

**1/7/81**

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 1/7/81;  
Container 187

To See Complete Finding Aid:

[http://www.jimmycarterlibrary.gov/library/findingaids/Staff\\_Secretary.pdf](http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf)

**WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)**

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo w/ att.	From Eizenstat to The President (3 pp.) re:Funding for High Temperature Gas Cooled Reactor. /enclosed in Hutcheson to McIntyre 1/7/81	1/5/81	A

**FILE LOCATION**

Carter Presidential Papers- Staff Offices, Office of the Staff Sec.- Pres. Handwriting File 1/7/81 BOX 217

**RESTRICTION CODES**

- (A) Closed by Executive Order 12356 governing access to national security information.
- (B) Closed by statute or by the agency which originated the document.
- (C) Closed in accordance with restrictions contained in the donor's deed of gift.

THE PRESIDENT'S SCHEDULE

Wednesday - January 7, 1981

- 8:00 Dr. Zbigniew Brzezinski - The Oval Office.
- 8:30 ✓ Breakfast with the Georgia Congressional  
(45 min.) Delegation. (Mr. Frank Moore) - The Cabinet Room.
- 9:50 Dr. Stephen Aiello - The Oval Office.  
(5 min.)
- 10:00 Mr. Jack Watson and Mr. Frank Moore - The Oval Office.

11:40 ✓ Mr. Fred Furth - The Oval Office.  
(3 min.)

11:45 Reception for the Democratic National Committee's  
Finance Council - The East Room. *Peter Kelly*

✓ *Poston Scen.*  
✓ *will receive weddingtons in the a.m.*

1:00 Miss Barbara Walters and Mr. Roone Arledge.  
(5 min.) ✓ (Mr. Jody Powell) - The Oval Office.

1:15 ✓ Mr. Jack Sullivan - The Oval Office.  
(5 min.)

2:00 White House Staff Photo Session - The Oval Office. *Govt Douglas*

*no briefing paper*

8:00 White House Dinner (BLACK TIE) for Democratic  
Governors and Mayors - The State Floor.

✓ *late evening or A.M. for Hatcher*  
✓ *Poston Scen.*

ID 810050

THE WHITE HOUSE  
WASHINGTON

*Make sure Muskre & Speth memo does not go in without dissenting comments*

DATE: 07 JAN 81

FOR ACTION: CHARLIE SCHULTZE *concur*

STU EIZENSTAT

*concur w/ Kitty -*

JIM MCINTYRE

*Schultz - attached*

INFO ONLY:

*Hold indefinitely per Kitty*

SUBJECT: SECRETARY MILLER MEMO RE DESIGNATION OF ENVIRONMENTAL  
RESOURCES OF GLOBAL IMPORTANCE

+++++

+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +

+ BY: 1200 PM SATURDAY 10 JAN 81 +

+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:



THE SECRETARY OF THE TREASURY  
WASHINGTON

January 7, 1981

PRIORITY

MEMORANDUM FOR THE PRESIDENT

Subject: Designation of Environmental Resources of  
Global Importance

We are informed that you have called for an expedited decision on the designation of Natural and Ecological Resources of Global Importance under Section 2-3(d) of Executive Order 12114, particularly the "generic" designation of humid tropical forests, prime cropland, and estuarine and reef ecosystems.

Although we at Treasury are sympathetic to its fundamental intent, we believe the proposed policy is inadvisable for two reasons.

First, we are concerned that the proposal does not define the geographic boundaries of the "generic" ecosystems considered to be of global importance. Federal agencies will therefore be obliged to determine individually whether a foreign geographic area affected by their programs meets the criteria for designation as a "resource of global importance;" if it does, a costly and time consuming foreign environmental document will be required. Few agencies have the financial resources or staff expertise needed to do an adequate job either on the initial determination or on the environmental document. The result is likely to be a policy applied with great inconsistency and/or at excessive cost.

Second, we believe that the proposed designation of "generic" resources could create uncertainty for U.S. exporters in some cases as to the availability of financing from the Export-Import Bank. As a result, the Carter Administration would be seen as having created a new barrier to exports as one of its final acts in office.

A unilateral act by the United States is not likely to result in significantly greater protection of "global resources," such as the Amazon jungle, which are located in other countries. We therefore recommend that rather than expediting unilateral action under Section 2-3(d) at this time, the U.S. Government should endeavor to negotiate international agreements to protect humid tropical forests, prime cropland and estuarine and reef ecosystems.



G. William Miller

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

January 8, 1981

MEMORANDUM FOR RICK HUTCHESON

From: Charlie Schultze *CLS*

We concur strongly with the January 7 Treasury Department memo to the President on Designation of Environmental Resources of Global Importance.

THE WHITE HOUSE  
WASHINGTON

Miller memo  
has been indefinitely  
referred to CEO  
report & hasn't  
approved

per Kitty



2 JAN 1981

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Designation of Environmental Resources of Global Importance

I understand that the Council on Environmental Quality (CEQ) is recommending to you a designation of "areas of global importance" under Section 2-3(d) of Executive Order 12114, Environmental Effects Abroad of Major Federal Actions. I agree with and support the broad purpose and objectives of the Executive Order. However, I have reservations concerning the CEQ proposed natural resource designation, and I concur with Bill Miller's and John Moore's positions that adoption of the proposed policy is inadvisable.

They point out that the proposed designation is extremely broad and does not define the geographic boundaries of the "generic" ecosystems considered to be of global importance. The failure to specify actual geographic areas could easily lead either to the need for a major increase in resources to prepare an initial determination or environmental review or to a policy applied with great inconsistency. Further, Bill notes that unilateral action by the United States is not likely to achieve the objective of protecting "global resources".

In addition, I am concerned from a trade perspective that the proposed policy would have a significantly negative impact on U.S. international competitiveness. The proposed breadth and vagueness of the designation will generate uncertainty for U.S. exporters as to the availability of U.S. Government financial support and is likely to result in the needless loss of exports in a great majority of cases for which no risks to global resources exists. Exports lost by U.S. firms, ironically, probably would be deflected to foreign competitors who are not required to take environmental effects into consideration.

We reviewed this Executive Order in the context of The Report of the President on Export Promotion Functions and Potential Export Disincentives in September 1980. The review made prior to the present proposal showed that members of the business community found the goals of the Order to be laudable; however, they expressed concern that implementation would lead to the creation of yet another export disincentive. Businessmen would find it difficult to understand the creation of another export disincentive in light of the Government's repeated assurances of a higher priority for exporting.

I agree with Bill's recommendation that at this time the U.S. Government should endeavor to negotiate international agreements to protect "global resources" and should not concentrate on expediting unilateral action under Section 2-3(d). In any case, I agree with John that no action on the CEQ proposal should be taken without further study. We need to assess very carefully the potential impact on U.S. international competitiveness of alternative approaches to implementing Section 2-3(d) of the Executive Order.

