5/11/78 [2]

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MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE
BILL CABLE

SUBJECT: Ways and Means Committee Markup

The Committee met today to consider a Social Security tax bill. The members spent the entire day discussing the options which can be described as which of the trust funds should be borrowed from to pay for the tax reduction.

The Committee is hopelessly split along party lines and traditional friendships. After defeating every option that took from Disability Insurance (DI), Health Insurance (HI), and Old Age and Survivors Insurance (OASI), the Committee finally settled on an option that took exclusively from HI. The vote was 18 to 18 when it came to Chairman Ullman's vote. He committed to the full House Democratic Caucus that he would not stop a bill, by his vote alone, from coming to the floor. He voted for the proposal, it carried 19 to 18. Ullman, with most of the Committee liberals and five Republicans, made up the majority.

The bill reduces the tax rate to 5.85% for 1979 and 1980; and reduces the base by $1,000.00 in 1979 to $21,900 and by $2,000 to $23,900 in 1980.

We were at the Committee all day and did not take an active roll on any of the amendments but consistently restated our desire to do nothing. Clearly, we were in an observers roll. The outlook from here is not clear—Rostenkowski will oppose any roll back that exclusively takes from HI—he will seek a floor amendment to spread the pay back among at least DI, or all the other insurance funds.

The best we can hope for is that the Congress sends us a separate SS tax reduction bill that is not attached to the tax bill or some other legislation that we may have no choice but to sign.

The Committee should take up the Tax package by the middle of next week.
TO: THE PRESIDENT
FROM: RICK HUTCHESON
SUBJECT: Memos Not Submitted

1. FRANK MOORE passed along to you a sample of Congressman Ben Rosenthal's mail dealing with Administration Mideast policy. The letters attack you and Dr. Brzezinski quite viciously. Congressman Rosenthal's responses stoutly defend your integrity (if not your Mideast policy).

2. PETER BOURNE sent you a copy of a cable from Bill vanden Heuvel, praising Secretary Califano's speech before the World Health Assembly in Geneva.

3. (FYI) JAY SOLOMON's "Proposal for an Effective Economic Adjustment Process to Offset Military Base Realignments" has been referred to OMB for evaluation and appropriate handling.
May 11, 1978

TO: RICK HUTCHESON

FROM: FRANK MOORE

The attached is for the President's information.
Mr. Frank Moore
Assistant to the President
for Congressional Liaison
The White House
Washington, D.C.

Dear Frank:

I thought it would be useful if you saw a sample of the mail we're receiving concerning the President and the public's perception of his Mideast positions.

Sincerely,

bsf/ah
Congressman Benjamin Rosenthal
House of Representatives
Washington D C

Honorable Sir:

It shocks me to hear your silence when Zbigniew Brzezinski is so blatantly and arrogantly anti-Israel and obviously anti-Semitic.

I just can't believe that you remain so silent in the face of the overwhelming evidence of this man's biasness against our little sister democracy.

President Carter is proving to be a vicious liar and hypocrite and it is no wonder that the coming generations have no respect for our politicians because self interest and party interest come before America's interest.

Carter, Vance & Brzezinski are becoming lackies for the king of Saudi Arabia and will set the final stage for the downfall of our beloved country. Yet our great venerable sages in The Congress remain so ominously silent.

Respectfully,

Burt Wilson

65 24 174th St
Flushing NY 11365
I appreciate hearing from you.

I hate to have to say this, but to be honest, I'm not sure what to do about the situation. The problems you've described about the organization of the congress and the manner of the Secretary of State are serious and need addressing. I hope you will continue to speak out, and to let the press know.

If you think the conference, and particularly this session, had some beneficial aspects, I'll be glad to hear about them. I'm sure you've seen and heard some good and interesting things. But I also know that there have been some negative aspects.

Some colleagues have mentioned the difficulties you mentioned in your letter to me. It may interest you to know that the committee is meeting tomorrow to discuss any evidence or allegations that have been brought to our attention.

I have been asked to express my appreciation for your letter about the situation.

