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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

December 9, 1982

TO: MR. JAMES ROBERTS
Director
White House Fellowship Program

FROM: MICHAEL K. DEEVER
Assistant to the President
Deputy Chief of Staff

SUBJECT: Major Ted Lewis

Major Ted Lewis was assigned to me during the 1981 Inaugural as an Aide. I found him very responsible and trustworthy. He was always cheerful to work with and had initiative which he exercised. He and Mrs. Lewis have become friends of ours since the Inaugural.

I would highly recommend Major Lewis for the White House Fellowship program.



The Center for Strategic and International Studies
Georgetown University / 1800 K Street Northwest / Washington DC 20006 / Telephone 202/887-0200

Cable Address: CENSTRAT
TWX: 7108229583

2 December 1982

Shirley Moore/Pat Bye
Office of the Assistant to the President
and Deputy Chief of Staff
The White House
Washington, D.C. 20500

Dear Shirley and Pat,

During our lunch, I mentioned that I was applying for the White House Fellowship program. On Wednesday, I submitted my formal application to the President's Commission.

I also wanted to give you a copy of the application which I have enclosed. I hope that you will enjoy reading it.

I leave it to your good judgment whether or not Mike might also like to see it.

With warmest regards and Best Wishes for the Holidays,

Ted

Ted Lewis



MICHAEL K. DEEVER

Joe

I received your note about James Long and have forwarded a copy to White House Council who supervises these appointments.

Many thanks. Mike

THE WHITE HOUSE
WASHINGTON

Mr. Joseph S. Genshlea
Law Offices of Weintraub Genshlea
Hardy Erich & Brown
1000 G Street
Sacramento, CA 95814

12-9-82

John Quincy Brown, Jr.
Norwood R. Erich
Cavan Hardy
William A. Wilson
Leo H. Schuering, Jr.
Anthony D. Osmundson
Thomas C. Richards
David L. Perrault
L. Thomas Wagner
Roger T. Stewart
David S. Worthington
John Quincy Brown, III
Robert H. Zimmerman
Steven T. Scully
Russ J. Wunderli
Robert K. Willey
Lucinda C. Pocan
Richard M. Cunha
Robert K. Pollak
Robert B. Zaro
Denise J. Fischer

LAW OFFICES
WEINTRAUB GENSHLEA
HARDY ERICH & BROWN
A Professional Corporation

Curtis Cutter Sproul
Anthony R. Giannoni
Joseph S. Genshlea
Malcolm S. Weintraub
Geoffrey Burroughs
Frank P. Plavan
L. Burda Gilbert
Dee Hartzog
Gary D. Hori
Trena H. Burger
Joseph Ehrlich
Mark A. Jones
Donald P. Asperger
Michael A. Kvarme
Gilles S. Attia

November 23, 1982

Of Counsel
Lois Gilbert Sherman
Leo H. Schuering, Inc.

Michael Deaver
Assistant to the President
The White House
Washington, D.C. 20500

Dear Mike:

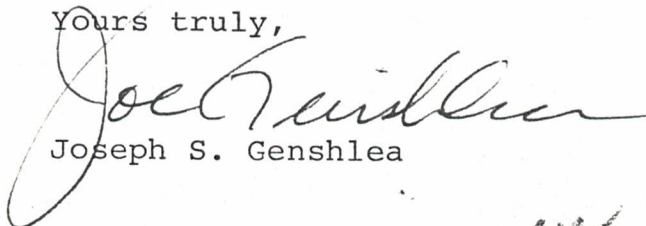
I am writing on behalf of James Long, a Superior Court Judge here in Sacramento, who is applying for appointment to the Federal District Court bench here in California.

Jim is an old friend; we went to high school together and I have known him over the years both personally and as a lawyer. He is a wonderful guy and will make a fine Judge. I highly recommend his appointment.

As you probably know, Andrea Fiske is now our next-door neighbor so she keeps me posted on what you and Carolyn are doing. It sounds like life is exciting in the fast lane. I get exhausted from just my trial practice. By now you must be going through the third phase of burnout.

Best wishes to you and to Carolyn.

Yours truly,


Joseph S. Genshlea

JSG/lp

Not under serious consideration.
Shirley
Appointed
by Gov.
Brown.



California Chamber of Commerce • 1027 10th St. • P.O. Box 1736 • Sacramento, CA 95808 • (916) 444-6670

November 23, 1982

Mr. Michael K. Deaver
Assistant to the President
Deputy Chief White House Staff
The White House
1600 Pennsylvania Avenue N.W.
Washington, D.C. 20500

Mike

Dear Mike:

So good to see and visit with you. I'm delighted to hear that Carolyn is enjoying the D.C. scene and think the President would be left with an unfillable void should you move out of town. Your plans seem to be the best arrangement for all of you.

How can I thank you for your support and interest? Can't! Maybe someday. I am concerned about the delay only because I've been around long enough to know that agendas change and support disappears as time goes on.

From what I could gather from my conversation with Helene, at this point I'm the top candidate and that I have heavy support. Her concern seemed to be Bay's departure plans and I don't think a date certain has been set. That does worry me somewhat because now the word is out in California. I'm sure other candidates will emerge.

Have a wonderful holiday and please keep in touch.

Sincerely,

Esther

Esther R. Greene
Director
Political Affairs

ERG:bd

Happy Thanksgiving!

THE WHITE HOUSE

WASHINGTON

November 16, 1982

Dear Mr. Fletcher:

Thank you for your letter indicating your interest in possible employment with the Department of the Interior.

I have taken the liberty of inquiring on your behalf, and suggest that you submit the enclosed Form 171 to the following address:

Mr. Richard Powers
Assistant Director
Personnel and Administrative
Services
National Park Service
Department of the Interior
18th & C Streets, N.W.
Washington, D. C. 20240.

Sincerely,

MICHAEL K. DEEVER
Assistant to the President
Deputy Chief of Staff

Mr. Burl Fletcher
31191 Fretwell
Homeland, CA 92348

BURL FLETCHER
31191 Fretwell
Homeland, CA 92348

EVH

remember this
guy?

Mr. Michael Deavers
Assistant Chief of Staff
President's Office
1600 Pennsylvania Avenue
Washington, D. C.

Dear Mr. Deavers:

CONGRATULATIONS on the election.

You don't remember me; I was on the Governor's Protection Squad with Art Van Court, then Ed Hickel, in '68, with the California State Police.

I've since retired in Riverside County. However, the retirement check is hardly enough today.

Could you give me any information on the possibility of employment with the Department of Interior, National Park Service. This seems like something that my background would qualify for.

I'm writing you, hoping for information on a position with a department that would have funds for some new positions.