  
Phillip M. Klutznick

C  
Q

CONGRESSIONAL QUARTERLY  
**Weekly Report**

Vol. 38, No. 52

Pages 3641-3680

Dec. 27, 1980

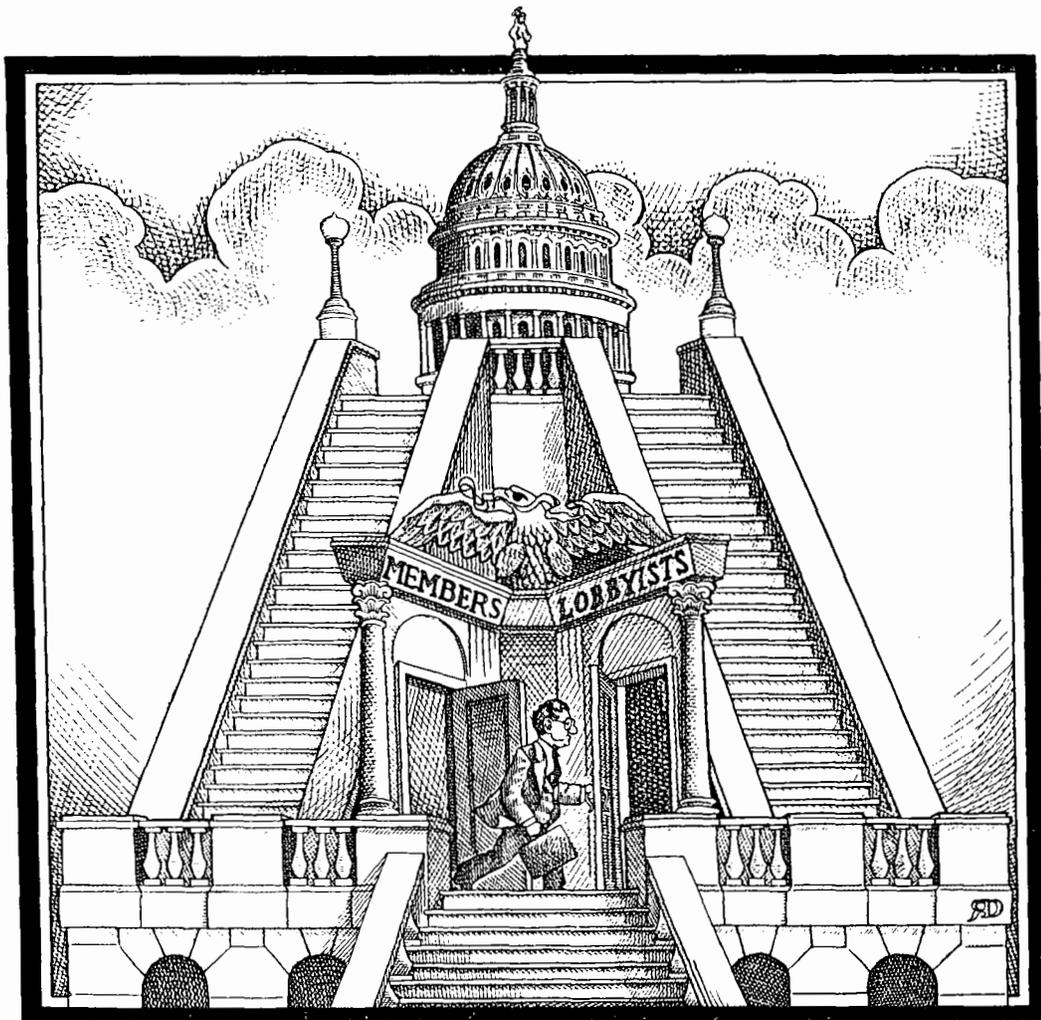
The Revolving Door:

Electrostatic Copy Made  
for Preservation Purposes

C

*From Legislator to Lobbyist*

(3643)



**Reagan Transition**

(3655)

**Key Votes**

(3660)

FRANK CHURCH, IDAHO, CHAIRMAN

CLAIBORNE PELL, R.J.  
GEORGE MC GOVERN, S. DAK.  
JOSEPH R. BIDEN, JR., DEL.  
JOHN GLENN, OHIO  
RICHARD (DICK) STONE, FLA.  
PAUL S. SARDANES, MD.  
EDWARD ZORINSKY, NEBR.  
PAUL E. TEONGAS, MASS.

JACOB K. JAVITS, N.Y.  
CHARLES W. PERCY, ILL.  
HOWARD M. BAKER, JR., TENN.  
JESSE HELMS, N.C.  
S. I. HAYAKAWA, CALIF.  
RICHARD G. LUGAR, IND.

# United States Senate

COMMITTEE ON FOREIGN RELATIONS

WASHINGTON, D.C. 20510

WILLIAM B. BADER, STAFF DIRECTOR  
ALBERT A. LAKELAND, JR., MINORITY STAFF DIRECTOR

December 30, 1980

Adm/NSC  
CONGRESSIONAL  
LIAISON

Electrostatic Copy Made  
for Preservation Purposes

JAN 1981

004767 CL

The President  
The White House  
Washington, DC

Dear Mr. President:

As you know, the Committee on Foreign Relations is currently preparing for hearings, commencing January 9, to consider the nomination of General Alexander M. Haig, Jr., to serve as Secretary of State.

In preparation for those hearings, this Committee has sought relevant documents from the National Security Council, the National Security Agency, the Central Intelligence Agency, the Department of Defense, the Department of State, the Department of Justice, and the National Archives. The nature and scope of these requested materials has been sharpened and revised, as requested by Dr. Brzezinski in his letter to me of December 24.

I would appreciate it very much if you could direct the Archivist or the appropriate Agency head to provide me and appropriately cleared staff personnel with access to the records listed in the enclosure to this letter.

With respect and regards.

Ever sincerely,



Claiborne Pell  
Ranking Minority  
Member-designate

Enclosure

Electrostatic Copy Made  
for Preservation Purposes

51105

APPENDIX

Requested materials from the

National Security Council  
National Security Agency  
Central Intelligence Agency  
Departments of Defense, State, and Justice

pertaining to the official business of the Committee on Foreign Relations to consider the nomination of General Alexander M. Haig, Jr., to serve as Secretary of State:

cables, telexes, (1) All documents, including, but without limitation, memoranda, notes, correspondence, or other writings, written or received, by, to, or concerning Alexander M. Haig, Jr., from and including January 20, 1977, until and including July 1, 1979, which relate directly or indirectly, in whole or in part, to any action, involvement, positions, or counsel undertaken, endorsed, or advised by General Haig with regard to U.S. policy toward Iran;

cables, telexes, (2) All documents and, in particular, but without limitation, memoranda, notes, correspondence, or other writings, written or received, by, to, or concerning Alexander M. Haig, Jr., which relate directly or indirectly, in whole or in part, to the following U.S. policies and activities in Cambodia:

- (a) Bombing operations "Breakfast" and "Menu," February-March, 1969;
- (b) Alexander Haig's 1970 trips to Cambodia;
- (c) All correspondence with Jonathan "Fred" Ladd or Thomas O. Enders;
- (d) NSSM 89, "Cambodia Strategy";
- (e) NSSM 99;
- (f) February, 1973, shift of bombing operations to the U.S. Embassy;
- (g) Negotiations involving, or counsel to, the government of Lon Nol during 1973;
- (h) Haig-Enders-Moore-Lowenstein memoranda of March 26, 1973 and also April 10, 1973, justifying U.S. bombing operations in Cambodia;

