

10/25/79 [1]

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
letter	From McCormally to The President (2 pp.)	10/19/79	C
note	From The President to Vance (one page)	10/25/79	C

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of the Staff Sec.- Pres. Hand-writing File 10/25/79 [1] BOX 153.

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BENJAMIN E. MAYS
3316 PAMLICO DRIVE, SOUTHWEST
ATLANTA, GEORGIA 30311

cc to Benjamin Mays.

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October 25, 1979

057914

SC

STRICTLY CONFIDENTIAL

The Honorable Jimmy Carter
President of the United States
The White House
Washington, D. C. 20500

Thanks for the effort. There are no philosophical differences between me & the Senator. He's just an impatiently ambitious man - It's good to have you as a partner. We'll win together -

Dear Mr. President:

Maybe Daddy King or Coretta has told you that we had a conference yesterday, October 24, 1979, relative to Senator Edward Kennedy's stance in the Democratic Primary during 1980. We went to see Senator Kennedy for the following reasons:

Jimmy

We wanted him to understand clearly that we were supporting you 100% and that we hoped that he would stick by what he said earlier, that he would not run against you; and, I believe, he said that he would support you.

cc sent 10/31/79

We wanted him to know that we felt that his running for the Presidency would split the Democratic Party and that, to us, meant that the next President would be a Republican. The Senator's reply to that was he was not running against you; he is running for the Presidency of the United States. And in the light of the condition that the country was in, he felt that the country needed new leadership.

We also pointed out that his announcing that he plans to run divides the Black leadership of this country and the liberal leadership of the nation. I told Senator Kennedy that I had watched carefully his liberal stance in the Senate during the 16 years he has been there, and without a doubt he has been on the right side of liberal causes, and wouldn't he have to sacrifice his liberal position of 16 years in order to become President of the United States, and that might cause his followers to believe that he was more interested in the Presidency than in serving the country? Of course, the Senator denied the fact that his seeking the Presidency was proof that his chief concern was his country and that he did not believe nor would he sacrifice his liberal stance.

We left with the conviction that Senator Kennedy was going to run against you, and that he is going to do everything in his power to defeat you. I am sure none of this is news to you, but we were trying to get the Senator to see the great damage he may do to the Party and to the country. So, we must fight all the harder to return you to the White House in 1980.

DETERMINED TO BE AN ADMINISTRATIVE
MARKING BY *JMP* DATE *10/6/90*

BENJAMIN E. MAYS
3316 PAMLICO DRIVE, SOUTHWEST
ATLANTA, GEORGIA 30311

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October 25, 1979

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cc to Benjamin Mays.

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Jimmy

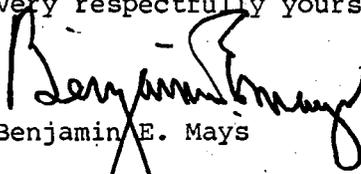
cc sent 10/31/79

DETERMINED TO BE AN ADMINISTRATIVE MARKING BY DATE 10/26/90

The Honorable Jimmy Carter
October 25, 1979
Page 2

You certainly got good press coverage at the Kennedy Library ceremony in Boston.

Very respectfully yours,



Benjamin E. Mays

BEM/mc

Revised:
10/25/79
10:15 a.m.

THE PRESIDENT'S SCHEDULE

Thursday - October 25, 1979

- 7:30 Dr. Zbigniew Brzezinski - The Oval Office.
- 8:00 Breakfast with Economic Advisors.
(60 min.) (Dr. Alfred Kahn) - The Cabinet Room.
- 9:15 Drop-By Breakfast with Members of the National
(10 min.) Coalition for the Windfall Profits Tax.
(Ms. Anne Wexler) - The State Dining Room.
- 9:45 Mr. Hamilton Jordan and Mr. Frank Moore.
The Oval Office.
- 11:30 Meeting with House Group on Hospital Cost
(15 min.) Containment Bill. (Mr. Frank Moore).
The Cabinet Room.
- 1:05 Senator Alan Simpson and Mr. and Mrs. Milward
Simpson. (Mr. Frank Moore) - The Oval Office.
- ✓ 1:10 Mr. Winston Guest. (Ms. Fran Voorde) - Oval Office.
- 1:15 Depart South Grounds via Helicopter en route
Andrews Air Force Base and Trip to New Jersey.
- 8:40 Return to the White House.

SEN BRADLEY, MEMB OF CONGRESS

1. GOVERNOR BYRNE, CHAIRMAN DICK COFFEE, AND ALL THE GOOD DEMOCRATS
OF THIS STATE.

IT IS

2. WHAT A PLEASURE TO BE HERE!
3. THIS IS MY KIND OF STATE -- A DEMOCRATIC GOVERNOR,
A DEMOCRATIC LEGISLATURE,
AND A REPUBLICAN PARTY THAT
PLAYS A PROPER ROLE -- THE MINORITY.

BRENDAN - PASS THRU U.S.

