

**8/25/80 [2]**

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 8/25/80 [2]; Container 173

To See Complete Finding Aid:

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

THE WHITE HOUSE  
WASHINGTON

- 8/25/80

The Vice President  
Jack Watson  
Al McDonald  
Jody Powell  
Lloyd Cutler  
Anne Wexler  
Sarah Weddington  
Stu Eizenstat  
Frank Moore  
Gene Eidenberg  
Jim McIntyre  
Alfred Kahn

Re: Cabinet Summaries

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

Rick Hutcheson

EYES ONLY

THE WHITE HOUSE  
WASHINGTON

8/25/80

Rick Hertzberg

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

Rick Hutcheson



THE SECRETARY OF ENERGY  
WASHINGTON, D.C. 20585  
August 22, 1980

cc Stu Jody, Rick  
C,

MEMORANDUM FOR: THE PRESIDENT

FROM: CHARLES W. DUNCAN, JR.  
JOHN C. SAWHILL

SUBJECT: Weekly Activity Report  
Week of August 16 - 22, 1980

Electrostatic Copy Made  
for Preservation Purposes

1. Residential Weatherization: Our Weatherization Assistance Program has improved markedly since January. This July we weatherized a record 27,000 homes. In the first ten months of fiscal year 1980, we have weatherized 207,000 homes compared to a total of 144,000 homes in all of fiscal year 1979. We should meet or exceed our goal of weatherizing 300,000 homes in calendar year 1980. Certain members of Congress, who had made efforts to take the program away from the Department, now seem pleased. The Department of Labor, the Community Services Administration, and your staff have assisted in turning this program around.
2. Schools and Hospitals Grant Program: Cycle II of the schools and hospitals weatherization grant program is about to begin. In early October we will announce the award of \$114 million in grants to approximately 4000 public institutions throughout the country. We have worked closely with your staff in this matter.
3. Legislation:
  - o The House Commerce Subcommittee on Energy and Power reported three bills on nuclear waste to the full committee on Tuesday. One bill would enable us to clean up the West Valley, New York facility in a cost-sharing agreement with the State. The other two bills, H.R. 7418 and H.R. 6390, deal more broadly with the problem of long-term storage of nuclear waste. We believe that, if passed, H.R. 6390 could be considered by a conference committee along with S. 2189, passed by the Senate earlier this summer. Markup of the three bills by the full committee has been scheduled for next Tuesday.
  - o The Senate Energy Committee reported favorably your nomination of John D. Hughes of Texas to the Federal Energy Regulatory Commission.
  - o This morning the Energy and Power Subcommittee of the House Commerce Committee reported out the Energy Management Partnership Act legislation by a vote of 13 to 6. We expect the full Committee to take up this legislation on Monday. The Subcommittee is scheduled to consider coal slurry legislation this afternoon. Meetings of the full Commerce Committee may prevent subcommittee action on this bill next week.
4. Algerian Liquefied Natural Gas: We made substantial progress in meetings with the Algerians on gas prices this week. At their request, we are exploring the possibility of a one year, fixed price agreement while long-term negotiations continue. The temporary agreement would provide an FOB price in the range of \$3.10 to \$3.20 per thousand Btu and would allow rapid resumption of shipments.

Barring any resumption, El Paso Natural Gas is likely to remove its personnel from the terminal and regasification facilities, a move that would make abandonment of the project likely.

5. National Energy Statistics: The most recent statistics show continuing progress. For the four weeks ending August 15, net imports of crude oil and petroleum products averaged 5.2 million barrels per day. The average for the year to August 15 is 6.4 million barrels per day. Average net imports for the past 8 years are as follows:

→ 1980	6.5 mbd expected
1979	7.9 million barrels per day
1978	8.0 million barrels per day
1977	8.6 million barrels per day
1976	7.1 million barrels per day
1975	5.8 million barrels per day
1974	5.9 million barrels per day
1973	6.0 million barrels per day
1972	4.5 million barrels per day

'77	8.6
'80	6.5
	<hr/>
(-)	2.1
	24%

We expect net imports for 1980 to average around 6.5 million barrels per day.

Drilling statistics are also favorable. The number of drilling rigs active in the United States rose again last week to a total of 3050, the greatest number since the last week of 1955.

THE WHITE HOUSE  
WASHINGTON

8/25/80

Secretary Bergland

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

Rick Hutcheson



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

cc Bob

Q  
/

August 22, 1980

**Electrostatic Copy Made  
for Preservation Purposes**

MEMORANDUM TO THE PRESIDENT

THROUGH Rick Hutcheson  
Staff Secretary

SUBJECT: Weekly Report

EXPORTS. With U.S. agricultural exports in fiscal 1980 now expected to hit \$40 billion, the agricultural trade surplus will increase by over 40 percent from last year to over \$22 billion. This price strength in export markets is expected to carry over into fiscal 1981; and with export volume likely to hold firm, the export value may reach \$40 to \$45 billion. With imports of \$17 to \$19 billion, the agricultural trade surplus will almost certainly approach \$25 billion. Fiscal 1981 export volume may be marginally above this year's 162 million tons. Feed grain shipments are expected to about equal this year's 71 million tons and wheat shipments may increase nearly 2 million to over 39 million tons. While small gains are forecast for rice and tobacco, soybean, cotton, and vegetable oil exports may decline.

Public's

USSR. The Soviet Central Statistical Board reports that meat production from USSR state and collective farms were 14.7 percent lower in July compared to a year ago. July production totaled 963,000 tons, bringing this year's 7-month total to 8.391 million tons, 3 percent less than in 1979. Milk production during January-July 1980 declined 4 percent from last year to 39.855 million tons.

The USSR Central Statistics Board reports that Soviet farmers harvested 55.6 million hectares of grains and pulses as of August 18. In addition, 23.3 million hectares, or 56 percent of planned area, have been prepared for fall plantings. The Soviet News Agency Tass said today that there will not be a "harvest disaster" this year in the USSR, but it is still too early to forecast the final crop total. However, Tass said that torrential rain this month caused "very serious harvesting difficulties" in the Ukraine, North Caucasus and the Volga.

BOB BERGLAND

THE WHITE HOUSE  
WASHINGTON

8/25/80

Secretary Goldschmidt

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

Rick Hutcheson



THE SECRETARY OF TRANSPORTATION  
WASHINGTON, D.C. 20590

August 22, 1980

Electrostatic Copy Made  
for Preservation Purposes

MEMORANDUM FOR THE PRESIDENT

THROUGH: Rick Hutcheson, Staff Secretary

FROM : William J. Beckham, Jr.  
Acting Secretary

SUBJECT: Significant Issues for the Week of August 18

*ok*  
Rail Deregulation Bill - At the urging of Stu Eizenstat, Congressman Florio has agreed to make one final effort at finding a compromise on the rail deregulation bill which is acceptable to the Administration and the industry yet can be passed in the House. Your direct assistance likely will be required to pass an acceptable bill.

Transit Legislation - Our transit authorization has moved closer to floor action in the House. The Senate has passed the bill. We are working on the following issues: (1) The House bill is \$3 billion over the Senate and Administration funding level. (2) The House bill would weaken the Department's regulations on access of handicapped persons to transit systems. The Committee leadership may be willing to compromise on this. (3) The Senate bill increases the "Buy America" domestic content rule from 50 percent to 70 percent. This runs counter to our efforts to stimulate foreign investment in U.S.-based facilities for bus and rail car production. (4) The House bill omits the provision we obtained from the Senate to base operating assistance on degree of local transit effort rather than population.

Safety of Smaller Cars - Two reports issued this week by the Department conclude that the trend toward smaller cars will increase deaths and injuries from auto accidents unless safety improvements are made. Crash-test results compiled this year also show that foreign models of small cars are particularly inadequate in providing occupant protection in accidents.

Civil Aviation Negotiations with China - The U.S. and China have agreed to resume civil aviation negotiations in Beijing on August 26th.

THE WHITE HOUSE  
WASHINGTON

8/25/80

Secretary Klutznick

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

Rick Hutcheson

THE SECRETARY OF COMMERCE  
WASHINGTON, D.C. 20230

August 22, 1980

FYI

REPORT TO THE PRESIDENT

1980 Census: Against a background of mounting criticism of what will probably prove to be the best population count in modern U.S. history, I met with Speaker O'Neill and other House leaders to discuss our need for additional funds to complete the census. In the spring we gave up our request for a \$50 million supplemental because the bureau was encouraged by first returns. We now find ourselves faced with a desperate shortage of funds given an unforeseen need to keep district offices open longer than expected to verify information being brought forth by local communities. OMB, the Speaker, and Congressman Neal Smith are cooperating in order to provide for the funds transfers requisite to the completion of the census. The support of Senator Hollings is being similarly sought. Meanwhile, multiple law suits have been filed addressing and promising to put to rest such technical questions as who should be counted for the purposes of apportionment, and how, under what conditions, and for what purposes undercount adjustments can be made. With regard to an undercount adjustment, the Census Bureau has been under the Secretary's directive since early spring to develop and implement a program to address the problem. I might add that before the tying of entitlements to census figures, when the count affected only apportionment, there was far less public concern about the accuracy of the count.

Meetings with Business: My discussion of our new policies and programs to assist U.S. firms in marketing abroad was well received by the Milwaukee section of the Mid-America Committee. In Madison, addressing 1500 bankers attending a University of Wisconsin Graduate School of Banking program for practitioners, my discussion of the achievements of your Administration in the area of banking reform, and of the actions which we have been taking to address the problems of inflation and the economy were all well received. The most seriously raised and discussed question following my prepared remarks concerned the "surprise announcement" of the mid-year budget deficit estimates. After careful explanation of the process and relative statistical significance of the variance in the budget estimates, I believe the audience understood and appreciated what happened.

Knoxville International Energy Exposition (KIEE): Charles E. Fraser, U.S. Commissioner General to the 1982 World's Fair - the KIEE - reported to me that preparations for the Fair are proceeding well. With construction of the U.S. pavilion soon to be underway, it is hoped that an intensive campaign will result in recruiting greater European and private sector participation in the Fair thereby assuring its success.

Electrostatic Copy  
for Preservation Purposes

cc Phil  
C  
—

*From my own  
experience,  
I  
doubt  
the need  
for them  
for now,  
try to  
improve  
coordination*

Federal Regional Commissions: My recent meeting with the Federal Co-Chairmen of the Regional Commissions convinced me that the Administration's present "halfway" posture towards the Commissions neither enables them to provide effective services to the benefit of the states and regions served, or to the benefit of the advancement of other Federal programs. I have determined that a real effort must be made to bring them more closely into the policy and program activities of the department as a first step towards upgrading their activities, looking, in turn, towards a restoration of adequate budget levels. Alternatively, I believe that we might be best served by eliminating their functions. As an inadequately funded stepchild of the Administration, I do not believe they can function effectively.

Patent Legislation: A last minute amendment which will result in moving the Patent and Trademark Agency from the Department of Commerce and establishing it as an independent agency, was tacked onto the Administration's comprehensive patent policy and patent reform legislation which resulted from the Industrial Innovation Study. The amendment passed the full committee of the House by a vote of 15-13. We are now engaged in trying to reverse this position. We believe that we will succeed.

*Philip W. Klutznick*  
Secretary of Commerce

**Electrostatic Copy Made  
for Preservation Purposes**



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

August 22, 1980

C

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

Subject: Weekly Report of Major Departmental Activity

FHA Rate Increases Announced. HUD announced an interest rate increase from 11.5 percent to 12 percent for FHA-insured level payment mortgages for single-family homes, and an 11.5 to 12.5 percent increase for graduated payment mortgage loans. The new ceilings became effective Wednesday, August 20.

GNMA Announces Availability of New Tandem Funds. The Government National Mortgage Association (GNMA) announced the availability of \$250 million in mortgage authority for its FY 1980 Tandem program. The new funds will finance production of approximately 7,600 new and substantially rehabilitated units, mostly for low- and moderate-income families in federally acquired multifamily projects.

First Gasahol Plant with UDAG Assistance. Garland, Utah received its first Action Grant of \$5.9 million which will assist the Self Enterprises, Incorporated, in rehabilitating and equipping an abandoned sugar mill to become a gasahol producing plant. The mill which was the major employer of Garland residents, has been closed for the last 15 months, and as a result of the Action Grant will provide employment for 107 residents. This replaces all the jobs subsequently lost to its closing. The plant will produce 20 million gallons of ethanol each year and will save 690,476 barrels of oil each year.

