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THE WHITE HOUSE

WASHINGTON

July 24, 1981

MEETING WITH SELECTED DEMOCRATIC
MEMBERS OF THE HOUSE
OF REPRESENTATIVES

DATE: July 28, 1981
LOCATION: The Oval Office
TIME: 2:30 p.m. (20 Minutes)
FROM: Max L. Friedersdorf

I. PURPOSE

To solicit support for the Conable-Hance bipartisan proposal.

II. BACKGROUND

This group of Democratic Congressmen was selected from among those who either are supporting the original Conable-Hance bipartisan tax proposal, leaning in favor, or undecided. The Democratic leadership of the House has been wooing these Members heavily; and the Democratic Party apparatus has been applying heavy constituent pressures in a number of their Districts.

With the completion of the Ways and Means Committee mark-up and the announcement, on July 24, 1981, of Conable-Hance II, there is now a very clear choice between the two proposals. This meeting will provide the opportunity for the President to firm up support and to try to convince the leaning and undecided to become supporters.

III. PARTICIPANTS

See attachment.

IV. PRESS PLAN

White House Photographer only.

V. SEQUENCE OF EVENTS

No set schedule.

2:52 phone

2:55

2:55 - REMAINING
OF GROUP

Attachment A: Talking Points
Attachment B: Participants

ATTACHMENT A

SUGGESTED TALKING POINTS FOR MEETING WITH
SELECTED DEMOCRATIC MEMBERS OF THE
HOUSE OF REPRESENTATIVES

- Point out that the fundamental difference between the two tax proposals is that the bipartisan plan offers real tax reduction, while the Ways and Means plan allows taxes to continue to increase on the working people of this country.
- Stress that the Conable-Hance bipartisan proposal is a permanent tax cut. The Democratic leadership is only offering another make-believe tax cut that dissolves into a huge tax increase.
- Emphasize that the bipartisan effort has developed a bill that is best for the country. It provides the kind of tax relief that is absolutely essential to the economic health of this nation.
- Note that the driving motive behind the Democratic leadership's bill was, "What can we put together to beat Ronald Reagan?". It is merely the same policies of the past which promised working people tax cuts which they never saw.

- The Ways and Means bill is holding the people's tax cut hostage to future economic events. They give big business a long-term tax break, but won't give individuals a three-year tax cut. We have to provide the certainty and incentives that will help all Americans.

- Ask them a simple question...Are they for reducing taxes or increasing them? Stress that you have fought for your economic program because you believe in it -- and you need their help and their vote on the tax bill.

ATTACHMENT B

PARTICIPANTS

✓ The President
✓ Secretary Regan

HB Allen

Congressman Don Albosta
Congressman Dave Evans
Congressman Phil Gramm
Congressman Gene Atkinson
~~Congressman Ron Mottl~~
~~Congressman Douglas Applegate~~
Congressman Phil Sharp

2:55 → 3:13

Staff

~~Max L. Friedersdorf~~

Ken Dubenion

Don Albosta

Democrat. St. Charles, Michigan (central part of state), 10th District, 2nd term. Serves on the Post Office and Civil Service Committee and the Public Works and Transportation Committee.

Voted to support Gramm-Latta I, but did not support the Administration on any other budget and reconciliation vote.

He is undecided about the tax bill.

Dave Evans

Democrat, represents the 6th District of Indiana, which is central Indiana including west Indianapolis. This is his 4th term and he serves on the Banking, Finance and Urban Affairs and Government Operations Committees.

Dave Evans is undecided on the tax bill. He voted for Gramm-Latta I but voted against the Administration on other votes on the economic package.

Due to reapportionment, Dave Evans will be put in a primary against Ways and Means Democrat, Andy Jacobs. Jacobs is a proponent of a third-year tax cut with a trigger. Based upon this, we believe that Dave Evans may wish to distinguish himself from his colleague.

Phil Gramm - D

Represents the 6th District of Texas (counties south of Dallas), 2nd term. Serves on the Budget Committee, the Energy and Commerce Committee and the Veterans' Affairs Committee. Former economics professor. Member of the Conservative Democratic Forum. Co-sponsor of bipartisan budget and reconciliation proposals.

Strongly supports Conable-Hance bipartisan tax package.

Gramm met with the President on July 23 and has been involved in the development of Conable-Hance II in order to maximize support of conservative Democrats. He also participated in a July 27 Presidential meeting with selected Democratic Members.