4. I AM DELIGHTED TO HELP ^{MYSELF & TO HELP} THE DEMOCRATIC PARTY OF NEW JERSEY
BY BEING HERE TONIGHT.
5. AT TIMES LIKE TONIGHT I AM SURE THAT GOD LOVES DEMOCRATS,
BECAUSE HE MADE SO MANY OF US.
6. I JUST WISH THAT HE HAD GIVEN US MORE SPENDING MONEY.
7. REPUBLICANS JUST ABOUT ALWAYS OUTSPEND US.
8. SO WE HAVE TO WORK HARDER TO RAISE MONEY.
9. WE HAVE TO CAMPAIGN HARDER.
10. WE HAVE TO FIGHT FOR EVERY PUBLIC OFFICE AT EVERY LEVEL OF GOVERNMENT.
11. WE HAVE TO DO BETTER IN OFFICE.

AND WE DO!

1. THAT IS ALSO WHAT HAS MADE THE DEMOCRATIC PARTY GREAT.
2. IT SURE HAS MADE THE NEW JERSEY DEMOCRATS GREAT. *← Δ since '74*
3. BECAUSE OF YOUR HARD WORK AND FORESIGHT,
NEW JERSEY IS MORE READY THAN EVER TO FACE THE FUTURE.
4. THE ECONOMY HERE IS STRONG AND GROWING STRONGER.
5. STATE GOVERNMENT IS STRONG AND EFFECTIVE.
6. IT TOOK COURAGE. *BRUDAN BYRNE & YOU. STATE LEGISLATURE*
7. PEOPLE SAID IT WAS POLITICAL SUICIDE.
8. BUT YOU MODIFIED THE STATE'S TAX STRUCTURE IN ORDER TO STABILIZE
ED, MH, Energy Assist for Poor Jobs. COOP = Loc / FED GOVT PROPERTY TAXES.
9. IT TOOK A STRONG PARTNERSHIP OF THE GOVERNOR AND LEGISLATURE.
10. IT TOOK CONFIDENCE IN THE PEOPLE
TO KNOW THAT GOOD GOVERNMENT MEANS GOOD POLITICS.
11. MOST OF ALL IT TOOK DEMOCRATS DOING WHAT WE DO BEST:
12. UNITING FOR A COMMON PURPOSE, ...FACING UP TO HARD PROBLEMS.
13. LET ME ADD THAT NEW JERSEY DEMOCRATS FOLLOW THAT TRADITION IN WASHINGTON.
14. NOT MANY SENATORS IN OUR HISTORY CAN MATCH *JEANNETTE*
THE RECORD OF PETE WILLIAMS FOR COMPASSION AND COMMITMENT
TO JOBS PROGRAMS AND HUMAN SERVICES.

1. NOT MANY SENATORS HAVE EVER MATCHED BILL BRADLEY'S
FIRST FEW MONTHS IN OFFICE.
2. HE HAS ALREADY BECOME A RESPECTED CHAMPION
FOR AID TO CITIES AND ENERGY CONSERVATION.
3. IN THE HOUSE OF REPRESENTATIVES NOT MANY MEMBERS
HAVE EARNED GREATER RESPECT THAN PETE RODINO, (EDDIE
AND THE REST OF YOUR DELEGATION.

PATTEN = BOB ROG = ANDY MCGUIRE
 JIM FLORIO = FRANK GUARINI

4. I AM PROUD TO WORK WITH THEM.

5. AND I AM PROUD OF WHAT WE HAVE ACCOMPLISHED TOGETHER.

RECORD WILL SHOW
 CONFIDENCE IN GOVT
 JOBS

(JOBS)

8 1/2
 - 25%
 - 40% Const

Demo. Hard work -
 Dignity, self respect
 of a job

1. WE PUT GOVERNMENT BACK TO WORK, AND WE CAN BE PROUD OF THAT.
2. NOW WE HAVE URBAN PROGRAMS THAT ACTUALLY HELP CITIES.
3. FOR THE FIRST TIME IN DECADES, CITIES ARE SHOWING NEW LIFE.

(URBAN)

Fed. St - Loc Coop

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(SOCIAL)

*Ed. Older Americans - Poor -
Minorities - Housing -*

(INFLATION)

> 10 years
LABOR, BUS
STAT ACCORD

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(ENERGY)

4%

SAME AS '77 & '78

1/2 = 20 bit infl & energy

CONSERVATION

WPT = PORT = EXPORT = SYN FIELDS

(FISCAL)

66 → 27

De ref
Fed employees

23½ → 21½ (% GDP)

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(PEACE)

Peace -
Strength

1. WHEN OUR COUNTRY FACES GREAT CHALLENGES,
AMERICANS ALWAYS KNOW WHERE TO TURN --
2. TO THE DEMOCRATIC PARTY.
3. THAT IS WHAT THE VOTERS OF NEW JERSEY WILL DO NEXT MONTH.
4. WHEN THE TIME COMES NEXT YEAR, THE VOTERS WILL DO THAT ACROSS THE COUNTRY.
5. LET ME ADD A FINAL WORD.
6. I DECIDED WHEN I BECAME YOUR PRESIDENT THAT I WOULD CONFRONT
THE MOST BASIC PROBLEMS OF THIS COUNTRY.
7. I DECIDED TO DO IT HONESTLY AND DIRECTLY.