Domestic Policy Staff, HUD and Oversight Agencies to Meet on 24 CFR Part 55. HUD has submitted its Proposed Final Rule for implementing Executive Orders 11988 and 11990 on floodplain management and wetlands protection respectively to the Water Resources Council, the Council on Environmental Quality and the Federal Emergency Management Agency for review and comment. The revised rule addresses concerns raised by these agencies last November and since. The meeting, which will be held this week, will review the progress made and seek to resolve any remaining problems.

A handwritten signature in cursive script, appearing to read "Moon Landrieu".

for Moon Landrieu

Electrostatic Copy Made  
for Preservation Purposes

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



C  
/

MEMORANDUM FOR THE PRESIDENT

TO: Rick Hutcheson  
Staff Secretary

FROM: Richard J. Rios  
Director

SUBJECT: National Energy Conservation Partnership  
(August 18-22, 1980)

DATE: August 22, 1980

NATIONAL ENERGY CONSERVATION PARTNERSHIP:

On August 21, 1980, the Community Services Administration, the American Gas Association and the National Community Action Agency Executive Directors Association signed an agreement at CSA Headquarters creating a National Energy Conservation Partnership.

The American Gas Association will join with CSA and NCAEDA in organizing local energy saving projects in which CSA's nearly 900 community action agencies would play a pivotal part.

While specifics of projects may vary from community to community, the basic kinds of programs contemplated under the partnership would include such things as training for unemployed youth, consumer education, community energy planning, weatherizing homes, and conducting energy audits.

AGA affiliated utilities--or others who wish to participate--would provide the training building, staff to build training mockups and simulators, classroom and shop training manuals and would train the shop instructors who would be hired locally to instruct trainees at no cost to the government.

The national CAA executive directors group members will be the primary liaison with individual CAAs in communities where such projects would be organized.

AGA will assist in placing the trainees in jobs with the local utilities and related companies after they have completed their basic service with the CAA and CETA-projects.

**Electrostatic Copy Made  
for Preservation Purposes**



THE SECRETARY OF HEALTH AND HUMAN SERVICES  
WASHINGTON, D.C. 20201

August 22, 1980

C

MEMORANDUM FOR THE PRESIDENT

**Electrostatic Copy Made  
for Preservation Purposes**

SUBJECT: Weekly Report of HHS Activities

Department's Report on Health in the United States Shows Significant Decline in Mortality. "Health, United States, 1980," the Department's annual report on recent trends in health care, shows a significant decrease in cardiovascular deaths, lung cancer deaths among men, and infant mortality. Total national expenditures were reported to be \$212.2 billion, which amounts to \$934 per person on a per capita basis. You will receive the final report in early December.

White House Conference on Families. The National Task Force on the White House Conference on Families met last weekend to discuss implementation plans and approve summary statements which will be included in the final conference report. Strong support was given to recommendations to strengthen the family in the following areas: personal policy, tax laws, handicapped assistance, and health care for the elderly. The National Advisory Committee also met to develop the outline of an implementation plan for the conference recommendations.

Cuban Unaccompanied Minors. Of the 850 unaccompanied Cuban minors at Camp McCoy, Ft. Chaffee, and Ft. Indiantown Gap, less than half have been placed in protected areas identified to segregate them from the camps' general population. In an effort to remove these minors from the camps, the Department has signed an agreement with the U.S. Coordinator of Refugee Affairs and the Immigration and Naturalization Service which will provide for their resettlement through state child welfare agencies. I have asked the Office of Refugee Resettlement to develop options rapidly for dealing with the security problems at the camps and anticipate making recommendations to you on this matter in early September.

Progress Reported on the White House Employment Initiative. Region IV reported that a significant proportion of the 13,867 new jobs which had been created as a result of this initiative went to the structurally unemployed. The HHS Regional Office has been providing staff support and will continue to coordinate efforts to target the structurally unemployed.

  
Patricia Roberts Harris

THE WHITE HOUSE

WASHINGTON

August 22, 1980

①  
—

MEMORANDUM FOR THE PRESIDENT

Electrostatic Copy Made  
for Preservation Purposes

FROM: ALFRED E. KAHN

Fred

SUBJECT: Weekly Activities Report

This report covers our activities over the past three weeks.

CPI Testimony

I had the happy experience of testifying before the Joint Economic Committee today on July's 0.0% CPI increase. I used the occasion to express mild dismay over the Senate Finance Committee's tax bill, pointing out that it vindicated your insistence that precipitous action before the election was likely to produce a Christmas tree.

Wage/Price Program

On Friday, August 8, we granted General Electric an adjustment to its price limitation that will allow it to remain subject to that limitation rather than shifting to a profit margin standard, as it would otherwise be entitled to do because of uncontrollable increases in its costs. This action follows through on my commitment to our Price Advisory Committee carefully to consider making such adjustments. (The profit margin limitation, you will recall, is much less desirable from our standpoint, because it allows full pass-through of costs.)

During the past two weeks we announced that Brown-Forman, a large Louisville distiller (Jack Daniels, Southern Comfort, Early Times, etc.) and a seventh cement company, Louisville Cement, are out of compliance with our price standard. During the same period, the Phelps Dodge

Mercantile Company, a New York based retailing unit of Phelps Dodge, had agreed to take nearly a million dollars worth of corrective action to offset first year excesses; and we expect to announce next week that Frontier Airlines has similarly agreed to take a half million dollars worth of corrective action.

Finally, on Thursday we issued an initial decision finding the agricultural/chemical unit of the W. R. Grace Corporation out of compliance with our price standard. This case is complicated by the fact that Grace is scheduled to become a participant in a large synfuels project under contract with DOE. I am intervening directly in an effort to get Grace to take corrective action, in hope of avoiding a confrontation between the anti-inflation and energy programs.

A couple of months ago, Charles Duncan, John Sawhill and I met with executives of Chevron Oil to hear their contentions that our special standard for petroleum refiners was discouraging them from undertaking a \$1 billion upgrading of a Mississippi refinery designed to permit them to process lower-grade crude oils and produce a higher-grade product mix. Their argument was valid. We therefore proposed an adjustment to the standard to permit refiners to retain the benefits of such changes in their input or output mixes, and Chevron has now written me to say this revision solves their problems and has permitted them to proceed with the investment.

#### Rail Bill

Ron Lewis of my staff has been working with DPS, DOT and the ICC to help put together a compromise rail bill acceptable to the several parties.

THE SECRETARY OF EDUCATION  
WASHINGTON, D.C. 20202

9  
1

AUG 22 1980

Electrostatic Copy Made  
for Preservation Purposes

MEMORANDUM TO THE PRESIDENT

SUBJECT: Weekly Report of ED Major Activities

Legislation

Higher Education

On August 19, the House-Senate conferees completed action on H.R. 5192, the reauthorization of the Higher Education Act. The conferees agreed to provisions relating to the structure of the National Direct Student Loan program which the Department fully supports. The House is expected to pass the conference report late next week. The Senate schedule is unclear.

Youth Act

The House had scheduled the Administration's proposed Youth Act (H.R. 6711) for consideration this week but did not act on it. Consideration, action and passage of the bill is expected next Tuesday, August 26. Senate mark-up may take place in early September.

Appropriations

On August 21, the House Appropriations Committee (Whitten) approved the Labor/HHS/Education Appropriations Bill. The bill includes \$14.1 billion for ED programs, an increase of \$622 million more than your budget request and \$68 million more than the FY 1980 appropriation. House action is scheduled for August 27.

Speeches

My speech at the AFT Convention went quite well, as did my conversations with Mr. Shanker. While he is critical of

Page 2

the Department's current proposals in bilingual education, he expressed his basic desire to cooperate with our overall efforts.

I am scheduled to address the Richmond Public Schools Convocation in Richmond, Virginia on Monday, August 25.



Shirley M. Hufstedler

THE WHITE HOUSE  
WASHINGTON

8/25/80

Frank Moore

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

Rick Hutcheson

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

cc Frank  
J

August 19, 1980

MEMORANDUM FOR SUSAN CLOUGH

FROM FRANK MOORE

*F.M.m*

Who told you  
this  
?

The President, while he was in New York, agreed to sign a number of LeRoy Neiman Serigraphs to be used for fund-raising purposes.

The agreement with the DNC is that they will receive 90 of the prints for their own use and the Senatorial Campaign Committee will retain the remainder. The Campaign Committee has taken the President's suggestion that the contribution be dropped to \$2000 per picture.

Several Senators have already received commitments to purchase the serigraphs and if we could have 35-50 signed this week they would be able to deliver these. The remainder can be signed whenever the President finds it convenient.

300 in a large  
heavy wooden  
crate in office.  
behind mine.  
when I drive many  
do I drive up.  
-SB

Electrostatic Copy Made  
for Preservation Purposes

8:30 AM

**Rafshoon  
Communications**

1612 K Street, N.W.  
Suite 508  
Washington, D.C. 20006  
202/293-5454

**FILMING AT SENIOR CITIZENS CENTER**

Monday, August 25, 1980  
8:30 a.m. - 11:30 a.m.  
Woodland Hill Center  
Arlington, VA

From: Jerry Rafshoon



PURPOSE

To film for campaign purposes your conversation and discussion with approximately ten residents of Woodland Hill, a retirement community in Arlington, Virginia. Again, we will be looking for material that shows that you understand and care about the problems of the elderly.

BACKGROUND

Mary Beth Wheeler is the President of the Woodland Hill Residents' Association and has been instrumental in setting up this session.

Attached is a more detailed list of the participants.

TALKING POINTS

In addition to the items outlined by the participants (Social Security, Health Care, Abortion, Womens rights) I would like to see you ask more questions of the participants, such as: What kind of job do you think I'm doing? This, I believe, can lead to a more spirited conversation and dialogue.

David Rubenstein is preparing some background material on the elderly.

**Electrostatic Copy Made  
for Preservation Purposes**

# Interface

Interface Video Systems Inc.  
Suite LL 200, 1333 New Hampshire Ave., N.W., Washington, D.C. 20036  
(Tel.) 202-861-0500

OLDER AMERICANS VIDEO TAPING SESSION 8/25/80

PARTICIPANTS (actual & potential -- group will be 7-10 people)

The bulk of the participants are residents of Woodland Hill, a retirement community in Arlington, Va.

Mary Beth Wheeler age 72  
President of Woodland Hill Residents' Association. Mary Beth was instrumental in setting up the session. She is originally from Missouri, has three grown children and 13 grandchildren. Mary Beth was in the merchandising field and has very strong feelings about "women's rights" -- equal pay for equal work. She is also very concerned about the President's stand on abortion. She is Catholic and very strongly anti-abortion. (divorced)

Dotha Duncan  
Resident of Woodland Hill. Dotha is originally from the Roanoke, Va. area, the mother of 4 children. She is living at Woodland Hill with her daughter who has cancer. She is especially proud of her 2 granddaughters who, though blind since birth, both have masters degrees. She worked as a waitress for 15 years. (divorced)

Lenore Portlack (Lea)  
Resident of Woodland Hill. Lenore is originally from Massachusetts, the widow of an Army officer.

Ruth Havenner  
Resident of Woodland Hill, widow of a federal employee. Ruth is and has been very involved in church activities.

Sam Buckles  
Resident of Woodland Hill. Sam is originally from Tennessee but has lived in the 9th district of Va. for quite some time. He is a staunch Democrat. His employment experiences include a stewardship with Seaboard Railroad, sales and security. He lives at Woodland Hill with his wife, Marie.

Marie Buckles  
Wife of Sam Buckles and resident of Woodland Hill. Marie worked as a cosmetics demonstrator at Woodward & Lothrop for 25 years.

Russell Sims  
Resident of Woodland Hill. Russel is a staunch Democrat but says he may vote for Anderson. He was born in Ohio, raised in West Va. He worked in building and security. He is very feisty.

Charles Kibbler Parker (Kibbler)  
small businessman from Waterview, Va. He is the father-in-law of one of our cameramen. A Democrat-very out spoken.

# Interface

Interface Video Systems Inc.  
Suite LL 200, 1333 New Hampshire Ave., N.W., Washington, D.C. 20036  
(Tel.) 202-861-0500

## PARTICIPANTS (continued)

ANNE BLEICH

Retired teacher who lives in Florida. Widow. Mother of Eli Bleich,  
producer of Convention half hour film etc. Age 73

Margaret Jordan

Resident of Woodland Hill. She also works there. black.