Gene Atkinson - D

Aliquippa, Pennsylvania (west-central part of the State), 25th District, 2nd term. Serves on the Government Operations Committee and the Public Works and Transportation Committee.

Voted to support Gramm-Latta I and in favor of allowing a vote on the entire Gramm-Latta II. He then voted against the omnibus reconciliation package.

Supports the Conable-Hance bipartisan tax package. Attended the July 26 Camp David meeting with selected Democrats.

Earlier this year the President and Atkinson had a telephone conversation concerning Gramm-Latta I which was carried live on a local radio talk show and received national media coverage.

Ron Mottl - D

Parma, Ohio (area south of Cleveland), 23rd District, 4th term. Serves on the Veterans' Affairs Committee and the Energy and Commerce Committee. Supported the President during the last election.

Supported Gramm-Latta I and procedural votes allowing for consideration of total Gramm-Latta II.

Undecided on the tax bill.

Was at July 26 Camp David meeting with selected Democratic Members.

Douglas Applegate

Democrat, represents the 18th District in Eastern Ohio, 3rd term. He serves on the Public Works and Transportation and Veterans' Affairs Committees.

Although Applegate has not voted with the Administration on any economic package vote, he has indicated that he is undecided about his vote on the tax bill.

Phil Sharp - D

Represents the 10th District of Indiana (east central, including Muncie), 4th term. Member of Committees on Energy and Commerce and Interior and Insular Affairs.

Sharp is uncommitted on the tax bill but leaning against Conable-Hance.

He has yet to support any part of the Administration's economic program though he participated in a Presidential meeting on Gramm-Latta I.

Redistricting will cause him to pick up traditionally Republican areas.

THE WHITE HOUSE

WASHINGTON

July 26, 1981

MEETING WITH CONGRESSWOMAN OLYMPIA SNOWE (R-MAINE)

DATE: TUESDAY, JULY 28, 1981
LOCATION: THE OVAL OFFICE
TIME: 2:50 P.M. (5 Minutes)
FROM: MAX L. FRIEDERSDORF *mlf*

I. PURPOSE

To thank Olympia personally for deciding not to seek the Republican nomination for U. S. Senate. To do otherwise would have resulted in a bitter Republican primary and rendered vulnerable the possible Republican gains of a senate seat, the governorship, and two congressional seats.

II. BACKGROUND

Olympia Snowe believes that her political strength and popularity in the state of Maine offered her an excellent opportunity to win the Senate race next year against current Democratic Senator George Mitchell. Her polls, conducted by Robert Teeter (Market Opinion Research), showed her to be stronger in a general election against the Democrats than her Republican colleague, Congressman David Emery. Like many young, bright, and aggressive Members, Olympia appears to believe that she could accomplish more in the Senate than in the House. David Emery, however, is the senior Republican House member (with four terms to Olympia's two), reportedly had the support of the party organization, and is a strong senatorial candidate himself.

On June 8, Olympia announced that she would not be a candidate for the Senate seeking, as she said in her press conference, "to unify our party so that we can move forward together to achieve our goals". She will seek re-election to the House.

Olympia Snowe represents the second district in Maine, which includes Bangor. She served in the Maine House and Senate. She is a member of the Foreign Affairs and Small Business Committees. Maine is one of the most depressed states in the Union and has been losing much of its business sector. Despite Administration policies that would have the appearance of worsening Maine's economic environment (decisions to speed up oil decontrol, end EDA grants, not renew the orderly

marketing agreements on non-rubber footwear, and to move weatherization programs into block grants), Olympia has steadfastly and articulately explained and defended the Administration's decisions and the President's economic recovery program.

Olympia is not yet committed on the tax bill, however, she is leaning towards supporting Conable-Hance. She is reluctant to commit based upon her upset over the weatherization provisions in reconciliation. She believes that weatherization is necessary to the residents of Maine and that such a program should be maintained as a categorical grant. The differences of opinion on this issue are being discussed with her staff.

III. PARTICIPANTS

The President
Olympia Snowe (R-Maine)
Max L. Friedersdorf

IV. PRESS PLAN

White House Photographer Only

V. SEQUENCE OF EVENTS

No specific agenda

Attachment: Talking Points

SUGGESTED TALKING POINTS FOR MEETING WITH
CONGRESSWOMAN OLYMPIA SNOWE

- Acknowledge that her decision not to run for the Senate was brought to your attention. Tell her that you know that her decision was a difficult one, and one made in the interest of long-term Party goals.
- Thank her for her contribution to the Party's goals by maintaining its unity.
- Remark that you know how steadfastly she has defended and articulated your economic recovery program even though some of the short-term elements of the program are perceived to be painful because of Maine's current economic environment.
- Encourage her to continue her leadership role among her colleagues. Thank her for her work and support on the budget and reconciliation proposals.
- Tell her that you need her support on the Conable-Hance tax bill because it provides the kind of tax relief that is absolutely essential to the economic future of this nation.

