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THE WHITE HOUSE
WASHINGTON

*file
Womens Issues*

May 19, 1983



MEMORANDUM FOR EDWIN MEESE III
MICHAEL K. DEEVER

FROM: EDWIN L. HARPER *[Signature]*

SUBJECT: Cabinet Meeting on May 24 re: Women's Issues

Attached are draft papers for the May 24th meeting with the President on women's issues. What I've attempted to do is to put the decision issues in the larger context of the President's program with respect to women's issues. I think it is important that we not get bogged down on a few of these minor issues, but keep our focus on what the President has done for women's economic equity - IRAs and estate tax - and will do through (1) pension reform, (2) day care, (3) child support enforcement and (4) his record on appointments.

I'd appreciate any comments that you have as quickly as possible so that we can incorporate them in the final edition of these papers.

cc: Craig Fuller

WOMEN'S ISSUES

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WOMEN'S ISSUES

OBJECTIVE: To build and communicate a record responsive to evolving women's concerns, recognizing the changing status of women in the workforce, family, and society.

PROBLEM: A gender gap of support for Administration policies relating to women's:

1. Role as the primary family purchaser, confronting continually rising prices;
2. Increased labor force participation, currently at an all time high of 53 percent; and
3. Larger share of the poverty population; women feel they suffer most during a recession.

GROUPS AFFECTED: Greatest hostility toward the Administration is among young, unmarried, non-working women.

Others affected include:

1. Disaffected moderate Republican women;
2. Single heads of households working outside the home; and
3. Elderly women dependent on Social Security.

STRATEGY: Improve awareness. Use all available resources to convey the President's genuine concern that women receive fair and equitable treatment.

Communicate key attitudes:

1. Continued support for initiatives which promote economic and legal equity;
2. Recognition of the changing role of women as breadwinners as well as homemakers;
3. Awareness of the special demands on both single working heads of households and dual working parents; and
4. Recognition of the accomplishments and contributions of women.

Take initiatives in key areas:

1. Economic equity;
2. Legal equity; and
3. Appointments.

WOMEN'S ISSUES

OVERVIEW

I. INTRODUCTION

A well coordinated communications and action strategy to highlight present attitudes, past accomplishments, and future goals, closing the gender gap without deviating from the Administration's agenda.

II. ECONOMIC EQUITY

A. Equal Pay

1. The laws are in place.
2. To clarify the facts with respect to equal pay, we have suggested a major study by an outside group as an alternative to a commission on women's compensation.
3. We support the doctrine of equal pay for equal work and an expansion of private sector opportunities for women; equal pay for comparable work is an unworkable concept.
4. As Chief Executive Officer of the Federal Civil Service there are measures the President might consider to expand opportunities for women in government (Tabs 1, 2, and 3).

B. Day Care

1. This issue is critical to working women.
2. There is no support for a huge federal day-care system.
3. In 1981, the Administration increased the allowable tax credit for day-care expenditures. Through a sliding scale based on income, the credit was increased most for low-income taxpayers. The Economic Equity Act of 1983 proposes to increase the tax credit further (Tab 4).
4. The Administration has called for an expanded employer-based effort to provide day-care. This effort is going forward under the sponsorship of the Private Sector Initiatives Office (Tab 5).

C. Child Support

1. As governor, the President led the nation in establishing a child support enforcement system.
2. The increased costs to the federal government of a failure to enforce child support obligations has been recognized for some time in increased AFDC payments. However, the issue of child support enforcement is also important to non-AFDC spouses and as a deterrent to delinquent supporters.
3. The Administration is considering a small user fee concept where those seeking enforcement would pay a fee to use federal resources to enforce child support payments. Those delinquent in their payments would be charged a significant additional penalty fee (Tab 6).

D. Pension Equity

1. In 1981, the Administration made spouses without market earnings eligible to make IRA investments and raised the limit for a joint tax return to \$2250.
2. The Economic Equity Act of 1983 proposes to increase that limit to \$4000 (Tab 7).
3. The State of the Union address committed the Administration to remedy inequalities in employer-based pension plans. The following will meet this commitment:
 - o Legislating equal benefits, prospectively (Tab 8);
 - o Lowering the minimum age for pension participation under ERISA from 25 to 21;
 - o Not counting time away from the job for pregnancies as an interruption in service; and
 - o Ratifying by statute the courts' ability to assign pension rights.

