROACH -- A TIME TO THINK OF PEACE --
2. I WOULD LIKE TO CONCLUDE WITH A FEW SPECIAL WORDS TO THE AMERICAN PEOPLE,
3. INDEED TO PEOPLE OF GOOD-WILL IN ALL COUNTRIES, INCLUDING IRAN,
4. WHO SHARE CONCERN FOR 50 INNOCENT HUMAN BEINGS

AND WHO HOPE FOR PEACE:

5. HENRY LONGFELLOW WROTE A CHRISTMAS CAROL IN A TIME OF CRISIS  
*DURING THE WAR BET THST IN 1864* ~~OVER A CENTURY AGO.~~

6. TWO VERSES OF THAT CAROL PARTICULARLY EXPRESS MY THOUGHTS AND PRAYERS  
AND THOSE OF OUR NATION:

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(=NEW CARD=) ("AND IN DESPAIR.....)

1. "AND IN DESPAIR I BOWED MY HEAD.
2. THERE IS NO PEACE ON EARTH, I SAID,
3. FOR HATE IS STRONG AND MOCKS THE SONG
4. OF PEACE ON EARTH, GOOD WILL TO MEN.
  
5. "THEN PEALED THE BELLS MORE LOUD AND DEEP.
6. GOD IS NOT DEAD, NOR DOES HE SLEEP.
7. THE WRONG SHALL FAIL, THE RIGHT PREVAIL
8. WITH PEACE ON EARTH, GOOD WILL TO MEN."

#

#

#

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THE WHITE HOUSE  
WASHINGTON  
12/21/79

The Vice President  
Hamilton Jordan  
Al McDonald  
Jody Powell  
Lloyd Cutler  
Stu Eizenstat  
Sarah Weddington  
Hedley Donovan  
Frank Moore  
Jack Watson  
Jim McIntyre  
Alfred Kahn  
Charlie Schultze

Re: Cabinet Summaries

The attached was returned in the  
President's outbox today and is  
forwarded to you for your  
personal information.

Rick Hutcheson

EYES ONLY

5897

THE WHITE HOUSE  
WASHINGTON

12/21/79

Attorney General Civiletti

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson



Office of the Attorney General  
Washington, D. C. 20530

December 14, 1979

Principal Activities of the Department of Justice  
for the week of December 8 through December 14, 1979

cc Ben -  
Report briefly on  
FBI investigation of  
Soviet & Cuban mission  
bombings in N.Y.

J

1. Meetings and Events

On December 10, the Attorney General appeared before the International Court of Justice to present the initial statement of the United States in United States v. The Islamic Republic of Iran. The following day, the Attorney General flew to London, where he conferred with the Attorney General of the United Kingdom, American Embassy officials, and English lawyers concerning suits now pending in London against the United States and American banks relating to the freeze of Iranian assets.

On December 13, the Attorney General met with representatives of women's groups to discuss the Idaho suit challenging the validity of Congress' extension of the ratification period for the Equal Rights Amendment. The principal issue was whether the Department should appeal the refusal of the trial judge to recuse himself in the matter.

Hearings on the nomination of Judge Charles Renfrew to be Deputy Attorney General were held on December 12 and December 13, 1979. A hearing on the nomination of John Shenefield to be Associate Attorney General was held on December 7, 1979.

2. Judicial Selection

There has been no change in the number of judicial vacancies since the Department's report of December 7. There are 23 vacancies (6 under the new law and 17 regular vacancies) that have not yet been presented to the President for tentative approval. The Senate during this Congress has confirmed 129 judicial appointments (108 under the new law and 21 regular vacancies).

3. Iranian Students

On December 11, District Judge Joyce Hens Green struck down the Attorney General's regulation requiring Iranian non-immigrant students to report to Immigration and Naturalization Service (INS) offices by December 14 and demonstrate their continued eligibility to remain in this country. The Court enjoined further enforcement of the reporting requirement or the conduct of deportation proceedings based on its violation, and restrained the INS from using

## Iranian Students Continued

any information gathered pursuant to the regulation in any deportation proceeding. A notice of appeal was filed as well as a motion for an emergency stay of the District Court's order pending appeal. Today, a panel of the Court of Appeals for the District of Columbia circuit ordered that a special merits panel be selected today, to hear both the appeal and the motion for a stay.

As of the date of the District Court's order, 53,006 Iranian students had been interviewed by the INS. Of these, 43,509 were in status; 6,255 were determined to be deportable; 3,323 were pending verification of their immigration status; 417 had requested asylum; 49 had made voluntary departure which were verified; and 10 had actually been deported. Following the order issued by Judge Green, a wire was sent to all INS field offices instructing them to cease all activities and proceedings in connection with the Iranian student project.

### 4. Taiwan Treaty

The Supreme Court has directed the dismissal of the suit challenging the President's authority to unilaterally terminate this country's mutual defense treaty with Taiwan.

### 5. Legislation

The House and Senate have approved and sent to the President for his signature the Justice System Improvement Act, which substantially reorganizes the Law Enforcement Assistance Administration (LEAA). The Bill establishes a National Institute of Justice, a Bureau of Justice Statistics, and a new LEAA, each with a large degree of independence. Policy coordination of the three units is provided by an Office of Justice Assistance, Research, and Statistics (OJARS).

### 6. Greensboro, North Carolina

The FBI has been conducting an intense investigation into the shooting deaths of five persons at a "Death to the Klan" rally last month, and has worked closely with the local authorities in Greensboro. On December 13, a grand jury returned state indictments against 14 of 15 Ku Klux Klansmen and Nazis charged in the Greensboro killings.

### 7. Census Challenge

The first challenge to the 1980 census has come in a suit filed by the Federation for American Immigration Reform, Senator Walter Huddleston, and Congressmen Clair Burgener and Paul Findley. Plaintiffs are seeking a permanent injunction to exclude all illegal aliens from the census tabulation.