(~~FACED TOUGH ISSUES~~)

TOUGH ISSUES

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1. HARRY TRUMAN ONCE SAID,
"IF A PRESIDENT EVER BECOMES TIMID,
BECAUSE HE IS WORRIED ABOUT PUBLIC OPINION POLLS,
OR WHAT NEWSPAPER COLUMNISTS SAY, . . .
THEN HE IS NOT WORTHY
TO LEAD THIS GREAT COUNTRY."
2. LIKE HIM, I WANT THE SATISFACTION
THAT I PUT MY COUNTRY FIRST.
3. THAT IS WHY YOU HAVE SUCCEEDED IN NEW JERSEY.
4. YOU TOOK THE LEAD FROM BRENDAN BYRNE
TO TRUST THE BEST INSTINCTS OF PEOPLE.
5. YOU PUT THE DEMOCRATIC PARTY ON THE LINE.
6. YOU SHOWED AGAIN THAT ~~DEMOCRATS~~^{WE} KNOW ABOUT MORE THAN JUST WINNING ELECTIONS,
OR SITTING ON THE SIDELINES TAKING POTSHOTS.
7. ~~WE KNOW ABOUT FACING OURSELVES,~~
~~FACING OUR CONSCIENCE.~~ *WE ARE RESPONSIBLE*
8. THAT IS WHAT BEING A DEMOCRAT MEANS TO ME.
9. THAT IS WHY I AM HERE TO HELP MY PARTY IN THIS STATE.
10. I WANT US TO KEEP WORKING TOGETHER,
TO TAP THE SPIRIT OF UNITY AND COMMON PURPOSE,
TO BUILD A BETTER AMERICA.

1. I PLEDGE TO YOU MY COMMITMENT.
2. AND I CALL ON YOU TO JOIN ME IN LEADING ALL OF OUR PEOPLE,
TO MAKE A GREAT STATE AND A GREAT NATION
EVEN GREATER.
3. THANK YOU.

#

Remarks for New Jersey Democratic Fund-Raiser Dinner

Governor Byrne, Chairman Dick Coffee, and all the
good Democrats of this State:

**Electrostatic Copy Made
for Preservation Purposes**

What a pleasure to be here!

This is my kind of State: a Democratic Governor, a
Democratic Legislature . . . and a Republican Party that stays
plays a
proper role
in its place, the minority.

[Now if you can just get them to mind their manners,
we will all be in good shape.]

Brendan Byrne is my kind of Governor, too. His
popularity ratings rivaled mine . . . like me, his short
speeches with lots of humor are legendary . . . although he
speaks with an accent.

We have both had nicknames, too. I used to be "Jimmy Who?" and Brendan used to be "One-Term Byrne." We both got rid of those nicknames, but I am especially interested in how he got rid of his.

In fact, his reelection strategy was so successful, that I have been following it for two years.

I owe my success to his example.

How am I doing so far, Brendan?

If you have any more useful tips, drop by . . . on one of your visits to the United States.

I am sure that a Governor who quotes Woodrow Wilson and travels so much might look longingly at Washington.

My only advice, Brendan, is something I said to a few other prominent Democrats already this year:

Not this round!

I am delighted to help the Democratic Party of New Jersey by being here tonight.

In fact, I am touched, but not as much perhaps as you are being touched tonight.

Before I got up to speak, Dick Coffee asked me if I brought my checkbook.

I told him I gave at the office.

At times like tonight, I am sure that God loves Democrats, because he made so many of us. I just wish that he had given us more spending money.

Republicans just about always outspend us. So we have to worker harder to raise money. We have to campaign harder. We have to fight for every public office at every level of

government. We have to do better in office.

That is also what has made the Democratic Party great.

It sure has made the New Jersey Democrats great.

Because of your hard work and foresight, New Jersey
is more ready than ever to face the future.

The economy here is strong and growing stronger. State
government is strong and effective.

It took courage. People said it was political suicide.
modified the state's tax structure in order to
But you passed the state's first income tax, and used that
to stabilize property taxes.

It took dedication, lots of it, to accomplish this.

It took a strong partnership of the Governor and Legislature.

It took confidence in the people to know that good government
means good politics.

Most of all, it took Democrats doing what we do best:
uniting for a common purpose, facing up to hard problems.

Let me add that New Jersey Democrats follow that tradition
in Washington.

Not many Senators in our history can match the record
of Pete Williams for compassion and commitment to jobs programs
and human services. Not many Senators have ever matched
Bill Bradley's first few months in office. He has already
become a respected champion for aid to cities and energy
conservation.

In the House of Representatives, not many members have
earned greater respect than Pete Rodino, and the rest of
your delegation.

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I am proud to work with them. And I am proud of what we have accomplished together.

Nearly three years ago, when I took office, unemployment stood near eight percent.

In 33 months, we created more than eight million new jobs. A half-million of those jobs were in New Jersey.

Jobs

This country has never created so many jobs in such a short time. Our recovery was rivaled only by the early years of the New Deal. We can be proud of that.

It showed once again the old adage that if you want to live like a Republican, you have to vote like a Democrat.

Where I grew up, of course, there were so few Republicans they were a rare breed. I saw one once on the street, but I

P 87

did not get a good look. My father told me not to stare.

It used to be said that no small city in South Georgia was complete without at least one atheist, one shady lawyer, and one Republican.

So when it comes to Republicans, Georgians have a tradition of beating them for over a century. It is a habit I have been used to.

We Democrats believe, and believe deeply, that every American deserves that most basic economic opportunity -- a job, as a matter of right.

