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THE WHITE HOUSE

WASHINGTON

July 26, 1981

MEETING WITH CONGRESSMAN CARL PURSELL (R-MICH)
DATE: MONDAY, JULY 27, 1981
PLACE: THE RESIDENCE
TIME: 1:45 P.M. (15 MINUTES)
FROM: MAX L. FRIEDERSDORF *mf*

I. PURPOSE

To solidify Congressman Pursell's support for the Conable-Hance II tax bill and to ask for his help with Northeast-Midwest Republicans.

II. BACKGROUND

Carl Pursell has been very active in the Northeast-Midwest Coalition. Consequently, he has been out-front on behalf of those who are concerned about the adverse impact that the President's economic package might have on the older, industrialized regions of the country.

Pursell is very aware of the objections raised by many Northeast-Midwest Republicans concerning the oil provisions that were added to the Conable-Hance II bill. He can be very helpful with that group of Republicans that have been uncomfortable with many aspects of the President's program.

This meeting will provide an opportunity for the President to strongly reassure Pursell that he is committed to this nation's economic recovery and that the urban areas of the Northeast and Midwest are the key to any sustained economic turnaround.

III. PARTICIPANTS

The President
Secretary Regan
Congressman Pursell
James Baker
Max L. Friedersdorf
House Republican Leader Bob Michel

IV. PRESS PLAN

White House Photographer only.

V. SEQUENCE OF EVENTS

No specific agenda.

Attachment: Talking Points

ATTACHMENT

SUGGESTED TALKING POINTS FOR MEETING WITH
CONGRESSMAN CARL PURSELL (R-MICH)

- Acknowledge his work on behalf of the Northeast-Midwest Coalition.
- Emphasize that Conable-Hance II provides the kind of tax relief that is absolutely essential to the economic health of all parts of this nation.
- Recognize that some Members of Congress have expressed concern about the oil provisions that were added to the bipartisan tax bill. Stress that the energy provisions added to Conable-Hance II are better tax policy and better energy policy than contained in the Ways and Means Committee bill.
- Point out that several provisions in Conable-Hance II are targeted specifically to the concerns of Northeast-Midwest Republicans, i.e., Research and Development credit, energy credit for woodburning stoves, target jobs credit, mass transit industrial development bonds, etc.
- Assure Pursell that you are committed to helping the ailing cities of the Northeast and Midwest, and that once your economic package is passed you will target Administration programs to deal with some of the specific problems of that region of the country.
- Point out that the Democrats are playing politics as usual, and to be successful you need the solid support of all Republicans on the tax bill, especially the support and leadership of Carl Pursell.

H

THE WHITE HOUSE

WASHINGTON

July 24, 1981

MEETING WITH SELECTED DEMOCRATIC
MEMBERS OF THE HOUSE
OF REPRESENTATIVES

DATE: JULY 27, 1981
LOCATION: THE RESIDENCE
TIME: 2:00 P.M. (20 MINUTES)
FROM: Max L. Friedersdorf *mlf*

I. PURPOSE

To solicit support for the Conable-Hance bipartisan proposal.

II. BACKGROUND

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

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

III. PARTICIPANTS

See attachment.

IV. PRESS PLAN

White House Photographer only.

V. SEQUENCE OF EVENTS

No set schedule.

Attachment A: Talking Points
Attachment B: Participants

A

ATTACHMENT A

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

- Point out that the fundamental difference between the two tax proposals is that the bipartisan plan offers real tax reduction, while the Ways and Means plan allows taxes to continue to increase on the working people of this country.

- Stress that the Conable-Hance bipartisan proposal is a permanent tax cut. The Democratic leadership is only offering another make-believe tax cut that dissolves into a huge tax increase.

- Emphasize that the bipartisan effort has developed a bill that is best for the country. It provides the kind of tax relief that is absolutely essential to the economic health of this nation.

- Note that the driving motive behind the Democratic leadership's bill was, "What can we put together to beat Ronald Reagan?". It is merely the same policies of the past which promised working people tax cuts which they never saw.

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

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

B

ATTACHMENT B

PARTICIPANTS

The President
Secretary Regan

Congressman Dan Daniel
Congressman Jack Brinkley
Congressman Roy Dyson
Congressman Bill Nichols
Congressman Bob Stump
Congressman Bill Boner
Congressman Bo Ginn

Staff

Max L. Friedersdorf

Dan Daniel - D

Virginia, represents the 4th District that includes Portsmouth, Chesapeake, and Suffolk. Daniel was first elected in 1972 and is a member of the Conservative Democratic Forum. He is a member of the Armed Services Committee.