THE WHITE HOUSE

WASHINGTON

July 27, 1981

MEETING WITH CONGRESSMAN MIKE OXLEY (R-OHIO)

DATE: July 28, 1981
PLACE: The Oval Office
TIME: 2:55 p.m. (5 Minutes)
FROM: Max L. Friedersdorf *m. b.*

I. PURPOSE

To meet and congratulate Congressman Mike Oxley (R-Ohio) on his June 25th election to Congress.

II. BACKGROUND

Congressman Oxley, the newest Republican House Member, was narrowly elected (there was a recount) to fill the vacant seat which was created by the April 12th death of Tennyson Guyer (R-Ohio). Oxley campaigned in support of the Administration's economic program.

He was sworn in July 21.

III. PARTICIPANTS

The President *BUSH, REGAN, SB*
Congressman Oxley
~~Max L. Friedersdorf~~
Ken Duberstein

IV. PRESS PLAN

White House Photographer

V. SEQUENCE OF EVENTS

No specific agenda.

Attachment: Talking Points

ATTACHMENT

SUGGESTED TALKING POINTS FOR MEETING WITH
CONGRESSMAN MIKE OXLEY

- Congratulate Mike Oxley on his election victory and express pleasure that a Republican will continue to represent the Fourth District of Ohio.
- Indicate you welcome his support of your economic recovery program.
- Express your confidence that Republicans will be unified in their support of the bipartisan tax bill.

THE WHITE HOUSE

WASHINGTON

July 24, 1981

MEETING WITH SELECTED DEMOCRATIC
MEMBERS OF THE HOUSE
OF REPRESENTATIVES

DATE: TUESDAY, JULY 28, 1981
LOCATION: THE OVAL OFFICE
TIME: 3:00 P.M. (20 MINUTES)

FROM: Max L. Friedersdorf

I. PURPOSE

To solicit support for the Conable-Hance bipartisan proposal.

II. BACKGROUND

This group of Democratic Congressmen was selected from among those who either are supporting the original Conable-Hance bipartisan tax proposal, leaning in favor, or undecided. The Democratic leadership of the House has been wooing these Members heavily; and the Democratic Party apparatus has been applying heavy constituent pressures in a number of their Districts.

With the completion of the Ways and Means Committee mark-up and the announcement, on July 24, 1981, of Conable-Hance II, there is now a very clear choice between the two proposals. This meeting will provide the opportunity for the President to firm up support and to try to convince the leaning and undecided to become supporters.

III. PARTICIPANTS

See attachment.

IV. PRESS PLAN

White House Photographer only.

V. SEQUENCE OF EVENTS

No set schedule.

Attachment A: Talking Points
Attachment B: Participants

ATTACHMENT A

SUGGESTED TALKING POINTS FOR MEETING WITH
SELECTED DEMOCRATIC MEMBERS OF THE
HOUSE OF REPRESENTATIVES

- Point out that the fundamental difference between the two tax proposals is that the bipartisan plan offers real tax reduction, while the Ways and Means plan allows taxes to continue to increase on the working people of this country.
- Stress that the Conable-Hance bipartisan proposal is a permanent tax cut. The Democratic leadership is only offering another make-believe tax cut that dissolves into a huge tax increase.
- Emphasize that the bipartisan effort has developed a bill that is best for the country. It provides the kind of tax relief that is absolutely essential to the economic health of this nation.
- Note that the driving motive behind the Democratic leadership's bill was, "What can we put together to beat Ronald Reagan?". It is merely the same policies of the past which promised working people tax cuts which they never saw.

- The Ways and Means bill is holding the people's tax cut hostage to future economic events. They give big business a long-term tax break, but won't give individuals a three-year tax cut. We have to provide the certainty and incentives that will help all Americans.

- Ask them a simple question...Are they for reducing taxes or increasing them? Stress that you have fought for your economic program because you believe in it -- and you need their help and their vote on the tax bill.