Appendix / Two

- cables, telexes, (3) All documents and, in particular, but without limitation, memoranda, notes, correspondence, or other writings, written or received, by, to, or concerning Alexander M. Haig, Jr., which relate directly or indirectly, in whole or in part, to U.S. efforts to reach any truce, accord, cease-fire, or peace in the conflict in Vietnam during 1972 and 1973;
- cables, telexes, (4) All documents and, in particular, but without limitation, memoranda, notes, correspondence, log entries, diary entries, or other writings, written or received, by, to, or concerning Alexander M. Haig, Jr., which relate directly or indirectly, in whole or in part, to any conversations, deliberations, policies, meetings, or conversations on people, events, or the political situation in Chile from September 1 through December 31, 1970;
- cables, telexes, (5) All documents and, in particular, but without limitation, memoranda, notes, correspondence, log entries, diary entries, or other writings, written to or received by, to, or concerning Alexander M. Haig, Jr., which relate directly or indirectly, in whole or in part, to any domestic surveillance activities, including wiretapping operations, involving present or former employees of the United States Government or journalists, reporters, or media personalities, from and including January 20, 1969, until and including February 10, 1971;
- cables, telexes, (6) All documents, including, without limitation, memoranda, notes, correspondence, or other writings, written or received, by, to, or concerning Alexander M. Haig, Jr., from and including May 4, 1973, until and including October 15, 1974, which relate directly or indirectly, in whole or in part, to the following:
- (a) the breaking and entering on or about June 17, 1972, of the offices of the Democratic National Committee in the Watergate Building;
  - (b) efforts made to conceal the truth with respect to such activities;
  - (c) the breaking and entering of the offices of Dr. Lewis Fielding;
  - (d) the electronic surveillance or overhearing of conversations of Dr. Daniel Ellsberg;

Appendix / Three

- (e) any investigation of the activities of Charles "Bebe" Rebozo;
- (f) any decision relating to the "Huston Plan";
- (g) consideration of actual or potential Presidential responses to investigations or inquiries by the Congress, prosecutors, or private litigants into such above-mentioned activities, or the activities described in (5) above, or their attempted concealment;
- (h) any conversations with Gerald R. Ford or any other individual relating to Mr. Ford's possible assumption of the Presidency.

Please address any questions regarding this request to Mr. Geryld B. Christianson, Senator Pell's staff (224-2518).

December 30, 1980

THE WHITE HOUSE

WASHINGTON

January 5, 1981

Dear Admiral Freeman:

Attached is a copy of Senator Claiborne Pell's letter of December 30, 1980 requesting that we provide assistance in preparation for Senate Foreign Relations Committee hearings on the nomination of General Alexander M. Haig, Jr., to serve as Secretary of State. As you will note, Senator Pell's December 30, 1980 letter is more specific as to time period and events than was his earlier letter of December 18, 1980.

Please direct that a search of your agency's records be conducted for documents responsive to Senator Pell's specific request, bearing in mind, of course, that hearings are scheduled to begin January 9. In responding to this request, it is our expectation that you will act in strict accordance with the provisions of Pub. L. 93-526 and the regulations promulgated thereunder, including, when appropriate, notice to former President Nixon.

By Wednesday, January 7, 1981, I would appreciate receiving an interim report on the status of the search of your agency's records, and any governmental privilege issues the documents in your possession may raise.

As you know, there are certain privilege issues in which the President has primary interest. These include, for example, documents leading to advice to the President, communications with foreign nations, and matters relating to the national defense and security. Therefore, please ensure that we have the opportunity to review all documents for which an assertion or waiver of privilege may be appropriate so that we can determine whether the President should assert or waive privilege as to those documents.

Sincerely,



MICHAEL H. CARDOZO  
Deputy Counsel to the President

The Honorable Rowland G. Freeman, III  
Administrator  
General Services Administration  
Washington, D.C. 20405

THE WHITE HOUSE

WASHINGTON

January 5, 1981

Dear Mr. Dolan:

Attached is a copy of Senator Claiborne Pell's letter of December 30, 1980 requesting that we provide assistance in preparation for Senate Foreign Relations Committee hearings on the nomination of General Alexander M. Haig, Jr., to serve as Secretary of State. As you will note, Senator Pell's December 30, 1980 letter is more specific as to time period and events than was his earlier letter of December 18, 1980.

Please direct that a search of your agency's records be conducted for documents responsive to Senator Pell's specific request, bearing in mind, of course, that hearings are scheduled to begin January 9. By Wednesday, January 7, 1981, I would appreciate receiving an interim report on the status of the search of your agency's records, and any governmental privilege issues the documents in your possession may raise.

As you know, there are certain privilege issues in which the President has primary interest. These include, for example, documents leading to advice to the President, communications with foreign nations, and matters relating to the national defense and security. Therefore, please ensure that we have the opportunity to review all documents for which an assertion or waiver of privilege may be appropriate so that we can determine whether the President should assert or waive privilege as to those documents.

Sincerely,

MICHAEL H. CARDOZO  
Deputy Counsel to the President

Mr. Michael W. Dolan  
Acting Assistant Attorney General  
Office of Legislative Affairs  
Department of Justice  
Washington, D.C. 20530

THE WHITE HOUSE

WASHINGTON

January 5, 1981

Dear Mr. West:

Attached is a copy of Senator Claiborne Pell's letter of December 30, 1980 requesting that we provide assistance in preparation for Senate Foreign Relations Committee hearings on the nomination of General Alexander M. Haig, Jr., to serve as Secretary of State. As you will note, Senator Pell's December 30, 1980 letter is more specific as to time period and events than was his earlier letter of December 13, 1980.

Please direct that a search of your agency's records be conducted for documents responsive to Senator Pell's specific request, bearing in mind, of course, that hearings are scheduled to begin January 9. By Wednesday, January 7, 1981, I would appreciate receiving an interim report on the status of the search of your agency's records, and any governmental privilege issues the documents in your possession may raise.

As you know, there are certain privilege issues in which the President has primary interest. These include, for example, documents leading to advice to the President, communications with foreign nations, and matters relating to the national defense and security. Therefore, please ensure that we have the opportunity to review all documents for which an assertion or waiver of privilege may be appropriate so that we can determine whether the President should assert or waive privilege as to those documents.

Sincerely,



MICHAEL H. CARDOZO  
Deputy Counsel to the President

Mr. Togo D. West, Jr.  
General Counsel  
Department of Defense  
The Pentagon, Room 3E980  
Washington, D.C. 20301

THE WHITE HOUSE

WASHINGTON

January 5, 1981

Dear Mr. Owen:

Attached is a copy of Senator Claiborne Pell's letter of December 30, 1980 requesting that we provide assistance in preparation for Senate Foreign Relations Committee hearings on the nomination of General Alexander M. Haig, Jr., to serve as Secretary of State. As you will note, Senator Pell's December 30, 1980 letter is more specific as to time period and events than was his earlier letter of December 18, 1980.