III. LEGAL EQUITY

A. ERA

1. ERA has been reintroduced.
2. The Administration believes: the Constitution protects all citizens; ERA shifts action to courts denying responsible action by governments; and there are other social issues on the agenda -- ERA has been to states twice.

- B. Women's Issues Task Force (Brad Reynolds/Carol Dinkins)
 - 1. Process is in place to identify (Dinkin's working group) and solve (Reynold's task force) problems.
 - 2. The 50 States Project accomplishes the same objective at the state level.
 - 3. Senator Dole has introduced Federal Equity Act which the Administration supports.
- C. H.R. 100: Eliminate Gender-based Actuarial Tables in all Forms of Insurance (Tab 9)
 - 1. H.R. 100 as proposed would infringe on some women's rights and increase federal regulation. For example:
 - o As written, the bill would mandate abortion coverage in health insurance.
 - o Would increase automobile and life insurance rates for women, in some cases substantially.
 - o Would require extensive federal regulation of insurance, a field now left to the states.
 - 2. Administration supports equal treatment for all women.

IV. APPOINTMENTS (Tab C)

- A. President has selected more women for top full-time policy-making than any other President in first two years.
 - 1. One hundred for top-level full-time appointments.
 - 2. In total, over 1000 women have been selected for important positions: 150 for the SES; 484 for high-level Schedule C; and over 300 for part-time Presidential advisory boards.
- B. President's appointment of women to Cabinet level or equivalent positions is unprecedented.
 - 1. Elizabeth Dole to DOT.
 - 2. Margaret Heckler to HHS.
 - 3. Jeane Kirkpatrick to the U.N.
 - 4. Sandra Day O'Connor to the U.S. Supreme Court.

5. Faith Whittlesey for Public Liaison; Helene von Damm for Personnel (now confirmed as Ambassador to Austria).
6. Loret Ruppe to the Peace Corps; Nancy Steorts to the Consumer Product Safety Commission; Janet Steiger to the U.S. Postal Rate Commission; and Barbara Mahone to the Federal Labor Relations Authority.

V. SUMMARY

- A. Strategy responds broadly to Republican Congresswomen's requests (Tab D).
 1. Equal Rights Amendment: Request that the President remain neutral. Response - no change in position.
 2. Economic Equity Act: Request that the President support. Response - many objectives already achieved.
 3. Child Support Enforcement: Request that federal government increase efforts, especially for non-AFDC spouses. Response - new legislation recommended to the President.
 4. Wage Discrimination: Request that a commission be created. Response - propose the study be done without a commission.
 5. Day Care: Request that the President support increased tax credits. Response - significant increases already achieved by the Reagan Administration.
 6. Budgetary Concerns: Request that the President address the "fairness" issue. Response - renewed effort to communicate "fairness" of Administration proposals.
 7. Better Communication: Request that Administration achievement be brought to public attention more widely. Response - renewed efforts to be made.

WOMEN'S ISSUES

OCCUPATIONAL OPPORTUNITIES FOR WOMEN IN GOVERNMENT

ISSUE: Should OPM's plan for improving occupational opportunities for women in government be approved?

RECOMMENDATION: Yes, with the following modifications: (1) increase the President's Management Intern Program to bring in more women at the GS-9/11 level; and (2) develop an "immediate job offer" program for women at senior levels to overcome months of delay now encountered by qualified applicants.

BACKGROUND: This issue is carried over from the CCMA meeting with the President of April 28 at the request of Secretary Dole who had to leave early.

At that meeting, Don Devine presented historical data on women in the workforce and women in executive positions in the Federal government. Under this administration, 14.2% of the appointments to non-career SES professionals have gone to women, while only 5.5% of career SES appointments have gone to women. Mr. Devine also pointed out that the percentage of women separated during a RIF of supervisory and management positions is higher than the percentage of women employed. This was attributed to the fact that women have less seniority, the current basis for separation.

OPM proposed five recommendations for enhancing the movement of women into supervisory and executive positions:

- 1) recruit more executives from outside the government;
- 2) make a long term shift to general knowledge examinations;
- 3) limit over-credentialing in job standards;
- 4) require Executive Resource Boards to consider upward mobility for women; and
- 5) base RIFs on performance rather than seniority.