Sincerely yours,

Burl Fletcher
Burl Fletcher

Dear Mr. Deavers

Probably a little better than he does me

Ed Hickel

*Tell him directly
to apply
to Park Service*

BURL C. FLETCHER
31191 Fretwell
Homeland, CA 92348

Residence: (714)
Business : (714)657-3169

JOB OBJECTIVE:

Obtain employment in relation to the law enforcement field utilizing my experience and knowledge to benefit me and my employer.

EXPERIENCE:

1980 - Present

General Real Estate

1963 - 1978

California State Police

1. Patrol state owned property in the following areas:
 - A. Los Angeles
 - B. San Diego
 - C. San Francisco
 - D. Sacramento
 - (1) Sergeant - Body guard for Gov. Reagan
 - (2) Line Supervisor at State Capitol - 8 to 15 officers
 - E. San Bernardino
Voluntary reduction in rate to patrolman to return to Southern California.
 - F. Retired December 31, 1978.

1962 - 1963

Oceanside Police Department

Patrolman - Patrolled incorporated area in the City of Oceanside

1953 - 1961

San Diego County Sheriff's Department

1. County Jail
 - A. Received prisoners
 - B. Booked prisoners
 - C. Kept prisoner records
 - D. Interviewed prisoners for Honor Camp
 - E. Released prisoners
2. Bailiff - Superior Court
 - A. Maintained order in court
 - B. Supervised Jury after being charged
3. Patrol Division
 - A. Patrolled unincorporated areas of County
 - (1) Answer call, make observation, investigations, make arrests, write reports, testify in Court
4. Resident Deputy - Rancho Santa Fe
 - A. Live in the area and be on call for 24 hour duty
 - B. Duties same as above.

EDUCATION:

Graduated Gideon High School, Gideon Missouri - 1942
1 year University of Missouri - 1946 - 1947

Various P.O.S.T. Courses:

1. Advanced Officer
2. Supervisor course
3. FBI bomb course
4. Crowd control - at San Luis Obispo
5. First Aid - CPR

MILITARY:

U. S. Navy - 1942 - 1945 and 1947 - 1950
Quartermaster/Signalman 3/C

PERSONAL:

Born Gideon, Missouri, September 20, 1924
6', 210 lbs., Brown hair, hazel eyes
Good health - No operations
Married, 1 child (23 years old)

REFERENCES:

Available on request

File



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

THE SECRETARY

October 27, 1982

*Mike
Stinger*

Hon. Michael K. Deaver
Assistant to the President
Deputy Chief of Staff
The White House
Washington, D.C.

Dear Mike:

Your letter dated October 13, 1982 has been received. I checked with Dr. June Koch, Deputy Under Secretary for Intergovernmental Relations, who is in charge of the Intergovernmental Relations Office at HUD and she informed me that Marilyn Ryan has not yet applied to her office for a position.

Please check with Ms. Ryan to find out more about this matter. When you do, kindly call me so that I can follow up on it.

Very sincerely yours,

SAMUEL R. PIERCE, JR.

*Surely he jests.
This position
has been filled —
according to Lynne Flood.*

*Environmental
Board*

THE WHITE HOUSE

WASHINGTON

November 15, 1982

Dear Doug and Charlene:

Thanks for taking the time to send the telegram regarding Thomas E. Harvey being appointed to Veterans Affairs. I certainly appreciate your input and have taken the liberty of forwarding your wire to the Director of Presidential Personnel.

Hope all is well with you and your family.

Sincerely,

MICHAEL K. DEEVER
Assistant to the President
Deputy Chief of Staff

Mr. and Mrs. Doug Daggs
Apartment 22
728 Montgomery Street
San Francisco, California 94111

*Thank
& send to
Charlene*

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1982 NOV 11 PM 2 12

04591 11-11 0130P EST

PMS WHITE HOUSE DC 20500

4-023311S315 11/11/82

ICS IPMRNCZ CSP

4153621202 TDRN SAN FRANCISCO CA 66 11-11 0128P EST

PMS THE HONORABLE MICHAEL K DEEVER RPT DLY MGM

DEPUTY CHIEF OF STAFF

WHITE HOUSE

WASHINGTON DC 20500

RE: APPOINTMENT OF ADMINISTRATOR OF VETERAN'S AFFAIRS.

CHARLENE AND I WISH TO ENCOURAGE YOUR SUPPORT IN THE APPOINTMENT OF THOMAS E HARVEY TO THE TOP VA POST FOR WHICH HE IS A CONTENDER.

IT HAS BEEN OUR PLEASURE TO BECOME ACQUAINTED WITH HIM THIS PAST

SUMMER THROUGH HIS BROTHER AND OUR RESPECTED FRIEND HERE IN SAN FRANCISCO, ROBERT A HARVEY, MD.

KEEP UP THE GOOD WORK.

DOUG AND CHARLENE DAGGS

728 MONTGOMERY ST #22

SAN FRANCISCO CA 94111

1328 EST

NNNN



1225 EIGHTH STREET, SUITE 350 / SACRAMENTO, CALIFORNIA 95814 / (916) 441-4714

Asml

November 5, 1981

Call Stu

Mr. Michael K. Deaver
Assistant to the President
and Deputy Chief of Staff
The White House
Washington, D.C. 20500

Dear Mike:

As you know, I am interested in a position with the Reagan Administration in Washington. I'm sure you're aware my application has been deferred. I understand my fitness to serve President Reagan has been questioned, possibly because I wasn't actively involved in the 1976 presidential primary election in California.

I bring this up because, on Stu Spencer's recommendations, I have been asked to go to Washington Thursday, November 12, for interviews relating to a public affairs position at the Small Business Administration. I am scheduled to meet with Craig Fuller, of your staff, at 10 a.m. on the same day.

This just came up on Monday. I was called about the SBA position, and the interview schedule was set-up for me. I did not want to meet with a member of your staff without your knowing about it, Mike.

As for 1976, it is true. I declined to get involved in the primary because at the time I had just been released from the hospital after being treated for a bleeding ulcer. With limited energy, and under orders to "take it easy," it was important to me and to my family that I concentrate on keeping my business going.

It was the first and only Reagan campaign I missed. I have enclosed for your information material documenting my Republican Party activities, and my work over the years for Ronald Reagan, dating back to 1965 and including participation in the 1980 presidential campaign here in Sacramento.

It is my hope this letter, along with the enclosures, will have a more positive effect on my genuine interest in serving the Reagan Administration. Best wishes to you, Carolyn and the children.

Cordially,
MEDIA PACIFIC
J Crumpacker
Jim Crumpacker

(over)

Mike -

I have settled down over the past few years,
and am more mild-mannered in the way
I treat people. I am sorry for any
embarrassments I might have caused you
in the past, and would like to have the
opportunity to serve on the Reagan team.