We also know that to accomplish anything, first you put the American worker back on the job, and this country back to work. We did that, and we can be proud of that.

We put government back to work, and we can proud of that.

Now we have urban programs that actually help cities. For

U.C.B.A.W.

the first time in decades, cities are showing new life.

Four years ago, we had a President who told the nation's largest city to drop dead.

I said, and I still say:

I love New York . . . and New Jersey!

We have restored in Washington the Democratic tradition of an effective, activist government. We are not afraid to help people in need, to show compassion and concern.

Nor are we afraid to face the most difficult problems of this decade.

Because of the Democratic Party, our nation is directly confronting our energy problem. We are going to pass a pass a Windfall Profits Tax, build a new energy base for this country, and cut imported oil in half by 1990.

INFLATION
ENERGY
(SOCIAL)
FISCAL
PEACE

And we are going to bring down inflation. There is no greater challenge to our future than this destructive force that has raged for over a decade.

We are going to succeed. We will succeed because we are Democrats, because we have more at stake.

It is easy for Republicans to ignore problems. They do not believe in government in the first place. Their failures in office simply reinforce that conviction.

So when we confront a problem, we do it wholeheartedly.

We will succeed because we have never wished that government just go away. We know the limitless possibilities for America when government and the people work for common goals.

The American people understand this. They get

distracted sometimes. They get angry and discouraged sometimes.

When our country faces great challenges, Americans
But they always know where to turn ^{to} the Democratic Party.

That is what the voters of New Jersey will do next month.

When the time comes next year, the voters will do that

across the country.

Let me add a final word. I decided when I became your President that I would confront the most basic problems of this country. I decided to do it honestly and directly.

There are times in our history when it is utmost for a President and his party to use plain good judgment, creativity, and diligence. We need leaders to talk sense.

*FACED
TOUGH
ISSUES*

Some people might not want to hear this. Some believe in that there is a magic, painless solution to every problem. But most people are not afraid to know what really needs doing.

There is nothing ideological about this. It is simply

that the times demand it. The American people want and deserve it. And I intend to keep doing just that.

When I face myself in years to come, I want the personal satisfaction that I did not, and will not, run for cover. That I did not, and will not, duck tough problems. That I did not, and will not, settle for rhetoric.

Harry Truman once said, "If a President ever becomes timid, because he is worried about public opinion polls, or what newspaper columnists say . . . then he is not worthy to lead this great country."

Like him, I want the satisfaction that I put my country first.

That is why you have succeeded in New Jersey. You took the lead from Brendan Byrne to trust the best instincts of people. You put the Democratic Party on the line.

You showed again that Democrats know about more than just winning elections, or sitting on the sidelines taking potshots. We know about facing ourselves, facing our conscience.

That is what being a Democrat means to me. That is why I am here to help my Party in this State.

I want us to keep working together, to tap the spirit of unity and common purpose, to build a better America.

I pledge to you my commitment. And I call on you to join me in leading all of our people, to make a great State and a great nation even greater.

Thank you.

#

THE WHITE HOUSE
WASHINGTON

10/25/79

Frank Press

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

Rick Hutcheson

cc: Jim McIntyre

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

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

ACTION
FYI

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

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

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF SCIENCE AND TECHNOLOGY POLICY
WASHINGTON, D.C. 20500

October 24, 1979

*ok if OMB
has approved.
If not,
resubmit
J*

MEMORANDUM TO: THE PRESIDENT
FROM: Frank Press *FP*
RE: A Program to Increase the Pool of
Minority Scientists and Engineers

With strong encouragement from Louis Martin and working with OMB, I have arranged with DOD, DOE, HEW, NSF, USDA, EPA, and NASA a program of apprenticeships in research laboratories for minority high school students, beginning in the summer of 1980.

The objectives are to increase the pool of minority scientists and engineers. Arrangements would be made for individual working relationships of students with active researchers who may become helpful mentors when students need advice on college and careers and need letters of recommendation.

The numerical goal is to employ at least 1000 students in summer jobs through this mechanism, with a total budget through re-programming of FY80 funds of \$2.5 million--for minimum wages and enrichment activities. For FY81, we plan to double the program, requiring \$5 million in budget. Individual scientists will have to demonstrate their interest in the program by submitting supplemental requests to existing or pending Federal research grants and contracts describing the work experience offered, the plan for attracting students, and appropriate educational enrichment to the work itself.

Although the total number of summer jobs is small, the concentration in scientific laboratories is likely to have large impact in encouraging careers in science and engineering among those who would not normally think along these lines. Existing programs have been disappointing and a new approach is needed.

A White House press release announcing the new program is being prepared.

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THE WHITE HOUSE

WASHINGTON

October 25, 1979

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MEETING WITH SELECTED MEMBERS ON HOSPITAL COST CONTAINMENT BILL

Thursday, October 25, 1979

11:30 a.m. (20 minutes)

The Cabinet Room

From: Frank Moore *F.M.*

I. PURPOSE

To motivate the majority of the members who are for this legislation and to convert those who are questionable.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

Background: Although the Speaker favors the bill, a busy schedule has kept him from actively working so far as we can tell. The Whip count has not yet started, and we hope to use this group and a similar group which you will meet with later as the point men on this legislation.

These people influence a great many Members.