Please direct that a search of your agency's records be conducted for documents responsive to Senator Pell's specific request, bearing in mind, of course, that hearings are scheduled to begin January 9. By Wednesday, January 7, 1981, I would appreciate receiving an interim report on the status of the search of your agency's records, and any governmental privilege issues the documents in your possession may raise.

As you know, there are certain privilege issues in which the President has primary interest. These include, for example, documents leading to advice to the President, communications with foreign nations, and matters relating to the national defense and security. Therefore, please ensure that we have the opportunity to review all documents for which an assertion or waiver of privilege may be appropriate so that we can determine whether the President should assert or waive privilege as to those documents.

Sincerely,



MICHAEL H. CARDOZO  
Deputy Counsel to the President

Mr. Roberts Owen  
Legal Adviser  
Department of State  
Washington, D.C. 20520

THE WHITE HOUSE

WASHINGTON

January 5, 1981

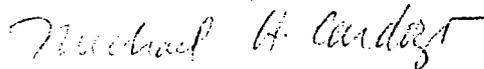
Dear Mr. Silver:

Attached is a copy of Senator Claiborne Pell's letter of December 30, 1980 requesting that we provide assistance in preparation for Senate Foreign Relations Committee hearings on the nomination of General Alexander M. Haig, Jr., to serve as Secretary of State. As you will note, Senator Pell's December 30, 1980 letter is more specific as to time period and events than was his earlier letter of December 18, 1980.

Please direct that a search of your agency's records be conducted for documents responsive to Senator Pell's specific request, bearing in mind, of course, that hearings are scheduled to begin January 9. By Wednesday, January 7, 1981, I would appreciate receiving an interim report on the status of the search of your agency's records, and any governmental privilege issues the documents in your possession may raise.

As you know, there are certain privilege issues in which the President has primary interest. These include, for example, documents leading to advice to the President, communications with foreign nations, and matters relating to the national defense and security. Therefore, please ensure that we have the opportunity to review all documents for which an assertion or waiver of privilege may be appropriate so that we can determine whether the President should assert or waive privilege as to those documents.

Sincerely,



MICHAEL H. CARDOZO  
Deputy Counsel to the President

Mr. Daniel Silver  
General Counsel  
Central Intelligence Agency  
Washington, D.C. 20505

THE WHITE HOUSE

WASHINGTON

January 5, 1981

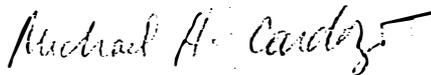
Dear Mr. Schwartz:

Attached is a copy of Senator Claiborne Pell's letter of December 30, 1980 requesting that we provide assistance in preparation for Senate Foreign Relations Committee hearings on the nomination of General Alexander M. Haig, Jr., to serve as Secretary of State. As you will note, Senator Pell's December 30, 1980 letter is more specific as to time period and events than was his earlier letter of December 18, 1980.

Please direct that a search of your agency's records be conducted for documents responsive to Senator Pell's specific request, bearing in mind, of course, that hearings are scheduled to begin January 9. By Wednesday, January 7, 1981, I would appreciate receiving an interim report on the status of the search of your agency's records, and any governmental privilege issues the documents in your possession may raise.

As you know, there are certain privilege issues in which the President has primary interest. These include, for example, documents leading to advice to the President, communications with foreign nations, and matters relating to the national defense and security. Therefore, please ensure that we have the opportunity to review all documents for which an assertion or waiver of privilege may be appropriate so that we can determine whether the President should assert or waive privilege as to those documents.

Sincerely,



MICHAEL H. CARDOZO

Deputy Counsel to the President

Mr. Daniel C. Schwartz  
General Counsel  
National Security Agency  
Fort Meade, Maryland

THE WHITE HOUSE

WASHINGTON

January 5, 1981

Dear Mr. Miller:

Attached is a copy of Senator Claiborne Pell's letter of December 30, 1980, requesting assistance in preparation for the Senate Foreign Relations Committee's hearings on the nomination of General Alexander M. Haig, Jr., to serve as Secretary of State. Senator Pell's staff has asked that the letter not be made public. I have advised Senator Pell's staff that I am sending you a copy of Senator Pell's letter because President Nixon will need to make an independent determination of whether to assert privilege.

I have requested the General Counsel of the agencies listed in Senator Pell's letter to commence a search of their files for responsive documents. I have asked them to make available to me documents which they believe may be susceptible to a claim of privilege so that President Carter will have the opportunity to decide whether any of the privileges vested in the President should be asserted. I will also give you the opportunity to review any documents generated by your client, President Nixon, so that you can make a similar determination.

Sincerely,



MICHAEL H. CARDOZO  
Deputy Counsel to the President

Mr. Herbert J. Miller, Jr.  
Miller, Cassidy, Larroca & Lewin  
2555 M Street, N.W.  
Washington, D.C. 20037

11:40 AM

THE WHITE HOUSE

WASHINGTON

January 6, 1981

MEETING WITH FRED FURTH

Wednesday, January 7, 1981

11:40 a.m.

The Oval Office

From: Frank Moore

Jim Copeland

I. PURPOSE

A photo-opportunity with Fred Furth, a lawyer from California. Mr. Furth requested the meeting during a recent telephone conversation.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background - Fred Furth is a prominent lawyer from San Francisco. He was very supportive throughout the campaign - even permitting one of his young lawyers to take a leave of absence from his firm to help in the general election effort.

B. Participant - Fred Furth

C. Press Plan - White House Photographer

III. TALKING POINTS

1. Thank you for your help.

2. Thank you especially for permitting Matt Joseph to work with us in the campaign.

**Electrostatic Copy Made  
for Preservation Purposes**

11:30 AM

THE WHITE HOUSE

WASHINGTON

January 6, 1981

MEMORANDUM TO: THE PRESIDENT AND MRS. CARTER  
FROM: GRETCHEN POSTON *gp*  
SUBJECT: SCENARIO FOR RECEPTION FOR DNC FINANCE COUNCIL, JANUARY 7, 1981, 11:30 AM.

11:30 AM Guests arrive Southwest Gate and are directed to East Room for reception.

11:45 AM THE PRESIDENT AND MRS. CARTER arrive State Floor and proceed directly to East Room where THEY are announced.

THE PRESIDENT AND MRS. CARTER proceed to platform where THE PRESIDENT makes remarks.

At conclusion of remarks, THE PRESIDENT AND MRS. CARTER depart State Floor.

12:30 PM Guests depart Residence.

**Electrostatic Copy Made  
for Preservation Purposes**

11:45 am

THE WHITE HOUSE

WASHINGTON

RECEPTION FOR DNC FINANCE COUNCIL

January 7, 1981  
State Dining Room  
11:45 a.m.

From: <sup>Bill</sup> Bill Albers

**Electrostatic Copy Made  
for Preservation Purposes**

I. PURPOSE

To thank the members of the DNC Finance Council for their support of the Party as well as your campaign and to encourage them to continue their vital work in the future.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background

The DNC Finance Council consists of 435 members and is chaired by Chuck Manatt. Each member pledges to either donate \$5,000 per year or to raise \$10,000 per year for the DNC. It was responsible for raising several million dollars for your campaign.