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	LINDER
	MARTIN
	MILLER
	MOE
	PETERSON
	PRESS
	SANDERS
	SPETH
	STRAUSS
	TORRES
	VOORDE
	WISE

X *1/10/78*



THE SECRETARY OF THE INTERIOR  
WASHINGTON

December 14, 1979

cc Tim  
①

MEMORANDUM TO THE PRESIDENT

From: Secretary of the Interior

Subject: Comments for the Week of December 10

It is important that the Northern Tier Pipeline issue be resolved as soon as possible. The more time that passes the more pressures will mount, both domestically and internationally. Politically, it is important that the all-American route receive the jump on the Canadian route. If it turns out to be uneconomic, let Wall Street make that decision. They are not on the ballot in 1980.

The NPR-A proposal to permit oil and gas exploration to proceed in Alaska is a good one. The sooner that goes to the Hill the better chance we have to receive "wilderness" status for the Arctic Wildlife Range. It brings about the right decision, but some of our environmental friends disagree with the strategy. I have discussed this with Udall, since his letter, and he sees the wisdom in fast action. Call me if there is any question about the issue.

In calendar 1979 we will have held 6 OCS sales with approximately 4.3 billion dollars going directly into the treasury, plus future royalties. The estimated resources are 1.8 billion barrels of oil and 7.5 trillion cu. ft. of gas. Not a bad year.

Governors Herschler, Matheson and Carlin are coming around, but they haven't announced their support yet. ]

CECIL D. ANDRUS

**Community** WASHINGTON, D.C. 20506  
**Services Administration**



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MEMORANDUM FOR: The President

ATTENTION: Rick Hutcheson  
Staff Secretary

FROM: Graciela (Grace) Olivarez *GO*  
Director

SUBJECT: Weekly Report of Significant Agency Activities,  
December 7, through December 14, 1979

Energy Crisis Assistance Program (ECAP) Second Round Allocations

This week, all Governors were informed by telegram from the Director of the amount of funding each state will receive under the second round of ECAP allocations. These allocations will bring the total funds made available under the program to \$400 million. At the same time, Governors have been informed of how they may receive additional funding from HEW if the Governor chooses to use the existing state ECAP plan and program for the balance of the state's portion of the FY '80 Low-Income Energy Assistance Program. We expect this prompt action on second round allocations for ECAP will help prevent lapses in funds available to assist with low-income energy emergencies at the state and local level. A copy of state by state second round ECAP allocations is attached.

Attachment

1980 ENERGY CRISIS INTERVENTION (Supplemental Approp.)

REDEFINED REGION-STATE WORKSHEET							DATE
FIPS CODE NO.	NAME OF STATE	\$150m					
<b>REGION I - (BOSTON)</b>							
09	CONNECTICUT	4,017,810					
23	MAINE	2,370,435					
25	MASSACHUSETTS	7,705,635					
33	NEW HAMPSHIRE	1,470,195					
44	RHODE ISLAND	1,244,535					
50	VERMONT	1,031,715					
<b>TOTAL</b>		<b>17,840,325</b>					
<b>REGION II - (NEW YORK)</b>							
34	NEW JERSEY	6,914,550					
36	NEW YORK	22,320,330					
72	PUERTO RICO	0					
78	VIRGIN ISLANDS	0					
<b>TOTAL</b>		<b>29,234,880</b>					
<b>REGION III - (PHILADELPHIA)</b>							
10	DELAWARE	505,440					
11	DISTRICT OF COLUMBIA	575,610					
24	MARYLAND	2,775,030					
42	PENNSYLVANIA	11,238,540					
51	VIRGINIA	3,162,225					
54	WEST VIRGINIA	1,295,100					
<b>TOTAL</b>		<b>19,551,945</b>					
<b>REGION IV - (ATLANTA)</b>							
01	ALABAMA	827,235					
12	FLORIDA	493,815					
13	GEORGIA	1,094,730					
21	KENTUCKY	1,817,580					
28	MISSISSIPPI	466,425					
37	NORTH CAROLINA	3,079,230					
45	SOUTH CAROLINA	915,885					
47	TENNESSEE	1,769,535					
<b>TOTAL</b>		<b>10,464,435</b>					
<b>REGION V - (CHICAGO)</b>							
17	ILLINOIS	8,629,320					
18	INDIANA	4,161,375					
26	MICHIGAN	9,003,870					
27	MINNESOTA	6,851,490					
39	OHIO	7,605,300					
55	WISCONSIN	5,944,050					
<b>TOTAL</b>		<b>42,195,405</b>					
<b>REGION VI - (DALLAS-FT. WORTH)</b>							
05	ARKANSAS	626,820					
22	LOUISIANA	399,645					
35	NEW MEXICO	599,055					
40	OKLAHOMA	873,900					
48	TEXAS	1,547,970					
<b>TOTAL</b>		<b>4,047,390</b>					
<b>REGION VII - (KANSAS CITY)</b>							
19	IOWA	2,885,550					
20	KANSAS	980,280					
29	MISSOURI	3,037,935					
31	NEBRASKA	1,294,785					
<b>TOTAL</b>		<b>8,198,550</b>					
<b>REGION VIII - (DENVER)</b>							
08	COLORADO	1,978,365					
30	MONTANA	1,014,960					
38	NORTH DAKOTA	1,338,915					
46	SOUTH DAKOTA	1,094,385					
49	UTAH	811,095					
56	WYOMING	363,000					
<b>TOTAL</b>		<b>6,600,720</b>					
<b>REGION IX - (SAN FRANCISCO)</b>							
04	ARIZONA	357,180					
06	CALIFORNIA	3,975,255					
15	HAWAII	0					
32	NEVADA	294,645					
75	TRUSTS	0					
<b>TOTAL</b>		<b>4,627,080</b>					
<b>REGION X - (SEATTLE)</b>							
02	ALASKA	587,715					
16	IDAHO	977,145					
41	OREGON	2,142,810					
53	WASHINGTON	3,531,600					
<b>TOTAL</b>		<b>7,239,270</b>					
<b>GRAND TOTAL</b>		<b>150,000,000</b>					

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

December 15, 1979

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze *CLS*

Subject: CEA Weekly Report

All this week, CEA staff has been working with other EPG staff on portions of the energy, tax, and budgetary policy issues with which you are familiar.