Right now we are behind because the doctors and the hospitals are successfully waging a "southern strategy". They are taking a solidly republican vote of about 140 or more and have picked the South clean. Unless we reverse our southerners and nail down the rest of our democrats the chances of passage are about zero. This meeting should not dwell upon the details and merits of the bill so much as to put it straight forward that this is a presidential priority. These people are good democrats and you are counting on them. There will probably be some squirming about how heavy the pressure has been on them so you should be equally as unyielding.

Participants: The President, Frank Moore, Bob Maher, Members of Congress (see attached list).

Press Plan: None

III. TALKING POINTS

You should tell them you are well aware of the heavy pressure they have been placed under on this and indeed on all members of the House. And you can sympathize with this.

But there are some things that are in the national good and things which a President asks of you. This is one of those things that I am asking of you. I need your vote. And more than that I need you to actively work on your colleagues. You are respected by your colleagues, and they look to you when there are tough issues like this.

This issue has gone beyond the merits of the legislation. It is a watered down version of last year. Hospitals can live with it, and they are doing so in eight states right now. This has developed into a test of will and a test of resources and this Administration cannot afford to lose this battle. Despite all the contacts from your doctors and the Boards of Directors of hospitals, being right on this issue is something you can go home and tell the voters about--that you did something to hold down their medical bills, that you did something to hold down inflation.

I am asking for your vote on this, and I am asking you to help me. I would like to know right now if there is any reason why you can't do this.

ADDED NOTE

Those favoring the bill

Dan Rostenkowski
Robert Giaimo
Albert Gore
Jim Wright
Frank Thompson

Those who are undecided

Gunn McKay
Beryl Anthony
John Breaux
Charlie Rose

Members attending the meeting with the President:

Dan Rostenkowski
Robert Giaimo
Albert Gore
Jim Wright
Tim Wirth
Bob Edgar
Frank Thompson
Gunn McKay
Dante Fascell
Bo Ginn
Beryl Anthony
Jack Brooks
John Slack
John Breaux
Gillis Long
Charlie Rose
Elliott Levitas

HOSPITAL COST CONTAINMENT

1. Inflation in the health care industry during the past decade has far outstripped inflation in the rest of the economy. The federal government is the largest purchaser of hospital care, and so the American taxpayer is not getting the value for his tax dollar spent in this area.
2. We need your support for the Administration's proposal to contain hospital costs which will likely be on the House floor by the end of October.
3. The President has called HCC "the most important step we can take" against inflation. Health costs are rising \$1 million per hour, 24 hours a day.
4. HCC is the major anti-inflation legislation of this Administration.
5. The savings under the bill are substantial. Savings over the next five years are estimated at approximately \$50 billion (the Federal share of which is about \$22 billion).
6. The Administration Bill reflects the concerns of Congress and the industry. Specifically:
 - Mandatory cost controls go~~es~~ into effect only if a voluntary effort does not succeed.
 - Hospitals are allowed to pass through all costs, including labor, over which they have no control.
 - The emphasis is on a voluntary or state run program with the Federal involvement only as a last resort.
7. If a state has its own program, it is exempt. Exempt are: New York, New Jersey, Wisconsin, Washington, Connecticut, Massachusetts, Maryland and Rhode Island. In addition, amendments in committees have also exempted Illinois and Michigan.
8. If a hospital has less than 4,000 admissions per year, it is exempt (e.g. rural hospitals).
9. There is no evidence that the quality of health care has decreased in any of the eight states which have mandatory cost containment programs.
10. Only one additional piece of data (wages for non-supervisory personnel) will be required from hospitals under this legislation.
11. The voluntary industry effort is not sufficient to control costs. Voluntary efforts began only in response to our HCC proposal and if our bill is defeated, the incentive to control costs will be removed.
12. HCC savings are critical if we are to expand health benefits through the nation under a National Health Plan.
13. Our legislation has been debated in Committee and tempered with a Sunset provision and a one House veto.
14. We are strongly opposed to the Broyhill-Gradison amendment which would gut the bill by turning the program into a totally voluntary effort and accomplish nothing.
15. Without imposition of the cost control program it is highly unlikely that the President would be inclined to support a catastrophic type bill because of the extreme expense.

THE WHITE HOUSE

WASHINGTON

October 25, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M.*
SUBJECT: H.R. 2759

Chairman Murphy (Merchant Marine and Fisheries Committee), Chairman Breaux (Subcommittee on Fisheries and Wildlife Conservation and the Environment), and Chairman Santini (Subcommittee on Mines and Mining, Interior and Insular Affairs Committee) have written to you regarding H.R. 2759, the Deep Seabed Hard Mineral Resources Act. Breaux handed the letter to me at last night's dinner, requesting that I give it to you personally.

You should know that Elliot Richardson questions the wisdom of giving strong Administration backing to the bill at this time because of the Law of the Sea Negotiations. It is my understanding that he would like to defer further support in order to have some leverage during the negotiations.

There is an interagency meeting scheduled for this morning (to be chaired by Warren Christopher) to discuss timing.

I've attached the acknowledgement which I'll send today to all three.

Attachment

ok
J

Electrostatic Copy Made
for Preservation Purposes

9:15 Am

THE WHITE HOUSE

WASHINGTON

October 24, 1979

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BREAKFAST WITH THE MEMBERS OF THE "NATIONAL CITIZENS COALITION
FOR THE WINDFALL PROFITS TAX"

Thursday, October 25, 1979

9:15 a.m.

