8/21/78

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 8/21/78; Container 89

To See Complete Finding Aid:
http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
~~Memo~~	~~Frank Moore & Les Francis to Pres. Carter, 9 pp., re:Weekly Legislative Report~~ OPENED 4/18/00	~~8/21/78~~	A

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of Staff Sec.-Presidential Handwriting File, 8/21/78 Box 100

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 WHITE HOUSE

WASHINGTON

August 21, 1978

MEMORANDUM TO THE PRESIDENT

FROM: Frank Moore
Les Francis

SUBJECT: Weekly Legislative Report

This report, dated August 21, focuses on likely Senate action for this week, the DOD authorization veto, natural gas and civil service reform.

The next legislative report will be prepared September 1 and will cover Congressional activity scheduled for September 5 - 8.

Electrostatic Copy Made
for Preservation Purposes

DECLASSIFIED
E.O. 12958, SEC. 3.5(b)
WHITE HOUSE GUIDELINES, AUGUST 28, 1997
BY _____ NARS DATE 4/17/00

THE WHITE HOUSE

WASHINGTON

August 21, 1978

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

FROM: Frank Moore
Les Francis

SUBJECT: Weekly Legislative Report

DOMESTIC POLICY ISSUES

1. NATIONAL ENERGY ACT

--Natural Gas Conference Report: The consensus among our Senate supporters is that the gas conference report should not be brought up before the Labor Day Recess. They feel we need more time to confirm commitments made to us prior to recently agreed-upon changes in the draft report.

--The threat of filibuster has lessened substantially, but we are concerned that this reflects a degree of confidence on the part of our opponents. Senators Metzenbaum and Abourezk may feel that they are close to having the votes necessary to defeat the measure either on a tabling motion or on final passage. Delay in taking up the conference report is therefore necessary for our purposes, but it also gives the opposition additional time to marshall their forces. In a previous memorandum, you were asked to phone a number of Senators who are uncommitted. We will probably ask you to make additional calls before the issue is joined on the Senate floor. This week WHCL is inviting staff members of undecided or uncommitted Senators to attend briefings by Secretary Schlesinger and his staff.

--Energy Taxes: There has been no movement on the Energy Tax portion of the NEA, although Senate Finance Committee staffers indicate that the prospects for the Gas and Tax bills are seen to be very closely linked. Some of the Finance Committee feel that at least the Solar and Insulation Residential Tax Credits should be enacted this year. Whether there is a future for any of the other elements of the Energy Tax package is very much uncertain.

--Conservation, Utility Rate Reform: Hill staffers are nearing completion of the drafts of the Conference Reports on these two elements of the NEA.

2. CIVIL SERVICE REFORM

--The status in the House remains unchanged since Terry Straub's verbal report to you Friday morning. We have reinforced the suggestion

that the Administration MIGHT consider withdrawing the bill and live with the Reorganization Plan and Executive Order if necessary. This point has been made to a few interest group representatives close to Labor. Tom Donahue (AFL-CIO) met with Udall and Ford today in response to this. Udall feels Ford is now trying to help us get a bill.

--We have also directly advised Udall and Donahue of your intention NOT to go beyond the compromise language on Title VII. We are still scheduled for floor action in the House Wednesday, September 6, and Thursday, September 7 (likely the 7th). Our intention, as is Udall's is to go ahead with or without agreement from Clay. This, if all else fails, will force the Speaker to intervene directly.

--In the Senate, the majority leader has not made a final decision about scheduling civil service this week -- but he seems to be leaning in that direction. There is a scheduling "window" on Wednesday. This would give us three days to pass the bill.

--There will be no time agreement on the legislation. Senators Garn, Helms, McClure and Hatch will not sign such an agreement. Although none of these four seem inclined to fight the bill through delaying tactics, Senator Abourezk or others concerned about a particular issue could give us trouble.

--We have listed all the potential amendments and made a preliminary count. Few Senators have studied the bill. However, it is already apparent that our veterans' provision has no chance in the Senate. We have been told often that Senators would not object to approving a conference report with our provision, but they would vote against a veterans' amendment by itself. Consequently, we may not offer a veterans' amendment on the Senate floor, but wait instead to push the House provision in conference.

--You should know that your meeting with Mathias, Ribicoff, Stevens and Percy is recognized as the key factor in keeping civil service reform alive in the Senate.