DECISION:

_____ APPROVED

_____ APPROVED
AS AMENDED

_____ DISAPPROVED

May 18, 1983

WOMEN'S ISSUES

FEDERAL GOVERNMENT PART-TIME EMPLOYMENT INITIATIVE

ISSUE: Should an effort be made to increase use of part-time employment in the Federal government, to provide better opportunities for women entering or re-entering the job market.

RECOMMENDATION: Yes. Direct OPM and Federal agencies to provide all managers with information on how to set up and use part-time employment programs.

BACKGROUND: Of particular interest to women entering or re-entering the job market are opportunities for part-time work or "job-sharing" (which is defined as two people sharing the responsibility of one full-time position).

Proponents of this recommendation would argue that:

- o The use of part-time employment is fully supported by current law. There is currently flexibility for agencies to split the work of a full-time position into two part-time positions.
- o No change results in counting FTE (Full-time Equivalent) employment levels and employee benefits are proportionate to time worked.
- o The only impediment to its being used more fully is a lack of knowledge on the part of managers.
- o To implement job-sharing in the Federal government similar to the model used by the private sector would require major changes in laws and regulations relating to the selection, pay, appraisal, and removal of employees.
- o The initiative helps the employment of women without creating a "reverse discrimination" situation.

Opponents of this recommendation would argue that:

- o This is nothing really new other than making managers more aware of existing tools.
- o Special initiatives designed to accomodate employment of women could raise questions about why special programs are not being developed to help minorities.

DECISION:

_____ APPROVED

_____ APPROVED
AS AMENDED

_____ DISAPPROVED

WOMEN'S ISSUES

FLEXTIME FOR FEDERAL CONTRACTORS

ISSUE: Should the Administration actively support the Armstrong Bill (S. 870) permitting Federal contractors to adopt flexible workweek schedules?

RECOMMENDATION: The CCHR unanimously recommends yes.

BACKGROUND: Federal government and private sector employers are free to adopt flexible workweek schedules for their employees. However, present law effectively prohibits private companies with federal contracts from operating on any weekly schedule other than the standard five-day, forty-hour workweek.

Senator Armstrong has introduced legislation to provide employers under federal contracts the ability to adopt flexible workweeks. This initiative enjoys substantial support in the business community, and last Congress the Administration formally endorsed this proposal. The AFL-CIO opposes this bill.

Proponents of this recommendation would argue that:

- o Increased time at home with family; especially helpful to working mothers.
- o Reduced commuting time and expenses, as well as reduced child-care expenses.
- o There is some evidence (though not conclusive) that employee satisfaction with flexible work schedules has manifested itself in increased productivity, lower absenteeism, and reduced turnover.
- o More effective utilization of capital equipment; reduced start-up/shut-down time; reduced energy requirements.
- o Cost savings could result in reductions in the costs of federal procurements. However, we have found no reliable data on possible cost savings.

Opponents of this recommendation would argue that:

- o Opposition comes from the national labor organizations, who would view this issue as a "test vote" for labor.
- o Union contractors with collective bargaining agreements that still required overtime would be underbid by non-union contractors.

DECISION:

_____ APPROVED

_____ APPROVED
AS AMENDED

_____ DISAPPROVED

May 18, 1983

WOMEN'S ISSUES

DEPENDENT CARE TAX CREDITS

ISSUE: Should the Administration support provisions of the Economic Equity Act of 1983 to increase the tax credit allowed for dependent care expenditures?

RECOMMENDATION: No. The Administration should stress its positive record in this policy area.

BACKGROUND: The Economic Recovery Tax Act of 1981 (ERTA) changed the way tax credits for dependent care expenditures are calculated, raising the expenditure ceiling and introducing a sliding scale based on income that increases the credit for low income taxpayers. Section 201 of the Economic Equity Act and the Conable Bill would further increase the tax credit for low income taxpayers by altering the sliding scale but without making the credit refundable. OMB estimates that the legislation as drafted would cost the Treasury approximately \$700 million in foregone revenue each year compared to the ERTA changes.

In reviewing this issue the Cabinet Council on Economic Affairs noted that the Administration has already adopted policies in this area to improve program coverage and availability, although the Administration's record on the issue is not very well known either in the Congress or by the public. Second, the proposal is expensive, increasing the deficit by over \$.7 billion each year.