ATTACHMENT B

PARTICIPANTS

The President
Secretary Regan

Congressman Beryl Anthony
Congressman Doug Barnard
Congresswoman Marilyn Lloyd Bouquard
Congressman L. H. Fountain
Congressman Jim Santini
Congressman Charles Stenholm

Staff

Max L. Friedersdorf

Beryl Anthony

El Dorado, Arkansas (southern part of state), 4th District, 2nd term. Serves on the Agriculture Committee and the Budget Committee. Recently joined the Conservative Democratic Forum.

Anthony is leaning against us on the tax bill. He voted for Gramm-Latta I but that was his only vote with the Administration on the economic package. He has consistently expressed concern about the impact of the tax bill on the housing industry and the savings and loan industry.

Anthony met with the President on June 4 and expressed some reservations. Conable-Hance II is a better package for the housing industry and the thrift institutions in Anthony's District. In addition, the oil provisions are favorable to his District.

Doug Barnard - D

Represents the 10th District of Georgia, which is east central and includes Augusta. He is a 3rd term Member and serves on the Banking, Finance and Urban Affairs and Government Operations Committees. Doug is a conservative Southern Democrat.

Voted 100% in favor of Administration's budget and reconciliation proposals.

He is strongly leaning toward supporting the Conable-Hance bipartisan tax package.

Barnard met with the President on June 4 to discuss the Conable-Hance tax bill but has wavered from his position of support at that time.

Marilyn Lloyd Bouquard

Democrat. Chattanooga, Tennessee, district includes southeast part of the state, including Oak Ridge, 2nd District, 4th term. She serves on the Public Works and Transportation and Science and Technology Committees.

Mrs. Bouquard is LEANING AGAINST Conable-Hance II. She voted for Gramm-Latta I and Gramm-Latta II, but against the Administration on the key votes.

Was strongly aided by Administration in efforts to protect authorization and appropriation of Clinch River Breeder Reactor.

L.H. Fountain

Democrat of Tarboro, North Carolina, 2nd District, 15th term. Serves on the Foreign Affairs and Government Operations Committees. He is a member of the Conservative Democratic Forum.

Fountain voted for Gramm-Latta I and final passage of Gramm-Latta II, but did not vote with the Administration on any key votes. He is philosophically comfortable with the Administration, but is under substantial pressure from the Democratic leadership. Fountain has been very interested in the Inspector General program.

Fountain was disappointed because he was unable to join the President at Camp David -- he is undecided about the tax bill and believes that the packages are so close that it is unfortunate that there is such a fight.

He was recently notified of the Administration's intention to appoint him as U.N. Observer, but needs to be convinced that Conable-Hance II is best for the country.

Jim Santini

Democrat. Las Vegas, Nevada, serving At Large. 4th term. Serves on the Interior and Insular Affairs Committee (Chairman, Subcommittee on Mines and Mining), the Energy and Commerce Committee and the Select Committee on Aging. He is a member of the Conservative Democratic Forum.

Santini supported Gramm-Latta I and II. He is LEANING FOR Conable-Hance.

Santini is very interested in the tourism industry and was instrumental in changing the Administration position regarding a bill concerning the National Tourism Policy. He is comfortable with the energy provisions added to Conable-Hance II.

Charlie Stenholm

Democrat. Represents the 17th District, which is north central Texas. He is from Stamford and this is his 2nd term. He serves on the Agriculture and Small Business Committees.

Charlie is Chairman of the Conservative Democratic Forum and assumed an active leadership role in obtaining support for the President's economic package.

Stenholm has voted with the Administration 100% on the economic package and is FOR Conable-Hance II. Despite temporary lack of enthusiasm on the tax issue due to perceived problems in getting an acceptable Farm Bill enacted, Charlie now is working hard for Conable-Hance II.

THE WHITE HOUSE

WASHINGTON

July 24, 1981

MEETING WITH SELECTED DEMOCRATIC MEMBERS OF THE HOUSE OF REPRESENTATIVES

DATE: July 28, 1981
LOCATION: The Oval Office
TIME: 3:30 p.m. (20 Minutes)
FROM: Max L. Friedersdorf *m.l.f.*

I. PURPOSE

To solicit support for the Conable-Hance bipartisan proposal.

II. BACKGROUND

This group of Democratic Congressmen was selected from among those who either are supporting the original Conable-Hance bipartisan tax proposal, leaning in favor, or undecided. The Democratic leadership of the House has been wooing these Members heavily; and the Democratic Party apparatus has been applying heavy constituent pressures in a number of their Districts.