John

Jim Crumpacker

Republican Party Background and Activities

1. Lifelong Republican.
2. Joined Young Republicans at Fresno State University, Fresno, California, 1951.
3. Worked as a volunteer in Goldwater for President campaign, Marin County, California, 1963-64.
4. Attended 1964 Republican National Convention in San Francisco.
5. Member, California Republican Assembly, 1964-66.
6. Member, Marin Republican Council, Marin County, California, 1965-70.
7. Member, Republican State Central Committee of California, 1968-74.
8. Member, Candidate Development Committee, Republican State Central Committee, 1973-74.
9. Panel Member, Campaign College for state legislative candidates, sponsored by Republican State Central Committee, 1974.
10. Handled campaigns for the only Republican member of the Sacramento City Council, 1977, 1981.
11. Worked in campaigns of various Republican candidates for the Sacramento County Board of Supervisors, 1978.
12. Panel Member, Northern California Campaign Workshop sponsored by Sacramento County Republican Central Committee, November, 1979.
13. Developed Target-'80 communications concept for Sacramento County Republican Central Committee, 1979-1980.

Jim Crumpacker

Political Activities in Support of Ronald Reagan
(1965-1980)

1965

Was named ticket chairman for first fund raising dinner in Northern California in support of Ronald Reagan's unannounced candidacy for Governor of California. This took place in November, 1965 in Marin County north of San Francisco.

1966

Worked throughout the primary campaign as a member of the decision-making executive committee of the Marin County Reagan for Governor Committee.

After the primary, I worked at least 25 hours a week on the general election. In addition to handling all the committee's advertising and publicity, I also was involved in fund raising, precinct walking, victory squad and voter registration.

1967

After Ronald Reagan was elected Governor, I was invited to join the Governor's staff in Sacramento as assistant appointments secretary. I later served as an assistant program development secretary, special assistant and cabinet secretary. I served on the Governor's staff for five years.

1968

For a three-month period, I was on special assignment as co-author of Ronald Reagan's Creative Papers, which were produced to promote Governor Reagan's political philosophy to the news media, and to members of the Platform Committee at the 1968 Republican National Convention in Miami Beach.

Served as a staff member to the California Delegation at the Republican National Convention.

1969-1970

Provided material on Governor Reagan's accomplishments to campaign professionals in preparation for the 1970 re-election campaign.

Along with other members of the Governor's staff, met with campaign leaders on a regular basis to explore issues and strategy for the 1970 campaign.

1971

On my resignation from the Governor's Office, I was appointed by Governor Reagan to a three-year term as a member of the Board of Governors, California Community Colleges. I fully supported the Reagan educational philosophy at all times during my term.

1972-1974

Worked with Governor Reagan's Office primarily in implementing administration higher education policies.

During this time I also coordinated as a volunteer the statewide Governor's Drug Abuse Information Program. This was a drug awareness project, which I initiated when I was a special assistant on the Governor's staff. It was a public education demonstration program, which relied on the private sector for implementation. Such well-known spokesmen as Jack Webb and Art Linkletter were used to tape radio and television spot announcements. Public service newspaper and magazine print advertisements were produced and published. The anti-drug abuse material won creative awards at the Venice Film Festival and citations from Advertising Age magazine. Governor Reagan referred to this program in speeches and statements as an excellent example of the private sector stepping in where government had failed.

1975

Because Governor Reagan had left office by this time, I terminated the successful Governor's Drug Abuse Information Program.

1976

Due to illness, did not participate in the 1976 presidential campaign.

In November, 1976, however, as part of my desire to continue to support Ronald Reagan's future political goals, I submitted a script on federal government paperwork, which was printed nationwide as one of Mr. Reagan's newspaper columns.

1977

In March, I handled all media activities in connection with the appearance by Mr. Reagan as featured speaker at the Eighth Annual California Construction Employers State Legislative Conference in Sacramento. This included providing background information to reporters and arranging for a post-event news conference.

In April, I provided a script about force account practices in the building trades industry, which was used as part of Ronald Reagan's national radio broadcast series.

1979

In May, I was in charge of news media contacts, including pre-event publicity and follow-up work, for Nancy Reagan's visit to Roseville, Placer County, in the suburban Sacramento area.

1980

During April and May, I handled public relations activities for Northern California's largest campaign fund raiser--an outdoor barbecue at the Silva Ranch in Sloughhouse. More than 1,100 people attended, and they contributed over \$25,000. This included issuance of news releases, along with follow-up calls to key members of the area's news media outlets.

In July, I supplied background material to a former member of Governor Reagan's staff, Jeffrey Davis, who had moved to Seattle, for personal distribution to selected opinion leaders in that city. The package included copies of Ronald Reagan's Creative Papers.

In September, I arranged a luncheon meeting with Herb Ellingwood and Ted Wroblicky, an active Republican, who wanted to become involved in the presidential campaign in two specific areas: religious and ethnic (Slavic) voter blocks. As a result of this meeting, we followed up with calls to leaders of Sacramento area ethnic groups prior to the November election.

Note. In all cases, except for my service on the Governor's staff, I participated in activities in support of Ronald Reagan on a volunteer basis.

10/81

THE WHITE HOUSE

WASHINGTON

November 15, 1982

Dear Ernest:

Thank you for sending the resumes of Clifton R. Wharton, Jr., and E. T. York. I appreciate your concern and have taken the liberty of forwarding the information to Ambassador Enders, who is assisting us on the trip.

Sincerely,

MICHAEL K. DEEVER
Assistant to the President
Deputy Chief of Staff

Mr. Ernest Marshall
Board for International Food
and Agricultural Development
International Development Corporation
Agency for International Development
Washington, D.C. 20523

THE WHITE HOUSE
WASHINGTON

November 15, 1982

Dear Louis:

I certainly appreciate your input about Brooks Firestone. I have taken the liberty of passing along your letter to the Director of Presidential Personnel.

I would like to suggest that Brooks send a resume and indicate what areas of government he would be interested in.

Thanks again for your information.

Sincerely,

MICHAEL K. DEEVER
Assistant to the President
Deputy Chief of Staff

Mr. Louis Lancaster
President
The Channel City Club
Post Office Box 540
Santa Barbara, CA 93102

THE WHITE HOUSE

WASHINGTON

November 11, 1982

Dear Senator McClure:

Thank you for your letter of October 28, expressing your strong endorsement for the candidacy of Mike Hammond for one of the upcoming vacancies on the Federal Trade Commission.

We are aware of the growing support Mr. Hammond is receiving from Members of the Senate. I will be pleased to advise the President that I too have received a letter of support from you.