Has voted 100% in favor of the Administration's budget and reconciliation proposals.

Supports the Conable-Hance bipartisan tax package.

Jack Brinkley - D

Columbus, Georgia, west central part of state, 3rd District, 8th term. Fifth ranking Democrat on the Armed Services Committee and Chairman of the Military Installations and Facilities Subcommittee. Third ranking Democrat on the Veterans' Affairs Committee.

Advocate for increased defense spending. District includes Fort Benning, Georgia. Has been a fiscal conservative.

Brinkley voted for final passage of both the budget and reconciliation proposals, but did not support any procedural votes needed by the Administration.

He is undecided about the tax proposals.

Roy Dyson - D

Great Mills, Maryland, 1st District (Eastern Shore), 1st term. Serves on Armed Services Committee. Succeeded Bob Bauman and is influenced heavily by the possibility of a 1982 Bauman-Dyson encounter.

Constituency very supportive of Reagan economic plan. Strong defense influence in District because of defense installations and retired military.

Dyson voted for final passage of both the budget and reconciliation proposals, but did not support any procedural votes needed by the Administration.

He is undecided about the tax proposals.

Bill Nichols - D

Represents the 3rd District of Alabama that extends from the cotton growing black belt in the southern part of the state to the red clay hills of the north. In the south there is Tuskegee, home of Booker T. Washington's Tuskegee Institute, and in the north there is an industrial city, Anniston, and Ft. McClellan. Nichols is serving his 8th term and is on the Armed Services Committee. He is chairman of the Military Personnel and Compensation subcommittee. He is a member of the Conservative Democratic Forum.

Nichols voted totally in favor of the Administration's budget and reconciliation proposals.

He is undecided on the tax bill.

Bob Stump - D

Represents the 3rd District of Arizona (western Arizona), 3rd term. Serves on the Armed Services Committee, the Veterans' Affairs Committee and the Permanent Select Committee on Intelligence. Is a member of the Conservative Democratic Forum.

Voted 100% in favor of the Administration's budget and reconciliation proposals. Supports the Conable-Hance bipartisan tax package.

Bill Boner

Democrat, Nashville, Tennessee, 5th District (Nashville plus two northern Tennessee counties), 2nd term. Serves on Public Works and Transportation and Veterans' Affairs Committees.

Boner has not voted for the Administration position on any previous vote on the economic package. However, he is undecided about his vote on the tax bill.

Bo Ginn

Democrat. Millen, Georgia (southeast part of the state, including Savannah), 1st District, 5th term. Serves on the Appropriations Committee. Chairman of the Appropriations Subcommittee on Military Construction. Member of the House Conservative Democratic Forum.

Ginn is UNDECIDED on the tax bill vote. He has only voted with the Administration once and is under considerable pressure from the Democratic leadership. However, he has indicated an interest in comparing both of the revised packages prior to voting.

Ginn is seriously considering running for Governor in 1982.

I

THE WHITE HOUSE

WASHINGTON

MEETING WITH CONGRESSMAN WAYNE DOWDY (D-MISS) AND
CONGRESSMAN G.V. "SONNY" MONTGOMERY
(D-MISS)

DATE: MONDAY, JULY 27, 1981

PLACE: THE RESIDENCE

TIME: 2:20 P.M. (15 MINUTES)

FROM: MAX L. FRIEDERSDORF *m.b.*

I. PURPOSE

To meet with the new Member of Congress from Mississippi and to encourage his support for the Administration's programs.

II. BACKGROUND

Dowdy was narrowly elected to fill the vacancy created by the resignation of Republican Jon Hinson. Montgomery was a strong supporter of Dowdy against the Republican candidate. Dowdy is a potential "boll weevil" voter who could be as supportive of the President as Sonny Montgomery has been.

Dowdy will be under pressure from the Democrat Party apparatus and liberal constituent groups. He is philosophically receptive to the President's economic package and this meeting will provide an opportunity to establish an ongoing working relationship.

Conable-Hance II contains several provisions that appeal to Dowdy's constituents. Montgomery supports our tax bill and this meeting will provide an opportunity to solicit Dowdy's support.

III. PARTICIPANTS

The President
Congressman Dowdy
Congressman Montgomery
Max L. Friedersdorf

IV. PRESS PLAN

White House Photographer only.

V. SEQUENCE OF EVENTS

No specific agenda.