With the completion of the Ways and Means Committee mark-up and the announcement, on July 24, 1981, of Conable-Hance II, there is now a very clear choice between the two proposals. This meeting will provide the opportunity for the President to firm up support and to try to convince the leaning and undecided to become supporters.

III. PARTICIPANTS

See attachment.

IV. PRESS PLAN

White House Photographer only.

V. SEQUENCE OF EVENTS

No set schedule.

Attachment A: Talking Points
Attachment B: Participants

ATTACHMENT A

SUGGESTED TALKING POINTS FOR MEETING WITH
SELECTED DEMOCRATIC MEMBERS OF THE
HOUSE OF REPRESENTATIVES

- Point out that the fundamental difference between the two tax proposals is that the bipartisan plan offers real tax reduction, while the Ways and Means plan allows taxes to continue to increase on the working people of this country.
- Stress that the Conable-Hance bipartisan proposal is a permanent tax cut. The Democratic leadership is only offering another make-believe tax cut that dissolves into a huge tax increase.
- Emphasize that the bipartisan effort has developed a bill that is best for the country. It provides the kind of tax relief that is absolutely essential to the economic health of this nation.
- Note that the driving motive behind the Democratic leadership's bill was, "What can we put together to beat Ronald Reagan?". It is merely the same policies of the past which promised working people tax cuts which they never saw.

- The Ways and Means bill is holding the people's tax cut hostage to future economic events. They give big business a long-term tax break, but won't give individuals a three-year tax cut. We have to provide the certainty and incentives that will help all Americans.

- Ask them a simple question...Are they for reducing taxes or increasing them? Stress that you have fought for your economic program because you believe in it -- and you need their help and their vote on the tax bill.

ATTACHMENT B

PARTICIPANTS

The President
Secretary Regan

Congressman J. Marvin Leath
Congressman Ike Andrews
Congressman Dan Glickman
Congressman Ronnie Flipppo
Congressman Larry McDonald
Congressman Sam Hall

Staff

Max L. Friedersdorf

J. Marvin Leath

Democrat, represents the 11th District, which is central Texas and includes Waco. He is from Marlin and is serving his second term. He is a member of the Armed Services and Veterans' Affairs Committees. He is a member of the Conservative Democratic Forum.

He is a Yes vote on Conable-Hance II. He has voted with the President 100% on the economic package.

Ike Andrews

Democrat, North Carolina, 4th District, Raleigh-Durham area, 4th term. Serves on the Education and Labor Committee. He is a member of the Conservative Democratic Forum.

Voted for the Gramm-Latta I bipartisan Budget amendment, but did not support the Administration position on any of the Reconciliation votes. Received severe criticism from home-state press after the Gramm-Latta I vote. Undecided on the tax bill.

Dan Glickman

Democrat, 4th District of Kansas (central part of state including Wichita), 3rd term, serves on the Agriculture Committee, the Judiciary Committee and the Science and Technology Committee; Chairman of the Science and Technology Subcommittee on Transportation, Aviation and Materials.

Has not supported key Administration proposals on Budget and Reconciliation legislation, but did cast favorable votes on final House passage of the bipartisan Budget Resolution and on the Budget Conference Report. Has co-sponsored a two-year personal tax cut bill that provides for a third-year trigger tied to overall performance of the nation's economy.

Glickman met with the President on July 17 to discuss the tax bill. He should have constituent interest in certain new provisions in Conable-Hance II, but is undecided at this time.

Ronnie Flippo

Democrat. Represents the 5th District of Alabama, a northern district with a populist streak. Conservative Democratic Forum member. First elected in 1976, Flippo serves on the Public Works and Transportation Committee and the Science and Technology Committee.

Flippo is leaning slightly against the Administration on taxes. He voted for Gramm-Latta I and with the Administration on two of the key votes during consideration of Gramm-Latta II.

Larry McDonald

Democrat, Marietta, Georgia (northwest part of state), 7th District, 3rd term. Medical doctor. Serves on the Armed Services Committee. Philosophically considered to be one of the most conservative Members of the House of Representatives. Not a member of the Conservative Democratic Forum.

McDonald has voted 100% for the President's economic package and is a firm yes on Conable-Hance.

Sam Hall

Democrat, 1st District of Texas (north-east), 4th term. Serves on the Judiciary Committee and the Veterans' Affairs Committee. Chairman of the Veterans' Affairs Subcommittee on Compensation, Pension and Insurance. Member of Conservative Democratic Forum.