Sincerely,

MICHAEL K. DEAVER
Assistant to the President
Deputy Chief of Staff

The Honorable James A. McClure
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE
WASHINGTON

November 9, 1982

TO: MIKE DEAVER

FROM: KEN DUBERSTEIN *KMD*

Attached is a proposed draft
response to Senator McClure.

THE WHITE HOUSE
WASHINGTON

TO:

Ken Duberstein

FROM:

MICHAEL K. DEAVER
Assistant to the President
Deputy Chief of Staff

Information

Action

United States Senate

WASHINGTON, D.C. 20510

October 28, 1982

K. Duberstein
what shd I
do?
mm

Mr. Michael K. Deaver
Deputy Chief of Staff
The White House
Washington, D.C. 20500

Dear Mike:

The President's ability to completely determine the course of his administration will depend on his ability to gain control of the regulatory agencies by appointing persons who share his philosophy.

Within the next year, two seats on the Federal Trade Commission will need to be filled. If both of the appointees are conservatives, then they and Jim Miller will form a delicate conservative balance of power on the commission. If either candidate is not fully committed to the President's principles, then he and the two liberals on the commission will continue to hold the advantage.

One of the most effective deregulation advocates I know is Michael Hammond, who has served under me and Jesse Helms as General Counsel to the Senate Steering Committee for the past five years.

Next to Jim Miller, Michael is one of the persons most responsible for calming down that agency's radical tendencies during the 1970s. His idea was to print about two dozen amendments to the commission's 1979 reauthorization bill. Many of these amendments dealt with specific industries or professions. Groups which might not have had any interest in the FTC fight suddenly became active on behalf of their amendments. With thirty different bonfires raging, liberal columnists and interest groups could not focus on attacking one single amendment. Finally, FTC Chairman Michael Pertschuk literally begged the Senate to accept a package of FTC reform amendments as an alternative to the plethora of amendments that had been introduced. This action resulted in one of the most significant reforms of any agency in the past decade. A copy of an article from Congressional Quarterly detailing Steering Committee's involvement is attached.

More recently, Mike has been actively working with Senators Paul Laxalt, Steve Symms, Don Nickles, and Jesse Helms in connection with their involvement as amici in Consumers Union v. Federal Trade Commission.

On my behalf, Mike negotiated changes to the 1978 Consumer Products Safety Commission reauthorization bill. These changes turned the CPSC bill into one of the few regulatory reform proposals which passed into law during the Carter administration.

Mr. Michael K. Deaver
October 28, 1982
page 2

During the waning days of the 96th Congress, the Democrats were understandably eager to pass a series of bills which would allow them to take election year credit for "regulatory reform." In fact, most of these bills did little to restrict the power of federal agencies, and some of them vastly expanded the powers of the federal government. Mike worked with those of us interested in blocking do-nothing election year bills. I feel that these efforts are largely responsible for the failure of that area to emerge as an election year issue on behalf of the Carter administration.

This year, several offices have requested Mike's assistance with respect to the omnibus regulatory reform package being proffered by Senators Laxalt and Leahy.

Mike has written extensively on regulatory topics, particularly in his capacity as contributing editor to Financial World magazine. In addition, he has served as an in-house spokesman on behalf of business concerns in connection with other legislation touching regulatory matters, including this year's criminal code recodification bill.

I have today written to the President, laying out these facts. But I would also be personally grateful to you for whatever you could do on behalf of Mike's nomination.

I am confident that Mike's performance on the Federal Trade Commission would make the President proud of having nominated him.

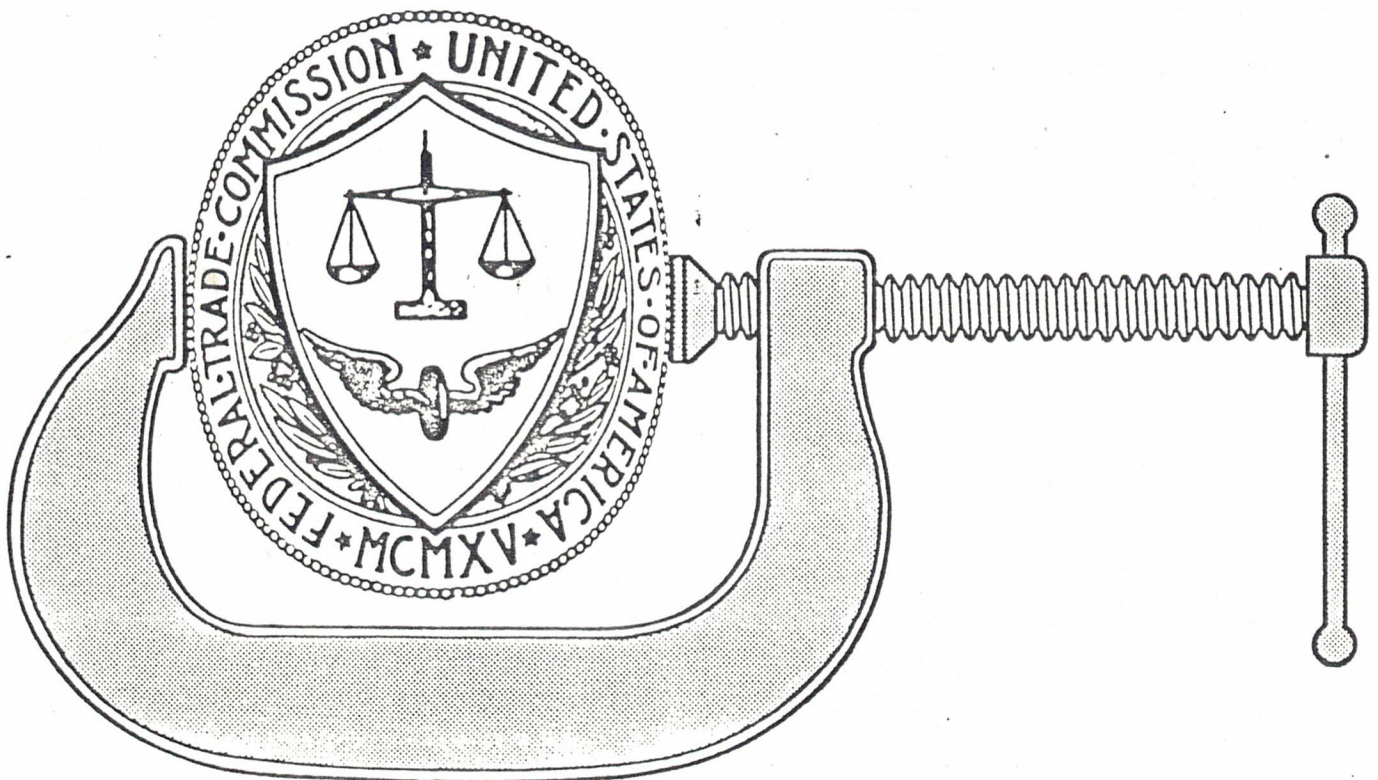
Sincerely,



James A. McClure
United States Senator

Putting the Squeeze on the FTC

(1647)





Federal Trade Commission:

Business Wants Congress To Limit Powers of Agency

The problems of used car dealers and funeral home directors typically do not evoke a great deal of sympathy among consumers.