State Dining Room

From: Anne Wexler *AW*

I. PURPOSE

To meet with the members of the "National Citizens Coalition for the Windfall Profits Tax" prior to a day of activity on the Hill by them.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background

The National Citizens Coalition for the Windfall Profits Tax has been responsible for organizing a strong, grassroots effort to ensure a positive windfall tax vote from Congress. As of this date, the Coalition is composed of 111 members. A membership list is attached. Their activities have included:

- mailings to the Congress as well as to the general public supporting the tax.
- targetted Hill visits to the Senate Finance Committee and the full Senate.
- speeches supporting the tax at key conventions.
- one page ads in major newspapers outlining the reasons for a tax, to be placed to coincide with Senate floor action around the first or second week of November.

B. Participants

Approximately 90 members of the Coalition are expected as of 5:00 p.m. today. They are indicated on the attached membership list. In general the participants will include: trade union representatives, state and local elected officials, religious and business leaders, representatives of the elderly, minority, transit and low-income constituencies. After the breakfast the participants have scheduled a series of meetings with key members of the Senate.

C. Press Plan

White House photographer and press pool for the first five minutes of your remarks.

III. AGENDA

When you arrive Stu Eizenstat will be answering questions from the participants at the end of a 30 minute briefing. A more detailed agenda is attached. In addition, it is anticipated that Secretary Miller will join the meeting following his breakfast with you.

IV. TALKING POINTS

Suggested talking points are attached.

THE WHITE HOUSE

WASHINGTON

BREAKFAST WITH THE
"NATIONAL CITIZENS COALITION FOR A WINDFALL PROFITS TAX"

Thursday, October 25, 1979
The State Dining Room

AGENDA

8:00 - 8:05 a.m.	Opening Remarks	Anne Wexler Assistant to the President
8:05 - 8:10 a.m.		Governor Brendan Byrne Chairman, National Citizens Coalition for a Windfall Profits Tax
8:10 - 8:35 a.m.	Breakfast	
8:35 a.m.	Windfall Profits Tax and legislative Update	Stuart Eizenstat Assistant to the President
8:55 a.m.	Questions and Answer	Stuart Eizenstat Assistant to the President
9:15 a.m.	Remarks	The President

NATIONAL CITIZENS' COALITION FOR THE WINDFALL PROFITS TAX

CHAIRMAN

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STATE HOUSE
TRENTON, NEW JERSEY 08625
609/292-5425

* Attending
White House Breakfast

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THE WHITE HOUSE

WASHINGTON

October 24, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu*
KITTY SCHIRMER

SUBJECT: TALKING POINTS FOR WINDFALL PROFITS TAX CITIZENS
COMMITTEE BREAKFAST

Talking points for your presentation to the executive council of the National Citizens' Coalition for the Windfall Profits Tax are outlined below. Stu will have presented a legislative up-date and taken some questions before you join the group.

As you know, we had hoped that the Senate Finance Committee would finish with their reconsideration of the final report today. Unfortunately, they did not and will resume deliberations on Thursday at 10. It is still not certain whether any significant changes will be made. The Committee still hopes to file its report on Tuesday night, October 30. This would permit Senate consideration of the bill beginning the week of November 5.

TALKING POINTS

1. I am delighted that you could be here this morning to let me thank each of you in person for the hard work which the National Citizens' Coalition for the Windfall Profits Tax has done toward securing a strong and balanced tax in the Congress. Your Chairman, Governor Brendon Byrne, and your co-chairs -- Bob Georgine, Ruth Hinerfeld, Margaret Bush Wilson, Harding Lawrence, Jean Stapleton, Maynard Jackson, and John McDonnell -- along with every one of you are joining me in an effort which is fundamental to the strength of our nation.
2. We as leaders and managers of this great nation can have no higher objectives than to secure and maintain world peace, to assure the continued strength and vitality of America internationally, and to provide a healthy economy free of the ravages of inflation or of unemployment in which all Americans may prosper. Managing our energy problem is basic to our success in each of these areas and that is why I have stressed the need to come to grips with the energy question from the earliest days of my Administration. The strength of America's voice around the world, the strength of our currency, the health of our economy and our ability to lick inflation depend in large part on whether we are able to overcome our dangerous dependence on imported foreign oil. For example, if we exclude energy costs from the inflation rate for this year, the CPI would be almost 1/3 lower -- or close to the 1978 level. Skyrocketing world oil costs are in large part

responsible for the inflation we now face.

3. The program which I outlined last July 16 in Kansas City is a program designed to cut that cord of dependence on foreign supplies of oil. We have enormous natural and human resources. The United States has the largest coal reserves in the free world. We have the equivalent of another Alaskan north slope if we act to retrofit our homes and buildings. We have a workforce whose skill and dedication is unmatched anywhere else in the world. And we have that enormous technical genius and inventive capacity which has led all other nations in the modern era. Harnessing these forces, and pulling together to cut our foreign oil dependence will require major new investments in America's energy future -- investments which are unparalleled in peacetime.