DECISION:

_____ APPROVED

_____ APPROVED
AS AMENDED

_____ DISAPPROVED

May 18, 1983

1
WOMEN'S ISSUES

CHILD CARE: EMPLOYER OPTIONS TO SUPPORT WORKING FAMILIES

ISSUE: Should child care receive direct support from this Administration by private sector initiatives?

RECOMMENDATION: Yes. In particular, the President's Office on Private Sector Initiatives currently is encouraging the expansion of quality, private sector child care by creating a more informed environment in the business community for the consideration of employer options for working families.

BACKGROUND: Approximately 13 million children 13 years of age and under are in households in which both parents or the sole parent work full-time. There are only 1 million slots in child care centers, and another 7 million children cared for either in family homes (i.e., someone else's home) or their own home. That leaves 5 million children under 13 with no regular care when not in school.

The significant increase in the number of working parents in this country has created an unprecedented mutual dependence between businesses and the family. It is this mutual dependence which provides a rationale for the development of employer strategies to strengthen both the family and the workplace.

At the present time, an informed business community environment about the nature of employer options with respect to child care for working families does not exist. This environment will not change until employers conclude that addressing these needs serves their interests, as well as those of their employees. In order to reach that point, a serious educational effort must be undertaken to bring the concerns of working parents to the level of serious consideration by business.

The President's Private Sector Initiatives Office is providing this educational effort through a series of nationwide meetings hosted by prominent CEO's and aimed at their peers in the community. They will provide information on the growing needs of working parents, the various ways in which those needs are met or not met, and finally, the list of options for meeting those needs, ranging from on-site child care to family counselling.

DECISION:

_____ APPROVED

_____ APPROVED
AS AMENDED

_____ DISAPPROVED

May 18, 1983

WOMEN'S ISSUES

CHILD SUPPORT ENFORCEMENT

ISSUE: Should the Administration's Child Support Enforcement legislation be modified to place additional emphasis on non-AFDC child support enforcement efforts?

RECOMMENDATION: The CCHR recommends that proposed legislation be modified to require States which receive Federal funds for child support enforcement to charge a fee of at least \$25.00 from all non-AFDC applicants and a 3% to 10% collection surcharge from absent parents with delinquent support obligations. The fees collected could be used only to finance non-AFDC child support enforcement efforts at the State or local level.

BACKGROUND: The Administration's 1984 Budget includes proposed legislation to strengthen incentives to States to be more cost effective in child support collections from parents of AFDC families. Some women believe that these changes will cause States to place more emphasis on AFDC collections at the expense of collection efforts for non-AFDC cases. Collection of the fees in the recommended modification will produce an estimated additional \$50 million to the States which can be used only for non-AFDC collection efforts.

Proponents will argue that: - -

- o The "user" fees will provide additional funds for State non-AFDC collection efforts.
- o The collection fees will act as a deterrent to delinquent child support obligations.
- o The modification will provide more support for the legislation from women.

Opponents will argue that:

- o This modification will require fees which are now optional on the States, violating a Federalism principle.
- o This modification serves as a precedent for federal involvement in collection of other private debts.

DECISION:

_____ APPROVED

_____ APPROVED
AS AMENDED

_____ DISAPPROVED

May 18, 1983

WOMEN'S ISSUES

INDEPENDENT RETIREMENT ACCOUNTS: LIMIT ON SPOUSAL CONTRIBUTIONS

ISSUE: Should the Administration support a provision of the Economic Equity Act of 1983 to increase the limit on Individual Retirement Account (IRA) investment from \$2250 to \$4000 for taxpayers filing a joint return even if only one had earnings?

RECOMMENDATION: No. The Administration should stress its positive record in this policy area.

BACKGROUND: Currently, taxpayers filing a joint return may invest a maximum of \$2250 of their earnings in an IRA, even if only one taxpayer had earnings, reflecting a liberalization of IRA regulations implemented by this Administration to stimulate private saving. Section 101 of the Economic Equity Act would raise this limit to \$4000 in an effort to recognize the productive contribution of a joint return taxpayer who may not have market earnings by making the joint IRA limit double that of the individual limit. The Treasury Department estimates that the provision would cost approximately \$500 million in foregone revenue each year.

In reviewing this issue the Cabinet Council on Economic Affairs noted that the Administration has already adopted policies in this area to improve program coverage and availability, although the Administration's record on the issue is not very well known either in the Congress or by the public. Second, this proposal is expensive, increasing the deficit by \$.5 billion each year.