But a sizable number of congressmen are siding with these stereotypical wolves of the marketplace in their battles with the Federal Trade Commission.

These businessmen are among a growing number seeking help from Congress in thwarting proposed FTC rules designed to give consumers more information about the products or services they buy.

And the warm reception they are receiving is symptomatic of Congress' waning interest in defending FTC actions among disgruntled constituents.

Under Chairman Michael Pertschuk, many observers say, the FTC has been more aggressive in confronting powerful corporate interests than at any time in its 65-year history.

Using its broad mandate to ferret out "unfair or deceptive acts or practices," it has antagonized, among others, the organized bar, the American Medical Association and the insurance, television, advertising, automobile and drug industries.

In retaliation, the business community has seized on public disdain for government regulation to launch a massive — if somewhat scattershot — campaign against the FTC.

Three-Pronged Attack

Lobbies for businesses affected by commission actions have joined the U.S. Chamber of Commerce and the National Association of Manufacturers in a three-pronged attack that would:

- Give Congress the power to veto all FTC regulatory actions.
- Eliminate or cut FTC funding for "public intervenors" — outside groups paid with federal funds to present tes-

—By Alan Berlow

timony that would not otherwise be given in agency proceedings.

• Stop the commission from proceeding with regulatory actions, rulemakings, investigations and lawsuits against specific business interests.

Thus far, most of the lobbying has been directed at the FTC authorization bills in the House and Senate (S 1020, HR 2313), but the appropriation for the commission also has come under attack. Both Senate and House Appropriations committees have said they are unwilling to fund the FTC until disputes over the authorization bill are worked out.

No less than a dozen amendments have been introduced to the Senate and House authorization bills. And a group of conservative senators who call themselves the Senate Steering Com-



mittee has set up what amounts to an amendment factory. They have all but invited those with grievances against the FTC to suggest additional amendments.

Supporters say the commission has become the whipping boy for any group encumbered by federal regulations.

Many of the lobby groups "would like to abolish the FTC, there's no secret about that," said Wendell H. Ford, D-Ky., one of the FTC's defend-

ers and the chairman of the Senate Commerce subcommittee that oversees it.

And several consumer lobbyists suggested that big business decided to take on the agency after defeating the proposed Consumer Protection Agency (CPA) in the last Congress. (*CPA action, 1978 Almanac p. 473*)

That scenario was characterized as "paranoid" by Jeffrey H. Joseph, a lobbyist for the Chamber of Commerce.

But Orrin G. Hatch, R-Utah, said, "The FTC has been captive of one philosophy for too long and, if it continues, I'd just as soon do away with it."

Source of Complaints

Many of the complaints about the FTC can be traced to two factors — the increased authority Congress gave the agency in 1975 to make rules that affect broad economic interest groups rather than individual businesses, and Chairman Pertschuk. (*Background, 1974 Almanac p. 327*)

Weight of Law

The FTC's authority is in many respects tantamount to legislating because the commission's rules have the weight of law. During its rulemaking process, the FTC hears arguments from the business groups to be regulated, but commission rules are final, subject only to court challenges.

Some critics contend that through these proceedings, the FTC is doing more legislating than Congress, that it has overstepped its authority and, in short, does whatever it pleases.

The broad discretion the FTC maintains in selecting its targets, without explicit direction from Congress, makes its rulings more vulnerable to attack than those of other regulatory agencies. In addition to affecting virtually every consumer in the country, FTC actions more immediately affect thousands of businessmen and professionals.

Since 1975, the agency has initiated about 20 proceedings to regulate industries ranging from children's advertising to funeral homes. While most were initiated before Pertschuk became chairman, most are being completed under his leadership.



The FTC has become an "activist agency in the last few years," said Sen. James A. McClure, R-Idaho. "The FTC doesn't think there's anything too far afield for it to investigate."

Hatch characterized the FTC as "one of the most obstreperous and politically motivated agencies in the government. It uses [its rulemakings] to badger, bludgeon and extort" concessions from business.

Business lobbies view the FTC as a different kind of beast from other regulatory agencies.

"The FTC is an unusual agency in that it is bucking the trend of less intervention in the private sector," said James P. Carty, a lobbyist for the National Association of Manufacturers.

Chamber lobbyist Joseph described it as a "frustrating kind of agency. With EPA [Environmental Protection Agency] or OSHA [Occupational Safety and Health Administration] you can see what you're fighting. With the FTC, it's like shadowboxing with a ghost. You never know where it'll hit you."

The FTC has "700 lawyers looking for things to get into," based on its mandate to act against unfair practices, he continued. The problem is that "unfairness is in the eye of the beholder."

Activist Pertschuk

Pertschuk, appointed by President Carter in early 1977 to serve until 1984, is regarded by conservatives in

Senate as a "radical" and an "activist," although he's been called worse.

The FTC is "one of the most obstreperous and politically motivated agencies in the government. It uses [its rulings] to badger, bludgeon and extort" concessions from business.

—Sen. Orrin G. Hatch, R-Utah

The *Washington Star* recently quoted a memo by Jack P. Alexander, public relations director for the Formica Corp., which is now tangling with the FTC over use of its trademark. Alexander called Pertschuk "one of the most dangerous men in America" and a "complete socialist" who "is personally committed to the dissection of large corporations and the reorganization of business and industry, and, in effect, the redistribution of wealth."

Pertschuk responded by saying the FTC's efforts to "strengthen the role of competition" are "the absolute antithesis of socialism."

Pertschuk defends the FTC's new direction and its accomplishments.

"Because we're an active agency and doing the job we ought to be doing, there are more groups into which the teeth of the commission are sinking now and more groups attacking [rules] as they come to fruition," he said in an interview.

Pertschuk characterized business' current lobbying efforts as "last ditch stands" to stop the agency from making rules. "In years past [lobbyists] could make peace with the commissioners and administrators directly, or the White House would put an arm on the commissioners. That's no longer possible, so now they're going to the Hill."

He said big business is simply "feeling its oats," from its victories on the Consumer Protection Agency and labor law reform but has had no success impeding commission programs.