4. At the heart of this program is the windfall profits tax to recapture for all Americans some of the profits which would otherwise accrue to the oil industry as a result of phased decontrol and the rapid increases in world oil prices dictated by the OPEC cartel. The decontrol program I have proposed will provide important new incentives to find new oil supplies and to better and more fully develop known reserves. The windfall profits tax I have proposed is carefully tailored to make sure that incentives are provided where they are truly needed to increase domestic production. But where a windfall would occur -- for example in an existing well which does not require substantial new investment to maintain current levels of production -- a portion of the price increase that decontrol will bring can and should be captured for investment on behalf of our entire nation.

5. This week's reports of very, very large increases in oil company profits reinforce the urgent need for the Congress to enact promptly the windfall profits tax. These recent figures make it even clearer that there is no justification for diluting the proposed windfall profits tax with exemptions which just provide loopholes and add no significant new oil production. Continuous changes in both price and availability in world oil markets demonstrate the importance of my program to diminish our reliance on imported oil.

6. A substantial windfall profits tax is essential in order to provide adequate funds for development of domestic sources of unconventional energy, for major conservation projects such as expanded public transportation, and to offset economic hardship on those least able to bear the burden. We will assist the least fortunate in our society in coping with the rising costs of energy by providing \$2.4 billion per year to assist low income families and those living on fixed incomes. The need for assistance will begin this winter, and I have already asked the Congress for a total of \$1.6 billion in cash grants and crisis assistance to help pay heating bills when otherwise services would be shut off.

I have also sent a request to Congress for an additional \$1.2 billion to help low income households meet their heating needs this winter. It is now up to the Congress to act on these supplemental requests and on the windfall profits tax which will provide us with a permanent source of revenues to pay for these programs.

7. We need additional incentives for conservation. The Department of Energy and my own staff are now working with Congressional leaders to put in place a program which will provide \$6 billion in assistance in the form of loan subsidies to moderate and low income families across the nation.

8. Over half of the oil used in the U.S. goes for transportation. I have proposed that we invest some \$13 billion over the decade of the 1980's in transit facilities which will help us save more than 250,000 barrels of oil per day by 1990. We will also spend an additional \$3.5 billion to improve the efficiency of our automobiles and the way we use them.

9. We must also accelerate our efforts to find alternatives to the oil we must now import. I have proposed the establishment of a National Solar Energy Bank to be funded at \$200 million each year for the next ten years. In addition, we have proposed tax credits to stimulate investments in renewable resources such as the sun, wind energy, wood stoves, and gasahol.

10. Coal too has a critical role to play in reducing our national dependence on oil. We have proposed to accelerate utility use of coal as a substitute for the oil they now burn and will provide assistance to utilities in meeting those costs in order to mitigate the electric rate increases which would otherwise occur. And I have proposed the creation of an Energy Security Corporation to help the private sector invest in new technologies for making more useable liquids and gasses from coal and other organic matter and to develop our heretofore untapped supplies of unconventional natural gas.

11. I have confidence in America and our ability to make the right choices now for our future. But it will take courage to make those decisions, and the windfall profits tax to pay for them. We need a windfall tax that is balanced between legitimate production needs and the need to develop all the other sources of new supplies I have just mentioned. Your help, your conviction, and your continued support when the windfall tax is on the Senate floor and in conference is essential.

SEN. FIN. COM.

NEW JERSEY RIDESHARING ANNOUNCEMENT 10/25/79

WPT

(CONSERVATION/TRANSPORTATION)

1. IMPORT ABOUT HALF OF ALL THE OIL WE USE....NEXT YEAR AT LEAST \$70 BILLION..
2. ABOUT 4 PERCENT OF PRESENT RATE OF INFLATION IS ENERGY COST INCREASES...
3. THIS SUMMER'S INFLATION RATE WOULD BE ALMOST THE SAME AS 1978 AND 1979
IF ELIMINATED ENERGY FROM C.P.I.
3. SAVING OIL IS THE CHEAPEST, CLEANEST, QUICKEST WAY TO PRODUCE OIL.
4. ABOUT HALF OF OUR TOTAL OIL CONSUMPTION IS IN TRANSPORTATION.
5. \$13 BILLION FROM WINDFALL PROFITS TAX COMMITTED TO MASS TRANSIT.
6. V.P. ANNOUNCED \$2.5 BILLION PROGRAM FOR MASS TRANSIT,

FINANCED BY WINDFALL PROFITS TAX.

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(=OVER=)

New Brunswick

M. H. H. Co
BRADLEY
PATTEN

1. WE ARE COMMITTING \$3.5 BILLION NATIONWIDE FOR IMPROVED
AUTO FUEL EFFICIENCY & MANAGEMENT.
2. WE CAN SAVE 75,000 BARRELS OF OIL A DAY
-- 1 PERCENT OF ALL THE OIL WE IMPORT --
FOR EVERY MILE-PER-GALLON IMPROVEMENT.

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(RIDESHARING)

3. RIDESHARING INCLUDES: CARPOOLS, VANPOOLS, SUBSCRIPTION BUSES, PUB. TRANSIT.
4. RIDESHARING SAVES FUEL, PRESERVES ENVIRONMENT, MAINTAINS PERSONAL MOBILITY.
5. ONE-THIRD OF TOTAL PETROLEUM CONSUMPTION IS BY PRIVATE CARS.
6. OVER 50 MILLION AMERICANS COMMUTE TO AND FROM WORK ALONE...
(150 MILLION UNOCCUPIED SPACES FOR RIDERS)
7. THESE SPACES ARE WAY TO PRODUCE BARREL OF OIL JUST AS DRILLING A WELL IS.