Attachment: Talking Points

ATTACHMENT

SUGGESTED TALKING POINTS FOR MEETING WITH
CONGRESSMAN WAYNE DOWDY (D-MISS) AND
CONGRESSMAN G.V. "SONNY" MONTGOMERY (D-MISS)

- Congratulate him on his election victory, recognizing that it was a tough and strongly partisan campaign.
- Point out that you have been working closely with members of both parties trying to do what is best for all of the country.
- Stress that Sonny Montgomery has been an invaluable ally in your efforts to get your economic package through the Congress.
- Emphasize that the Conable-Hance bipartisan proposal is a permanent tax cut. The Democrat leadership is only offering another make believe tax cut that dissolves into a huge tax increase.
- Stress that the bipartisan effort has developed a bill that is best for the country and best for Dowdy's Congressional District. It provides the certainty and incentives that will help all Americans.

-- Ask Dowdy - Is he for reducing taxes or increasing them?
Stress that you have fought for your economic program
because you believe in it. Ask Dowdy for his help and
his vote on the tax bill.

THE WHITE HOUSE

WASHINGTON

July 24, 1981

TELEVISION AND RADIO ADDRESS

DATE: July 27, 1981

LOCATION: Oval Office

TIME: 8:00 PM Eastern Daylight Time

FROM: Mark Goode

I. PURPOSE

To deliver a televised address to the nation.

II. BACKGROUND

The message will deal with tax cuts and social security. It is scheduled to be broadcast live by all major networks.

III. PARTICIPANTS

The President

IV. PRESS PLAN

ABC will provide pool facilities and personnel. A still photo opportunity will take place immediately following the broadcast.

V. SEQUENCE OF EVENTS

- A. Television set-up will begin at 1:00 PM in the Oval Office.
- B. From 1:00 PM - 7:00 PM, the Map Room will be available for teleprompter rehearsal.
- C. The President will arrive in the Oval Office for a technical check at 7:50 PM.
- D. The telecast will commence at 8:00PM, and will last for approximately 20 - 25 minutes.

MASENG/TD

JULY 27, 1981

DROPPY TAX BRIEFING FOR TRADE
ASSOCIATIONS & CORPORATE REPRESENTATIVES

THNK U..COMNG TDAY. IT GVS US A
CHANCE..BRNG U UP-TO-DATE ON..PROGRESS
OF..EC. PROGRMS, & IT ALSO GVS US..CHANCE
TO ASK U FOR A LITL HLP.

U WHO ARE..INTRST GRP OF FREE
ENTRPRISE, KNOW FULL-WELL WHT IS AT STAKE
AS WE STRUGL TO PUT IN PLACE OUR PROGRAM
FOR EC. RECOVERY. } WE HV ACCMPLSHD A GRT
DEAL: ..CONG...CMPLTNG WPK ON..LRGEST
BDGT CUTS THT BODY HS EVR CNSIDRED } WE
HV DONE MCH TO REDUCE..BURDN OF
OVERREGULATN } & WE ARE WRKNG CLOSELY WITH
.. FEDL RES. BRD. TO MAINTAIN SLOW &
STEADY MONETARY GROWTH. } BUT..LAST, MOST
CRUCIAL ITEM ON OUR AGENDA FOR PROSPERTY
STILL LIES AHEAD:— WE MST CUT TAXES.

HANDWRITING FILE

..DAY AFTR TOMOROW, MEMBRS OF ..CONG.
WL CHOOSE BTWN ..BIPRTISM TX CUT CALLED FOR
IN OUR PRGRM FOR RECOVRY, & ..TX INCRS
PROPOSED BY ..HSE LDRSHP. THE CHOICE WILL
DTERMINE ..FUTURE OF ..EC., OF YUR BUSINESS
OR ORGANTZTN, & OF YUR FAMILY.

I'M AFRAID THT, AS ..TX DEBATE HS COME
DOWN TO ..WIRE, SO MCH HS BN SAID THT SOME
VERY SIMPL DIFRNCS HV GOTTEN LOST.

FOR XMPL, ..SPKR BOASTS THT ..LDRSHP
BILL GVS A HIGHR CUT TO WRKNG AM'S. IF
YOU'RE ONLY PLANING ON LIVNG 2 YEARS --
SO IT DOES. BT THEN BRACKT CREEP TAKES
OVER & TXS STRT GOING UP AGN. OUR CUT,
AS U KNOW, IS ACROS 3 YRS & THN ..TX BRACKETS
WL BE INDEXED. WHN INFLATN CAUSES YOUR
SALARY TO GO UP, ..TXS WON'T GO UP, AS WELL.
IT HS BN ESTIMATED THT A WRKER WHO MADE
\$10,000 IN 1972 IS NO BETR OFF TDAY IF HE

19,850

EARNNS NEARLY \$20,000. AND HIS TXS HV GONE
UP 33%. A SAD TRICK HS BN PLAYED ON..
WRKNG P. OF THS CO., & OUR BILL WLD MAKE IT
RIGHT.