## Possible additional participants

Daisy Bristow  
Eva Bartling  
Rhoda Gover

Virginia Day

Resident of Woodland Hill. Retired Civil Service worker who came  
to D.C. in 1942. She is a registered Democrat but is undecided.

A large, stylized graphic element consisting of a thick, black, wavy line that curves from the left side of the page towards the center, ending in a small, white, teardrop-like shape. The word "Interface" is written in a thin, black, sans-serif font, positioned above the right side of this graphic.

# Interface

Interface Video Systems Inc.  
Suite LL 200, 1333 New Hampshire Ave., N.W., Washington, D.C. 20036  
(Tel.) 202-861-0500

## CHIEF CONCERNS OF PARTICIPANTS FOR OLDER AMERICANS TAPING SESSION

Social Security -All are greatful to the President for his position  
on Social Security

Health Care

Abortion

Womens Rights

All mentioned that they feel the President is morally strong, a  
good man and that he should have an opportunity to go for 4  
more years

One participant mentioned that she feels indecision and changeability  
is the President's stand on certain issues is a problem.

THE WHITE HOUSE

WASHINGTON

August 23, 1980

Electrostatic Copy Made  
for Preservation Purposes

MEMORANDUM FOR JERRY RAFSHOON

FROM: DAVID RUBENSTEIN *DR*

SUBJECT: Elderly Meeting

In his meeting on Monday with a number of elderly citizens, the President should (1) emphasize his achievements for the elderly; (2) talk about what he will be doing for them in the next term; (3) contrast his positions on the elderly issues with Reagan and the Republicans. In discussing the forthcoming economic package, the President should talk as if it has already been announced, for the ads will not air until after the announcement.

Briefly, the President's main elderly accomplishments are:

- o saving the Social Security System from fiscal collapse (no interruption in benefit payments to the 35 million Social Security recipients);
- o supporting and signing legislation to eliminate mandatory retirement in the federal government and raising the private sector level to 70;
- o supporting and signing the Landmark Comprehensive Older Americans Act of 1978;
- o increasing funding for Medicare, Medicaid, SSI, elderly housing, rehabilitative services, Meals on Wheels;
- o appointing a senior level advisor as Presidential Counselor on Aging;
- o reorganizing Federal administration of the Employee Retirement Income Security Act to serve elderly more efficiently;
- o sponsoring 1980 White House Conference on Aging;
- o developing and enacting \$2.4 billion low-income energy assistance program; and
- o sponsoring Food Stamp reforms to make stamps more accessible to elderly (eliminating cash purchase requirement).

*Hal  
Shepherd*

With respect to future actions, the President can mention his commitment to:

- o obtaining comprehensive national health insurance (under his plan, 24 million Medicare recipients will, after the first day of hospitalization, be entitled to an unlimited number of fully subsidized hospital days);
- o obtaining hospital cost containment legislation;
- o working to strengthen - and eliminate discriminating aspects of - Social Security System (and to oppose taxation of Social Security benefits or caps on Social Security benefits or raising the age for obtaining Social Security benefits);
- o enforcing the Age Discrimination in Employment Act;
- o expanding assistance for senior centers, nutrition services, Meals on wheels, elderly housing;
- o working with local law enforcement officials to reduce crime against the elderly;
- o strengthen private pension systems (President's Pension Commission will be reporting in 1981)
- o enacting comprehensive Welfare Reform;
- o creating hundreds of thousands of jobs; weatherizing homes; (new economic package).

Reagan-Republican Positions:

- o Suggestion that Social Security be made voluntary (by Reagan several years ago);
- o Restoration of Social Security to "its original purposes" (presumably eliminating some benefits) (Republican Platform);
- o Opposition to National Health Insurance (Reagan, Republican Platform);
- o Opposition to Hospital Cost Containment (Reagan, Republican leadership in Congress);

- o Opposition to Medicare (in 1960's (Reagan, Congressional Republicans));
- o Returning welfare responsibility to states (Reagan, Republican Platform);
- o Statement that we do not need Department of Health and Welfare (Reagan);
- o Opposition to ERA (Reagan, Republican Platform).

THE WHITE HOUSE  
WASHINGTON

This was attached to  
material relating to  
Howard Bucknell/  
Energy Security Act.

Has not been initialed.  
Does not relate to above  
subject.



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

C

**Electrostatic Copy Made  
for Preservation Purposes**

MEMORANDUM FOR:

The President

FROM:

*Patricia Roberts Harris*  
*James T. McIntyre, Jr.*  
*Stuart E. Eizenstat*  
*Alfred E. Kahn*  
*Charles L. Schultze*  
*Fred*  
*CLS*

Patricia Roberts Harris  
James T. McIntyre, Jr.  
Stuart E. Eizenstat  
Alfred E. Kahn  
Charles L. Schultze

SUBJECT:

Hospital Cost Control Activities

Excessive hospital cost increases continue to pose a serious budget problem and make a significant contribution to economy-wide inflation. In light of the failure of the Congress to enact hospital cost containment legislation this year and in light of a 14.7% annual rate of increase in hospital costs in the first quarter of 1980, we have developed a more intensive program of monitoring and jawboning to reduce the rate of hospital cost inflation in the short term. In addition, we have stepped up our efforts to develop new long-range strategies.

Guideline

The new monitoring/jawboning effort will begin with the issuance of a 1980 voluntary guideline for hospital expenditure increases. HHS and CWPS have both been involved in its development. The guideline will provide for a 13.4% increase in 1980, the same rate as the actual expenditure increase in 1979, but a real reduction of about 1.7% once adjustment is made for higher inflation of the hospital market basket. This guideline was developed by using the method for developing a voluntary target in the Administration's hospital cost containment legislation and is consistent with the hospital industry's own 1980 target. HHS and CWPS will jointly announce the guideline in the near future (a copy of the press release is attached).

Monitoring

In support of the guideline, HHS, with technical support from CWPS, will begin a more intensive monitoring effort than has been conducted in the past. Currently, timely estimates of the rate of hospital inflation are provided only on a national basis to HHS through an American Hospital Association (AHA) sample survey of hospitals. The AHA is now developing a proposal to HHS to expand this sample so that regional and

*Exogenous*

State-level estimates of hospital inflation can be made. In addition, a program of individual hospital monitoring will be begun for the first time. Data for individual hospitals will be drawn from current Medicare cost reports filed by virtually all of the Nation's hospitals at the close of their accounting years, as well as from an AHA annual survey of all hospitals. Thus, annual information will be available each quarter from large groups of hospitals and, once a year, from all hospitals.

### Jawboning

Fred Kahn's office and HHS will jointly launch an intensified effort to persuade hospitals to hold down cost increases in conjunction with issuance of the 1980 guideline. They anticipate working cooperatively with industry's Voluntary Effort (VE). As you know, the VE was launched to head off the threat of enactment of our cost control bill and may have had some success in reducing the rate of hospital cost increases.

The jawboning program will include use of the regional and State-level monitoring data to focus attention on areas experiencing unacceptably high rates of inflation and to encourage State and local public and private groups to exert leverage on their hospitals to restrain cost increases. Individual hospital data will be used to focus on exceptional hospitals at first, with emphasis on highlighting the performance of hospitals that do a particularly good job of restraining cost increases. Since a monitoring program will be put in place, in subsequent years CWPS could move aggressively to cite hospitals publicly for noncompliance with the guideline, if the present effort does not prove successful.

### Long-range

As we indicated in the budget review, we are moving expeditiously to develop new strategies for restraining hospital cost inflation. HHS has established a Work Group to develop, in cooperation with EXOP, proposals for inclusion in the National Health Plan, the 1982 budget, and next year's legislative program, with emphasis on reforming reimbursement policies under both public programs and private plans. We will report to you periodically on our progress and will bring any important issues that we cannot resolve to you for decision.

Attachment

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

1

August 25, 1980

Electrostatic Copy Made  
for Preservation Purposes

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze <sup>C.S.</sup>

Subject: Depreciation allowances in Germany and Japan  
vs. the United States: A quick check

1. Depreciation. A recent Treasury study concludes that normal depreciation schedules in Germany and Japan are "roughly comparable" to those in the United States. Canada and the United Kingdom have more favorable depreciation treatment. In both Germany and Japan, extra depreciation allowances are available for certain special purposes.

2. Other elements of corporate taxation differ widely among the countries. In 1975, the OECD estimated that, taking into account all the various factors, the effective rates of tax on corporations' income were:

United States.....	37 percent
Germany.....	39 percent
Japan.....	29 percent

3. The experts believe that capital gains taxation is probably more liberal in the United States than in Germany or Japan, but no systematic analysis is available.

THE WHITE HOUSE  
WASHINGTON

8/25/80

Stu Eizenstat

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

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

August 22, 1980

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*  
LYNN DAFT *Lynn*

SUBJECT: Report to the Congress on Monitoring Foreign Ownership of U.S. Real Estate

As you know, there has been increasing concern in recent years over foreign ownership of U.S. real estate. Yet, until very recently, there has been little information available regarding the extent and impact of foreign ownership. As a result, the International Investment Survey Act of 1976 mandated that the Executive Branch "conduct a study of the feasibility of establishing a system to monitor foreign direct investment in agricultural, rural, and urban real property, including the feasibility of establishing a nationwide multipurpose land data system."

The completed study, including a letter of transmittal to the Congress which has been cleared by the Speechwriters, is attached. The study was conducted by staff of the Department of Agriculture, under the supervision of an interagency committee chaired by the Office of Federal Statistical Policy and Standards.

The study concludes that the necessary information about foreign ownership of U.S. real estate can be acquired without developing new reporting systems. Most of this information is already being collected through ongoing systems.

Subsequent to requesting this study, the Congress enacted the Agricultural Foreign Investment Disclosure Act (AFIDA) requiring foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. Although data reported under AFIDA cannot be considered conclusive at this time, since reports are still being received by the Department and compliance with the Act is not fully known, it appears that foreign ownership of farmland is relatively small (5.2 million acres or less than one percent of all agricultural land as of October 31, 1979). The Department will continue to monitor and report such holdings while initiating several changes in current rules and regulations to improve reliability of the data, reduce reporting burdens and increase efficiency in administration of the Act.

In addition to information derived from AFIDA, data on foreign holdings of U.S. real estate are required under existing statutes of the Departments of Commerce and Treasury and the Securities and Exchange Commission.

The study recommends that four actions be taken:

1. Formation of a working group under the Office of Federal Statistical Policy and Standards to review existing data collection activities and, on completion of the review, to develop recommendations concerning the need for additional data, modification of current data collection authorities, and any new authority that may be required.
2. Actions to facilitate the international exchange of statistical data concerning foreign investment in urban and agricultural real estate.
3. Initiation of an interdepartmental study of secrecy and disclosure issues related to the identification of foreign owners of U.S. real estate.
4. Creation of small staff groups within the Department of Agriculture and the Department of Housing and Urban Development to appraise the national need for data on urban and rural land ownership, value, use, and environmental impacts, and to evaluate systems for the collection of such data at the local, State, and Federal levels.

USDA, OMB, and DPS recommend that these actions be taken under Jim McIntyre's supervision.

DECISION

\_\_\_\_\_ Approve (USDA, OMB, DPS)

\_\_\_\_\_ Disapprove

*Recommendations  
 seem excessive &  
 create perpetual  
 bureaucracy -  
 Necessary?  
 J*

3. Initiation of an interdepartmental study of secrecy/disclosure issues as they pertain to identification of nominal and beneficial foreign owners of U.S. real estate.

4. Creation of small staff groups within the Department of Agriculture and the Department of Housing and Urban Development to appraise the national need for data on urban and rural land ownership, value, use, and environmental impacts, and to evaluate systems for the collection of such data at the local, State, and Federal levels.

Adoption of these recommendations will further improve the data base and policy analysis concerning foreign investment in U.S. real estate. I am therefore asking the Director of the Office of Management and Budget to direct the appropriate agency heads to carry out these recommendations.

X

THE WHITE HOUSE,

TO THE CONGRESS OF THE UNITED STATES:

Today, I am transmitting to the Congress a report required under Section 4(d) of P.L. 94-472, as amended, the International Investment Survey Act of 1976. The report, entitled "Monitoring Foreign Ownership of U.S. Real Estate - A Report to Congress", was prepared by the Secretary of Agriculture and reviewed by an interdepartmental committee under the chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce. The report addresses the feasibility of several different methods of obtaining foreign ownership data.