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Veterans  
Administration

December 14, 1979

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TO : The President  
THRU : Rick Hutcheson, Staff Secretary  
FROM : Administrator of Veterans Affairs

VA Presidential Update

A handwritten signature in dark ink, appearing to read 'Max Rubin'.

On the Move - We are guardedly enthused by the early response of Vietnam Era veterans to our new Readjustment Counseling program. Three of the 87 eventual storefront Vet Centers are functioning and report veterans are responding well to the informal approach and lack of bureaucratic forms and red tape. Some 205 counselors have already been recruited and 177 have completed training. Leases on 16 storefront locations have been signed. We are on the move and the tempo will accelerate greatly in the coming months.

Network Dedicates Program - The 12/23/79 CBS radio network program, "Music And The Spoken Word" - featuring the Mormon Tabernacle Choir - will be dedicated to veterans in our 172 medical centers. Program will include my taped Christmas greetings to the hospitalized veterans on your behalf. This oldest network program (started in 1929) will be carried by 574 radio and 55 TV outlets.

Vietnam Update - Increasing numbers of Vietnam Era veterans are turning to VA for assistance. They comprise about 13% of our hospital patients and 21% of our clinic load. Some 645,000 are now on VA compensation and pension rolls; nearly 6.1 million have received educational assistance, and more than 2 million have received home loans. An estimated \$6 billion was spent by VA in FY 1979 on these veterans, bringing cumulative expenditures to about \$46 billion.

Prosthetics Assistance - A 5-man VA professional team has just returned from Israel where they spent 2-weeks instructing health personnel in the latest prosthetic techniques. Project was financed by Israeli government. We occasionally provide prosthetic treatment to disabled Israelis at our N.Y.C. center - about 30 of them in the last two years.

EXECUTIVE OFFICE OF THE PRESIDENT  
COUNCIL ON ENVIRONMENTAL QUALITY  
722 JACKSON PLACE, N. W.  
WASHINGTON, D. C. 20006

December 14, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: Gus Speth  
Jane Yarn  
Bob Harris



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SUBJECT: Weekly Report

CEQ Highlights Report. ~~Attached~~ is a short report we have prepared for you that highlights the major activities and accomplishments of CEQ over the first three years of your Administration. It underscores the strong environmental record that we have helped you forge.

Swearing-in of Bob Harris. On Wednesday, Bob Harris was formally sworn in by Senator Randolph as the third member of CEQ. Several Members of Congress, environmental leaders and key Administration officials attended. I am very pleased to have Bob on board. You made an excellent choice.

Kemeny Commission Statement. We briefed about 20 representatives of the environmental community on your Kemeny Commission statement. Based on the briefing and subsequent more detailed discussions, it is clear that members of the environmental community who follow this issue are pleased with the decisions to retain the NRC as a five-member commission, to support substantially all of the Kemeny Commission recommendations, and to remove Hendrie as Chairman. However, the members are disappointed with several of the decisions and aspects of your statement. Major concerns focus on taking no action (beyond Kemeny) to deal with possible risks posed by operating plants, on seeking to limit the NRC self-imposed pause in licensing, and on suggesting that nuclear power is one of the most effective tools for assisting us in dealing with the imported oil problem. The environmental groups see the effort to resume licensing quickly as diminishing the ability to implement the reforms adequately. Some groups are considering issuing a formal statement reflecting their concerns.

~~Attachment~~



# CABINET ECONOMIC POLICY GROUP

DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

December 14, 1979

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MEMORANDUM FOR THE PRESIDENT

FROM: G. WILLIAM MILLER  
CHAIRMAN, ECONOMIC POLICY GROUP

*Bill*

SUBJECT: EPG Activities

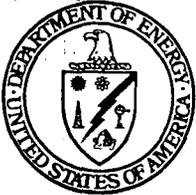
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Meeting of December 13, 1979

- . Reviewed the economic outlook and its implications for policy.
- . Requested CEA to prepare a summary of the forecast for our meeting with you.
- . Reviewed a range of possible new tax proposals for the 1981 budget and three alternative tax packages, assuming a phased gasoline tax or oil import fee were to be imposed. Sentiment in the EPG gravitated toward a gasoline rebate package with included:
  - . Social Security tax rate reductions
  - . Transfer payments to the poor
  - . A 6% food credit program
  - . A modest liberalization and reform of depreciation.
- . Opinion was divided, however, on whether the food credit program or the depreciation program should be a part of the package.
- . Briefly considered a possible excess profits tax on stages of the oil business beyond extraction.
- . Considered the recommendations which should be made to you on mechanisms to implement your decision to impose an oil import quota.

Meeting of December 14, 1979

- . Tentatively agreed that the 8.5 mmb/d level for oil imports agreed to at the Tokyo Summit should be enforced through a standby fee mechanism.
- . Agreed that DOE should proceed with the setting of targets for reduction of gasoline consumption and the development of a standby Federal plan.
- . Directed DOE to draft a memorandum for consideration by EPG before submission to you on gasoline decontrol.
- . Agreed to recommend that you direct DOE, USDA, Treasury, and EPA to take actions to accelerate alcohol production for use in gasohol.
- . Decided that decontrol of crude oil should not be accelerated but should proceed in accordance with the phased schedule previously announced.
- . Directed DOE to develop for further EPG review a proposal to impose through administrative action a "gasoline conservation charge". According to DOE, the charge could be implemented by imposition of an oil import fee, the burden of which is shifted to gasoline refiners.



THE SECRETARY OF ENERGY  
WASHINGTON, D.C.

December 14, 1979

MEMORANDUM FOR: THE PRESIDENT  
FROM: THE SECRETARY OF ENERGY  
THE DEPUTY SECRETARY OF ENERGY  
SUBJECT: Weekly Activity Report  
December 10-14, 1979

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1. Impact of the oil price increases. The price increases from \$18 to \$24 a barrel announced by Saudi Arabia (retroactive to November 1) standing alone would have the following approximate impacts: 2.2¢ per gallon increase in the price of gasoline; 2¢ per gallon increase in the price of middle distillates; .1 percent increase in the consumer price index (in the first order effect). The Saudi action plus the related price increases announced by Venezuela, Qatar and the United Arab Emirates would increase those numbers to approximately 2.8¢, 2.5¢, and .15 increase.