BY INDEXNG TXS FOR INFLATN, WE MAKE A
PERMANENT COMITMNT. WE WANT TO CUT TXS FOR
TOMOROW AS WELL AS TDAY.

FOR..MAJORITY LDRSHP TO TALK ABOUT A
TAX CUT AT ALL IS P'IZZLNG. TXS WL GO UP
BY NEARLY 22% IN..NXT 3 YRS, DUE TO THT
BRACKT CREEP PLUS TX INCRSs ALREADY BUILT
INTO..SYSTEM. THEIR 15% CUT WL STILL LEAVE
A SIZABL TX INCRS. WE COUNTR THT 22%
CLIMB W A 25% CUT. & WE STOP..BRACKT CREEP.

BT WHN..DETAILS OF..DEBATE ARE CLEARED
AWAY, LET EVRYONE REMEMBR THIS: CONCEPTS
AT..HEART OF OUR 1st TX PROPSL REMAIN
INTACT TDAY. OUR BILL CUTS TXs ACROS-T-BRD
FOR..NEXT 3 YRS. ..CUTS TXS BY..SAME %AGE

FOR EVERYONE WHO PAYS THEM, & HAS A 3-YR
GUARANTEE TO LET P. KNOW WHERE THEY STAND --
IT GIVES THEM SOMETHING TO COUNT ON SO THEY
CAN PLAN *ahead*.

AS YOU PROBABLY KNOW, ..BIPARTISAN BILL HAS
BUSINESS PROVISIONS SUCH AS ..ACCELERATED COST
RECOVERY SYSTEM. } LST WK WE ADDED INCENTIVES
TO FURTHER ENCOURAGE INVESTMENT, RESEARCH &
DEVELOPMENT. } & OUR BILL WILL ALMOST ELIMINATE
ESTATE TAXES, ENSURING FAMILY FARMS & BUSINESSES
WILL STAY IN ..FAMILY. } THIS BIPARTISAN PROPOSAL
WAS DESIGNED TO ENCOURAGE ..SMB BUSINESSES
THAT PROVIDE 80% OF NEW JOBS. } INCIDENTALLY
WE DO END THE TAX FOR A SURVIVING SPOUSE.

AS YOU CONSIDER ..2 OPTIONS, REMEMBER THAT
.. MAJORITY LEADERSHIP IN ..HOUSE HAS GIVEN US
5 TAX CUTS IN THE LST 10 YRS. } IN THE SM 10
YRS OUR TAXES HAVE GONE UP BY MORE THAN \$400 BIL.

*We might well ask - when is a
tax cut not a tax cut. -*

~~THEIR TX CUTS~~ ^{when they} WIND UP AS TX INCRSs, & IF WE
DN'T ACT NOW, THEY'LL DO IT AGN.

ONLY..FEW MO's AGO THS SM P. MADE FUN
OF CUTNG TXS. BUT..VOTERS DIDN'T THINK
IT WAS SO FUNNY, SO IN JAN. THEY SAID THEY
TOO WR FOR..TX CUT -- JST NOT OURS. BUT
3 YRS WAS OUT OF..QUESTN. THEN, ONE DAY
IN FEB, A 2-YR CUT WAS SUDENLY PRACTICAL.
& TDAY THEY SAY IT'S 2 YRS AND MAYBE 3
IF SOME EC. STANDRD IS MET 2 YRS FROM NOW.

THE BOTM LINE IS SIMPLY THIS: OURS
IS A PERMANENT COMITMNT & THEIRS IS NOT.
WE RESTORE INDIVID. INCNTIVE & THEY DO NOT.
WE OFFER ..REAL TX CUT, & THEY DO NOT.
THE CHOICE IS CLEAR.

FOR OUR CO. TO HV..REAL CHANCE AT
RENEWAL WE MST HV EC. RECOVRY. TONIGHT I
WL APPEAR ON NATL TV TO DISCUSS TXs, BUT
WHT I WL REALLY BE TALKNG ABT IS OUR PLAN
TO RENEW AM. PROSPERITY.

THT WS. .MANDATE OF. .P. LST NOV. I WLD LIKE
TO COUNT ON YUR HELP TO PASS. .KIND OF
LEGIS. NDED TO GV THT RECOVERY A CHANCE.
THANK U.