DECISION:

_____ APPROVED

_____ APPROVED
AS AMENDED

_____ DISAPPROVED

May 18, 1983

WOMEN'S ISSUES

PENSION EQUITY

ISSUE: Should the Administration submit legislation requiring equal annuity benefits for men and women, even though most women live longer than most men?

RECOMMENDATION: CCHR recommends legislation that would apply prospectively to future accrued benefits. Such a proposal would be combined with technical changes in existing pension law to benefit certain classes of women.

BACKGROUND: The overwhelming majority of working women now receive pension benefits equivalent to those received by men. In certain kinds of pension plans, however, the monthly payment to women is less than that for men. The Supreme Court has ruled that equal employer contributions are required by Title VII of the Civil Rights Act of 1964, but has not yet ruled on the question of equal benefits. Legislation pending on the Hill would mandate the abolition of gender-based actuarial tables in all forms of insurance, including pensions. The Administration has so far remained neutral on the legislation, but did file a brief in the Supreme Court supporting the idea of equal pension benefits in employer-based plans.

A prospective-only proposal:

- o Would be attacked by feminist groups as providing less than what they believe they are now entitled to under Title VII.
- o Would cost approximately \$90 million per year. By contrast, retroactive application of an equal-benefits rule would cost \$1.2-1.7 billion per year.
- o Would not jeopardize the financial solvency of pension plans. Retroactive application could have such an effect, especially on smaller plans and those covering state and local employees.

DECISION:

_____ APPROVED

_____ APPROVED
AS AMENDED

_____ DISAPPROVED

May 16, 1983

WOMEN'S ISSUES

GENDER-BASED ACTUARIAL TABLES IN ALL FORMS OF INSURANCE

ISSUE: What should the Administration's posture be regarding legislation to ban gender-based actuarial tables in all forms of insurance?

RECOMMENDATION: CCHR believes such legislation is at best of mixed benefit to women as a whole and, at worst, positively harmful to some classes of women.

BACKGROUND: Feminists have long argued that sex should be eliminated as a criterion in all laws and regulations, and that private practices which rely on distinctions between the sexes should be forbidden as unlawful "discrimination". The elimination of gender-based actuarial tables in insurance has long been a major goal.

Legislation is now moving on the Hill to do just that. It is advanced by its supporters as a "civil rights" measure and attacked by its opponents as uninformed and, in fact, harmful to many women.

The legislation is supported by feminist groups and their traditional congressional allies. It is opposed strongly by conservatives, and has even been criticized in major part by the Washington Post and N.Y. Times. Insurance industry reactions run the gamut from outright opposition to conditional acceptance under terms unlikely to be agreed to by the legislation's sponsors.

Arguments for:

- o Strong feminist support.
- o Modest gains for some women in some forms of insurance.

Arguments against:

- o Would increase automobile and life insurance rates for women, in some cases substantially so.
- o As written, the bill would mandate abortion coverage in health insurance.
- o Would require extensive federal regulation of insurance, a field now left to the states.

DECISION:

- _____ o Support legislation to prohibit gender-based actuarial tables.
- _____ o Oppose legislation.
- _____ o Create a commission to study the use of sex as an actuarial criterion in insurance.

May 16, 1983

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- _____ o Oppose legislation.
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May 16, 1983

WOMEN'S ISSUES

REAGAN ADMINISTRATION WOMEN APPOINTMENTS

In his first two years in office, President Reagan selected more women to serve in top full-time policy-making positions than any other President in history during a comparable time period. To date 100 women have been selected for upper-most level, full-time Presidential appointments. All told, Reagan has selected over 1,000 women for important positions: 150 for the Senior Executive Service, 484 for high level Schedule C jobs, and over 300 for part-time Presidential advisory boards.

President Reagan has appointed three women to Cabinet level positions -- more than any other President: Elizabeth Dole at the Department of Transportation, Margaret Heckler at the Department of Health and Human Services, and Jeane Kirkpatrick at the United Nations. In addition, he appointed Sandra Day O'Connor to be the first woman to serve on the United States Supreme Court. Two of his chief aides at the White House are women: Faith Whittlesey, head of Public Liaison, and Helene von Damm, head of Presidential Personnel (now Ambassador to Austria). Women have also been selected at heads of four major federal agencies: Loret Ruppe of the Peace Corps, Nancy Steorts of the Consumer Product Safety Commission, Janet Steiger of the United States Postal Rate Commission, and Barbara Mahone of the Federal Labor Relations Authority.