Additional price increases will likely be announced at the OPEC meeting on December 12 and the Energy Information Administration will estimate the impacts of those actions quickly. I suggest that DOE be the central point of contact within the Administration for price impact information.

2. Allocation of Saudi oil to the United States. We have completed a review of the United States' share of Saudi production. In broad summary, we found that in 1977, Aramco partner shipments to the United States were 11.0 percent of total Saudi production. Additional shipments of Saudi production by others brought the U. S. share to 15.3 percent. When Saudi production dropped from 9.5 to 8.5 million barrels per day in the second quarter of 1978, Aramco shipments were at 11.5 percent and the total was at 15.8 percent. When Saudi production increased to 9.5 million barrels per day in July, 1979, however, there was a different result. Shipments to the United States did not reflect any of that increase: Aramco shipments dropped to 10.2 percent and the total U.S. share dropped to 13.8 percent of total Saudi production.

I plan to talk with the chief executive officers of the Aramco partner companies in individual meetings to discuss this issue and how the normal United States share of Saudi oil can be restored and increased. I do not recommend additional steps be taken until those meetings are completed.

3. Canadian gas situation. On December 6, 1979 the Canadian Government approved their National Energy Board's new export authorization of 3.75 Tcf of additional national gas exports between now and 1987. For the short-term (through 1984), the incremental volumes approved are substantial, not only in terms of energy, but also in terms of the support they provide for prebuilding

the southern sections of the Alaska Natural Gas Transportation System. Unfortunately, the project sponsors were counting on several additional years of exports for the prebuild to assure a smooth transition to Alaska volumes. The project sponsors, in both the U.S. and Canada, now claim that the Board's decision undermines their financing plans and threatens to delay the prebuild. We have had continuing discussions with the sponsors and the Canadian government and are hopeful a solution can be negotiated. On Tuesday, December 18, 1979, a delegation from DOE and State will be pursuing these discussions with Canadian officials in Ottawa.

4. Weatherization. We are making substantial changes in the weatherization program in order to meet increased production goals. The maximum expenditure per dwelling unit will be increased from \$800 to \$1,000; program support costs allowable will increase from \$240 to \$440. The DOE Regional Representative will have the authority to permit the expenditure of up to an additional \$600 per dwelling to assure adequate contract and supervisory labor supply. Program operators will be able to use any part of the allowable expenses to supplement wages paid by CETA funds. Changes in the regulations authorizing direct hiring of labor are also under way. Multi-family dwellings will be eligible for weatherization if 75 percent or more of the units are occupied by low income families. States will be required to demonstrate how production goals will be achieved. We will review state programs that have unobligated balances and will consider reprogramming their funds to states that can complete weatherization projects expeditiously.

5. Paid advertising for conservation. The first of a series of print ads is scheduled to appear in newspapers in 25 major metropolitan areas beginning December 26. The ads convey information about the extent of the country's dependence on foreign oil, the need to reduce that dependence, and specific conservation methods that individuals can adopt to reduce consumption. Radio and television commercials will be ready in January and early February.

A 90-second news clip is being prepared for television news broadcast on the Fitchburg Action to Conserve Energy program. It will be released next week in an effort to focus attention on the potential of individual communities to take energy conservation measures.

6. Meeting with Japanese minister. In a meeting on Thursday with MITI Deputy Minister Amaya of Japan, which he requested, the minister indicated that the Japanese government had taken steps to control their trading companies' purchases of Iranian oil. After initially buying about 20 million barrels of Iranian crude, the Japanese trading companies were asked by the Japanese government to sell oil that had been purchased above \$39. He indicated that Japan must continue to buy Iranian oil but that such purchases would be limited to an annual average of 600,000 barrels per day, compared to the 800,000 barrels per day average last year, and that they would refrain from actions that would drive price upward. He asked explicitly that this buying objective be communicated within the government, and this has been done.



DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20250

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December 14, 1979

MEMORANDUM TO THE PRESIDENT

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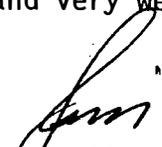
THROUGH Rick Hutcheson  
Staff Secretary

SUBJECT: Weekly Report

TRANSPORTATION. Despite the problems with our internal transportation system, U.S. agricultural exports are exceeding all previous records. Last week our exports of grain and soybeans exceeded all previous weekly levels by 10 percent.

SUGAR. CCC accepted bids this week for 44,000 tons of sugar from government stocks in Puerto Rico and Hawaii. The prices received were good and suggest that our stocks can be liquidated without major losses and without market disruptions. Sales invitations were issued today which will make available all of the remaining 1977 and 1978 crop sugar owned by the government in Florida, Texas, Puerto Rico and Hawaii.

STRUCTURE HEARINGS. Secretary Bergland is attending the 9th of 10 public hearings on the Structure of Agriculture. The final will be December 18 in Lafayette, Indiana. They have been well attended and very well received.

  
JIM WILLIAMS  
Acting Secretary



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE  
WASHINGTON, D. C. 20201

December 14, 1979

*C*

MEMORANDUM FOR THE PRESIDENT

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SUBJECT: Weekly Report of HEW Activities

1981 Budget Preparation Completed. I met with OMB Director Jim McIntyre on Monday, December 10, and brought to closure all outstanding policy issues in the FY 1981 budget. All parties are now in agreement that the proposed 1981 budget maintains your commitment to provide necessary resources for delivering vital human services.

Domestic Violence Legislation Acted Upon. On December 12 the House passed, by a vote of 292 to 106, H.R. 2977, the domestic violence legislation proposed by Representatives Miller, Boggs, Mikulski and 100 others, to provide limited Federal support for shelter and other services to victims of domestic violence. All amendments were defeated, except for a three-year sunset provision. The Senate may move quickly on the domestic violence bill introduced by Senator Cranston as a result of House action.

CHAP Clears the House. The legislation passed the full House December 11 by a voice vote. Although the Child Health Program remains substantively intact, members used the bill as a vehicle for several damaging amendments. These include stringent restrictions limiting public funding of abortions, a sunset provision, and a one-house veto of all CHAP regulations. The restrictive abortion language added to the House bill could stall Senate action and make passage more difficult.