On the basis of this study, I believe that necessary information about foreign ownership of U.S. real estate can be acquired without developing new reporting systems. The compulsory Federal registration system already in operation, supplemented by data required by Federal agencies for other purposes, will satisfy existing information needs. The report contains four specific recommendations developed by the interdepartmental oversight committee:

1. Formation of a working group under the Office of Federal Statistical Policy and Standards to review existing data collection activities and, on completion of the review, to develop recommendations concerning the need for additional data, modification of current data collection authorities, and any new authority that may be required.
2. Establishment by the Office of Federal Statistical Policy and Standards, in consultation with the Department of State and other appropriate agencies, of means to facilitate the international exchange of statistical data concerning foreign investment in urban and agricultural real estate.

3. Initiation of an interdepartmental study of secrecy/disclosure issues as they pertain to identification of nominal and beneficial foreign owners of U.S. real estate.

4. Creation of small staff groups within the Department of Agriculture and the Department of Housing and Urban Development to appraise the national need for data on urban and rural land ownership, value, use, and environmental impacts, and to evaluate systems for the collection of such data at the local, State, and Federal levels.

Adoption of these recommendations will further improve the data base and policy analysis concerning foreign investment in U.S. real estate. I am therefore asking the Director of the Office of Management and Budget to direct the appropriate agency heads to carry out these recommendations.

X  
  
THE WHITE HOUSE,

TO THE CONGRESS OF THE UNITED STATES:

Today, I am transmitting to the Congress a report required under Section 4(d) of P.L. 94-472, as amended, the International Investment Survey Act of 1976. The report, entitled "Monitoring Foreign Ownership of U.S. Real Estate - A Report to Congress", was prepared by the Secretary of Agriculture and reviewed by an interdepartmental committee under the chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce. The report addresses the feasibility of several different methods of obtaining foreign ownership data.

On the basis of this study, I believe that necessary information about foreign ownership of U.S. real estate can be acquired without developing new reporting systems. The compulsory Federal registration system already in operation, supplemented by data required by Federal agencies for other purposes, will satisfy existing information needs. The report contains four specific recommendations developed by the interdepartmental oversight committee:

1. Formation of a working group under the Office of Federal Statistical Policy and Standards to review existing data collection activities and, on completion of the review, to develop recommendations concerning the need for additional data, modification of current data collection authorities, and any new authority that may be required.
2. Establishment by the Office of Federal Statistical Policy and Standards, in consultation with the Department of State and other appropriate agencies, of means to facilitate the international exchange of statistical data concerning foreign investment in urban and agricultural real estate.

THE WHITE HOUSE  
WASHINGTON

back-up  
to Lynn Deft

To Corrosp  
8/23 9:359

TO THE CONGRESS OF THE UNITED STATES:

Today, I am transmitting to the Congress a report required under Section 4(d) of P.L. 94-472, as amended, the International Investment Survey Act of 1976. The report, entitled "Monitoring Foreign Ownership of U.S. Real Estate - A Report to Congress", was prepared by the Secretary of Agriculture and reviewed by an interdepartmental committee under the chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce. The report addresses the feasibility of several different methods of obtaining foreign ownership data.

On the basis of this study, I believe that necessary information about foreign ownership of U.S. real estate can be acquired without developing new reporting systems. The compulsory Federal registration system already in operation, supplemented by data required by Federal agencies for other purposes, will satisfy existing information needs. The report contains four specific recommendations developed by the interdepartmental oversight committee:

1. Formation of a working group under the Office of Federal Statistical Policy and Standards to review existing data collection activities and, on completion of the review, to develop recommendations concerning the need for additional data, modification of current data collection authorities, and any new authority that may be required.

2. Establishment by the Office of Federal Statistical Policy and Standards, in consultation with the Department of State and other appropriate agencies, of means to facilitate the international exchange of statistical data concerning foreign investment in urban and agricultural real estate.
  
3. Initiation of an interdepartmental study of secrecy/disclosure issues as they pertain to identification of nominal and beneficial foreign owners of U.S. real estate.
  
4. Creation of small staff groups within the Department of Agriculture and the Department of Housing and Urban Development to appraise the national need for data on urban and rural land ownership, value, use, and environmental impacts, and to evaluate systems for the collection of such data at the local, State, and Federal levels.

Adoption of these recommendations will further improve the data base and policy analysis concerning foreign investment in U.S. real estate. I am therefore asking the Director of the Office of Management and Budget to direct the appropriate agency heads to carry out these recommendations.

Beth - 3160  
If you have any?

Dan Marks  
lm 5

WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET

ID # 072590

O - OUTGOING  
 H - INTERNAL  
 I - INCOMING  
Date Correspondence Received (YY/MM/DD) 80105 130

Name of Correspondent: Bob Bergland

MI Mail Report User Codes: (A) \_\_\_\_\_ (B) \_\_\_\_\_ (C) \_\_\_\_\_

Subject: Transmits Report Concerning "Monitoring Foreign Ownership of U.S. Real Estate" mandated by Section 4(d) of the Intl. Investment Survey Act of 1976

ROUTE TO:	ACTION	DISPOSITION				
Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD	WS
<u>EC Tome</u>	ORIGINATOR	<u>800610<sup>PR</sup></u>			<u>C 80106102</u>	
<u>DP Sund</u>	<u>A</u>	<u>80106102<sup>WS</sup></u>			<u>C 80107124</u>	
<u>OMB Frantz</u>	<u>A</u>	<u>80106102</u>			<u>C 80107124</u>	
<u>DP Dwyer</u>	<u>A</u>	<u>for clearance return to Sundy</u>			<u>C 80108102</u>	
<u>DP Eize</u>	<u>S</u>	<u>for clearance return to Sundy</u>			<u>C 80108102</u>	
	Referral Note:					

ACTION CODES:

- A - Appropriate Action
- C - Comments
- D - Draft Response
- F - Fact Sheet
- I - Info Copy
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: For preparation of transmittal message to the Congress. OMB contact on this subject is Melly Grantz. 8025 N80B

Keep this worksheet attached to the original incoming letter.  
Send all routing updates to Central Reference (Room 75, OEOB).  
Always return completed correspondence record to Central Files.  
Refer questions about the correspondence tracking system to Stephen Slade, ext. 2941.

# RECORDS MANAGEMENT ONLY

## CLASSIFICATION SECTION

No. of Additional Correspondents: \_\_\_\_\_ Media: 0 Individual Codes: 1120

Prime Subject Code: FO 004 . 03 Secondary Subject Codes: FG 019  
RS  
RA

## PRESIDENTIAL REPLY

<u>Code</u>	<u>Date</u>	<u>Comment</u>	<u>Form</u>
<u>C</u>	_____	<u>Time:</u> _____	<u>P-</u>
<u>DSP</u>	_____	<u>Time:</u> _____	<u>Media:</u> _____

### SIGNATURE CODES:

**CPn** - Presidential Correspondence  
n - 1 - James Earl Carter  
n - 2 - Jimmy Carter  
n - 3 - Jimmy  
n - 4 - JC  
n - 5 - J

**CLn** - First Lady's Correspondence  
n - 1 - Rosalynn Carter  
n - 2 - Rosalynn  
n - 3 - R

**CBn** - Presidential & First Lady's Correspondence  
n - 1 - Jimmy Carter - Rosalynn Carter  
n - 2 - Jimmy - Rosalynn

### MEDIA CODES:

**B** - Box/package  
**C** - Copy  
**D** - Official document  
**G** - Message  
**H** - Handcarried  
**L** - Letter  
**M** - Mailgram  
**O** - Memo  
**P** - Photo  
**R** - Report  
**S** - Sealed  
**T** - Telegram  
**V** - Telephone  
**X** - Miscellaneous  
**Y** - Study



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

JUL 23 1980

MEMORANDUM FOR: THE PRESIDENT  
FROM: James T. McIntyre, Jr. *Jim McIntyre*  
Director  
SUBJECT: Transmittal of the Report "Monitoring  
Foreign Ownership of U.S. Real Estate"

Secretary Bergland has prepared the attached study of foreign ownership of U.S. real estate for your transmittal to Congress as required by P.L. 95-381.

The study examines the feasibility of four methods of obtaining foreign ownership data:

1. A centralized compulsory Federal registration system that is exclusively devoted to reports filed by foreign owners of U.S. real estate.
2. A compilation of data on foreign holdings of U.S. real estate from Federal offices such as the Bureau of Economic Analysis, the Securities and Exchange Commission, and the Internal Revenue Service. These agencies already require reports on foreign investment, income, or other related matters.
3. A multipurpose, all-encompassing land information system using information collected at the local level. This system would serve a wide range of local, State, and national information needs.
4. Nationwide, periodic surveys of all domestic and foreign land ownership.

Foreign ownership information is presently being collected through compulsory registration and reports (Methods 1 and 2).

Although all methods are deemed technically and legally feasible, Secretary Bergland does not recommend the adoption of new or additional reporting systems. The Secretary believes, and we agree, that the very small percentage of foreign ownership of U.S. real estate (less than one percent) does not justify the establishment of a costly general land ownership reporting system.

Secretary Bergland does recommend, however, adopting the four specific recommendations developed by the Report's interdepartmental oversight committee. These recommendations are aimed at improving the data base and policy analysis concerning foreign investment in U.S. real estate. They are:

1. Review existing data collection activities and develop recommendations as appropriate to develop and maintain necessary data bases for foreign investment on real estate.
2. Facilitate the international exchange of statistical data on foreign investment in urban and agricultural real estate.
3. Initiate an interdepartmental study of secrecy/disclosure issues pertaining to identification of nominal and beneficial foreign owners of U.S. real estate.
4. Establish small staff groups in USDA and in HUD to determine the national needs for data concerning urban and rural land ownership, value, use, and environmental conditions and to evaluate systems for the collection of such data at the local, State and Federal levels of Government.

He suggests implementation of the recommendation by Executive Order. Implementation could be achieved within existing budget and personnel ceilings.

Recommendation:

We concur in Secretary Bergland's recommendation to improve present data collection and analysis efforts, but do not believe that an Executive Order is needed. We believe that implementation of the Report's recommendations can easily be handled through the administrative procedures (including resource allocations) of the Departments involved. Accordingly, Secretaries Bergland and Landrieu would have discretion regarding the establishment of discrete staffs to assess national land ownership and use data needs (Recommendation 4).

We recommend your transmittal of the report to the Congress and have prepared transmittal letters endorsing the recommendations of the Secretary. In addition, if you concur, I will send the attached directive to the affected Department Heads in lieu of the Executive Order.

Attachments



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MEMORANDUM FOR: THE SECRETARY OF AGRICULTURE  
THE SECRETARY OF COMMERCE  
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
THE SECRETARY OF THE INTERIOR  
THE SECRETARY OF STATE  
THE SECRETARY OF TRANSPORTATION  
THE SECRETARY OF THE TREASURY

From: James T. McIntyre, Jr.  
Director

Subject: Implementation of the Recommendations Contained in the  
Report "Monitoring Foreign Ownership of U.S. Real Estate -  
A Report to Congress"

The President was directed by Public Law 95-381 to study the feasibility of establishing a system to monitor foreign direct investment in agricultural, rural, and urban real property, including the establishment of a nationwide multipurpose land data system. A study and report were prepared by the Secretary of Agriculture. Oversight and review responsibilities were assigned to an interdepartmental committee under the chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce.

In transmitting the study to the Congress, President Carter endorsed the four study recommendations contained in the report (attachment).

The purpose of these four recommendations is to improve the data base and policy analysis concerning foreign investment in U.S. real estate. These recommendations are to:

1. Review existing data collection activities and develop recommendations as appropriate to develop and maintain necessary data bases for foreign investment on real estate.
2. Facilitate the international exchange of statistical data on foreign investment in urban and agricultural real estate.
3. Initiate an interdepartmental study of secrecy/disclosure issues pertaining to identification of nominal and beneficial foreign owners of U.S. real estate.
4. Establish small staff groups in USDA and in HUD to determine the national needs for data concerning urban and rural land ownership, value, use, and environmental conditions and to evaluate systems for the collection of such data at the local, State, and Federal levels of Government.

This memorandum instructs you to implement those recommendations which involve your Department, within existing resources. No specific organization or staffing changes need be made unless you determine that they are necessary to meet the objectives of the recommendations.