WOMEN'S ISSUES

FEMALE PRESIDENTIAL APPOINTMENTS

REAGAN 1/21/81-4/22/83

<u>Full-Time</u>	<u>Women</u>	<u>Percent</u>	<u>Total</u>
PAS	76	11%	695
PA	<u>24</u>	<u>15%</u>	<u>165</u>
Total	100	12%	860
<u>Part-Time</u>			
PAS	76	22%	344
PA	<u>243</u>	<u>17%</u>	<u>1447</u>
Total	319	18%	1791
TOTAL PAS & PA	419	16%	2651
<u>SES</u>	150	15%	1023
<u>Schedule "C"</u>	484	39%	1243
TOTAL APPOINTMENTS	1053	21%	4917

(Figures exclude U.S. Judges, Attorneys, and Marshals.
Reagan figures include selected, not announced.)

Response to Republican Congresswomen's Concerns

1. Equal Rights Amendment: Request that the President remain neutral.
 - o The President has taken action to ensure legal equality for women:
 - 50 States Project
 - Federal Equity Project
 - Vigorous enforcement of existing laws
 - o The President opposes the Equal Rights Amendment. The President's approach of ensuring legal equity is a better approach.
 - o The President believes that fairness requires that the people be given the chance to speak on some other amendments -- balanced budget, school prayer, right-to-life.

2. Economic Equity Act: Request that the President support.
 - o The Administration has already achieved many of the proposals in the original EEA.
 - o The CCEA is considering whether the Administration should support the tax measures proposed in the EEA.
 - o The President has said that he will be proposing pension equity legislation sometime in 1983.
 - o The CCHR is considering whether to recommend establishment of a Presidential Commission on Insurance Equity.

3. Child Support Enforcement: Request that the federal government increase efforts, especially for non-AFDC spouses.
 - o The CSEP is already an effective program, and the Administration is considering either legislative or administrative action to improve the performance of state governments in collecting child support payments under the program.

4. Wage Discrimination: Request that National Commission be created to study male/female wage gap.
 - o The CCMA is undertaking to ensure that women in the government have a full opportunity to compete for management level jobs.
 - o CEA will do study on pay gap.

5. Day Care: Request that President support increased tax credits.
 - o 50 States Project working to identify state regulations that inhibit day care.
 - o Private Sector Initiatives Office and Women's Bureau, DOL, are working to encourage private sector day care.

6. Budgetary Concerns: Request that President address the "fairness" issue.
 - o The Administration will do better job of communicating the "fairness" of its budget proposals.

7. Better Communication/Republican Initiative: Request that Administration achievements be brought more widely to public attention.
 - o The President will be speaking on the Administration's achievements on matters of concern to women.
 - o The Administration is preparing fact sheets and issue papers explaining its positions and achievements on matters of concern to women. (See appendix)

SUMMARY OF PROVISIONS IN ECONOMIC EQUITY ACT
(HR 2090 and S888)

Title I - Tax and Retirement Matters

Sec. 101

Extend to married couples a maximum IRA tax deduction equal to twice the maximum deduction allowed individual earners.

Comment: 1981 ERTA permitted non-working spouse to set up own IRA. Because of revenue loss, do not favor expansion of the amount at this time.

Sec. 102

Alimony treated as compensation in determining income tax deduction for IRAs.

Comment: IRAs in principle based on earned income. Currently, taxable alimony is eligible for IRA savings account if the account has been extant for 5 years.

Sec. 103

Prohibit waiver of survivor benefits in ERISA plans unless spouse agrees.

Comment: Agree in principle.

Require ERISA plans to pay survivor benefits if participant dies after 10 years service.

Comment: Rejected by CCLP Working Group: (a) complicated to administer; (b) could be very costly, but hard to estimate; (c) could have adverse impact on women -- e.g., reduction of death benefits and incentive for defined contribution plan, employers to shift from annuities to lump sum.

Sections 104 and 105

Provide that pensions can be assigned by divorce courts.

Comment: Agree. Essentially a statutory codification of current practice.