New Hampshire Energy Program. Governor Hugh<sup>o</sup> Gallen of New Hampshire met with members of my staff and, as a result, we agreed to transfer \$1.5 million in surplus SSI funds to be used for an emergency energy assistance program. Extra funds will now be available to help New Hampshire residents with this winter's energy costs.

Meetings with the Federation of American Hospitals (FAH), the American Hospital Association (AHA) and the American Nurses Association (ANA). I met with Alexander McMahon of the AHA and Michael Bromberg of the FAH to discuss their concerns with regulations under Section 223 of the Social Security Act and proposed regulations to implement uniform hospital reporting. The meeting enhanced prospects for reopening dialogue and gaining support from FAH and AHA. I later met with ANA representatives. This organization feels that the Administration has not given sufficient support to nursing education programs. We discussed mutual concerns regarding maternal and child health care, and I encouraged them to work with us on the Administration's National Health Plan proposal.

Delivered Speech to Health Group. I addressed the 50th anniversary of Blue Cross/Blue Shield in Washington, D.C. on Tuesday. My speech stressed the need for the National Health Plan and effective hospital cost containment.

Discussions with New U.S. Ambassador. I met today with Mr. Gerald B. Helman who is leaving to assume his post as U.S. Ambassador to the United Nations in Geneva. We discussed efforts to provide food and health care to Cambodians and other issues that will be raised at the World Health Assembly in May.

Israel Bond Dinner. I will be addressing the Health Profession's Israel Bond Dinner on Sunday, December 16, about the accomplishments of the Carter Administration in the areas of health and human services.

  
Patricia Roberts Harris

U.S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON, D.C.

20210

December 14, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: THE SECRETARY OF LABOR *RL*

SUBJECT: Departmental Activities  
Week of December 10-14

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Breakthrough in Long Island Railroad strike.  
Late this morning, the Metropolitan Transit Authority reached agreement with 7 of the 17 unions on the Long Island Railroad. Hopefully, this agreement will set a pattern for the other unions. We are prepared to recommend to you the creation of an emergency board in order to get the other unions back to work. There is a meeting this morning with the White House staff to review the situation.

Continuing plan to build support for the Administration among labor. This week, as part of a 9-month plan and strategy, I was in Omaha, Nebraska; Denver, Colorado, at the United Mine Workers Convention; St. Louis and Kansas City, Missouri; and now, Iowa. There is a very strong base of support for you in Nebraska and Missouri and we are working hard on the labor community in Iowa. We also hope to make additional progress next week with the building trades.



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D.C. 20410

December 14, 1979

MEMORANDUM FOR: The President  
Attention: Rick Hutcheson, Staff Secretary

Subject: Weekly Report of Major Departmental Activities

GNMA Proving Important Tool for Homeownership. The Government National Mortgage Association (GNMA) guaranteed a record \$3.25 billion in mortgage-backed securities during the month of November. This volume brought the total of mortgage-backed securities guaranteed by GNMA to over \$23 billion for the first 11 months of 1979 and to over \$90 billion since the program's inception less than ten years ago. Since 1970, the GNMA mortgage-backed securities program has provided the financing for almost 3 million home purchases.

We have announced that the GNMA Tandem program will continue and that an additional \$1.75 billion in mortgage purchase authority will be available January 7. The funds will finance production of some 53,000 new and substantially rehabilitated housing units, most of these for low and moderate income families in federally insured multifamily projects.

Secretarial Appearances. On Wednesday, December 12, I addressed a Democratic fund raiser in Cleveland. At a news conference held prior to the speech, I praised Administration efforts to bring new life to American cities through the President's National Urban Policy.

On January 10, I will give the keynote speech at ceremonies in Atlanta opening the week-long celebration of the 51st birthday of Dr. Martin Luther King, Jr. Several other key HUD officials will participate in such activities as panel discussions and workshops.

Helping Promote Energy Conservation. Three HUD publications on energy conservation -- Local Government Approaches to Energy Conservation, Energy Conservation and Management Guide for Small Municipalities and School Districts, and Practical Steps Local Governments Can Take to Conserve Energy -- are in demand by persons using the Department of Energy's recently-initiated energy information hotline. Callers find these reports a unique source of information based on demonstration projects that have proven worthwhile to local governments. Each of the reports gives names of project representatives to be contacted for additional details.

Learning to Write Plain English. An evaluation conducted by HUD officials, the American Institute for Research and Dr. Jerome Smith of the University of South Florida suggests that implementation of the March, 1978, Executive Order on use of plain English in federal forms has significantly improved the understanding of federal programs by participants. Clients of HUD programs demonstrated a 20 percent increase in reading understanding of their rights and responsibilities when using available Departmental resources.

*Moon*

Moon Landrieu

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THE WHITE HOUSE  
WASHINGTON

December 14, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: ALFRED E. KAHN

SUBJECT: Weekly Activities Summary

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Price Advisory Committee

The first meeting of the committee was anything but ceremonial, as the members showed a real eagerness to consider a wide range of pricing issues. I know they all appreciated meeting with you very much. Now we have to figure out a way of harnessing all that energy.

Auto Industry Compliance

I want you to know that we will by Tuesday, December 18, almost certainly reach a decision at the CWPS level on notices of probable noncompliance with the wage standard that we served on General Motors and Ford several weeks ago. Those notices are public knowledge: we do not ordinarily publicize notices of probable violation, but the ones to GM and Ford were leaked. We have issued a similar notice to Chrysler; that one has not become public. We will make no public announcement of that decision before discussing how to handle it with members of the Collective Bargaining Group and with Anne Wexler. There remains open to the companies the possibility of an appeal to me.

Communications Bill

On Thursday a unanimous House Communications Subcommittee, together with full committee Chairman Staggers and ranking minority member Broyhill, proposed a communications reform bill modeled closely after the Administration's position. In a press release accompanying this action, subcommittee Chairman Van Deerlin went out of his way to say that "The House subcommittee is grateful to the Administration," and he described the bill, accurately, as "incorporating many of the Administration's recommendations to Congress." The bill may now move much faster in the House than anyone has been predicting. Steve Kuney and Paige Wenrich of my staff, Rick Neustadt of DPS, and Henry Geller and his staff at NTIA have done an extraordinary job in achieving this very satisfying result.