B. Participants

John White, Peter Kelly and the Finance Council.

C. Press

Closed.

III. TALKING POINTS

1. Thank John White, Peter Kelly and Chuck Manatt by name and the Finance Council for all their hard work for you.
2. Tell them that due to the unforeseen impact of the FEC law, which enables independent campaign expenditures, that it is essential for the Democratic Party to regain control of the Senate in 1982. If successful, the Democratic Congress could then amend the FEC Act prior to 1984.

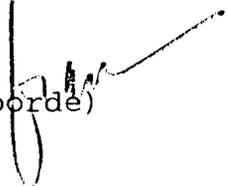
3. Tell them that they are the lifeblood of the Democratic Party and ask that they redouble their efforts in the weeks and months ahead toward that end.

1:15 PM

**THE WHITE HOUSE**

WASHINGTON

Meeting with Jack Sullivan  
The Oval Office  
Wednesday, January 7, 1981  
1:15 p.m.  
(5 minutes)

(By: Fran Voorde) 

PURPOSE: Personal visit

PARTICIPANTS: The President  
Jack Sullivan

BACKGROUND: Following the election, Jack wrote to you asking for a brief personal visit prior to January 20. He has served as Administrator of the Federal Railroad Administration during your term.

PRESS: White House Photographer

**Electrostatic Copy Made  
for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

1/6/80

Mr. President:

OMB supports the "CEA compromise position."

Congressional Liaison: "Jim Jones, the new Chairman of the House Budget Committee, called us to urge the President not to increase the salary test as the Marshall memo proposes. Jones argues that it would be inconsistent with the belt tightening of the '82 budget. It will also leave something for the next Administration which can easily be undone and will make Reagan look responsible and frugal."

No comment from Cutler or Landon Butler.

Rick

THE WHITE HOUSE

WASHINGTON

January 6, 1981

①

Electrostatic Copy Made  
for Preservation Purposes

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu*

SUBJECT: Executive, Administrative & Professional (EAP)  
Salary Test

The Department of Labor and Charlie Schultze disagree over the extent to which the salary test for executive, administrative and professional employees should be raised to take into account the inflation that has occurred in the past five years.

An increase clearly is justified. The 1975 wage tests currently in force represent an increase of only about 20% since 1970, while BLS surveys of wages paid executives, administrators and professionals have increased by about 100%.

The current level for the basic test is earnings of \$155 a week. Charlie sought to hold the new level at \$210, but compromised with Secretary Marshall at \$225 for 1981. The disagreement is over a second increase. DOL seeks a basic test level of \$250 for 1982, CEA opposes. Ray and the AFL-CIO are particularly concerned that we propose a second increase because they expect -- rightfully, I believe -- that ours will be the last increase for at least four years.

I recommend that you accept the principle of an increase scheduled in later years, but that the second increase be deferred until 1983. This approach would maintain our record of concern for fair wages while cushioning or eliminating any inflationary effect of the increase on wages.

The retailing industry, particularly fast food businesses, opposes officially any increase in the standard. Privately, we believe that they would acquiesce to this approach.

The second issue, not raised by either CEA or DOL, is whether the "upset test" salary level should be increased proportionate to the increase you choose for the basic test.

Any employee paid at the higher "upset test" salary level, currently \$250, is presumed by DOL to qualify for the EAP exemption with only a cursory examination of the employee's actual duties and responsibilities. Several fast food chains rely on the upset test to avoid the more time-consuming duties and responsibilities examination and are upset because DOL would raise the test level to \$375 (\$400 in 1982).

I recommend that you direct DOL to increase the upset test to \$320, instead of the \$375 they propose. If you decide to propose a second increase in the basic test (to \$250) in 1983, as I have suggested, then the upset test would be raised to \$355. This would keep the upset level \$95 above the basic test, as at present.

Taken together, these two recommendations would continue our record of concern for fair wages, while being mindful as well of the burdens on small business. It would be a fitting legacy for your Administration.

Decision:

The CEA original position (\$210)	_____
The CEA compromise position (\$225)	_____ ✓
The DOL position (\$225 in '81 \$250 in '82)	_____
The DPS proposal (postpone step to \$250 until '83)	_____ ✓
DPS modification of the "upset test" \$320 rather than DOL's \$375)	_____ ✓

81 - \$ 225  
83 - 250  
upset 320





THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

December 30, 1980

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze *CLS*

Subject: Salary minima for defining who is an executive  
under the Fair Labor Standards Act

Background

The Department of Labor periodically sets salary standards for Executive, Administrative and Professional (EAP) personnel that along with other criteria determine which employees are exempt from the overtime rules of the Fair Labor Standards Act. If workers are paid less it is automatically presumed they are not really executives; if they are paid more, the BLS examines other criteria to determine if they are truly executives. In practice, these standards affect principally the lower-paid managers (working for places like McDonald's) and people in similar kinds of jobs.

The Department wants to raise the EAP salary levels. We agree but think the amount of the increase is far too large and will give the appearance of encouraging inflation. Ray Marshall and I have discussed the matter and unfortunately cannot reach agreement. (CEA did withdraw its objections to another set of wage standards -- relating to alien farm workers -- about to be issued by DOL.)

Issues

The current standards (\$155 per week for executives and administrators) have not been changed since 1975. DOL originally proposed to set the 1981 standards by calculating the percentage increase in average salaries received by professional, administrative, and technical workers from 1970 to 1980 and applying this rate of increase to 1970 EAP salary standards. They have now agreed to move to this level in 1982, with a lower interim figure for 1981.

We support DOL's position that the EAP salary standard should be raised, but believe their method of arriving at a standard is arbitrary and their proposed standard is higher than necessary to meet the purposes of the Act. The Department's proposed schedule of salary levels, and the percentage increase from the current level (set in 1975), are shown below.

	<u>Executive and administrative</u>	<u>Professional</u>
Old (1975)	\$155	\$170
New: (1981)	\$225	\$250
(1982)	\$250	\$280
Percent increase (1975-1982)	61%	65%

We proposed a level of \$210 for all three classes of workers. It was calculated to assure that lower-paid executives, exempt by the salary test from the overtime provisions of FLSA, were paid at least the equivalent of the minimum wage plus overtime at time and a half, plus a premium. At \$210, even those working 50 hours a week would get a 14 percent "premium" above the minimum wage plus overtime.

This was unacceptable to Labor. In an effort to reach a compromise we then proposed a method which produced a level of \$225 for executives and administrators and \$250 for professionals. Labor agreed to set those levels in 1981 but would then raise it to their original proposed levels in 1982.

The dollar impact on the economy is difficult to calculate but modest; it does have a larger proportional impact on certain industries, especially retail establishments and the fast food stores.

In summary the proposals now are:

	<u>Executive and administrative</u>	<u>Professional</u>
DOL: 1981	\$225	\$250
1982 and beyond	\$250	\$280
CEA: 1981 and beyond:		
- original proposal	\$210	\$210
- compromise	\$225	\$250

We still think our original proposal makes the most sense.