Sec. 106

Lower required participation age for ERISA plans from age 25 to age 21.

Comment: Agree in principle. There are significant administrative problems the way the bill is written. But we are amenable to meeting the policy concern which underlies these sections.

Sec. 107

Counting years of service after age 21 for vesting under retirement plans.

Comment: Same as Sec. 106.

Sec. 108

Continuation of benefit accruals under retirement plans while the employee is on approved maternity or paternity leave.

Comment: Agree in principle, but as with Sections 106-107, believe the interest can be accommodated in a slightly different way.

Sec. 109

Entitle former civil service spouses who were married for at least 10 years the right to pro rata share of pension benefits.

Comment: Courts can now order civil service retirement benefits to be paid to ex-spouse; but court can't control disposition of survivor annuity. OPM opposes Sec. 109: heavy administrative cost; average monthly survivor's annuity is small in any event -- will there really be much benefit where two wives divide the pie?

Sec. 110

Displaced homemakers established as a targeted group for purposes of computing the Targeted Jobs Tax Credit.

Comment: They are eligible under Title III of the Jobs Training Partnership Act. Probably more effective than TJTC, but no opposition.

Sec. 111

Zero bracket amount for heads of households in determining income tax increased to amount to joint returns.

Comment: Revenue loss = \$1 billion+ by FY 84. Treasury opposes at this time.

Title II - Dependent Care Program

Sec. 201

Increase in the tax credit for expenses for household and dependent care services necessary for gainful employment.

Comment: 1981 ERTA increased with our support. Further increase not favored at this time -- (a) revenue loss; (b) at some point, you end up taxing at-home mothers to subsidize working mothers.

Sec. 202

Certain organizations providing dependent care included within the definition of tax-exempt organizations.

Comment: Treasury opposes enlarging tax exempt status criteria. Employers' payments to employees used for day care are deductible and exempt.

Sec. 203

Tax credit for household and dependent care services necessary for gainful employment made refundable.

Comment: CCEA approved.

Sec. 204

Establish \$8 million dollar grant-in-aid program for child care information and referral services.

Comment: We don't favor new categorical grant programs. Where services are needed, can now be funded under Social Services block grant.

Title III - Nondiscrimination in Insurance

Sections 301-311

Prohibit any sexual classifications in all forms of insurance.

Comment: Complicated issue. The understanding is not helped by calling it a "civil rights" issue. FACT: All but a small % of working women are already covered by non-discriminatory plans. FACT: Women generally benefit from gender classifications in insurance, especially auto and life. In short, the analogy to race is not appropriate. Issue is under review, but we do not want to injure women in the name of eliminating "discrimination".

Title IV - Regulatory Reform and Gender Neutrality

Sections 401 and 402

Review of federal statutes and regulations to eliminate all gender distinctions.

Comment: Already underway; being done on routine basis. Dole bill is the embodiment of our efforts.

Title V - Child Support Enforcement

Sections 501-502

Expands to non-AFDC cases the use of federal income tax refunds to collect past-due child support obligations.

Sec. 503

Requires each state to have a child support clearinghouse with records of past-due payments.

Sec. 504

Requires states to adopt various enforcement mechanisms and procedures.

Sec. 511

Mandates automatic wage withholding for child support obligations in the case of federal employees, subject to certain limitations.

Comment: The tack to take on Child Support Enforcement generally is simple: (1) Note that Ronald Reagan as Governor was the leader in getting the first really effective CSE program up and running. (2) We agree in principle that enhanced CSE measures are both cost-effective and socially beneficial. (3) We will therefore have our own legislative and administrative package.

MRD
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HARPER DRAFT PAPERS
FOR MEETING WITH THE PRESIDENT ON WOMEN

5/24

The simplest way to tackle this elaborately outlined document is section by section. There are five parts, "A" through "E".

- A. Overview. The central focus is on three areas: economic equity, legal equity and appointments.
- B. Economic Equity/Legal Equity. This section is divided into nine policy action items. Only a few will get the political juices flowing. Of course, in the absence of "bold new" initiatives, it is hard to get the public excited about technical policy questions. We should do what we can, but these action items will never be more than little tiles in the mosaic of the President's image.

The nine policy action items are treated individually on the following page.