THE WHITE HOUSE  
WASHINGTON

December 15, 1979

ADMINISTRATIVELY CONFIDENTIAL

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MEMORANDUM FOR THE PRESIDENT

FROM: Anne Wexler *AW*

SUBJECT: Activities Report -- Week Ending December 14, 1979

1. Energy -- Approximately 210 shoppers guides and advertising papers are now providing DOE information on energy conservation. They also carry bi-weekly columns by Esther Peterson on coping with inflation.

The Department of Energy and ACTION have met to put a budget together for replicating the Fitchburg Program which I mentioned last week. We are seeking out major private sector organizations which might support this effort in other cities. The American Council of Life Insurance has indicated some interest. Charles Duncan will mention the television follow-up on Fitchburg in his report to you this week.

2. SALT II -- Following your defense budget announcements, Bill Verity (Chairman of ARMCO Steel and the U.S./USSR Trade Council) is sending personal telegrams to 200 CEO's of major corporations seeking their support of SALT. We have sent your remarks on the lighting of the National Christmas Tree to local religious leaders who support SALT so that they can repeat your message during the holidays.

3. Small Business -- The small business leaders were enthusiastic after their day of White House meetings. These meetings, the prior small business regulatory announcement and this week's action on an improved small business data base led one small business leader to comment that in the last forty days you have done more for small business than any President since Harry Truman. We are getting the same reaction from some of the delegates to the White House Conference on Small Business.

4. Countercyclical -- The State and local government groups were disappointed that we will not get countercyclical this year. However, they don't fault the Administration, and agreed with the strategy to pull the bill rather than trying for a vote on Monday when many supporters would be absent. Another chapter in the Perils of Pauline.



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

C  
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December 15, 1979

MEMORANDUM FOR: THE PRESIDENT  
FROM: JAMES McINTYRE, JR. *[Signature]*  
SUBJECT: OMB Activities Report

Follow-up on Your Response to the Kemeny Report: We have established a working group of OMB, OSTP and DPS to pursue the implementation of your recommendations with the NRC, other Federal agencies and the industry. In addition, John White, Stu Eizenstat, and Frank Press have begun the search for a new chairman and the NRC advisory committee. Arnie Miller is involved.

We have started to prepare a Reorganization Plan for the NRC, covering all the issues specified in our earlier memorandum for you. Over the next few weeks we will consult extensively with the NRC Commissioners and staff, as well as on the Hill. Our preliminary view is that we can push the use of your Reorganization Authority as far as necessary on the role of the Commissioners and the authority of the Chairman without impinging on the Commission's independent status. The Plan should be ready for you to send to the Congress by the end of January. We will keep you advised of our progress.

Selection of an Administrator for OMB's Office of Federal Procurement Policy: We are still considering potential nominees for this position, and should have another name to recommend to you shortly. In response to your note, we will provide you with an accompanying analysis of our top positions by sex and race.

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THE SECRETARY OF THE TREASURY  
WASHINGTON 20220

December 14, 1979

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MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities **Electrostatic Copy Made  
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1. THE DOLLAR AND THE MARKETS

- With moderate U.S. and German intervention the dollar declined during the week only slightly against major European currencies while appreciating against the yen.
- Thursday's announcement of oil price increases by Saudi Arabia and others added to market nervousness. While the dollar remained relatively steady following the announcement, gold prices continued to move upward reaching a new record high of \$464.
- Stocks posted moderate net gains this week. Increased year-end institutional investment provided support to the market in the face of adverse international news.
- Citibank reduced its prime by 1/4 percentage point to 15 percent. Other major banks are expected to follow shortly.
- On balance, interest rates in the credit markets inched higher. Confusion over whether the Federal Reserve had actually increased credit restraint earlier in the week contributed to market weakness.

2., WINDFALL PROFITS TAX

- The Senate today adopted a compromise proposal which provides a 20 percent minimum tax on tertiary and heavy oil and a 10 percent tax (with a \$20 base) on newly discovered oil. Also included in the package are a lowering of the tier II base from \$13 to \$12.75 and the elimination of the proposed 1986 tier II base rise from \$13 to \$16.
- The compromise results in a Senate bill which raises \$178 billion. The original procedural vote adding the amendment was 78-13 while the final vote on the amendment was 52-38. The Senate will work all day Saturday to dispose of as many other amendments as possible including the controversial Danforth state lands exemption amendment. The Leadership hopes to finish the bill on Monday.

3. CHRYSLER

- . The Chrysler legislative outlook is unclear. The House is debating a compromise bill, similar to the Administration's original submission, but exacting a greater concession from the UAW. Chrysler, the UAW, and we are supporting this compromise. The floor vote is expected on Tuesday.
- . The Senate may act later next week. It appears, however, that the only Chrysler legislation which can pass the Senate would demand even more from the UAW than the House compromise. Doug Fraser is strenuously opposing any such further concessions.
- . The Company's financial condition has deteriorated further, and Chrysler announced on Friday that it will run out of cash in mid-January. Legislation pending before Congress, however, would require that up to \$1.8 billion in private, unguaranteed financing be assembled before any loan guarantees can be issued. This will take several months. The Company must pursue emergency steps during the next four weeks to somehow raise \$500 million on its own by March 31. It is by no means certain that this can be done.

4. MULTILATERAL DEVELOPMENT BANKS

- . Major Congressional problems may make it impossible for the U.S. to meet its obligations to the banks during FY 1980. The MDB authorization bill is stalled with House Banking Committee Chairman Reuss, who is afraid to bring a foreign aid bill to the floor while the hostages are held in Iran. I spoke with Reuss this week, and he is waffling. Representative Young indicated he will not offer his anti-Vietnam restriction; the Subcommittee Leadership seem willing to manage the bill; and the House Leadership may be willing to schedule the bill before adjournment.
- . The Foreign Aid Appropriations bill also is blocked over non-MDB issues. There is a fading chance that the stalemate might be resolved next week.