The study examined the feasibility of four methods of obtaining foreign ownership data:

1. A centralized compulsory Federal registration system that is exclusively devoted to reports filed by foreign owners of U.S. real estate.
2. A compilation of data on foreign holdings of U.S. real estate from Federal offices such as the Bureau of Economic Analysis, the Securities and Exchange Commission, and the Internal Revenue Service. These agencies already require reports on foreign investment, income, or other related matters.
3. A multipurpose, all-encompassing land information system using information collected at the local level. This system would serve a wide range of local, State, and national information needs.
4. Nationwide, periodic surveys of all domestic and foreign land ownership.

Foreign ownership information is presently being collected through compulsory registration and reports (Methods 1 and 2).

The President is not proposing the development of new or additional reporting systems (Methods 3 and 4).



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

May 27 1980

072590

SUBJECT: "Monitoring Foreign Ownership of U.S. Real Estate", Mandated by Section 4(d) of the International Investment Survey Act of 1976

TO: The President

THROUGH: James T. McIntyre, Jr.  
Director, Office of Management  
and Budget

Pursuant to P.L. 95-381, requiring a report to the Congress under Section 4(d) of the International Investment Survey Act of 1976 (22 USC 3101), we are submitting copies of the report for your transmittal to the Congress.

Section 4(d) of the IISA provides for "\* \* \* a study of the feasibility of establishing a system to monitor foreign direct investment in agricultural, rural, and urban real property, including the feasibility of establishing a nationwide multipurpose land data system \* \* \*." Leadership of the study was assigned to the Department with oversight and review provided by an interdepartmental committee under chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce.

The report contains four specific recommendations developed by the interdepartmental oversight committee. Those recommendations have the purpose of improving the data base and policy analysis concerning foreign investment in U.S. real estate. We suggest implementation of the recommendations by Executive Order. Implementation could be achieved within existing budget and personnel ceilings.

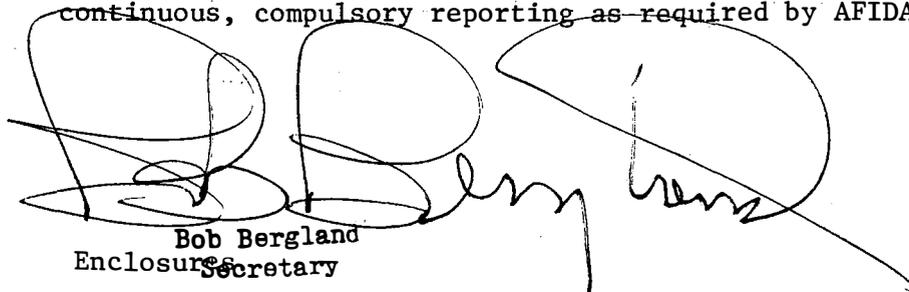
The study examines the feasibility of four methods of obtaining foreign ownership data: centralized compulsory registration, periodic statistical surveys, collation of data from existing reporting systems, comprehensive multipurpose land information system. Although all methods are deemed technically and legally feasible we are not at this time recommending development of new or additional reporting systems. Cost considerations (additional \$1.2 billion initially) preclude a multipurpose land information

system solely to obtain foreign ownership data. Also, costs associated with periodic statistical surveys directed solely at foreign ownership of real estate appear to be prohibitive under prospective budgetary circumstances.

Subsequent to enactment of P.L. 95-381 the Congress enacted the Agricultural Foreign Investment Disclosure Act (AFIDA) requiring foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. Although data reported under AFIDA cannot be considered conclusive at this time, since reports are still being received by the Department and compliance with the Act is not fully known, it appears that foreign ownership of farmland is relatively small (5.2 million acres or less than one percent of all agricultural land as of October 31, 1979). We will continue to monitor and report such holdings while initiating several changes in current rules and regulations to improve reliability of the data, reduce reporting burden and increase efficiency in administration of the Act.

In addition to information derived from AFIDA, data on foreign holdings of U.S. real estate are required under existing statutes of the Departments of Commerce and Treasury and the Securities and Exchange Commission. Until the need for additional data has been reviewed by the Office of Federal Statistical Policy and Standards as recommended in our report, we do not favor development of additional reporting systems for foreign ownership of U.S. real estate.

With respect to foreign ownership of U.S. agricultural land we are prepared to initiate a detailed study of the feasibility of obtaining AFIDA type data on foreign ownership by means of "add-on" questions to regularly scheduled statistical surveys such as the Census of Agriculture and land-related surveys of the USDA. If that method proves feasible we would support initiation of surveys at a later date in part as a means of validating data derived from the AFIDA. If foreign holdings of U.S. agricultural land do not assume greater magnitude and significance than indicated currently, periodic benchmark survey data might in time eliminate need for continuous, compulsory reporting as required by AFIDA.



Bob Bergland  
Enclosures Secretary

**SIGNATURE TAB**

**This sheet will precede the signature page in assembled correspondence.**

**SIGNATURE**

[Empty rectangular box for signature]

**CONCURRENCE TAB**

**This sheet will precede the concurrence page in assembled  
correspondence.**



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

JUL 23 1980

MEMORANDUM FOR: THE PRESIDENT

FROM: James T. McIntyre, Jr. (Signed) — Jim McIntyre  
Director

SUBJECT: Transmittal of the Report "Monitoring  
Foreign Ownership of U.S. Real Estate"

Secretary Bergland has prepared the attached study of foreign ownership of U.S. real estate for your transmittal to Congress as required by P.L. 95-381.

The study examines the feasibility of four methods of obtaining foreign ownership data:

1. A centralized compulsory Federal registration system that is exclusively devoted to reports filed by foreign owners of U.S. real estate.
2. A compilation of data on foreign holdings of U.S. real estate from Federal offices such as the Bureau of Economic Analysis, the Securities and Exchange Commission, and the Internal Revenue Service. These agencies already require reports on foreign investment, income, or other related matters.
3. A multipurpose, all-encompassing land information system using information collected at the local level. This system would serve a wide range of local, State, and national information needs.
4. Nationwide, periodic surveys of all domestic and foreign land ownership.

Foreign ownership information is presently being collected through compulsory registration and reports (Methods 1 and 2).

Although all methods are deemed technically and legally feasible, Secretary Bergland does not recommend the adoption of new or additional reporting systems. The Secretary believes, and we agree, that the very small percentage of foreign ownership of U.S. real estate (less than one percent) does not justify the establishment of a costly general land ownership reporting system.

Secretary Bergland does recommend, however, adopting the four specific recommendations developed by the Report's interdepartmental oversight committee. These recommendations are aimed at improving the data base and policy analysis concerning foreign investment in U.S. real estate. They are:

1. Review existing data collection activities and develop recommendations as appropriate to develop and maintain necessary data bases for foreign investment on real estate.
2. Facilitate the international exchange of statistical data on foreign investment in urban and agricultural real estate.
3. Initiate an interdepartmental study of secrecy/disclosure issues pertaining to identification of nominal and beneficial foreign owners of U.S. real estate.
4. Establish small staff groups in USDA and in HUD to determine the national needs for data concerning urban and rural land ownership, value, use, and environmental conditions and to evaluate systems for the collection of such data at the local, State and Federal levels of Government.

He suggests implementation of the recommendation by Executive Order. Implementation could be achieved within existing budget and personnel ceilings.

Recommendation:

We concur in Secretary Bergland's recommendation to improve present data collection and analysis efforts, but do not believe that an Executive Order is needed. We believe that implementation of the Report's recommendations can easily be handled through the administrative procedures (including resource allocations) of the Departments involved. Accordingly, Secretaries Bergland and Landrieu would have discretion regarding the establishment of discrete staffs to assess national land ownership and use data needs (Recommendation 4).

We recommend your transmittal of the report to the Congress and have prepared transmittal letters endorsing the recommendations of the Secretary. In addition, if you concur, I will send the attached directive to the affected Department Heads in lieu of the Executive Order.

Attachments



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MEMORANDUM FOR: THE SECRETARY OF AGRICULTURE  
THE SECRETARY OF COMMERCE  
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
THE SECRETARY OF THE INTERIOR  
THE SECRETARY OF STATE  
THE SECRETARY OF TRANSPORTATION  
THE SECRETARY OF THE TREASURY

From: James T. McIntyre, Jr.  
Director

Subject: Implementation of the Recommendations Contained in the  
Report "Monitoring Foreign Ownership of U.S. Real Estate -  
A Report to Congress"

The President was directed by Public Law 95-381 to study the feasibility of establishing a system to monitor foreign direct investment in agricultural, rural, and urban real property, including the establishment of a nationwide multipurpose land data system. A study and report were prepared by the Secretary of Agriculture. Oversight and review responsibilities were assigned to an interdepartmental committee under the chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce.

In transmitting the study to the Congress, President Carter endorsed the four study recommendations contained in the report (attachment).

The purpose of these four recommendations is to improve the data base and policy analysis concerning foreign investment in U.S. real estate. These recommendations are to:

1. Review existing data collection activities and develop recommendations as appropriate to develop and maintain necessary data bases for foreign investment on real estate.
2. Facilitate the international exchange of statistical data on foreign investment in urban and agricultural real estate.
3. Initiate an interdepartmental study of secrecy/disclosure issues pertaining to identification of nominal and beneficial foreign owners of U.S. real estate.
4. Establish small staff groups in USDA and in HUD to determine the national needs for data concerning urban and rural land ownership, value, use, and environmental conditions and to evaluate systems for the collection of such data at the local, State, and Federal levels of Government.

This memorandum instructs you to implement those recommendations which involve your Department, within existing resources. No specific organization or staffing changes need be made unless you determine that they are necessary to meet the objectives of the recommendations.

The study examined the feasibility of four methods of obtaining foreign ownership data:

1. A centralized compulsory Federal registration system that is exclusively devoted to reports filed by foreign owners of U.S. real estate.
2. A compilation of data on foreign holdings of U.S. real estate from Federal offices such as the Bureau of Economic Analysis, the Securities and Exchange Commission, and the Internal Revenue Service. These agencies already require reports on foreign investment, income, or other related matters.
3. A multipurpose, all-encompassing land information system using information collected at the local level. This system would serve a wide range of local, State, and national information needs.
4. Nationwide, periodic surveys of all domestic and foreign land ownership.

Foreign ownership information is presently being collected through compulsory registration and reports (Methods 1 and 2).

The President is not proposing the development of new or additional reporting systems (Methods 3 and 4).



*TOM JONES*

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

May 27 1980

072590

SUBJECT: "Monitoring Foreign Ownership of U.S. Real Estate", Mandated by Section 4(d) of the International Investment Survey Act of 1976

TO: The President

THROUGH: James T. McIntyre, Jr.  
Director, Office of Management  
and Budget

Pursuant to P.L. 95-381, requiring a report to the Congress under Section 4(d) of the International Investment Survey Act of 1976 (22 USC 3101), we are submitting copies of the report for your transmittal to the Congress.

Section 4(d) of the IISA provides for "\* \* \* a study of the feasibility of establishing a system to monitor foreign direct investment in agricultural, rural, and urban real property, including the feasibility of establishing a nationwide multipurpose land data system \* \* \*." Leadership of the study was assigned to the Department with oversight and review provided by an interdepartmental committee under chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce.

The report contains four specific recommendations developed by the interdepartmental oversight committee. Those recommendations have the purpose of improving the data base and policy analysis concerning foreign investment in U.S. real estate. We suggest implementation of the recommendations by Executive Order. Implementation could be achieved within existing budget and personnel ceilings.

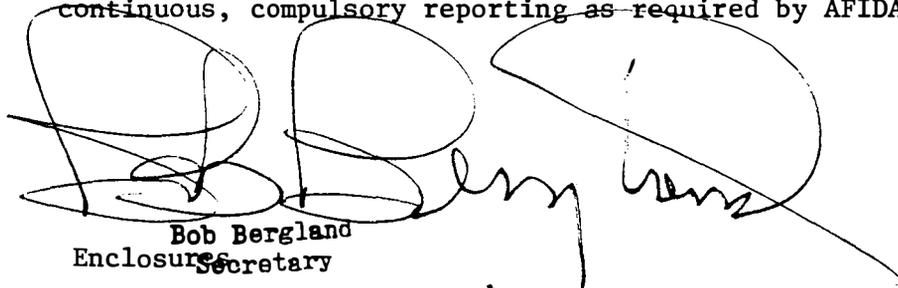
The study examines the feasibility of four methods of obtaining foreign ownership data: centralized compulsory registration, periodic statistical surveys, collation of data from existing reporting systems, comprehensive multipurpose land information system. Although all methods are deemed technically and legally feasible we are not at this time recommending development of new or additional reporting systems. Cost considerations (additional \$1.2 billion initially) preclude a multipurpose land information

system solely to obtain foreign ownership data. Also, costs associated with periodic statistical surveys directed solely at foreign ownership of real estate appear to be prohibitive under prospective budgetary circumstances.