Dear Mr. Wilson,

Thank you,

Frank Smith

New York, June 1735

65-24 7th Street

My dear Mr. Wilson,
Dear Congressman Rosenthal:

On this evening's CBS-TN news the American people saw the President of the United States show his total insensitivity to human rights and the Jewish people.

Standing next to such anti-Semitic leaders as James Abourezk he stated that "no nation suffered so much as Lebanon." Obviously he didn't watch NBC-TV last week.

Congressman, I know that you oppose Carter Middle East policy. I'm afraid that is not enough. This man is a menace to America's Future. In 1963 when OI' Lyndon went over on Vietnam you helped organize a Committee for a Democratic Alternative. It is time for another one. I urge you to get together a slate of Democrats who oppose this man and work against his renomination. If he is the Democratic
candidate in 1980, be sure that many who voted Democratic in every Federal election will vote Republican or not vote at all.

It is no accident that of five special congressional elections this year four were won by Republicans (Robert Garcia was the Republican candidate in the South Bronx). Democrats will avoid Carter like a plague this year— and rightly so. This President deserves no sympathy.

David S. Levine
May 4, 1978

Mr. David S. Levine
140-55 34th Avenue, Apt 4-P
Flushing, New York 11354

Dear Mr. Levine:

Thank you for writing. I share your deep concern over this Administration's Middle East policy and I doubt that anyone has been working harder to change it. But we only damage our cause by injecting personal attacks. I know President Carter, and while we have fundamental differences of opinion, he cannot and should not be labeled anti-semitic. He is an honest, decent man who hold views with which we may strongly disagree, but that is no excuse for name-calling.

The President's warm greeting for Prime Minister Begin at the White House this week and his strong expressions of enduring support for Israel were very encouraging. But it will take more than words to repair his problems. It will take some basic policy changes, starting with dropping his insistence on selling 60 F-15 fighter-bombers to Saudi Arabia and his all-out support for President Sadat's negotiating position.

I appreciate hearing from you.

Sincerely,

BSR:dd
MEMORANDUM TO THE PRESIDENT

FROM: PETER BOURNE

SUBJECT: INTERNATIONAL HEALTH MESSAGE

I thought you might be interested in the following message to you from our delegation in Geneva.

"Secretary Califano's speech today before the World Health Assembly containing your personal message and commitment has been received with a great warmth and appreciation. As an example of the responses, Thomas Lambo, a Nigerian Doctor who is Deputy Director General of WHO, sent me a note from the rostrum saying "Please permit me to congratulate Secretary Califano for perhaps the most inspiring message I have had the opportunity to hear from the rostrum of this Assembly for years, and delivered with grace and commitment and with obvious sincerity. It will greatly encourage most delegations from the developing countries."

The United States was seen once more as a beacon of light for the people of the world in the fight against disease and crippling illness. Your sending Secretary Califano to lend emphasis to your declaration of a decent standard of health as a fundamental human right is widely appreciated."

FROM: U.S. MISSION, GENEVA
Ambassador Vanden Heuvel

PGB:ss
The attached was returned in the President's outbox. It is forwarded to you for your information.

Rick Hutcheson

RE: BROCK ADAMS AND LOCKS AND DAMS
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MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

FYI, NO ACTION REQUIRED

The St. Louis Post Dispatch carried a story either Tuesday or Wednesday of this week quoting Brock Adams as threatening to resign if you do not veto the Lock and Dam 26 Bill.
THE WHITE HOUSE
WASHINGTON

MEETING WITH ENVIRONMENTALISTS
Thursday, May 11, 1978
1:30 p.m. (20 minutes)
Cabinet Room

From: Stu Eizenstat
      Kathy Fletcher

I. PURPOSES

A. To discuss water policy proposals with environmental leaders

B. To follow through on commitment to meet periodically with environmental leaders on their special concerns

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: Last November you met with environmental leaders at their request and agreed to meet with them approximately every six months. This is a slightly expanded group, including a few water resources experts and a few organizations which were not represented before.

B. Participants: See attached list for environmental participants; staff: Stu Eizenstat, Kathy Fletcher and Gus Speth.

C. Press Plan: White House photo only.

III. TALKING POINTS

- You want to discuss water policy proposals before making final decisions, but also want to hear from them any other concerns or issues they want to raise.