Has voted 100% in favor of the Administration's Budget and Reconciliation proposals. Voiced support FOR the bipartisan tax proposal during the President's June 4th meeting with Conservative Democratic Forum members which preceded the announcement of the Conable-Hance bill. Attended the President's July 17, 1981 meeting with selected House Democrats on the tax issue which was held in the Oval Office. Has been under increasing pressure from the Democratic House Leadership and oil producers to support the Rostenkowski-O'Neill tax bill.

THE WHITE HOUSE

WASHINGTON

July 27, 1981

3.58

MEETING WITH CONGRESSWOMAN MARGARET HECKLER (R-MASS)

DATE: TUESDAY, JULY 28, 1981
LOCATION: THE OVAL OFFICE
TIME: 3:50 P.M. (10 Minutes)
FROM: MAX L. FRIEDERSDORF *W-6*

I. PURPOSE

To convince Margaret to vote for the Conable-Hance bipartisan tax bill.

II. BACKGROUND

Congresswoman Margaret Heckler represents Massachusetts' 10th District, which includes Falls River and parts of Boston and Massachusetts' southwest region. She is into her 8th term and is one of only two Republican representatives in the state. She is a lawyer and serves on the Science and Technology and Veterans' Affairs Committees.

Margaret's voting record in the House is moderate to liberal and it is quite possible that she views tax relief to a certain extent as a social rather than as a fiscal issue. She voted, hesitatingly, in favor of Gramm-Latta I and Gramm-Latta II.

A recent poll that she commissioned reported that her name identification and popularity were high in the state.

She has been threatened by the Democrats in her state with reapportionment that would pit her against Barney Frank, a first-term liberal from the 4th district whose sister, Ann Lewis, is the executive director of the Democratic Congressional Campaign Committee.

She appears to believe that voting against the Administration on the tax bill will save her from the reapportionment.

Margaret also says that she is concerned about the oil provisions of the Conable-Hance bill.

III. PARTICIPANTS*Bus*

The President
Republican Leader Bob Michel
Congresswoman Margaret Heckler
Lynn Nofziger
Kenneth M. Duberstein

Secretary Regan

IV. PRESS PLAN

White House Photographer Only

V. SEQUENCE OF EVENTS

No specific agenda

Attachment: Talking Points

MEETING WITH REPRESENTATIVE
MARGARET HECKLER
(R-MASSACHUSETTS)

- Express appreciation for Margaret's support for the budget and reconciliation bills and say that you believe these first steps to control federal government spending were crucial to economic recovery in this country.
- Say that the second essential element of economic recovery is providing Americans--all Americans--with real, not imagined, tax relief. Say that the Conable-Hance bill is the only tax proposal that provides a realized and permanent tax cut.
- Say that the driving motive behind the Democratic leadership's bill is "What can we put together to beat Ronald Reagan?" Their policies are the same as those of the past that promised people tax cuts that they never got.
- The Ways and Means bill is holding the people's tax cut hostage. The Democrats are trying to hold you hostage to reapportionment threats that you must know will be carried out regardless of how you vote on the tax bill.
- Point out that the Conable-Hance bipartisan tax proposals benefit all income levels. Say that Conable-Hance benefits the small business community so prevalent in her district. Point out that more than 13 million small businesses (out of 14.5 million) file individual income tax returns. Note that

the oil-related provisions of the Conable-Hance bill target the benefits to the royalty owners and independent producers--the smaller segment of the industry--and that these targets will encourage more new energy exploration.

- Point out that other Conable-Hance provisions are targeted specifically to the concerns of the northeast, i.e. research and development credit, energy credit for woodburning states, target jobs credit, mass transit industrial development bonds, and more.
- Tell her that you believe that it will be very difficult to explain to her constituency that she couldn't or wouldn't defend their rights to a real tax cut and tempered federal revenues after casting your votes to control spending.
- Point out that once again the Democrats are playing politics as usual, and to be successful you need the solid support of all Republicans on the tax bill.
- Ask her if you can count on her vote for the Conable-Hance bipartisan tax bill.

THE WHITE HOUSE

WASHINGTON

MEETING WITH REPRESENTATIVE

RALPH REGULA

REPUBLICAN - OHIO

DATE: Tuesday, July 28, 1981

LOCATION: The Oval Office

TIME: 4:00 P.M. (15 minutes)

FROM: Max L. Friedersdorf *M.F.*

I. PURPOSE

4:53
To solidify Ralph's support for the Conable-Hance II bipartisan tax bill, and to discuss the status of Reconciliation Conference Committee action.