"Obviously the commission is sensitive to the will of Congress. But as of this moment nothing that's hap-

pened on the Hill has stopped the commission from continuing with any of its proceedings," he said.

'Tendency to Overstate'

Nevertheless, the growing interest in the legislative veto and the increasing complaints about FTC actions may be having an effect.

Even the commission's allies concede that it has brought on some of the criticism itself. The agency, according to one Senate aide, "has a tendency to overstate the issue" in its rulings. "It usually ends up cutting back on its rules rather than adding to them."

Said a House aide: "FTC rulemakings throw in everything but the kitchen sink to take attention away from things it really cares about. . . . And a stigma remains from such FTC proposals as one that said the funeral home guys couldn't make a profit on flowers."

The FTC recently came under attack at a Senate Small Business Committee meeting because of a ruling on franchises. At one point, Committee Chairman Gaylord Nelson, D-Wis., who is generally supportive of the FTC, became so exasperated he suggested he might be convinced to support a legislative veto to deal with irresponsible rulings.

The FTC's rulemaking procedures and its intervenor funding program also were sharply criticized in a lengthy report by the Administrative Conference of the United States, an independent federal agency designed to promote efficiency and fairness in regulatory proceedings. That report is expected to serve as the basis for oversight hearings on the commission this fall.

But if business sharks appear to be circling more closely around the FTC lately, it is also because they view the commission as more vulnerable. As one Senate aide put it: "The House right now smells blood whenever it hears the word FTC."

Scores of Amendments

Those sharks have a raft of amendments ready for the FTC authorization bills when they reach the floor, probably in September.

In addition to the effort to give Congress a veto over FTC actions and to suspend the commission's public intervenor program, amendments are in the works to:

- Kill the FTC rule designed to give consumers information about major

mechanical and safety defects in second hand cars.

- Kill the highly publicized FTC rule that could ban some television advertising aimed at children and put limits on other ads.

- Kill the FTC's proposed rule to provide bereaved consumers itemized price information detailing costs of a funeral.

- Kill the FTC rule on product "standards and certification," which deals with trade groups that voluntarily set uniform product standards for their industries. An example of such a group is Underwriters Laboratory, which sets standards for electrical appliances. The FTC regards some of these practices as non-competitive and argues that some standard-setting groups have failed to solicit views from all affected businesses.

- Limit the FTC's authority to investigate professional organizations such as the American Medical Association, the American Bar Association and the American Dental Association.

- Prohibit the FTC from canceling the Formica trademark. The agency maintains that Formica has become the generic name for plastic laminate materials and that many consumers are inadvertently spending more money for Formica because they are unaware they are asking for a specific brand name. (*Background, Weekly Report p. 973*)

Lobbyists also are seeking language in the reports that accompany the House and Senate appropriation bills that would limit FTC actions in at least three other areas:

- General Motors lobbyists — including former Rep. James G. O'Hara, D-Mich. (1959-77), an associate of the Washington, D.C., lobbying firm of Patton, Boggs & Blow — have contacted several congressional offices seeking to limit the scope of the FTC's antitrust investigation of major auto manufacturers. A similar effort was made on the Senate appropriations bill last year.

- The National Council of Farmer Cooperatives wants language in the Senate Appropriations report to prevent the FTC from getting involved with agricultural marketing orders. The orders are designed to stabilize prices by regulating the flow of produce to the marketplace. The farmers' group argues that the Agriculture Department has sole jurisdiction over marketing orders. The FTC has an antitrust action pending against Unkist Growers Inc., which it argues has attempted to monopolize the Cali-

"Because we're an active agency and doing the job we ought to be doing, there are more groups into which the teeth of the commission are sinking now and more groups attacking [rules] as they come to fruition."

—FTC Chairman
Michael Pertschuk



fornia and Arizona citrus market. And an FTC staff report has recommended a similar action against the Ocean Spray Co.

- Insurance industry representatives want to forbid the FTC from spending any more money on its effort to issue model state laws for the industry. The laws would require companies to fully disclose how insurance rates are computed and where policy funds are invested.

The 'Kid-Vid' Controversy

The current campaign to limit the FTC's authority started last year with an organized attack on its children's advertising rule — the so-called "kid-vid" proceeding — which could affect \$600 million in television advertising directed at children.

The FTC is considering banning advertising on programs where young children compose a significant proportion of the audience and/or banning advertisements of highly sugared products when children form a large proportion of an audience. The FTC argues that such advertising encourages children to consume sugared products that are harmful to their health.

A coalition spearheaded by the National Association of Manufacturers, the Grocery Manufacturers Association and Thomas Boggs Jr., an attorney with Patton, Boggs and Blow, is seeking language in the FTC appropriations bill report that would prevent the agency from issuing its children's advertising regulations.

A broader "kid-vid" alliance — including sugar, chocolate, cereal and

toy manufacturers — plus broadcasting and advertising interests have pulled together high-priced lawyers and consultants to fight the rule at the agency and to generate a grass-roots mail effort aimed at Capitol Hill.

Most recently, Sen. Roger W. Jepsen, R-Iowa, at the urging of opponents, agreed to offer an amendment to the FTC authorization that would kill the rule.

But the lobbying effort goes well beyond complaints about "kid-vid." The Chamber of Commerce has put together what lobbyist Joseph called an "FTC victims' alumni," a broad group of businesses affected by FTC proceedings. "These groups can become instant converts on congressional veto," a top Chamber priority, Joseph said.

In a special mailing to members from districts represented by congressmen on the Commerce committees, the Chamber has urged them to contact their lawmakers on legislative veto, intervenor funding and the standards and certification rule. The Chamber has made a similar appeal to 100,000 of its members, and the National Association of Manufacturers has asked 14,000 members to do the same.

And for the first time, the American National Standards Institute (ANSI), the principal standards-setting group in the country, has asked its 1,200 members — representing about 400 industries — to contact their representatives and senators opposing that rule. Several ANSI member groups, such as the Recreational Vehicle Industry Association, have ini-

tiated their own letter-writing campaigns.

The Formica Controversy

In taking on the Formica Corp., the commission sent a chill through the ranks of other powerful corporations concerned about losing their brand names. The FTC insists it has clear legal authority under the 1946 Lanham Act to seek cancellation of a trademark that has become "generic," or a common descriptive name.

But a number of companies are seeking congressional assistance to abort this effort. Among them are the 3M Corp., Westinghouse Electric Corp., Procter & Gamble, General Foods, Eastman Kodak Co., Owens Corning Fiberglas Corp., United States Gypsum Co., Corning Glass Works, Pfizer, Inc., Johnson & Johnson and Dow Chemical Co.