- . The IDA VI negotiations were concluded this week with agreement on a \$12 billion replenishment. Germany and Japan sharply increased their shares enabling the United States to lower its share from 31 percent in IDA V to 27 percent. A major problem remains with OPEC country contributions. Saudi Arabia pledged a smaller share than for IDA V, and Kuwait, which has not yet pledged at all, will probably reduce its share also.

5. TARGETED FISCAL ASSISTANCE

- . Legislation was brought to the House floor today for general debate. There should be the vote on final passage on Monday.



Robert Carswell  
Acting Secretary



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

December 14, 1979

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MEMORANDUM FOR THE PRESIDENT

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THROUGH: Rick Hutcheson, Staff Secretary

FROM : Neil Goldschmidt

A handwritten signature in black ink, appearing to read "Neil Goldschmidt", written over the printed name.

SUBJECT: Significant Issues for the Week of December 10

Milwaukee Railroad Restructuring - A coalition of shippers and Milwaukee Railroad employees has filed a plan with the ICC to take over a major portion of the Milwaukee Railroad. This plan has the backing of Northwest interests and Members of Congress. While less vocal than the Northwesterners, Midwest interests are generally opposed. The Department of Transportation today filed with the ICC its evaluation of the coalition's plan, concluding that it is not feasible. This will generate pressures on you from Northwest interests. The ICC must make its decision on the feasibility of the coalition's plan by January 1. Anticipating that the plan may not be approved by the ICC, we are continuing to work with affected States and other railroads toward sales of key Milwaukee line segments to other carriers.

Iowa Rail Service - Because Iowa is the State most affected by potential loss of service along both the Milwaukee and Rock Island Railroads, I am preparing an announcement of a plan to maintain as much essential rail service as possible, including a significant program of Federal assistance to create a highly efficient rail "grain funnel" between the Twin Cities and Kansas City. This announcement will be made before January 4th.

Aviation Noise Legislation - House and Senate Conferees have agreed upon a compromise on Senator Cannon's legislation to weaken aviation noise regulations. However, the compromise is still objectionable and we will seek to defeat the Conference Report on the Floor of the House. Because Senator Cannon both cares so deeply about this legislation and so strongly influences the fate of your rail and trucking deregulation legislation, I am planning to negotiate directly

with him on Monday. I will attempt to break the impasse and put this issue behind us without compromising the integrity of the Administration's position, the support of environmental groups for the Administration's position, or our standing with Members of Congress who have been strongly supportive of us on this issue. I will meet with our supporters before any negotiations with Senator Cannon.

THE SECRETARY OF COMMERCE  
WASHINGTON, D.C. 20230

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FYI

December 14, 1979

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REPORT TO THE PRESIDENT

We expect the hearing and committee vote on Secretary-designate Klutznick's nomination to occur Wednesday, December 19, and are hoping for confirmation by December 21, if Chairman Howard Cannon considers the FBI report on Mr. Klutznick's banking activities to be adequately comprehensive. Luther Hodges' reconfirmation most likely will follow this same schedule. The uncertainty of the upcoming Senate holiday recess precludes making any alternative predictions should this expected schedule not be followed.

A very positive response to your change of policy on the tourism issue, as expressed in the FY81 budget, was received from Congressional tourism champions-- Senators Cannon and Inouye, and Representative Florio. This modest budget increase will enable the Department to work with the Hill and the tourism/travel industry to develop an appropriate national policy for this major sector of our Nation's economy.

  
C.L. Haslam  
Acting Secretary



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OFFICE OF THE  
ADMINISTRATOR

December 14, 1979

REPORT TO THE PRESIDENT

FROM: Douglas M. Costle

This week there were no items of sufficient  
significance to bring to your attention.

*Douglas M. Costle*

Highlights of Activities  
Council on Environmental Quality  
1977-1979

A. The President's Environmental Program

1. Developed and prepared the President's 1977 Environmental Program and May 23, 1977 Message on the Environment and Presidential directives to heads of agencies.
2. Developed and prepared the President's 1979 Environmental Program and August 2, 1979 Message on the Environment and Presidential directives to heads of agencies.
3. Developed, prepared and promulgated National Environmental Policy Act (NEPA) Regulations, November 28, 1978.
4. Developed and prepared six Executive Orders issued by the President:

Executive Order 12114 -- Environmental Effects Abroad of Major Federal Actions

Executive Order 11991 -- Protection and Enhancement of Environmental Quality (NEPA reform)

Executive Order 11990 -- Protection of Wetlands

Executive Order 11988 -- Floodplain Management

Executive Order 11987 -- Exotic Species

Executive Order 11989 -- Off-Road Vehicles on Public Lands

B. Lead Role in Formulating National Policies and Coordinating Federal Environmental Efforts

The Council had a lead role in the following:

1. Ocean Oil Pollution Policy and the President's 1977 Message on Tanker Safety and Standards and oil spill liability fund legislation.
2. Water Resources Policy review and the President's July 12, 1978 Message and directives to agency heads on Water Resources Policy Reform.
3. Solar Energy domestic policy review and the President's June 20, 1979 Message on Solar Energy.
4. Interagency Nuclear Waste Management Policy review and report.
5. Plutonium recycling and breeder reactor policy and Clinch River Breeder Reactor project.
6. Reauthorization and strengthening of the Coastal Zone Management Act.

7. Implementation of the Convention on Trade in Endangered Species (CITES).
8. Water Project Review, Authorizations and Appropriations.
9. Alaska Natural Gas and Northern Tier Pipeline proposals.
10. Oversight and implementation of President's Environmental Messages and directives to agencies.