II. BACKGROUND

Ralph Regula represents the 16th Congressional District of Ohio (east central part of the state). Now serving in his 5th term, Ralph is the 10th Ranking Republican on the Appropriations Committee and the 2nd Ranking Republican on the Budget Committee. Ralph also serves as the Ranking Republican Member of the Appropriations Subcommittee on Military Construction and is Co-Chairman of the Budget Committee Task Force on Reconciliation.

Ralph has supported the Administration's position on all votes pertaining to the Budget and Reconciliation bills. In addition he has worked within the House Leadership structure to oppose efforts by the Speaker and others to "open up" the Reconciliation bill.

Ralph has been reluctant to commit to support the Conable-Hance II bipartisan tax proposal. At this point, his major concern appears to be focused on provisions relating to the oil industry and windfall profits tax.

Ralph attended the President's May 11, 1981 reception at the White House for Gramm-Latta I supporters, the Vice President's April 2, 1981 meeting at the White House with Republican Members of the House Budget Committee, the President's June 23, 1981 White House Reception for Republican Members of the House, and the President's July 24, 1981 appearance before the House Republican Conference on Capitol Hill.

III. PARTICIPANTS

BUSH, JR., DUBSKOVIK
✓ The President

Secretary Regan

OMB Director Stockman

✓ Representative Ralph Regula (R-Ohio)

✓ House Republican Leader Bob Michel (R-Illinois)

III. PARTICIPANTS (continued)

Staff:

James Baker
Kenneth M. Duberstein

IV. PRESS PLAN

White House Photographer only.

V. SEQUENCE OF EVENTS

No set schedule.

Attachment: Talking Points

ATTACHMENT

SUGGESTED TALKING POINTS FOR
MEETING WITH REPRESENTATIVE
RALPH REGULA (R-OHIO)

- Thank Ralph for his leadership and support in the House of Representatives on the Budget and Reconciliation bills. Ask for his thoughts on the status of the Reconciliation Conference and the upcoming House Floor vote.
- State your conviction that the Conable-Hance bipartisan proposal is best for the nation and has the support of the American people.
- Stress that the Conable-Hance bipartisan proposal is a permanent tax cut. The Rostenkowski-O'Neill plan is another make-believe tax cut that dissolves into a huge tax increase after two years-- a continuation of the policies of the past which promised working people tax relief they never saw. Note that when all is said and done, aggregate individual tax cuts will be nearly \$100 million more in Ohio under the bipartisan bill than under the Democratic Leadership plan over three years.
- Characterize the third year "trigger" in the Rostenkowski-O'Neill plan as a gimmick that will not work by its own design. Point out that the "trigger" requires meeting the Administration's economic goals for the Federal deficit, interest rates and inflation, but abandons the tax policies on which these goals are premised. Note, for example, that the Rostenkowski-O'Neill plan will increase the deficit \$6.5 billion more in 1983 than its own trigger would permit.

- Point out that the Conable-Hance bipartisan bill contains numerous targeted provisions to assist specific sectors of the nation's economy: small business, agriculture, thrift institutions, etc. Note that the petroleum industry provisions of the bill are designed to promote investment in exploration with special focus on independent producers; whereas the Rostenkowski-O'Neill plan is tilted toward the major oil companies without increasing exploration incentives.

- Tell Ralph that his vote is in favor of the Conable-Hance bipartisan tax bill is essential to the nation's economic recovery; and ask for his support.

THE WHITE HOUSE

WASHINGTON

July 27, 1981

MEETING WITH REPRESENTATIVE BILLY TAUZIN (D-LOUISIANA)

DATE: TUESDAY, JULY 28, 1981

LOCATION: THE OVAL OFFICE

TIME: 4:15 P.M. (15 Minutes)

FROM: MAX L. FRIEDERSDORF



I. PURPOSE

To request Billy's support for the Conable-Hance bipartisan tax proposal.

II. BACKGROUND

Billy represents the 3rd District of Louisiana, which is the central Gulf region and includes new Iberia. This is technically his 2nd term although he was elected in a 1980 special election. He serves on the Energy and Commerce Committee and the Merchant Marine and Fisheries Committee. He is a member of the Conservative Democratic Forum.

Tauzin is currently uncommitted on the tax bill. He had previously indicated interest in supporting the President, but certain special interest provisions in the Ways and Means bill have created uncertainty. He has voted with the President 100% on the economic package prior to the tax vote.

In discussions with Administration representatives, Billy said he'd have to vote for the bill that had "best" oil provisions for his independents and royalty owners.