"Obviously, the business community is viewing a Formica petition as much more than an isolated incident," notes an FTC memo.

The effort on behalf of Formica paid off in the House Commerce Committee where Thomas A. Luken, D-Ohio, attached an amendment to the FTC authorization that would prevent the commission from challenging the company's trademark for three years.

Also successful in the House were lobbyists opposing the commission's used car rule. The Commerce Committee report (H Rept 96-181) on the authorization bill, filed May 15, contained a statement signed by 20 of the panel's 42 members raising questions about the legality of the rule. The statement was added by Richardson Preyer, D-N.C.

The National Independent Auto Dealers Association, an 8,500-member used car trade association based in North Carolina, contacted Sen. Jesse Helms, R-N.C., who has agreed to sponsor a floor amendment to kill the rule. The group is represented in Washington by Michael R. Lemov, former chief counsel to the Commerce subcommittee with FTC oversight.

An FTC attorney handling the used car rule said 120 congressional offices had contacted him with questions about it.

Legislative Veto

A strong provision that would make all of the FTC's proposed regulations subject to a congressional veto was attached to the House authorization bill by the Commerce Committee. It is modeled on a veto proposal (HR



The FTC is considering banning from children's television programs ads for products high in sugar.

1776), sponsored by Rep. Elliott H. Levitas, D-Ga., which would apply to all regulations proposed by all federal agencies. HR 1776 now has more than 200 cosponsors. (*Background, Weekly Report p. 844*)

Because of its vulnerability, the FTC is viewed as the ideal agency on which to try out a legislative veto. If proponents win there, they would like to see the veto applied to all agencies.

While Congress has passed more than 200 legislative vetoes on individual bills, it has never approved a veto that would apply to all regulations issued by a single agency. The last time it attempted such a veto — on the fiscal 1979 Department of Housing and Urban Development authorization — it was defeated in the Senate, 65-29. (*1978 Almanac p. 78*)

The dispute over congressional veto has prevented passage of the FTC authorization bills for the last two fiscal years, and continuing resolutions have been needed to keep the agency going. Last year the House voted overwhelmingly to attach a veto provision to the authorization, but the Senate rejected it. A conference committee dropped the veto and the House refused to accept the measure. (*1978 Almanac p. 523*)

Regulatory Reform Campaign

For organized business lobbies, such as the Chamber of Commerce,

the veto idea has become the principal focus of their regulatory reform campaign and their lobbying effort against the FTC. Congress is considering a series of regulatory reform proposals designed to reduce and simplify the government's rulemaking machinery. (*Regulatory reform, Weekly Report p. 560*)

Veto advocates deny it is the answer to all their regulatory problems, but many view it as providing partial relief. Joseph said the Chamber's board came out for the veto this year because, "nothing else was moving" in the regulatory reform arena. "They bet the best horse that was running at the time."

He acknowledged that the Chamber had no comprehensive proposal for solving business' regulatory dilemma. "There are bits and pieces of regulatory reform all over the map, but what's best has yet to surface in any one package. I don't think anyone really knows the answer."

Veto critics regard the proposal as a desperate and simplistic solution to the regulatory problem. "The business lobbies 'are riding the crest of an anti-government, anti-bureaucracy, anti-regulatory wave without any clear idea of what they want,'" said one Senate aide.

"The legislative veto," concluded another, "has become a catchall phrase for curing the ills of government in much the same way as balancing the budget has become the cure-all for inflation."

In response, Sen. McClure argued, "the legislative veto is not a cure-all, but where congressional oversight has not been successful it is necessary."

"We don't have a conceptual answer to the problem of regulatory reform yet, and if we can't get the broad general reforms we can at least begin to chip away at it with various agencies."

The efforts to amend the FTC authorization and appropriation bills suggest what might happen if a legislative veto were enacted. Now, almost all of the FTC's rulings are appealed in court. If a legislative veto were enacted, business groups targeted by an FTC ruling would try to quash it on Capitol Hill before undertaking costly and prolonged litigation.

The FTC provision attached to the House authorization, which would expire after three years, would prevent an agency rule or regulation from becoming effective if: 1) the House and

Senate vetoed it within 90 days after it was issued or 2) if one chamber vetoed it within 60 days after it was issued and the other chamber did not reject that veto within 30 days.

In effect, the second situation would allow for a one-house veto. Under both, the president would be removed from the process entirely, with no authority to veto congressional action.

Levitas argues that his veto proposal would take lawmaking out of the hands of "unelected bureaucrats" and return it to Congress.

But veto critics say it is unconstitutional, would impose new responsibility on an already overburdened Congress and that special interests could easily force Congress to kill unpopular rules.

Opponents foresee one-house veto situations in which one chamber would veto a rule and the other might not act in order to avoid debate on a controversial proposal.

"If there was a legislative veto," said Frances Zwenig, a lobbyist for Ralph Nader's Congress Watch, "you might see quid pro quo's with members saying 'I'll vote for your veto if you vote for mine.'"

Rick Neustadt, a White House domestic policy aide, said business sees the legislative veto "as a way to hobble the FTC. It would build in delay and politicize the [rulemaking] process."

Intervenor Funding

The FTC is one of seven agencies providing funds for private citizens to participate in rulemaking proceedings. The idea is to include all interested parties in the proceedings, not just large manufacturers or business associations that can afford expensive legal representation.

The House Commerce Committee voted to set a \$75,000 limit on grants to one participant in a rulemaking proceeding and reduced FTC's intervenor authorization from \$1 million a year to \$750,000.

Critics of FTC's intervenor program insist that it has provided too much money to groups that support commission positions and has funded groups that should not qualify or that could afford to appear at their own expense.

But behind the criticism is the fact that intervenor funding has made it more difficult for businesses to get their way in agency proceedings, FTC officials say.

In the Senate, Alan Simpson, R-Wyo., is expected to offer amendments to the FTC authorization bill that would kill the intervenor funding program and prohibit other agencies from having similar programs without Congress' approval.

Simpson aide Joel Mandleman said FTC expenditures for intervenors were "a flagrant abuse of the intent of the sponsors. . . . There is no longer any middle ground but to dismantle the program, particularly because of the way Pertschuk has used it."

'Hired Gunslingers'

Kendall Fleeharty, a regulatory affairs attorney with the Chamber of Commerce, said the Chamber would support the Simpson amendments.

Fleeharty charged that the FTC has tried "to pepper the record [of its rulemakings] with its own point of view and has hired gunslingers to come in and present those views.

"Intervenor funding should broaden the record, but instead we see an abuse of that objective to convert intervenor testimony to an alter ego of the FTC."

Mandleman charged that in the "kid-vid" rulemaking no money went to opponents of the rule, which he referred to as "Pertschuk's pet project." Commission records indicate the charge is substantially accurate.