The Council initiated, chairs, or has a lead role in the following:

1. National Agricultural Lands Study (co-chair with USDA)  
Initiated in 1979 to evaluate and make recommendations on the availability of agricultural land in the U.S.
2. Wildlife Law Enforcement Coordinating Committee.  
Initiated in 1979 to coordinate vigorous enforcement efforts by five Cabinet Departments to stem illegal domestic and international trade in plants and wildlife.
3. Acid Rain Coordinating Committee (Executive Secretary)  
Initiated in 1979 to plan and manage a ten-year program to research and assess the acid rain problem.
4. Toxic Substances Strategy Committee (chair)  
Initiated in 1977 to develop a coordinated federal strategy for data, research and regulatory activities on toxic substances.
5. Interagency Toxic Substances Data Committee (co-chair with EPA)  
Initiated in 1978 to develop a chemical substances information network throughout the government in order to support toxic substances research and regulation.
6. Environmental Data and Monitoring Task Force (chair)  
Initiated in 1977 to review federal environmental monitoring and data programs and recommend ways to improve their effectiveness.
7. Integrated Pest Management Coordinating Committee (chair)  
Initiated in 1979 to assure adoption of IPM strategies in federal programs and to oversee further development and use of IPM practices.
8. Economic Assistance Task Force (chair)  
Initiated in 1977 to review the need for and effectiveness of federal economic assistance to communities experiencing economic dislocation due to federal pollution control programs.

9. Interagency Committee on Housing and the Environment (chair)  
Initiated in 1978 to simplify and improve the environmental review process for federal housing programs, in response to recommendations of HUD's Housing Costs Task Force Report (May 1978).
10. Interagency Committee on Water/Sewer Programs and the Environment (chair)  
Initiated in 1978 to simplify and improve the environmental review process for federal water and sewer programs.
11. Non-Coal Minerals Mining and Reclamation Study  
Initiated in 1978 in response to statutory requirement that CEQ conduct a study of options for regulating mining and reclamation for minerals other than coal.
12. Lake Tahoe Basin Study  
Initiated in 1978 by CEQ for all federal agencies taking actions in the Tahoe Basin to prepare a basin-wide environmental impact statement.
13. Barrier Islands Policy Environmental Impact Statement  
Initiated in 1978 by CEQ and being conducted by the Department of the Interior as lead agency.

The Council handled 8 referrals from heads of agencies under NEPA on proposed actions that other heads of agencies view as environmentally unacceptable, including:

1. Hendry County Flood Control project, Florida.
2. Fire Island to Montauk Point, N.Y. beach and hurricane control project.
3. Packer River Terminal, Minnesota.
4. Foothills Reservoir and Water Treatment Plant, Colorado.
5. County Trunk Highway "Q", Wisconsin.
6. Wando River Marine Terminal, South Carolina.
7. West Side Highway ("Westway"), New York.
8. Lake Alma, Georgia.

The Council developed UPGRADE, a major environmental data system for general use by federal agencies and the public.

C. Council Participation in Other Interagency Efforts

The Council worked with other agencies in the development of Administration policy on the following:

1. Oil Spill and Hazardous Waste legislation (Superfund).
2. The President's Energy Program and Messages.
3. Alaska Lands Designations (D-2 lands and Presidential action).
4. Cost-sharing and other water resources reform legislation.
5. Tuna-Porpoise Controversy.
6. U.S. position and negotiations for the International Whaling Commission meetings and for marine mammal protection.
7. Predator control policy.
8. Antarctica Convention.
9. Regulatory Reform program (legislative and administrative).
10. Highway and mass transit legislation.
11. Non-fuel minerals domestic policy review.
12. Resources Conservation Committee (recycling and resource recovery).
13. Toxic Substances Control Act Interagency Testing Committee.
14. Interagency Tropical Forests Task Force.
15. Soil and Water Resources Conservation Act (RCA) Coordinating Committee (soil, water, and related resources).
16. Interagency Committee on Urban Noise.
17. Interagency Working Group on Export of Hazardous Substances.

The Council is a participant in the following White House and interagency efforts:

1. Preparation of the President's Annual Budget in the Executive Office of the President.
2. Regulatory Analysis Review Group (RARG) in the Executive Office of the President.
3. The President's Reorganization Project.

4. Energy Coordinating Committee.
5. National Productivity Council.
6. Interagency Coordinating Committee (IACC) for the President's urban program.
7. Water Resources Council.

D. Other Legislative Activities

The Council assisted in developing and preparing the Administration's legislative proposals on:

1. Reform of the 1872 Mining Law (hardrock mining).
2. Non-game Wildlife.

The Council led the Administration's Congressional efforts on:

1. Section 404 Wetlands Protection Program of the Clean Water Act amendments of 1977.
2. Endangered Species Act Reauthorization in 1977 and 1979.
3. Auto emissions issue and economic incentive provisions of the Clean Air Act amendments of 1977.

E. CEQ Studies and Publications

The Council prepared the following reports:

1. The President's Annual Environmental Quality Reports for 1977, 1978, and 1979.
2. Solar Energy: Progress and Promise.
3. The Good News About Energy.
4. Oil and Gas in Coastal Lands and Waters.
5. Report to the President on Environmental Impacts of Proposed Alaska Gas Transportation Corridors.
6. Progress in Environmental Quality.
7. Integrated Pest Management: Status and Prospects in the U.S. (December 1979 publication date).
8. Report to the President of the Toxic Substances Strategy Committee.

The Council had the following contract studies prepared (partial list):

1. Macro-Economic Effects of Pollution Control Programs (DRI).
2. Environmental Statistics 1978.
3. Wildlife and America.
4. Our Nation's Wetlands.
5. Hardrock Mining on the Public Land.
6. Off Road Vehicles on the Public Land.
7. A Survey of State Programs to Preserve Farmland.
8. The Boston Case Studies on water quality goals, alternatives, and the institutional aspects of wastewater management (with DMB, et al.).
9. Chemical Substances Information Network (CSIN).
10. U.S. Non-Proliferation Strategy Reformulated.
11. Some Long-Term Consequences of Hypothetical Major Releases of Radioactivity into the Atmosphere from Three Mile Island.
12. Energy Conservation in Industry: The Present Approach, The Future Opportunities.
13. Overcoming Social and Institutional Barriers to Energy Conservation.

The Council has the following studies in preparation (partial list):

1. Global 2000.
2. Environmental Indicators.
3. The Availability of Agricultural Lands.
4. Desertification in the United States.
5. Land Impacts of Rural Growth.
6. Community Guidebook for Management of Coastal Floodplains.
7. Guide to the President's Order on Wetlands Protection.
8. Handbook on Water and Sewer Programs.