Subsequent to enactment of P.L. 95-381 the Congress enacted the Agricultural Foreign Investment Disclosure Act (AFIDA) requiring foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. Although data reported under AFIDA cannot be considered conclusive at this time, since reports are still being received by the Department and compliance with the Act is not fully known, it appears that foreign ownership of farmland is relatively small (5.2 million acres or less than one percent of all agricultural land as of October 31, 1979). We will continue to monitor and report such holdings while initiating several changes in current rules and regulations to improve reliability of the data, reduce reporting burden and increase efficiency in administration of the Act.

In addition to information derived from AFIDA, data on foreign holdings of U.S. real estate are required under existing statutes of the Departments of Commerce and Treasury and the Securities and Exchange Commission. Until the need for additional data has been reviewed by the Office of Federal Statistical Policy and Standards as recommended in our report, we do not favor development of additional reporting systems for foreign ownership of U.S. real estate.

With respect to foreign ownership of U.S. agricultural land we are prepared to initiate a detailed study of the feasibility of obtaining AFIDA type data on foreign ownership by means of "add-on" questions to regularly scheduled statistical surveys such as the Census of Agriculture and land-related surveys of the USDA. If that method proves feasible we would support initiation of surveys at a later date in part as a means of validating data derived from the AFIDA. If foreign holdings of U.S. agricultural land do not assume greater magnitude and significance than indicated currently, periodic benchmark survey data might in time eliminate need for continuous, compulsory reporting as required by AFIDA.

A large, stylized handwritten signature in black ink, appearing to read 'Bob Bergland', is written over the text of the letter.

Bob Bergland  
Enclosure Secretary

THE WHITE HOUSE

WASHINGTON

Dear Mr. President:

Today, I am transmitting to the Congress a report required under Section 4(d) of P.L. 95-381, the International Investment Survey Act of 1976. The report entitled "Monitoring Foreign Ownership of U.S. Real Estate - A Report to Congress" was prepared by the Secretary of Agriculture with oversight and review provided by an interdepartmental committee under the chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce. The report addresses the feasibility of establishing a system to monitor foreign direct investment in agricultural, rural, and urban real estate property; including the feasibility of establishing a nationwide multipurpose land data system.

The report contains four specific recommendations developed by the interdepartmental oversight committee. Those recommendations have the purpose of improving the data base and policy analysis concerning foreign investment in U.S. real estate. I am directing the Director of the Office of Management and Budget to advise the appropriate Department heads to carry out these recommendations.

The study examined the feasibility of four methods of obtaining foreign ownership data:

1. A centralized compulsory Federal registration system that is exclusively devoted to reports filed by foreign owners of U.S. real estate.
2. A compilation of data on foreign holdings of U.S. real estate from Federal offices such as the Bureau of Economic Analysis, the Securities and Exchange Commission, and the Internal Revenue Service. These agencies already require reports on foreign investment, income, or other related matters.

3. A multipurpose, all-encompassing land information system using information collected at the local level. This system would serve a wide range of local, State, and national information needs.
4. Nationwide, periodic surveys of all domestic and foreign land ownership.

Foreign ownership information is presently being collected through compulsory registration and reports (Methods 1 and 2).

Although all four methods are deemed technically and legally feasible, I am not proposing the development of new or additional reporting systems. I believe that necessary information on foreign ownership of U.S. real estate can be acquired at less cost than Method 3 or 4 would entail.

Sincerely,

The Honorable Walter F. Mondale  
President of the Senate  
Washington, D.C. 20510

THE WHITE HOUSE  
WASHINGTON

Date: 8/4/80

TO: SPEECHWRITERS

FROM: LYNN DAFT  
X6560, Rm. 216

For your information \_\_\_\_\_

Would you please review the attached draft for transmission to the Congress. I have attached OMB materials for your information.

8/7/80

See editing

Tom Teal

TO THE CONGRESS OF THE UNITED STATES:

Today, I am transmitting to the Congress a report required under Section 4(d) of P.L. 94-472, as amended, the International Investment Survey Act of 1976. The report, entitled "Monitoring Foreign Ownership of U.S. Real Estate - A Report to Congress", was prepared by the Secretary of Agriculture ~~with oversight~~ and review <sup>ed</sup> ~~provided~~ by an interdepartmental committee under the chairmanship of the Office of Federal Statistical Policy and Standards, ~~Department of Commerce~~. The report addresses the feasibility of ~~using~~ several different methods of obtaining foreign ownership data.

On the basis of this study, I believe that necessary information <sup>about</sup> ~~of~~ foreign ownership of U.S. real estate can be acquired without developing new reporting systems. The compulsory Federal registration system ~~that is~~ already in operation, supplemented by data required by Federal agencies for other purposes, will satisfy existing information needs. The report contains four specific recommendations developed by the interdepartmental oversight committee:

1. <sup>Formation</sup> ~~Establishment~~ of a working group under <sup>the OFFICE OF</sup> ~~the Office of~~ **FEDERAL STATISTICAL POLICY AND STANDARDS** ~~Federal Statistical Policy and Standards (FSPS)~~ to review existing data collection activities and, on completion of the review, <sup>to</sup> ~~develop~~ recommendations concerning the need for additional data, modification of current data collection authorities, and any new authority that <sup>may</sup> ~~might~~ be required.

## Establishment by

2. <sup>^</sup> The OFSPS, in consultation with the Department of State  
(~~spell out~~) <sup>of means to</sup> and other appropriate agencies, ~~should~~ facilitate the international exchange of statistical data concerning foreign investment in urban and agricultural real estate.

3. Initiation of an interdepartmental study of secrecy/disclosure issues as they pertain to identification of nominal and beneficial foreign owners of U.S. real estate.

4. <sup>Creation</sup> ~~Establishment~~ of small staff groups within the Department of Agriculture and the Department of Housing and Urban Development to appraise <sup>the</sup> national needs <sup>on</sup> for data ~~concerning~~ urban and rural landownership, value, use, and environmental <sup>impact,</sup> ~~data~~ and to evaluate systems for the collection of such data at the local, State, and Federal levels.

Adoption of these recommendations will further improve the data base and policy analysis concerning foreign investment in U.S. real estate. I therefore am <sup>asking</sup> ~~directing~~ the Director of the Office of Management and Budget to <sup>direct</sup> ~~advise~~ the appropriate <sup>agency</sup> ~~heads~~ to carry out these recommendations.

THE WHITE HOUSE

THE WHITE HOUSE  
WASHINGTON

retype & send to  
speechwriters  
per Lyman Dept  
w/ DAS

(A)

THE WHITE HOUSE  
WASHINGTON

4 On the basis of this study, I believe that necessary information of foreign ownership of U.S. real estate can be acquired without developing new reporting systems. The compulsory Federal registration system that is already in operation, supplemented by data required by Federal agencies for other purposes, will satisfy ~~our~~ existing information needs.

(B)

THE WHITE HOUSE  
WASHINGTON

1. Establishment of a working group under the Office of Federal Statistical Policy and Standards (OFSPS) to review existing data collection activities and, on completion of the review, develop recommendations concerning the need for additional data, modification of current data collection authorities, and any new authority that might be required.
2. The OFSPS, in consultation with the Department of State and other appropriate agencies, should facilitate the international exchange of statistical data concerning foreign investment in urban and agricultural real estate.
3. Initiation of an interdepartmental study of secrecy/disclosure issues as they pertain to identification of nominal and beneficial foreign owners of U.S. real estate.
4. Establishment of small staff ~~off~~ groups within the Department of Agriculture and the Department of Housing and Urban Development to appraise national needs for data concerning urban and rural land ownership, value, use, and environmental data, and to evaluate systems for the collection of such data at the local, state, and Federal levels.

THE WHITE HOUSE  
WASHINGTON

*using several different methods  
of obtaining foreign  
ownership data.*

TO THE CONGRESS OF THE UNITED STATES:

Dear Mr. Speaker:

*94-472, as amended,*

Today, I am transmitting to the Congress a report required under Section 4(d) of P.L. ~~95-381~~, the International Investment Survey Act of 1976. The report entitled "Monitoring Foreign Ownership of U.S. Real Estate - A Report to Congress" was prepared by the Secretary of Agriculture with oversight and review provided by an interdepartmental committee under the chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce. The report addresses the feasibility of ~~establishing a system to monitor foreign direct investment in agricultural, rural, and urban real estate property; including the feasibility of establishing a nationwide multipurpose land data system.~~

*Insert A →*

*Insert B*

*Adoption of these*

The report contains four specific recommendations developed by the interdepartmental oversight committee. ~~Those recommendations have the purpose of improving the data base and policy analysis concerning foreign investment in U.S. real estate.~~ I am directing the Director of the Office of Management and Budget to advise the appropriate Department heads to carry out these recommendations.

The study examined the feasibility of four methods of obtaining foreign ownership data:

1. A centralized compulsory Federal registration system that is exclusively devoted to reports filed by foreign owners of U.S. real estate.
2. A compilation of data on foreign holdings of U.S. real estate from Federal offices such as the Bureau of Economic Analysis, the Securities and Exchange Commission, and the Internal Revenue Service. These agencies already require reports on foreign investment, income, or other related matters.

3. A multipurpose, all-encompassing land information system using information collected at the local level. This system would serve a wide range of local, State, and national information needs.
4. Nationwide, periodic surveys of all domestic and foreign land ownership.

Foreign ownership information is presently being collected through compulsory registration and reports (Methods 1 and 2).

Although all four methods are deemed technically and legally feasible, I am not proposing the development of new or additional reporting systems. I believe that necessary information on foreign ownership of U.S. real estate can be acquired at less cost than Method 3 or 4 would entail.

~~Sincerely,~~

~~The Honorable Thomas P. O'Neill, Jr.  
Speaker of the House of Representatives  
Washington, D.C. 20515~~

*The White House,*

THE WHITE HOUSE

WASHINGTON

Dear Mr. Speaker:

Today, I am transmitting to the Congress a report required under Section 4(d) of P.L. 95-381, the International Investment Survey Act of 1976. The report entitled "Monitoring Foreign Ownership of U.S. Real Estate - A Report to Congress" was prepared by the Secretary of Agriculture with oversight and review provided by an interdepartmental committee under the chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce. The report addresses the feasibility of establishing a system to monitor foreign direct investment in agricultural, rural, and urban real estate property; including the feasibility of establishing a nationwide multipurpose land data system.

The report contains four specific recommendations developed by the interdepartmental oversight committee. Those recommendations have the purpose of improving the data base and policy analysis concerning foreign investment in U.S. real estate. I am directing the Director of the Office of Management and Budget to advise the appropriate Department heads to carry out these recommendations.

The study examined the feasibility of four methods of obtaining foreign ownership data:

1. A centralized compulsory Federal registration system that is exclusively devoted to reports filed by foreign owners of U.S. real estate.
2. A compilation of data on foreign holdings of U.S. real estate from Federal offices such as the Bureau of Economic Analysis, the Securities and Exchange Commission, and the Internal Revenue Service. These agencies already require reports on foreign investment, income, or other related matters.

3. A multipurpose, all-encompassing land information system using information collected at the local level. This system would serve a wide range of local, State, and national information needs.
4. Nationwide, periodic surveys of all domestic and foreign land ownership.

Foreign ownership information is presently being collected through compulsory registration and reports (Methods 1 and 2).

Although all four methods are deemed technically and legally feasible, I am not proposing the development of new or additional reporting systems. I believe that necessary information on foreign ownership of U.S. real estate can be acquired at less cost than Method 3 or 4 would entail.

Sincerely,

The Honorable Thomas P. O'Neill, Jr.  
Speaker of the House of Representatives  
Washington, D.C. 20515

THE WHITE HOUSE

WASHINGTON

Dear Mr. President:

Today, I am transmitting to the Congress a report required under Section 4(d) of P.L. 95-381, the International Investment Survey Act of 1976. The report entitled "Monitoring Foreign Ownership of U.S. Real Estate - A Report to Congress" was prepared by the Secretary of Agriculture with oversight and review provided by an interdepartmental committee under the chairmanship of the Office of Federal Statistical Policy and Standards, Department of Commerce. The report addresses the feasibility of establishing a system to monitor foreign direct investment in agricultural, rural, and urban real estate property; including the feasibility of establishing a nationwide multipurpose land data system.