--Today we are holding a White House briefing for individual Senators' staffs. Presentations on civil service reform will be made by the Vice President, Brock Adams, Scotty Campbell and Wayne Granquist. By Friday afternoon, we had received acceptances from 90 offices.

3. DEPARTMENT OF EDUCATION

--On Tuesday, August 15, the House Government Operations Committee voted 27-15 to report the bill with no further significant changes. As the bill now stands, the Indian education, school feeding, and National Science Foundation programs have been deleted and the DOD overseas schools and vocational rehabilitation are included.

--We do not anticipate floor action in the Senate until after the recess. We have obtained Senator Talmadge's informal concurrence on a proposal that would transfer the nutrition education program to the new Department of Education but would leave the school feeding and commodity programs in USDA. Senators Percy and McGovern are studying the proposed compromise. In addition to the transfers from USDA, the other controversial issues will be the probable amendments by Senator Roth on school busing and affirmative action.

4. TAX BILL

--In his Thursday testimony before the Senate Finance Committee, Secretary Blumenthal expressed the Administration's objection to the lack of fairness, equity and progressivity in the House-passed bill and asked that the committee rectify the shortcomings. He did an excellent job. A great deal of the responsibility for the bill will fall on the Secretary and his staff because the mark-up will occur the week of September 5 when White House staff will be working on other high priority items (Civil Service Reform, Natural Gas, and the DOD veto override attempt).

--Treasury is beginning an educational effort aimed at Democratic Senators who are not on the Finance Committee in an effort to improve the bill when it reaches the Senate floor. They are also setting up a whip system to give technical advice and to provide the Administration's views on various amendments.

5. URBAN POLICY

--Labor Intensive Public Works/Local Public Works: The Subcommittee on Economic Development of the House Committee on Public Works and Transportation marked up H.R. 11610, a combination of LPW/LIPW bill, on August 15. The full Committee will hold a mark-up session following the recess.

--The Subcommittee on Regional and Community Development of the Senate Committee on Environment and Public Works has scheduled mark-up for Tuesday, August 22. The full Committee probably will mark-up the bill on Wednesday, August 23. Senators Randolph, Burdick, Moynihan, Hodges and Culver will support moving LIPW this session. Senator Hart has not yet taken a position.

--Senator Bentsen will support LIPW in Committee and on the floor if the Administration will support his bill to authorize $45 million for school construction to local educational agencies along the Texas/Mexico border. Senator Muskie and the Republican Leadership of the Committee remain opposed to LIPW.

--Supplementary Fiscal Assistance: Treasury met last week with staff members of the Senate Finance Committee and agreed to supply computer runs which describe the effects of the compromise bill on state and local governments. Treasury helped the Committee produce the draft of the bill and its accompanying report which are expected to be filed today. It is possible the Senate could

act on Supplementary Fiscal Assistance this week, but will more likely take it up after Labor Day.

--CETA: DOL reports that "virtually all differences" with the Senate Human Resources Committee have been worked out. DOL is now supporting a series of Bellmon amendments to tighten eligibility for public service jobs and to delete the earmarking of $3 billion for Title II of the bill (structural public service).

--DOL believes that we now have a coalition of moderate Democrats and Republicans who will work against any additional cuts or changes in CETA.

--Senate action could occur on CETA this week but, as with SFA, is more likely after Labor Day.

6. HIGHWAY/TRANSIT LEGISLATION

--Senate consideration of the highway/transit legislation began at 9:00 a.m. Friday. The Administration now appears to have generated sufficient support to strike the "Brooke Amendment" which authorizes nearly $900 million to finance operating deficits of transit systems. Senators Muskie and Proxmire will offer the motion to delete it.

--Other major amendments include one by Culver and Heinz to increase the bridge program by $150 million and one by Huddleston and Randolph to provide an additional $100 million for energy impacted roads. We are opposing both amendments but may have trouble in defeating Culver because the states are putting on considerable pressure. Senator Bentsen, the floor manager of the highway portion, will oppose both amendments vigorously, but may be forced to compromise. Bentsen has done a good job in difficult circumstances in keeping the bill very close to our original proposal.

7. HOSPITAL COST CONTAINMENT

--Last Wednesday, Senator Nelson introduced a comprehensive hospital cost containment amendment similar to one he had offered unsuccessfully during mark-up of the Talmadge Medicare-Medicaid Reform bill. Nelson announced his intention to offer the amendment on the floor when the Medicare-Medicaid bill is debated (as early as next week).