- You may wish to open the discussion of water policy by summarizing what you hope to achieve:
more responsible water projects achieved through improvements in the planning process: improvements in benefit/cost analysis, an independent water project review function in the Water Resources Council, Presidential criteria for deciding which projects to support

for the first time a national commitment to water conservation, through emphasis in all Federal programs which affect water consumption, assistance to States for water conservation programs and water pricing reforms (options still under consideration)

enforcement of environmental laws and requirements and emphasis on non-structural solutions

cost-sharing reforms (options still under consideration)

increased Federal-State cooperation

The group has been briefed by staff on the major water policy recommendations and options. What are their reactions and comments?

They will raise some of these concerns:

they fear the Administration has backed off on water policy reform since last year

they are concerned that projects in the "back-log" will slip through without being affected by new policies

Response: proposals would require all authorized projects not under construction to meet improved planning requirements.

they are concerned that Soil Conservation Service projects might be exempted from reforms

Response: they will be covered by all reforms, except that cost-sharing is an open question.
they would like water conservation and ground-water management to be pre-conditions for Federal projects in any State (the "stick" approach rather than the "carrot" proposals made)

Response: proposals would make water conservation a consideration in any Federal project affecting water supply or consumption, but we do not want to create a new mandatory Federal program.

some will propose that the Administration support an increase in project discount rates

Response: for recent and new authorizations, the discount rate is adequate but for old "grandfathered" projects, the Congress simply would not agree to an increase.

they are concerned about the current public works appropriations bill and the probability that the Congress will restore some of the nine water projects successfully deleted last year

they will ask you to veto the Lock and Dam 26/waterway user fee legislation

What other issues would they like to raise?

They will bring up at least some of the following:

Do you agree with Bob Strauss' comments about attacking environmental regulations because they are inflationary?

Response: I am fully committed to meeting the mandates of the Clean Air Act, Clean Water Act and other environmental statutes. We must find the most cost-effective ways to do so, and Doug Costle, Charles Schultze and Bob Strauss will be working together to do so. We would intend to eliminate unnecessary regulations and to insure that other regulations are designed to achieve their goals in a cost-effective manner, as we have done with OSHA regulations.
they may raise the general perception in the environmental community that the Administration is not living up to environmental commitments.

why is the Administration not moving faster to designate endangered species, but instead the Interior Department is studying a number of designated species for possible "delisting"?

Response: I think that the Endangered Species Act is a workable law but I am not familiar with the details of the program. I am sure that Secretaries Andrus and Kreps would be responsive to your concerns.

why is the Administration opposing legislation to protect non-game wildlife?

Response: because the Interior Department had not completed its assessment of the need in this area, we were not convinced of the need for this new program at this time. I'm also concerned about the multiplicity of programs for wildlife protection.

ey will urge continued strong support for the pending Alaska legislation.

they will express opposition to the Administration nuclear licensing bill because they felt that public participation would be curtailed and that attention to safety and environment issues would be diminished.

Response: the bill attempts to maintain protections while reducing procedural delays. I am committed to improved nuclear safety, and this bill is not inconsistent with that goal.

they will express concern at proposals to increase National Forest timber harvesting stemming from Inflation Message.

Response: the 30-day study I ordered is just now coming to a close and I do not have their recommendations. No decision has been made on this issue. And regardless of this study, the RARE II wilderness study will be completed as planned.
THE WHITE HOUSE
WASHINGTON

Planning process
B/C
H2O Conservation
Environmental law
Non-structural
Cost sharing
Fed/State Coop
SEC
Meeting with President Carter—May 11, 1978

(1 min.) 1. Introduction; request for more frequent meetings.

(5 min.) 2. Water policies
   - Introduction
   - Policy
   - Legislation

   Conservation
   Mandatory
   Cost recovery
   Grandfather 783

(2 min.) 3. RARE II/Forests

(1 min.) 4. Alaska

(2 min.) 5. Endangered Species/Wildlife

(2 min.) 6. Department of Energy

(1 min.) 7. Inflation and the Economy

(1 min.) 8. Lobbying Disclosure Bill

(1 min.) 9. The Administration’s rating with the environmental community.