The report contains four specific recommendations developed by the interdepartmental oversight committee. Those recommendations have the purpose of improving the data base and policy analysis concerning foreign investment in U.S. real estate. I am directing the Director of the Office of Management and Budget to advise the appropriate Department heads to carry out these recommendations.

The study examined the feasibility of four methods of obtaining foreign ownership data:

1. A centralized compulsory Federal registration system that is exclusively devoted to reports filed by foreign owners of U.S. real estate.
2. A compilation of data on foreign holdings of U.S. real estate from Federal offices such as the Bureau of Economic Analysis, the Securities and Exchange Commission, and the Internal Revenue Service. These agencies already require reports on foreign investment, income, or other related matters.

3. A multipurpose, all-encompassing land information system using information collected at the local level. This system would serve a wide range of local, State, and national information needs.
4. Nationwide, periodic surveys of all domestic and foreign land ownership.

Foreign ownership information is presently being collected through compulsory registration and reports (Methods 1 and 2).

Although all four methods are deemed technically and legally feasible, I am not proposing the development of new or additional reporting systems. I believe that necessary information on foreign ownership of U.S. real estate can be acquired at less cost than Method 3 or 4 would entail.

Sincerely,

The Honorable Walter F. Mondale  
President of the Senate  
Washington, D.C. 20510

THE WHITE HOUSE  
WASHINGTON

8/25/80

Jack Watson  
Frank Moore

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

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

August 21, 1980

NOTE TO SUSAN CLOUGH

FROM: JACK WATSON

SUBJECT: Attached Letter from  
Senator Cranston

---

The President spoke with Senator Cranston last night and is expecting the attached.

Thank you.

ALAN CRANSTON  
CALIFORNIA

United States Senate

OFFICE OF  
THE MAJORITY WHIP

August 21 '80

Dear Mr. President:

Pursuant to our conversation,  
here's a memo seeking to deal  
factually with the issues involved  
in HR 7102 re special pay for  
VA doctors.

I also enclose a memo  
with data I've used with the  
press to rebut Ronald Reagan's  
charges re veterans in his  
VFW speech. You may find  
the material useful.

Cover,

Alan

Thanks for the great letter  
on domestic violence!

I called  
Cranston  
8-22  
J

Memorandum to the President

From: Alan Cranston *AC*

Re: H.R. 7102, VA Health-Care Amendments of 1980

The principal focus of H.R. 7102 is special pay for VA doctors at an annual cost of \$40 million. This money will principally go to VA physician specialists and those in scarce specialties or serving in shortage areas. The special pay provisions will essentially do for VA physicians what the military physicians pay law you signed in July does for military physicians. Our hearing record demonstrates that the special pay improvements are urgently needed for the VA to overcome its rapidly increasing difficulty in attracting and retaining quality doctors -- especially certain key specialists.

As I said last night, discussing comparability of remuneration of VA and military physicians is like comparing apples and oranges. They enter and leave service at far different points in their medical careers and for very different reasons. Their compensation is thus comprised very differently and designed to meet different needs. In my view, H.R. 7102 will restore VA physician salaries to roughly the position of comparability that existed before enactment of the military pay Act, particularly taking into account that military physicians will all receive an 11.7% pay raise in October. The VA raise is likely to be far less, and 53% of VA physicians won't get any increase as a result of pay compaction. Compaction is not applicable to the base military pay which does not take into account the value of numerous fringe benefits such as medical benefits, commissary and PX privileges, non-contributory retirement available after 20 years, housing benefits, tax advantages, and so forth.

Nevertheless, I've been concerned that, in designing the new VA program, we not endanger DOD ability to recruit and retain physicians. I am convinced that the VA bill presents no such threat. In this connection, I've seen data prepared by OMB (Gil Omenn) that was designed to indicate that that might be the case; and I'd like to point out a few pertinent items in order to make sure there are no misunderstandings or misconceptions. Here are the facts as best I can determine them:

The primary and overwhelming difference between the VA and DOD is the source of recruitment. Over half of all DOD physicians are serving obligated service from the DOD Health Professions Scholarship Program (HPSP) and the like. This is a noncompetitive source of recruitment which the VA does not have. According to the House report on the military pay Act, over 70 percent of DOD physicians have under 6 years service and only one in ten DOD physician scholarship recipients chooses to remain in DOD after the obligated service period. Thus, DOD will continue to rely heavily on obligated service from the HPSP scholarship program and the Uniformed Services University graduates.

The VA now has no such source of new physician recruits and must compete in the open market with the private sector for physician manpower. Of course, the decision whether to implement the VA scholarship program in H.R. 7102 would be entirely up to you, and you can insure that it is not used to put DOD at a competitive disadvantage. In any event, that program could not produce very much help for the VA for 4 - 6 years.

As I said, the composition of the VA and DOD workforces differs widely. Over 60% of DOD physicians are under 35 years old, whereas over 85% of VA physicians are over 35. Over 50% of the total VA physician workforce is board certified compared to 24% for DOD. A large percentage of VA staff hold faculty appointments in affiliated medical schools, and significant numbers are involved in research. Generally speaking, the VA has and needs a more highly trained, better experienced, and more diverse workforce of physicians.

A major fallacy in the OMB comparison is the fact that over 32% of all DOD physicians are in residency training and are included in figures that are compared to regular VA staff figures that exclude 7,500 VA residents. Adding the VA residents would reduce the VA entry-level average to the \$20-25,000 range -- comparable to DOD's entry level. Moreover, certain factors, such as those I noted above regarding the noncontributory retirement system and medical and dental benefits in DOD, are not accounted for in the OMB comparisons. In addition, military physicians -- unlike their VA counterparts -- receive retirement credit for their four years of medical school.

With respect to mid-career physicians, VA and DOD physicians were receiving comparable pay prior to the enactment of the military special pay Act. Although it is very difficult to make precise comparisons at this time, I believe that comparability would be retained if the VA bill were signed.

With respect to senior level physicians, the OMB data compares the 215 top-level V.A. physicians (chiefs of staff and chiefs of large services and VA Central Office physicians) with a far larger number of military physicians at the rank of O-6 (colonels and captains), many of whom don't have anywhere near the level of responsibility that the top-level VA managing physicians have.

I've heard that there is some notion that the senior-level military physician pay would be \$30,000 less than the upper-level VA physician pay under this bill. This is clearly wrong. The military pay alone (base -- including housing allowances and subsistence allowance -- plus maximum special pay for the O-6 grade at 22 years of service) is now \$70,900 (\$76,000 after October 1, 1980) and the general maximum for a senior-level VA physician would be \$77,610 under the VA pay bill (no increase after October 1, 1980). Taking into account the very valuable fringe benefits for the military, the DOD physician would continue to be compensated at a value above the VA physician.

The bill will also make important contributions to the VA's ability to recruit and retain nurses and other health care workers, a particularly critical need given the high vacancy and turnover rates for these personnel throughout the VA system -- especially in California. All of the provisions of the bill together, according to the Congressional Budget Office, would end up saving \$50 million the first year and more than \$300 million over the next four fiscal years. Although there may be some legitimate concerns about a few aspects of the bill, on balance I'm convinced it is a necessary and balanced measure, and I stress that, in the final version, we made numerous concessions to OMB and OPM objections.

Rebuttal to Reagan's Charges in VFW Speech  
Re: Vets.

1. Reagan quote: "...veterans in need are denied hospital and medical care because of inadequate funding which has closed hospital beds and cut health-care personnel."

Response: No veterans are being denied VA hospital care because of inadequate funding. (There are, of course, individual cases in which a veteran disagrees with the VA physician's judgment that hospital care is not necessary.) -

Some veterans in need of outpatient care for non-service-connected disabilities are referred elsewhere. The VA does not have enough funding for all non-service-connected outpatient care.

No veterans with service-connected disabilities are denied hospital or outpatient care because of funding problems.

The data show that from FY 1977 through FY 1981 (under the Carter Administration's appropriations request):

1. VA average employment in medical programs will increase by 8,801 -- from 185,427 FTEE's to 194,228 FTEE's.
2. The VA's hospital staff-to-patient ratio will increase from 1.85 staff-per-patient to 2.15 staff-per-patient (the highest ever).
3. VA hospital patients treated will increase from 1,209,763 to 1,235,000 -- an increase of 25,000 hospital patients.
4. VA facility outpatient visits will increase from 14,675,284 to 15,706,000 -- an increase of more than 1 million outpatient visits.

2. Reagan quote: "The Administration has cut the VA budget every year of its incumbency with respect to the Federal budget while our veteran population is the highest in...history...."

Response: While the VA percentage of the overall Federal budget has declined from 4.1 percent in FY 1977 (actual) to 3.3 percent in FY 1981 (Carter budget), the decline has resulted largely from the natural decline in GI Bill costs over the past several years as most Vietnam-era veterans have used their entitlements and gone on from school to job. In dollar terms, of course, the VA budget has increased each year from FY 1977 to FY 1981, and the VA compensation and pension and health-care budgets, as percentages of the Federal budget, have remained stable (with large dollar increases). The following table shows this:

	Total Federal budget	VA budget	Comp. & pension	Health care	GI Bill
1977 (actual)	\$465 billion	\$19 billion (4.1%)	\$8.9 billion (1.9%)	\$4.9 billion (1.0%)	\$3.98 billion (.08%)
1981 (Carter request)	\$696 billion	\$22.7 billion (3.3%)	\$12.6 billion (1.9%)	\$6.6 billion (1.0%)	\$2.0 billion (.03%)

3. Reagan quote: "To me it is a breach of faith that compensation for those with service connected disabilities has not kept abreast of inflation...."

Response: Including the Administration-backed 14.3-percent increase (effective October 1, 1980), which has passed the Senate, compensation benefits will have been increased by 45 percent from October 1976 to October 1980; the Consumer Price Index has risen since October 1976 and is projected by October 1980 to rise by 44.7 percent.

Notably, the Carter Administration broke a long-standing Executive Branch tradition in 1977 when it included the cost of a compensation cost-of-living increase in its first budget; in each year since, it has included such an increase -- based on expected inflation -- in its budget.

4. Reagan quote: "[T]he Administration rammed through Congress a pension program admittedly designed to deny such to World War II and subsequent veterans and their survivors."

Response: The new pension law (Public Law 95-588) -- which was initiated in and had complete bi-partisan support in the Congress -- restructured the need-based non-service-connected pension program to eliminate inequities, to provide much greater benefits to those most in need, to protect pensioners from the loss or reduction of pension as the result of cost-of-living increases in any social security benefits they receive, and to provide automatic annual increases in benefits under the new program to keep pace with inflation. Under the new law, 1.7 million pensioners are protected against loss of benefits that would otherwise be caused by social security cost-of-living increases; 348,000 pensioners receive greater benefits under the new program.

The following compares certain maximum pension rates on December 31, 1978 (the day before the new program took effect) with current maximum rates under the new program:

	<u>1978</u>	<u>Current</u>
Single veteran	\$197/month	\$372/month
Veteran with one dependent	\$212/month	\$487/month



## DINNER

*Smoked Trout  
with Horseradish Sauce  
Cheese Straws*

*Roast Prime Rib of Beef  
Golden Brown Potato Rounds  
Cauliflower*

*Homemade Peach Ice Cream  
with Fresh Fruits  
Raspberry Sabayon  
Almond Twists*

*Dry Creek  
Dry Chenin Blanc  
St. Michelle  
Cabernet Sauvignon  
Havens Kornell Brut*

*The White House  
Monday, August 25, 1980*

6:30 PM

THE WHITE HOUSE

WASHINGTON

August 25, 1980

Electrostatic Copy Made  
for Preservation Purposes

MEMORANDUM FOR THE PRESIDENT AND MRS. CARTER

FROM: FRANK MOORE *f.m./pd*

The following Members of Congress will be seated at your table at tonight's dinner:

BOB AND MARION GIAIMO (D-Connecticut) (11 terms)

Chairman, Budget Committee  
Appropriations Committee including Subcommittee on Treasury-  
Postal Service - General Government (authorization for  
White House budget)

Each year of your Administration, has presented the "green bagle", most recently to Mrs. Carter with a necklace for Amy.