--Senator Kennedy announced that he will offer the Senate Human Resources Committee's cost containment bill on the floor at the same time.

--Secretary Califano appeared at a joint press conference Wednesday with Senators Kennedy and Nelson. White House CL was not consulted about this strategy.

8. LABOR/HEW APPROPRIATIONS

--Last Tuesday the Senate Labor-HEW Appropriations Committee (Magnuson) completed action on FY 79 Appropriation bill. It is possible that the Senate will take up the bill on Wednesday. The following major modifications were made in Committee:

- The committee did not provide the additional $1 billion requested for middle income student assistance.
- The committee reduced the appropriation for impact aid by $57.3 million.
- A DeConcini proposal deleted $100 million of the subcommittee's $120 million add-on for the work incentives program.
- A Bellmon amendment to reduce funding for the National Cancer Institute by $25 million was accepted. The bill still contains a $66.6 million increase over the budget request.
- By a vote of 4 to 3, the committee deleted the House-passed Walker amendment which banned enforcement of any "ratio, quota, or other numerical requirement related to race, creed, color, national origin or sex."
- The committee included language that provides specific staffing levels for each of the health programs. The accompanying report states that "HEW has failed to fill over 1,000 high-priority, essential positions which the Congress has directed it to fill."

FOREIGN POLICY ISSUES

1. DEFENSE AUTHORIZATION VETO

--Initial Hill reaction to your veto has been very positive. Phil Burton circulated a letter of support and gathered 93 signatures in six hours before the House adjourned Thursday. My office is drafting and sending a letter from you to each of the signers thanking them for their support. Similar letters will also be sent from Secretaries Brown and Vance, and from members of our staff, to each Member who pledges his or her support. This is being done in an effort to firm-up all support.

--Although the conservatives have reacted with typical indignation, they appear resigned to losing a veto battle. Senator Magnuson's staff reports that the opposition in the Senate is not talking about override, but rather how to rewrite the bill to your satisfaction.

--We have heard in both Houses that the veto was a strong display of Presidential leadership. Some Members argue that you should have started with something other than defense, but few argue that a major veto has hurt you politically on the Hill. The major problems are

with Senator Stennis who will oppose us, and Jim Wright who disagrees with the timing.

--Defense, State and the White House have been calling House Members since the veto to urge support. Our latest count:

Yes	Leaning Yes	Undecided	Leaning No	No
145	22	23	11	16

--By the end of the day on Monday, we expect reports on 69 additional Members.

--We will begin calling the remaining 147 on Tuesday.

--We will transmit a list of 15 calls for you on Tuesday (probably from the leaning yes list).

--Though the initial count is encouraging we will continue to work through the recess. Our opposition will wage an extensive campaign.

MISCELLANEOUS

--Congressman Beard (R.I.) says he will not vote to sustain the DOD authorization veto because of Secretary Bergland's "hit list".

--Congressman Levitas is still upset over the fact that we have not made the new appointments to the Social Security Commission.

--Congressman Phil Burton's wife, Sala, who has been a leader of congressional wives concerned with Soviet Jewry, was not invited to meet with the First Lady on this subject. Congressman and Mrs. Burton are upset.

--Senator Magnuson's staff reports that he and his wife are very pleased with the courtesies and hospitality extended to them at dinner last Tuesday evening.

--Senator Hart continues to criticize us on a regular basis, but Hamilton's meeting with him last week will help considerably. He wants Narrows Dam very badly.

--1979 Wheat Program: Secretary Bergland announced a 20% set-aside for 1979, with a loan rate of $2.35 and a target price of $3.40, the same as this year. Congressional and farmer reaction was very favorable.

--OCS: The conference report on S. 9, OCS Lands Act Amendments, was approved by the House on August 17. The Senate is expected to approve the conference report on August 21. A bill signing ceremony on this legislation would be beneficial. WHCL recommends one.

OK

--The last two weeks have been very significant ones for the Administration on the Hill. We are appreciably stronger now than we were at the end of July. You have won several major victories in a brief period of time and there is now room for optimism on many fronts.

FLOOR ACTIVITIES, WEEK OF AUGUST 21

Senate

Monday

The Senate continues debate on HJ Res 554, DC Voter Representation; it will then turn to S 3073, Federal-Aid-to-Highway Act.

Tuesday

A final vote on HJ Res 554, DC Voter Representation, will occur at 6:00 p.m.