Decision: DOL proposal \_\_\_\_\_  
 CEA original \_\_\_\_\_  
 CEA compromise \_\_\_\_\_



U. S. DEPARTMENT OF LABOR  
OFFICE OF THE SECRETARY  
WASHINGTON

DEC 29 1980

MEMORANDUM FOR THE PRESIDENT

FROM: THE SECRETARY OF LABOR *Ray Marshall*

SUBJECT: Department of Labor's Proposal  
to Change the Salary Tests  
For Executive, Administrative  
And Professional (EAP)  
Employees Under the Fair  
Labor Standards Act

The Fair Labor Standards Act (FLSA) of 1938 requires employers to pay the minimum wage and to pay overtime compensation for work in excess of 40 hours a week. The Act, however, explicitly exempts "bona fide executive, administrative, and professional" (EAP) employees from these provisions. The Department of Labor applies a twofold test to establish the exemption status of EAP employees. Employees are considered exempt (a) if their duties satisfy several "duties and responsibilities" tests, and (b) if their salaries meet certain "salary test levels."

The current salary test levels were established in 1975 and are wholly inadequate due to salary level increases of EAP employees since that time. As a result, employers are inappropriately classifying workers as EAP employees and thus denying them overtime compensation to which they are entitled under the FLSA.

This issue has become increasingly critical as the 1975 salary test levels have been so outpaced by increased salaries paid to true EAP employees. Unless the salary test levels are updated, there is an incentive for employers to attempt to evade the provisions of the FLSA.

Salary tests were first adopted in 1938 and, since then, have been revised upward periodically. March 1970 was the date of the last officially established salary test levels. The following interim rates were established on April 1, 1975:

--\$155 per week for executive and administrative employees;

--\$170 per week for professional employees;

--\$250 per week for the high salary proviso;  
(This proviso waives all tests other than the primary duty test effectively giving employers more flexibility in assigning otherwise non-exempt duties to EAP employees.)

This Department originally proposed to raise the EAP salary tests to \$250 per week for executive and administrative employees, \$280 per week for professional employees, and \$400 per week for the upset salary proviso, to be effective on January 1, 1981. Because of the opposition from Charlie Schultze of the CEA, the following two-phase increase is now proposed: 1/

	<u>Executive and Administrative</u>	<u>Professional</u>	<u>"Upset" Salary Test</u>
Effective 1/18/81	\$225	\$250	\$375
Effective 1/18/82	\$250	\$280	\$400

The two-phase salary test levels allow for a gradual approach which will give those employers who wish to claim the exemption a full one-year period to adapt their pay practices to the final salary test levels to become effective on January 18, 1982.

1/ In early 1978 we proposed salary test levels equivalent to the first phase and at that time received strong opposition from the CEA and the matter was held in abeyance because of the economic problems at that time.

Our two-phase approach still leaves a lag behind the March 1980 Bureau of Labor Statistics National Survey of Professional, Administrative, and Technical salaries which have been used as a basis for the final salary test levels. Comments received from the AFL-CIO also indicate that even the second-phase final salary tests of \$250 per week for bona fide executive and administrative employees and \$280 per week for professional employees are still too low compared to salaries actually being paid bona fide EAP employees.

It is imperative that the salary tests be changed from time to time to reflect actual salary levels being paid to EAP employees, if the law is to be properly administered by the Executive Branch. Accurate salary test levels are critical to this Department's enforcement efforts in implementing the protections afforded workers under the FLSA. The salary tests also facilitate voluntary compliance by employers in that they allow the employer to readily determine who is a bona fide exempt employee.

The Department is finding increasing evidence that employers are redefining jobs of nonexempt workers in ways that minimally or nominally meet the duties and responsibilities tests for EAP exemption. This deprives workers, whom Congress clearly intended to benefit by overtime standards, of the protections of the FLSA.

The salary test does not establish a "minimum wage" for EAP employees. Employers are not obliged to claim exemption from the FLSA for EAP employees and, therefore, have the option of not raising their salaries to the test levels. It is assumed that employers will raise an EAP employee's salary to the new salary test levels only if the resulting cost would be no more than paying this worker on an hourly basis with premium pay for overtime.

The cost impact of the new test levels is expected to be minimal. The Department estimates that less than one percent of the EAP employees would be affected in 1981 and 1982. Furthermore, even in the unlikely event that the new levels were to result in raising the salaries of all EAP employees affected, this would require an increase in the total salary bill of

only \$53 million in 1981 and \$22 million in 1982, or less than one-tenth of 1 percent in each year.

I am asking for your approval of the Department's position, set out earlier in this memo, which will effect a two-phase increase. I further believe that it is very important for the credibility of the Administration that we not leave office with this matter unresolved.

1/7/81

LLOYD CUTLER  
ZBIG BRZEZINSKI

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

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

January 5, 1981

C

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD CUTLER *LNC*  
JOE ONEK

SUBJECT: NBC Payment to IOC

**Electrostatic Copy Made  
for Preservation Purposes**

During the Olympic boycott effort we barred NBC from making additional payments to the Moscow Olympic Organizing Committee (MOOC) and the International Olympic Committee (IOC). The Commerce Department now wishes to permit NBC to make payments to the IOC but not to the MOOC. We seek your guidance.

Background

NBC had contracted to broadcast the Moscow Games. Prior to the boycott effort it had paid some \$70 million to the Russians and the IOC and had also exported substantial amounts of broadcast-related equipment. NBC was scheduled to make \$20 million in additional payments to the Russians and the IOC, including \$9 million on April 1. We believed that if the April 1 payment went forward it would undermine the entire boycott effort by leading many nations to believe that in the end the United States would go to Moscow.

From a legal standpoint the simplest way to bar the NBC payment would have been to invoke the International Economic Emergency Powers Act (IEEPA), as we had done with respect to the Iranian assets. Many of your advisors opposed the invocation of IEEPA, which would have required you to declare a national emergency. In addition, Treasury was concerned that to invoke IEEPA twice in the space of a few months might cause unease among foreigners holding assets in the U.S.

The Commerce Department developed an alternative approach. It would treat the NBC payments as related to the exports of broadcasting equipment which NBC had already made and bar the payments under the Export Administration Act (EAA). Action under the EAA did not require the declaration of a national emergency and, in Treasury's view, did not send the same signals to foreign

investors. On March 28 you instructed the Secretary of Commerce to bar the NBC payments under the EAA.

The Issue

Ever since the Olympics were completed, NBC and the IOC have requested Commerce to grant a license for the NBC payment to the IOC. There has been no request that NBC be permitted to make any further payments to the Russians. NBC wishes to make the payment to the IOC because it hopes to broadcast future Olympic Games.

The Commerce Department makes the following arguments in favor of licensing the payment.

1. If we do not license the payment the IOC will almost certainly sue. A court might hold that the bar on the payment under the EAA was illegal (i.e., that the payment was not sufficiently related to the export of broadcasting equipment). In this eventuality NBC might be required to make payments to the Russians as well.
2. Licensing a payment to the IOC, but not to the Russians, cannot be characterized as any softening of our Afghanistan sanctions.

The primary argument against granting the license for the payment is that it reduces any leverage we have over the IOC. This leverage might be significant with respect to IOC actions concerning the 1984 Los Angeles Games. Significantly, the Executive Director of the Los Angeles Olympic Organizing Committee (LAOOC) has urged us not to license the payment at this time. (The USOC, on the other hand, has urged us to license the payment.)