Linda Larson, a Senate Appropriations Committee aide, speculated that opposition to the program came to a head because of its extensive use in the children's advertising debate.

During Senate Appropriations Committee hearings, considerable attention focused on the agency's public participation program. But a study put together by the majority and minority staff found that the program was basically well-administered.

FTC attorney Terry Latanick said rulemakings would "lose something very, very important" if intervenor funding was abolished. "You can't assume that the consumer's viewpoint is the same as the commission's," he said.

The White House consumer affairs office headed by Esther Peterson has encouraged senators to hold firm on intervenor funding. An aide to Peterson said her office "has a major commitment to intervenor funding to insure that the consumer's viewpoint is represented in agency proceedings. . . . The FTC has been the pilot in developing what we think is a successful program."

Outlook

The House is likely to approve an FTC authorization with a strong legislative veto provision and several amendments limiting FTC rulemaking authority.

But the Senate remains the key. Many of the pending amendments to the authorization are, in effect, legislative vetoes of specific rulings and are apparently intended to show the need for a broader legislative veto over all FTC rules. But most of them are not expected to pass.

Sen. Ford has postponed floor action until he holds oversight hearings on the FTC in September. Action was put off, an aide said, because members of the Senate Steering Committee would not go along with a time agreement limiting debate. The aide also said Ford believed that hearings should be held on the amendments before they were voted on.

But Steering Committee aide Michael Hammond and other Senate aides suggested that action was postponed because Ford was worried the legislative veto and some of the rule-killing amendments might pass. On July 21 a legislative veto amendment was attached to an Export Administration Act bill (S 737). It was approved after a motion to table it was rejected, 33-46. (*Weekly Report* p. 1622; vote 203, p. 1567)

Ford's oversight hearings will deal with FTC rulemaking problems, the legislative veto and intervenor funding. Ford told Congressional Quarterly he believed that oversight hearings on the Consumer Product Safety Commission had made that agency more responsive to business and that he wanted "to improve FTC relations with the business world."

Several Senate aides said they expected Ford to use the oversight hearings to make his case against the amendments rather than trying on the floor where senators might not be attentive to the debate.

A House Rules subcommittee studying legislative veto is expected to report by the end of the year. Its findings could add to the momentum of veto proponents.

The delay in Senate action indicates that the agency will be given another continuing appropriation to operate for one year at its current funding level of \$66.7 million. But the House, adamant in its desire for a legislative veto provision, could reject a resolution if that provision were not attached.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
722 JACKSON PLACE, N. W.
WASHINGTON, D. C. 20006

November 10, 1982

Fate

MEMORANDUM TO: MIKE DEEVER

FROM:

ERNIE MINOR

Ernie

I want to express my continued interest in the Federal Election Commission position which should be coming before senior staff in the near future.

WEM/sc

THE WHITE HOUSE

WASHINGTON

November 12, 1982

file

MEMORANDUM FOR HELENE VON DAMM

FROM: ELIZABETH H. DOLE *EH*

SUBJECT: Ethnic Appointments

The following are ethnic leaders who worked in the campaign and who should be considered for appointment:

Full-time

Julian M. Niemczyk*	(State, Defense, CIA)
Socrates Zolotas	(Immigration and Naturalization)
Inese Stokes**	(HHS, Aging)
Emil Zselecky	(Defense, State)
Frank DeBalogh, Jr.	(OMB, DOJ, GSA)
Manuel Garcia*	(HUD, DOL Regional)
Radi Slavoff	(USIA)
Eugene Ziurys**	(HHS, CPSC)
Gerald Kaminski**	(DOJ)
Peter Bereskin**	(Open)

Board/Commission

Laszlo Pasztor	Anna Faltus
Casimir Oksas	Nicholas Zoto
Michael Sotirhos	James Tashjian
Theodore Perros	John Kostelac
Sonia Suk	Mitchell Kafarski
Julius Belso***	Ted Stanjevich

* Informed last month he was to be appointed, also, to the President's Commission on Poland. No word on status.

** Would also consider board/commission

*** Was appointed to Ethnic Heritage Studies Board, but Board abolished three months later.

cc: Edwin Meese III
James A. Baker, III
Michael K. Deaver
William P. Clark

THE WHITE HOUSE

COMMISSIONED OFFICERS

October 1982

	EXT	RM	BLDG
COUNSELLOR TO THE PRESIDENT Edwin Meese, III	2235	1Flr	WW/WH
CHIEF OF STAFF AND ASSISTANT TO THE PRESIDENT James A. Baker, III	6797	1Flr	WW/WH
DEPUTY CHIEF OF STAFF AND ASSISTANT TO THE PRESIDENT Michael K. Deaver	6475	1Flr	WW/WH
ASSISTANT TO THE PRESIDENT AND PRESS SECRETARY James S. Brady	2100	1Flr	WW/WH
ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS William P. Clark	2255	GFlr	WW/WH
ASSISTANT TO THE PRESIDENT AND DEPUTY TO THE CHIEF OF STAFF Richard G. Darman	2702	GFlr	WW/WH
ASSISTANT TO THE PRESIDENT FOR PUBLIC LIAISON Elizabeth H. Dole	2270	2Flr	WW/WH
ASSISTANT TO THE PRESIDENT FOR LEGISLATIVE AFFAIRS Kenneth M. Duberstein	2230	2Flr	WW/WH
COUNSEL TO THE PRESIDENT Fred F. Fielding	2632	2Flr	WW/WH
ASSISTANT TO THE PRESIDENT FOR CABINET AFFAIRS Craig L. Fuller	2823	GFlr	WW/WH
ASSISTANT TO THE PRESIDENT FOR COMMUNICATIONS David R. Gergen	7873	1Flr	WW/WH
ASSISTANT TO THE PRESIDENT FOR POLICY DEVELOPMENT Edwin L. Harper	6515	2Flr	WW/WH
ASSISTANT TO THE PRESIDENT AND DIRECTOR OF SPECIAL SUPPORT SERVICES Edward V. Hickey, Jr.	2150	2Flr	EW/WH
DEPUTY COUNSELLOR TO THE PRESIDENT James E. Jenkins	7600	2Flr	WW/WH
ASSISTANT TO THE PRESIDENT FOR POLITICAL AFFAIRS Edward J. Rollins	7620	175	OEOB
ASSISTANT TO THE PRESIDENT FOR PRESIDENTIAL PERSONNEL Helene von Damm	2335	2Flr	WW/WH
ASSISTANT TO THE PRESIDENT FOR INTERGOVERNMENTAL AFFAIRS Richard S. Williamson	7007	2Flr	WW/WH