Billy met on May 5 with the President to discuss Gramm-Latta.

III. PARTICIPANTS

The President
Secretary Regan
Representative Billy Tauzin
Max L. Friedersdorf

IV. PRESS PLAN

White House Photographer Only

V. SEQUENCE OF EVENTS

No Set Schedule

Attachment: Talking Points

ATTACHMENT

SUGGESTED TALKING POINTS FOR MEETING WITH
REPRESENTATIVE BILLY TAUZIN (D-LOUISIANA)

- Thank Billy for his solid support on the budget and reconciliation votes.
- Acknowledge your awareness that Billy has been under considerable pressure to support the Rostenkowski-O'Neill tax plan. State your conviction that the Conable-Hance bipartisan bill is the best for the nation.
- Stress that Conable-Hance is a real and permanent tax cut. The Rostenkowski-O'Neill proposal is another make-believe tax cut that dissolves into a huge tax increase after two years. Stress that this is a continuation of policies of the past that promised working people tax relief they didn't get.
- Point out that Conable-Hance will be more beneficial to independent producers and royalty owners than will the Rostenkowski-O'Neill bill by exempting stripper wells from the windfall profits tax entirely starting in 1983 and by stopping the phase down of the percentage depletion deduction. Point out that royalty owners are granted a larger exemption from the windfall tax also.
- Stress that the realization of real tax cuts is the only way to sustain control of the federal budget process and

ATTACHMENT, CONTINUED

that the Conable-Hance tax bill is crucial to economical recovery.

-- Ask him if you can count on his support.

THE WHITE HOUSE

WASHINGTON

MEETING WITH REPRESENTATIVE
RALPH HALL (D-TEXAS)

DATE: Tuesday, July 28, 1981
LOCATION: The Oval Office
TIME: 4:30 P.M. (15 minutes)

FROM: Max L. Friedersdorf

I. PURPOSE

To solidify Ralph's support for the Conable-Hance II bipartisan tax bill.

II. BACKGROUND

Ralph Hall represents the 4th District of Texas (Denton and Grayson Counties). Serving in his first term, Ralph is a member of the Energy and Commerce Committee and the Science and Technology Committee. He also is a member of the Conservative Democratic Forum.

Ralph voted for the Gramm-Latta I bipartisan Budget Resolution; and he supported the Administration's position on several key procedural votes pertaining to the Reconciliation bill. On June 4, 1981, Ralph committed to the President on Conable-Hance I. Rostenkowski persuaded him otherwise because of the oil provisions in the Ways and Means Committee Tax bill. With the unveiling of Conable-Hance II, Ralph told White House staff that he had left himself enough escape clauses to return to the President's side. Most recently, Ralph attended the President's Camp David luncheon meeting on July 26, 1981.

III. PARTICIPANTS

The President
Secretary Regan
Representative Ralph Hall (D-Texas)

Staff

James Baker
Kenneth M. Duberstein

IV. PRESS PLAN

White House Photographer only.

V. SEQUENCE OF EVENTS

No set schedule

Attachment: Talking Points

SUGGESTED TALKING POINTS FOR MEETING
WITH REPRESENTATIVE RALPH HALL
(DEMOCRAT-TEXAS)

- Tell Ralph that you enjoyed visiting with him at Camp David on Sunday; and indicate that you wanted to discuss the Conable-Hance II bipartisan tax bill with him in greater detail privately. Reiterate your conviction that Conable-Hance II is best for the nation and has the support of the American people.
- Acknowledge that Ralph is well aware of the basic differences between Conable-Hance II and the Rostenkowski-O'Neill proposal: permanent vs. temporary tax cuts, three years vs. two, etc. Focus attention on the windfall profits provisions.
- Note that Conable-Hance II will be more beneficial to smaller independent producers of oil than the Rostenkowski-O'Neill Plan. It exempts stripper oil from the windfall profits tax entirely starting in 1983. It also stops the phase-down of the percentage depletion deduction for independent producers.
- Mention that Conable-Hance II also will be more beneficial to royalty owners by granting a larger exemption from the windfall profits tax.
- State your hope that the windfall profit tax provisions of Conable-Hance II represent a first step in the elimination of a tax which has stifled incentives for the exploration, development and production of oil.

-- Stress that what some have referred to as a "bidding war" is over--the differences between Conable-Hance II and Rostenkowski-O'Neill are clear. State that Ralph's support for Conable-Hance II is important to his constituents and is vital to the nation's economic recovery. Ask Ralph if you can count on his firm support.

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