It can also be argued that this is a matter safely left for the Reagan Administration. If the IOC sued because of our inaction, the Reagan Administration would still have the option of licensing the payment rather than risking an adverse legal judgment. It should be noted that the Reagan Administration has strong ties to both the USOC (through Bill Simon) and the LAOOC (through Justin Dart) and therefore would receive plenty of advice on the issue.

Decision

License the NBC payment to the IOC (Commerce supports). \_\_\_\_\_

Don't act now to license the NBC payment to the IOC. (Leave issue for next Administration without recommendation \_\_\_\_\_

or with recommendation to grant at a later time if LAOOC concurs (Lloyd Cutler and Joe Onek support.) \_\_\_\_\_ ✓  
NSC concurs with Cutler.

J

THE WHITE HOUSE  
WASHINGTON

1/7/81

JIM MCINTYRE

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

Rick Hutcheson

January 7, 1991

sk  
J

Mr. President:

Attached in the proposed press release  
and ~~message~~ on the Quadrennial Salary  
Commission recommendations. You asked to  
see the language concerning judges.  
The two significant paragraphs are as  
follows:

Press release - ~~paragraph~~ seven.

Message - page four, paragraph two.

As soon as you approve, we will  
release the recommendations.

Jim McIntyre

P.S. We need to get this out today.  
Soyd Cutler concurs with this.

JANUARY 7, 1980

Office of the White House Press Secretary

---

THE WHITE HOUSE

Quadrennial Salary Recommendations for Top Officials

President Carter, in a message to Congress today, recommended a 16.8 percent increase in the salaries of members of Congress and senior officials of the Executive Branch.

The proposed increase catches up with the rise in salaries of other Federal civilian employees over the last two years and the increase granted the judiciary by a recent decision of the U.S. Supreme Court.

The President also recommended that Congress allow annual October salary adjustments provided by law to take effect for top officials, as well as for other Federal civilian employees. The President pointed out that these two actions would eliminate the disparity between legal salaries provided under law and the lower, payable salaries that have resulted from appropriation actions prohibiting the payment of these legal salaries to top officials.

The President's recommendations were made under a law that establishes a Commission on Executive, Legislative and Judicial Salaries every four years to study the pay of top Federal officials and suggest adjustments to the President.

President Carter's proposals were formulated after careful review of the 1980 quadrennial Commission's report submitted to him in December. The Commission unanimously recommended salary increases averaging about 40 percent.

"I have no doubt that the facts fully justify those recommendations," President Carter said. "Nevertheless, I continue to be concerned that we balance compensation needs with government leadership in fighting inflation and minimizing the overall costs of government. Consequently, I will recommend to you in my budget for FY 1982 that smaller increases be allowed at this time...."

The President also noted that "the case for a significant increase in the salaries of Federal judges is especially strong," and he urged that Congress consider a salary scale for judges that would explicitly recognize the public importance of continuous judicial service. One way this could be done, he suggested, would be through "an annual or periodic increase for longevity in addition to the cost of living adjustments that are made from time to time."

Both the House and Senate must vote on the President's recommendations for each branch of government within 60 days.

The President's message to Congress is attached.

# # #

TO THE CONGRESS OF THE UNITED STATES

If the Federal Government is to meet successfully the enormous challenges it faces in these difficult times, it must be able to attract and retain men and women of outstanding ability and experience for its highest posts.

Monetary awards are not the principal attractions offered by the public service, and complete parity with private sector salaries is neither desirable nor possible. Those who serve at the highest levels of the Federal Government expect and are willing to make some financial sacrifice to serve their country. Nevertheless, compensation levels today have fallen below the point at which they provide adequate monetary recognition of the complexity and importance of top Federal jobs.

The financial sacrifice demanded of top Federal officials is becoming far too great. Since the last quadrennial adjustment in 1977, the salaries of those officials have increased only 5.5 percent. During that same period, the CPI has risen by about 45 percent, which means that the purchasing power of these salaries has declined by about 28 percent.

I fully recognize that the salaries already being paid these officials look very large to the average taxpayer. But when we are seeking to fill an Assistant Secretary position, a Bureau Chief position, or one of the other top level policy-making positions in the Executive Branch, we want people who know the specialized field involved and who have had extensive experience and success in it. Usually, these people are already being highly paid, and there is a limit to the financial sacrifices they can afford to make.

Not only is the discrepancy between private sector executive pay large now; it is continuing to widen. Since, 1977, for example, while Federal executive pay has risen only 5.5 percent, private sector executive pay has gone up about 25 percent. If this gap continues to widen, government service will be so unattractive that increasing numbers of the best qualified will refuse to serve.

These observations apply equally to the selection of judges. The Federal judiciary has traditionally drawn a substantial number of appointees from the top echelons of the legal profession. These individuals are mature, experienced, and often at the height of their career earnings. When they become judges, it is usually at a financial sacrifice. If the sacrifice we ask becomes too great, increasing numbers

# Superior Courts

OF THE  
Blue Ridge Judicial Circuit

RICHARD NEVILLE, JUDGE  
CUMMING, GEORGIA

CHEROKEE, FANNIN,  
FORSYTH, GILMER  
AND PICKENS COUNTIES

December 2, 1980

Mr. Hamilton Jordan  
Office of the President  
Of The United States of America  
Washington, D. C. 20515

Re: Furman T. Stansell, Cumming, Georgia

Dear Ham:

Much has happened on the national and also local scene since I wrote you in June, 1980, regarding my long time friend, Furman Stansell. You have experienced events only a handful of people in the history of our nation have known, and we all can take pride in the caliber and integrity of the office and administration of the Carter presidency.

I realize that these past six months have been perhaps the most crucial in your life and I hesitate to add to your burden. However, it is also important to Furman Stansell and his many friends for some action to be taken regarding his presidential pardon before the president leaves office on January 20. For your review I enclose letter copies previously mailed and ask that you get back with me, if at all possible.

I look forward to seeing you on the Emory campus in the weeks ahead.

Yours very truly,

Richard Neville

RN/nme

Enclosures

# Superior Courts

OF THE  
Blue Ridge Judicial Circuit

RICHARD NEVILLE, JUDGE  
CUMMING, GEORGIA

CHEROKEE, FANNING,  
FORSYTH, GILMER  
AND PICKENS COUNTIES

June 30, 1980

Mr. Hamilton Jordan  
Office of the President  
of the United States of America  
Washington, D. C. 20515

Dear Ham:

I have not written you or anyone else in the administration on any matter since President Carter has been in office. Also, I realize this is not a good time as you have assumed additional responsibilities in the reelection campaign. However, this matter is very important to me as it involves a good personal friend of long standing, Furman Stansell. Furman and I moved to Cumming in Forsyth County about the same time back in the early '60's. He started with the Bank of Cumming and worked his way up to Executive Vice President at the time of the land crash in the mid '70's. The details of Furman's offense are not as clear to me as they once were. However, he was wrong, he admitted this and was given a probated sentence. I don't attempt to justify Furman's actions, but those were crazy times and in this area similar to the Florida land boom. Other than this one incident, Furman has been a model citizen, family man and contributor to society. Of all of the people I have dealt with in my law practice and in three years as Superior Court Judge, I feel this person is the most deserving to receive full pardon.