More broadly, we need to realize that so long as our opponents frame the women's issue--"what can the government do for women"--we are likely to wind up with the short end of the stick. We should learn from a previous Republican President, Dwight Eisenhower, who actually ran better among women than men. Ike's slogan in the '56 campaign was "Peace, Progress, and Prosperity." This was a general message to the nation, not a targeted appeal to one group or another.

- C. Reagan Administration Women Appointees. In view of the fact that the figures Harper supplies show that just 12% of all presidential appointees are women, I don't think that this is something we can brag about.
- D. Response to Republican Congresswomen's Concerns. Engaging GOP Congresswomen in a "constructive dialogue" is a way of getting out of the briarpatch of nickel and dime technicalities and into the wide open field, where the President can use his personal charm to communicate a sense of fairness, solicitude, and determination to do what's right. The public applauds leaders who roll up their sleeves and do something, real or symbolic.

These GOP women are all experts at attracting women to the GOP banner. Even if we get blasted by a few, most of them will be supportive and appreciative. The message that the President cares will trickle down, and the criticism of the hardcore feminists will be blunted.

- E. Appendix: Annotated Summary of Provisions of 1983 Economic Equity Act (Proposed). The GOP Congresswomen want the President to support this. Its particulars are still being evaluated.

An issue that is completely overlooked is EDUCATION. I believe that education is very much a women's issue, and that we have the potential to seize the initiative. The President has already scored a lot of points with his Seton Hall speech. A strong follow-up, stressing the importance of nurturing a new generation of Americans into a prosperous, drug-free society, would head us into paydirt.

B. Economic Equity/Legal Equity. The nine policy action items from Harper's draft are considered below.

Title	Recommendation	Comments
1. Occupational opportunities for women in government	Approve	These proposals will definitely help female federal employees. However, most of the beneficiaries will be career bureaucrats, who are not known for their love of this administration. This proposal will dredge up memories of female federal employees who were disproportionately RIFed two years ago, and the case of Maxine Savitz, the SES employee recently fired at Energy. Still, a net political PLUS.
2. Federal government part-time employment initiative	Approve	While not a particularly substantive proposal in its own right, #2 makes a good talking point in a compendium of proposals. A small political PLUS.
3. Flexitime for federal contractors	Approve	This one will touch off sparks. It attacks labor, which is a negative, but it would hearten the conservatives. Also, it would be valuable to pit labor against the interests of "women." This fight would reveal some of our "feminist" adversaries as more interested in fighting the President than helping their sisters. An overall PLUS.
4. Dependent care tax credits	Disapprove	A good idea that would help poor working women, but in view of budget realities, we can't afford it. Going forward with this would be a political MINUS, because it would damage our credibility on deficit issues.
5. Child care: employer options to support working women	Approve	Like #2, this one would fit well into an overall package of proposals. A small political PLUS.
6. Child care enforcement	Approve	Going ahead with this proposal would make us look tough; but the governors would blast us, accuse us of hypocrisy, violating our federalism principles, etc. An overall slight PLUS.
7. IRA's: limit on spousal contributions	Approve	Nearly doubling the allowable size of IRA accounts is the kind of change in the tax law that people <u>do</u> notice. The heat we take over letting the deficit get bigger will be more than offset by the gains we make by proposing to shore up the family by giving hard-pressed middle and lower income workers a break, etc. A PLUS, even if Congress disapproves.
8. Pension equity	Approve	Approval of <u>prospective-only</u> pension equity legislation would undo a tiny injustice, give us a talking point, and cost less than \$100 million a year. The <u>retroactive</u> proposal would cost 15 to 20 times as much and would get the federal government deeply involved. The symbolic <u>prospective</u> proposal is a definite PLUS.
9. Gender-based actuarial tables in all forms of insurance	Oppose legislation	Eliminating sex-based actuarial tables for insurance is the one item on this list which actually rates as a hot political issue <u>right now</u> . The article on the "Washington Talk" page of the 5/20 New York Times discusses the intense lobbying campaign (modeled after that put on by the bankers re: withholding) that the insurance industry is gearing up.

More to the point, defying actuarial reality in the blind pursuit of "equality" is exactly the sort of reductio ad absurdum the President predicted would be commonplace if the Equal Rights Amendment passed. There's no question that conservatives are opposed to this legislation. Appointing a commission to study the question looks mealy-mouthed. Opposing this legislation gives us a solid PLUS for reasoned leadership.