The Giaimo's have just learned that they will be grand-  
parents for the first time. Their only daughter and their  
reason for being, Barbara, informed her father during the  
convention.

TOM STEED (D-Oklahoma) (16 terms)  
MARGUERITE STEED (his 25 year old granddaughter)

Committee on Appropriations  
Chairman, Subcommittee on Treasury-Postal Service -  
General Government -- in that capacity has been very  
supportive of White House Budget requests.  
Committee on Small Business

Before becoming a Member of Congress, Steed worked for  
20 years as a newspaperman in Oklahoma.

Steed loves to tell stories and will keep the conversation  
rolling tonight.

HARLEY AND MARY STAGGERS (D-West Virginia) (16 terms)

Chairman, Committee on Interstate and Foreign Commerce

You should especially mention his service to the nation  
in the field of energy.

DICK AND CLAIRE SCHWEIKER (R-Penna.) (4 terms in the House  
2 terms in the Senate)

Committee on Appropriations

Ranking Minority Member, Committee on Labor and Human Resources

Ranking Member on Subcommittee on Health and Scientific Research

In 1974, received the National Association of Mental Health Award.

Senator Schweiker is hard of hearing so you will have to  
speak-up when talking to him.

THE WHITE HOUSE

WASHINGTON

August 25, 1980

MEMORANDUM TO: THE PRESIDENT AND MRS. CARTER  
FROM: GRETCHEN POSTON *GP*  
SUBJECT: SCENARIO FOR DINNER FOR RETIRING MEMBERS  
OF CONGRESS, MONDAY, AUGUST 25, 1980, 6:30 PM.

6:30 PM Guests arrive Southwest Gate and are escorted to Blue Room via Diplomatic Reception Room.  
Aperitifs and hors d'oeuvres passed.

7:00 PM THE PRESIDENT AND MRS. CARTER arrive State Floor and take positions at entrance to State Dining Room for receiving line.  
Guests are seated for dinner after passing through receiving line.  
At conclusion of receiving line, THE PRESIDENT AND MRS. CARTER proceed to THEIR table.  
(Pause while press enters State Dining Room.)  
Toasts.  
Dinner is served.

8:15 PM At conclusion of dinner, a short musicale will be presented by the US Army Chorus.

PROGRAM

Battle Hymn Of The Republic  
Those Were The Days  
Stouthearted Men

8:30 PM THE PRESIDENT AND MRS. CARTER depart State Floor.  
All guests depart Residence.

## THE WHITE HOUSE

WASHINGTON

### THE UNITED STATES ARMY CHORUS

The United States Army Chorus, originally organized from members of The United States Army Band, was officially established as a separate unit with the direct assistance of the then Secretary of the Army Wilbur M. Brucker, and the Chief of Staff in January, 1956.

The United States Army Chorus has earned an enviable reputation in the worlds of serious and popular music. It has performed in every major city of the United States and at many colleges and universities. The Chorus feels a particular responsibility to perform the great works written specifically for male voices by the master composers. It has been highly acclaimed for its performances of Brahms and Schubert, of Bartok and Martinu.

DINNER - Monday, August 25, 1980 at 6:30 p.m.

Table 1

Mr. Robert Schule  
Mrs. James Cleveland  
Rep. Robert Drinan  
Mr. Gary Fontana  
Mrs. William Harsha  
Rep. James Cleveland  
Rep. William Harsha  
Ms. Madeline Albright

Table 2

Mr. William Cable  
Mrs. Lucien Nedzi  
Rep. Charles Wilson  
Mrs. Morgan Murphy  
Rep. Joe Wyatt  
Ms. Susy Elfving  
Rep. Lucien Nedzi  
Rep. Morgan Murphy  
Mrs. Charles Wilson

Table 3

Mr. Dan Tate  
Mrs. Charles Vanik  
Rep. James Johnson  
Rep. David Satterfield  
Ms. Evelyn Small  
Rep. Charles Vanik  
Mrs. David Satterfield  
Sen. Adlai Stevenson

Table 4

Mr. Eugene Eidenberg  
Mrs. Richard Ichord  
Rep. Keith Sebelius  
Mr. Robert Maher  
Mrs. Eugene Eidenberg  
Rep. Tim Lee Carter  
Mr. Gael Sullivan  
Mrs. Tim Lee Carter  
Rep. Richard Ichord

Table 5

Mr. James McIntyre  
Mrs. James Hanley  
Rep. Edward Patten  
Mrs. Bennett Stewart  
Mr. Mark Gordon  
Mrs. James McIntyre  
Rep. James Hanley  
Rep. Bennett Stewart  
Mrs. Edward Patten

Table 6

Mr. Frank Moore  
Rep. John Wydler  
Mrs. Dawson Mathis  
Rep. Mendel Davis  
Mrs. Frank Moore  
Mr. Ronald Garant  
Mrs. John Wydler  
Rep. Dawson Mathis  
Mrs. Mendel Davis

Table 7

THE PRESIDENT  
Mrs. Robert Giaimo  
Rep. Harley Staggers  
Ms. Marguerite Steed  
Sen. Richard Schweiker  
MRS. CARTER  
Rep. Robert Giaimo  
Mrs. Harley Staggers  
Rep. Tom Steed  
Mrs. Richard Schweiker

Table 8

Ms. Valerie Pinson  
Rep. John Cavanaugh  
Mr. Walker Nolan  
Ms. Laurie Duncan  
Mr. Chris Davis  
Rep. Robert McEwen  
Mrs. John Cavanaugh  
Rep. Robert Duncan

[No Salutations]

Chris Matthews  
Draft A-1; 8/21/80  
Scheduled Delivery:  
Mon, Aug 25, 6:30 PM  
State Dining Room

Talking Points

Dinner for Congressional Retirees

1. BACK IN 1966, I WAS PLANNING TO RUN FOR CONGRESS MYSELF. I ANNOUNCED MY CANDIDACY, HAD MY CAMPAIGN UNDERWAY, WAS ALL READY TO GO. AT THE LAST MINUTE, I DECIDED TO RUN FOR GOVERNOR. JUST IMAGINE HOW THINGS MIGHT HAVE TURNED OUT. TODAY I MIGHT BE SITTING HERE A 14-YEAR VETERAN. INSTEAD, AFTER ALL THESE YEARS IN PUBLIC LIFE, I AM STILL A FRESHMAN.
2. ACTUALLY, I SHOULD NOT COMPLAIN. IT IS A WONDERFUL EXPERIENCE. I CAN ONLY IMAGINE ONE BETTER: BEING A SOPHOMORE.
3. I DO NOT WANT TO BE TOO PARTISAN TONIGHT. AFTER ALL, THERE ARE SOME GOOD REPUBLICANS HERE. I CAN ONLY SAY THAT AS LONG AS TIP IS NOT HERE. CAN YOU IMAGINE TIP USING THE PHRASE "GOOD REPUBLICAN"?
4. IN THE SPIRIT OF THIS BI-PARTISAN AFFAIR I WOULD LIKE TO SALUTE THE ONE GREAT AMERICAN PRESIDENT WHOSE MEMORY WAS SO LOVINGLY EVOKED AT THE REPUBLICAN CONVENTION LAST MONTH -- FRANKLIN ROOSEVELT.
5. AFTER WATCHING THE TWO CONVENTIONS, I FIGURED OUT THAT WHILE THE TWO PARTIES DO NOT AGREE ON MUCH, THEY DO AGREE ON ONE THING. WHATEVER THE ARGUMENT, BOTH PARTIES FEEL A WHOLE LOT BETTER WHEN THEY HAVE A QUOTE FROM F-D-R TO BACK UP THEIR CASE.

6. IMAGINE RONALD REAGAN QUOTING ROOSEVELT. THAT IS LIKE -- FOR A MINUTE THERE I WAS GOING TO SAY IT WOULD BE LIKE FRITZ MONDALE QUOTING RONALD REAGAN. BUT THAT WOULD BE AN UNDERSTATEMENT. IT WOULD BE LIKE GEORGE BUSH QUOTING RONALD REAGAN.

7. BEFORE I GET TOO PARTISAN, LET ME JUST SAY THIS. I HAVE NO OBJECTION TO SEEING RONALD REAGAN IN THE WHITE HOUSE -- AS LONG AS IT IS DOWNSTAIRS IN THE FAMILY MOVIE THEATER.

8. I KNOW THAT FOR MANY OF YOU, THIS WILL BE THE FIRST ELECTION YEAR THAT YOU REALLY DO NOT HAVE TO WORRY ABOUT. I HOPE I AM NOT BORING YOU WITH ALL THIS POLITICAL DISCUSSION. I KNOW HOW TIRESOME ELECTIONS CAN BE WHEN YOU ARE NOT INVOLVED IN THEM.

9. YOU DESERVE THE YEAR OFF. THE PEOPLE IN THIS ROOM HAVE TOGETHER SERVED CLOSE TO 500 YEARS -- HALF A MILLENIUM -- IN THE UNITED STATES CONGRESS. THAT IS AN IMPRESSIVE NUMBER, BUT IT REFLECTS A CONTRIBUTION TO THE LIFE OF OUR COUNTRY THAT CANNOT BE MEASURED IN YEARS.

10. THE CONTRIBUTION YOU HAVE MADE IS MEMORIALIZED NOT IN LENGTH OF SERVICE, BUT IN THE STRENGTH OF YOUR DEEDS: IN THE PEOPLE YOU HAVE HELPED PERSONALLY, IN THE CHALLENGES YOU HAVE HELPED OUR NATION OVERCOME.

11. YOUR COMMITMENT TO PUBLIC SERVICE IS WHAT OUR GOVERNMENT IS ALL ABOUT. WE HAVE A CONSTITUTION WHICH GUIDES OUR GOVERNMENT. WE HAVE BEAUTIFUL BUILDINGS, SUCH AS THE CAPITOL, WHICH HOUSE OUR GOVERNMENT. BUT IT IS YOU PEOPLE IN THIS ROOM WHO MAKE OUR DEMOCRACY LIVE.

12. I WANT TO THANK YOU FOR YOUR HELP TO ME PERSONALLY THESE PAST THREE AND A HALF YEARS. THE FACT IS I DID COME TO WASHINGTON A FRESHMAN THREE AND A HALF YEARS AGO. I WAS TEMPTED TO EXPRESS MY APPRECIATION TO YOU BY SAYING THAT YOU TAUGHT ME EVERYTHING I KNOW ABOUT CAPITOL HILL. BUT SOME OF YOU MIGHT NOT TAKE THAT AS A COMPLIMENT.

13. I REALIZE THAT I WAS A NEWCOMER TO WASHINGTON WHEN I FIRST TOOK OFFICE IN 1977. I REALIZE THAT YOU ALL HAD TO HELP ME WITH SOME ON-THE-JOB TRAINING. I KNOW HOW HARD IT WOULD BE FOR YOUR COLLEAGUES TO GO THROUGH THE SAME EXERCISE FOR SOMEONE ELSE NEXT JANUARY. YOU CAN LET THEM KNOW FOR ME THAT I WILL DO EVERYTHING I CAN TO MAKE SURE THAT WILL NOT BE NECESSARY.

14. I WOULD LIKE TO LEAVE YOU WITH SOMETHING THAT PRESIDENT HARRY TRUMAN ONCE SAID. IT WAS IN 1953, THE YEAR HE LEFT OFFICE. HE HAD JUST ARRIVED HOME IN INDEPENDENCE, MISSOURI, AND WAS ASKED BY A REPORTER IF HE WOULD ANALYZE HIS PUBLIC CAREER IN THE LIGHT OF HISTORY. "I DID MY DAMNDEST," HE SAID, "AND THAT'S ALL THERE IS TO SAY ABOUT IT."

15. THIS EVENING IT IS MY PRIVILEGE TO HONOR SOME AMERICANS AND THEIR WIVES WHO -- USING OLD HARRY'S WORDS -- HAVE DONE THEIR "DAMNDEST" FOR OUR COUNTRY. AS PRESIDENT, I THANK YOU.

[pause]

16. I WOULD LIKE TO OFFER A SPECIAL THANKS TO TOM STEED, WHOSE SUBCOMMITTEE CONTROLS THE WHITE HOUSE APPROPRIATION. THIS MAY BE YOUR LAST MEAL ON TOM. IT IS NOT GOING TO BE MINE.

# # #