If this letter is inappropriate, please disregard. In no way should it be taken as influence peddling, but I felt it important for the President to know my thoughts on this subject, for he has in the past valued my opinion.

I have followed very closely your career in Washington, both your trials and successes. We are still very proud of all of our Georgia folks and this administration and fully intend to see a Democrat in the White House for the next four years.

Sincerely yours,

Richard Neville

RN/nme

# Superior Courts

OF THE  
Blue Ridge Judicial Circuit

RICHARD NEVILLE, Judge  
CUMMING, GEORGIA

CHEROKEE, FANNIN,  
FORSYTH, GILMER -  
AND PICKENS COUNTIES

June 30, 1980

United States Department of Justice  
Washington, D. C.

Re: Character Affidavit on Behalf of Furman T. Stansell

Gentlemen:

I write this letter in support of Mr. Stansell's application for a Presidential Pardon.

I have been closely acquainted with this applicant since 1964 and we have remained personal friends since that time, sharing both good and bad times which we all experience in our lives as time passes. I watched his banking career rise and fall, and other than this one experience, there has never been in his life any other event even suggesting illegal or unlawful conduct. He made a mistake, admitted it, and paid the penalty many times over. He is a good law abiding citizen and has always been very active in community affairs. We were in Jaycees, Kiwanis, PTA and other organizations through the years. He is the son of a Baptist minister and his church life and religious principles have sustained him through these very trying times. Also, he has received great community support and understanding even from those principals at the Bank of Cumming.

In my opinion Furman Stansell is a good man and well deserving of favorable consideration for a Presidential Pardon, which I certainly hope he receives.

Yours very truly,

Richard Neville  
RN/nme

The undersigned, Richard Neville, before a notary public on oath states that the foregoing facts are true and correct.

Sworn to and subscribed before me  
this the \_\_\_\_\_ day of \_\_\_\_\_, 1980.

NOTARY PUBLIC

THE WHITE HOUSE  
WASHINGTON

January 7, 1981

MEMORANDUM TO THE PRESIDENT  
FROM RICHARD HARDEN  
REGARDING OA ANNUAL REPORT

A handwritten signature in black ink, appearing to read "Richard", is written over the word "HARDEN" in the memorandum header.

Attached is a report outlining the accomplishments of the Office of Administration this past year. I intend to provide each employee with a copy and would appreciate your signing the attached letter in order that I may include it.

Thank you.

THE WHITE HOUSE

WASHINGTON

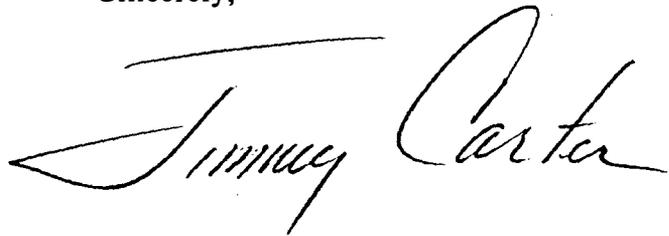
January 7, 1981

To Richard Harden

Over the past three years, the Office of Administration has provided quality administrative support service to the Executive Office of the President at a greatly reduced cost to the American public. I am proud of the accomplishments of the Office of Administration, the savings it has achieved, and the close working relationships it has fostered among the agencies of the Executive Office of the President. I wish it a long and successful future.

I would also like to take this opportunity to thank your fine staff for the support given to my personal staff. Their dedication and hard work have helped make these years at the White House easier for all of us.

Sincerely,

A handwritten signature in cursive script that reads "Jimmy Carter". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

The Honorable Richard M. Harden  
Director  
Office of Administration  
The White House  
Washington, DC

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

December 30, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

THE SECRETARY OF LABOR

*Ray Marshall*

SUBJECT:

Department of Labor's Proposal  
to Change the Salary Tests  
For Executive, Administrative  
And Professional (EAP)  
Employees Under the Fair Labor  
Standards Act

EXECUTIVE SUMMARY

The Department of Labor is proposing a two-phase increase in the salary test used as one of the methods under the Fair Labor Standards Act for determining whether employees should be exempt from FLSA's overtime pay requirements because they are employed in an executive, administrative or professional capacity.

There are three critical points to keep in mind in analyzing this proposal:

1. This is not a minimum wage proposal and does not require that any worker's wages be increased.
2. The salary test provides a very simple triggering mechanism for determining whether the employer can remove certain employees from the overtime protections of the law. It is one of the tests which industry urged to be adopted when the original tests were devised because it would ease an employer's administrative burden.
3. An up-to-date salary test provides an easy mechanism for employers, as well as the Department, to determine whether or not overtime must be paid. An out-of-date salary test leads to an increase in litigation over the application of the exemption.

S  
I  
G  
N  
A  
T  
U  
R  
E

**OFFICE OF ADMINISTRATION**

**EXECUTIVE OFFICE OF THE PRESIDENT**

**ANNUAL REPORT FOR FY 1980**

THE WHITE HOUSE  
WASHINGTON

January 7, 1980

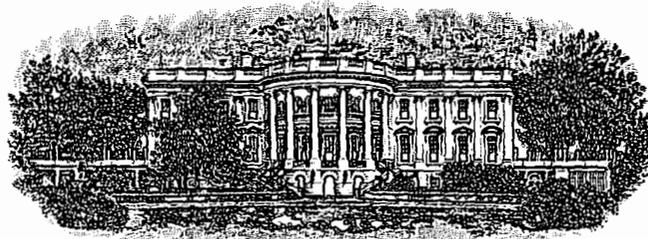
C

MR. PRESIDENT:

ROGER CHILDERS OF OREGON  
CALLED TO THANK YOU FOR HIS  
PRESIDENTIAL PARDON WHICH HE  
RECEIVED SOME TIME BEFORE  
CHRISTMAS. HE WILL ALSO WRITE  
TO YOU.

PHIL

**Electrostatic Copy Made  
for Preservation Purposes**



THE PRESIDENT AND MRS. CARTER

*welcome you to*

THE WHITE HOUSE

Wednesday, January 7, 1981

**Electrostatic Copy Made  
for Preservation Purposes**

DEMO GOV'S ELLA 1-7-81  
STROLL → AMY GRAVO ✓  
1ST GOVL FDR

IRAN → MORNING SUIT

SKI → SNOW

SIMPLE THINGS - MOTHER/BABY  
RETARDED CHILD. CLASSROOM  
CLEAN AIR. WHAT'S FAIR -  
OPPORTUNITY

TRUTH -

PEACE - FREEDOM

THINGS NEVER Δ

FRIENDSHIP - COMMON PURPOSE

EXCITEMENT - BEAUTY

---

BARNEY KESSEL - GUITAR TRIO

CHARLIE BYRD

ETHEL ENNIS.

CHARLIE'S IN 6-TOWN

Electrostatic Copy Made  
for Preservation Purposes