(=NEW CARD=)

1. 21 PERCENT OF ALL COMMUTERS USE SOME FORM OF RIDESHARING GOING TO WORK.
2. INCREASE OF ONLY 1 PERCENT WOULD SAVE 175 MILLION GALLONS OF GAS PER YEAR.
3. THAT'S ENOUGH GASOLINE TO RUN ALL THE CARS IN N.J. FOR 18 DAYS.
4. COST OF RIDING IN VANPOOL FOR 1 WEEK IS ABOUT THE SAME AS
DRIVING ALONE FOR 1 DAY.
5. IMPORTANT INITIATIVES IN RIDESHARING ALREADY IN N.J.
6. GOVERNOR BYRNE HAS STRONGLY ADVOCATED VANPOOLING AND CARPOOLING.
7. LOCAL GOVERNMENTS HAVE TAKEN ACTIONS.
8. EXAMPLE IN PRIVATE SECTOR: PRUDENTIAL INSURANCE COMPANY PROGRAM
(2,300 COMMUTE TO WORK DAILY IN 208 VANS AT HQS IN NEWARK)...
JOHNSON & JOHNSON; ..A.T. & T; ...NABISCO; ...ALLIED CHEMICAL: ETC.

(=OVER)

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(NATIONAL RIDESHARING PROGRAM)

1. MEASURES TO REMOVE ~~THESE~~ BARRIERS TO EXPANDED RIDESHARING AND
ENCOURAGE RAPID EXPANSION OF VANPOOLING & CARPOOLING.....
TO MEET OUR GOAL OF SAVING AS MUCH AS HALF A MILLION BARRELS
OF OIL A DAY THROUGH ALL FORMS OF RIDESHARING
BY 1990.

2. INITIATIVES INCLUDE:
 - EXTENSION OF 10 PERCENT INVESTMENT TAX CREDIT TO VANPOOLS...
TO MULTIPLE RIDER VEHICLES
 - GUARANTEE OF GASOLINE AVAILABILITY IN TIMES OF ENERGY SHORTAGE...
 - EXECUTIVE ORDER UPGRADING RIDESHARING EFFORTS FOR FEDERAL EMPLOYEES....

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(=NEW CARD=)

1. -- SPECIAL HIGHWAY LANES FOR COMMUTER AND TRANSIT VEHICLES, ETC.,
(FROM D.O.T. FUNDS IN PROPOSED AUTO USE MANAGEMENT PROGRAM --
\$250 MILLION A YEAR THROUGH 1990)
AND INTEREST-FREE LOAN PROGRAMS FOR PURCHASE OF VANS.
- 2.--WORK WITH INSURANCE INDUSTRY RE INSURANCE FOR OWNERS AND OPERATORS
OF VANPOOLS & CARPOOLS.....
- 3.--SEEK ENACTMENT OF MODEL STATE RIDESHARING LAW TO REMOVE STATE BARRIERS....
- 4.--NATIONAL TASK FORCE ON RIDESHARING....MAYOR TOM BRADLEY--CHAIRMAN;
WILL WORK WITH NEIL GOLDSCHMIDT.

(=OVER=)

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(CONCLUSION)

1. WINDFALL PROFITS TAX -- EVERYONE MUST JOIN FIGHT
W.H. BREAKFAST--NATL. CITIZENS COALITION...CHAIRMAN BRENDAN BYRNE.
2. IT IS MY PLEASURE NOW TO TURN TO OUR NEW NATIONAL TASK FORCE
ON RIDESHARING CHAIRMAN -- MAYOR TOM BRADLEY.

#

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THE WHITE HOUSE
WASHINGTON

Mr. President:

May I have permission
to begin scheduling this
request?

yes no

Phil

*Let Frank see
me first
J*

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THE WHITE HOUSE

WASHINGTON

Phil

CONGRESSIONAL SCHEDULING PROPOSAL

MEETING: One-on-one meetings with 13 swing Senators on SALT
(in priority order)

- Senator J.J. Exon (D-Nebraska)
- Senator Bob Dole (R-Kansas) *x Bellmon*
- Senator S.I. Hayakawa (R-California) *x DeLoach*
- Senator Howard Cannon (D-Nevada) *+ Magnuson*
- x* Senator Howell Heflin (D-Alabama) *x Starn*
- x* Senator Donald Stewart (D-Alabama) *x Randolph*
- Senator John Warner (R-Virginia) *x Simpson*
- Senator Richard Stone (D-Florida) *x Talmadge*
- x* Senator Lloyd Bentsen (D-Texas)
- x* Senator David Boren (D-Oklahoma)
- Senator Thad Cochran (R-Mississippi)
- x* Senator J. Bennett Johnston (D-Louisiana)
- Senator Daniel P. Moynihan (D-New York)

LENGTH: 20 minutes

DATE: During the month of November

PURPOSE: To discuss SALT

INITIAL REQUESTER: Frank Moore

Approved by Frank Moore *F.M.*

Date of Submission: October 25, 1979

x fm RB