Wednesday

The Senate will consider one of the following:

-- Civil Service Reform

-- CETA Authorization

-- Elementary Secondary Education Act

-- Labor/HEW Appropriations

Electrostatic Copy Made
for Preservation Purposes

Bill Simon
Not done
J

THE WHITE HOUSE

WASHINGTON

CONGRESSIONAL TELEPHONE CALL

To: Senator Howard H. Baker

Date: Monday, August 21, 1978

Recommended by: Frank Moore
Les Francis

Purpose: To ask Senator Baker for his cooperation in getting Civil Service Reform scheduled for this week

> Background: It is essential that you call Senator Baker this afternoon and ask for his cooperation in getting Civil Service Reform scheduled for this week. Senator Byrd talked with him this morning to seek his acquiescence to scheduling the bill on Wednesday; Senator Baker resisted and asked, instead, that Senate consideration be postponed until after the House has acted. Bob Thomson believes that Senator Baker's resistance stems from conversations that he has had with Senators Stevens, Hatch and Garn and perhaps others. Part of their concern is uncertainty as to what the House will do on Hatch Act repeal and Title VII (Labor-Management Relations), but it is also possible that some of them want to kill the bill outright -- and delay serves that purpose. We will be asking Senators Percy and Javits and Congressman Derwinski to put pressure on Senator Baker as well, but Bob Thomson is convinced that it would take a call from you if we are to have any chance of success.

Topics of Discussion:

1. If the Senate does not act before the recess, enactment of the bill will be made vastly more difficult. The House's incentive to act as scheduled on September 8 will be reduced. Given the potential complexities of the conference, time may run out.

- Continued -

2. If the Senate acts first, chances for preventing expansions of union power through pro-labor amendments to Title VII will be greatly reduced. The Business Roundtable and other business groups fear that, if the House acts first, pro-labor Senators may be moved to add floor amendments to Title VII which would go beyond the Administration's moderate labor-management provisions. These business groups strongly favor the Senate acting first for this reason -- as we do.

Date of Submission: August 21, 1978

# # #

EMM
PRECEDENCE

UNCLAS
CLASSIFICATION

FOR COMMCENTER USE ONLY

1978 AUG 21 DEX 18 39

FROM: FRANK MOORE

TO: PHIL WISE

DAC Ø13

GPS

LDX

PAGES 2

TTY

CITE

INFO:

DTG: 211839Z AUG 78

(PLAINS)

RELEASED BY GD

TOR: 211853Z AUG 78

SPECIAL INSTRUCTIONS:

WHITE HOUSE
SITUATION ROOM

'78 AUG 10 PM 4:59

THE WHITE HOUSE

WASHINGTON

CONGRESSIONAL TELEPHONE CALL

To: Senator Howard H. Baker

Date: Monday, August 21, 1978

Recommended by: Frank Moore
Les Francis

Purpose: To ask Senator Baker for his cooperation in getting Civil Service Reform scheduled for this week

Background: It is essential that you call Senator Baker this afternoon and ask for his cooperation in getting Civil Service Reform scheduled for this week. Senator Byrd talked with him this morning to seek his acquiescence to scheduling the bill on Wednesday; Senator Baker resisted and asked, instead, that Senate consideration be postponed until after the House has acted. Bob Thomson believes that Senator Baker's resistance stems from conversations that he has had with Senators Stevens, Hatch and Garn and perhaps others. Part of their concern is uncertainty as to what the House will do on Hatch Act repeal and Title VII (Labor-Management Relations), but it is also possible that some of them want to kill the bill outright -- and delay serves that purpose. We will be asking Senators Percy and Javits and Congressman Derwinski to put pressure on Senator Baker as well, but Bob Thomson is convinced that it would take a call from you if we are to have any chance of success.

Topics of Discussion:

1. If the Senate does not act before the recess, enactment of the bill will be made vastly more difficult. The House's incentive to act as scheduled on September 8 will be reduced. Given the potential complexities of the conference, time may run out.

- Continued -

2. If the Senate acts first, chances for preventing expansions of union power through pro-labor amendments to Title VII will be greatly reduced. The Business Roundtable and other business groups fear that, if the House acts first, pro-labor Senators may be moved to add floor amendments to Title VII which would go beyond the Administration's moderate labor-management provisions. These business groups strongly favor the Senate acting first for this reason -- as we do.

Date of Submission: August 21, 1978

# # #