

Ronald Reagan Presidential Library
Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: President, Office of the: Presidential
Briefing Papers: Records, 1981-1989
Folder Title: 04/21/1983 (Case File: 135521)
Box: 29
(1)

To see more digitized collections visit:

<https://reaganlibrary.gov/archives/digital-library>

To see all Ronald Reagan Presidential Library inventories visit:

<https://reaganlibrary.gov/document-collection>

Contact a reference archivist at: reagan.library@nara.gov

Citation Guidelines: <https://reaganlibrary.gov/citing>

National Archives Catalogue: <https://catalog.archives.gov/>

NY

Page 1 of 3

ID # 135521

WHITE HOUSE
OFFICE OF RECORDS MANAGEMENT
WORKSHEET



- X-MEDIA
- H-INTERNAL

Name of Document: BRIEFING PAPERS
FOR PRESIDENT'S
SCHEDULED
APPOINTMENTS FOR

APR 21 83

Subject Codes:

P	R	0	0	7	-	0	1
FG	0	1	0	-	0	2	
FG	0	0	5	-			
TA				-			
				-			
F0	0	0	3	-	0	2	
ND	0	1	8	-			
IT	0	0	8	-			
CO	0	0	1	-	0	5	
				-			
FG	0	1	0	-	0	1	
AG	0	0	1	-			
FG	3	8	4	-			
				-			
FG	0	0	5	-			
				-			
PQ				-			
FG	0	0	6	-	1	1	
				-			

1) Subject: Meeting with the Cabinet Council on
Commerce and Trade to review the trade
reorganization proposal

2) Background notes and a
list of invitees/attendees
for meeting with Gaston Thorn, President
of the Commission of the European
Communities

3) Cabinet Meeting to discuss:
A) Agriculture Marketing Orders (CM 356)
B) President's Private Sector Survey on Cost
Control (CM 313)
C) ^{Presidential} ~~Reorganization~~ Authority to Reorganize
the Executive Branch. Option paper
included.

D) Reauthorization of the Office of Federal
Procurement Policy (CM 207). Option
paper ~~attached~~ included.

ROUTE TO:		ACTION		DISPOSITION		
Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
RMHENL		RSZ			C	

Referral Note:

WHITE HOUSE
OFFICE OF RECORDS MANAGEMENT
WORKSHEET

- X-MEDIA
- H-INTERNAL

Name of Document: BRIEFING PAPERS
FOR PRESIDENT'S
SCHEDULED
APPOINTMENTS FOR

APR 21 83

Subject Codes:

3 (Continued)
Subject:

(E) Regulatory Reform/Paperwork
Reduction Act (CM 328). Option
paper included.

(F) Immigration Policy (CM 210).
Background papers included.

(G) Health Insurance Benefits
for the Unemployed (CM 303) option
paper included.

4) Meeting with TV job-A-Then Promoters
to thank them for helping to find work for
the unemployed.

(Continued)

P	R	0	0	7	-	0	1
FG					-		
FE		0	1	0	-		
					-		
					-		
TM					-		
IS		0	0	1	-		
IS					-		
LA		0	0	2	-		
					-		
					-		
PR		0	1	6	-	0	1
					-		
					-		
					-		
					-		
					-		
					-		
					-		

ROUTE TO:		ACTION		DISPOSITION		
Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
RMHENL		RSZ			C	

Referral Note:

THE SCHEDULE OF
PRESIDENT RONALD REAGAN

Thursday, April 21, 1983



	9:00 am	<u>0900</u>	<u>Staff Time</u> (Baker, Meese, Deaver)	Oval Office
P	9:30 am	<u>0928</u>	<u>National Security Briefing</u> (Clark) <i>Don FORTIER</i>	Oval Office
	9:45 am	<u>0950</u>	<u>Senior Staff Time</u>	Oval Office
	10:00 am	0955	<u>Personal Staff Time</u> <i>Ralph Kerchem @ Mr. Meese for PHOTO @ Pres. (1000-1002)</i>	Oval Office
	11:00 am	<u>1105</u>	<u>Meeting with Gaston Thorn of the EC</u> (Clark) <i>PHOTO OP ROSE GARDEN</i>	Oval Office/ Cabinet Room
	12:00 m	<u>1200</u>	<u>Lunch with Vice President Bush</u> <i>1140 1145 Dep. Stmts @ C-9. (5 min)</i>	Oval Office
P	1:00 pm	<u>1305</u>	<u>Cabinet Meeting</u> (Fuller)	Cabinet Room
	2:30 pm	<u>1438</u>	<u>Dropby Meeting of Promoters of</u> <u>TV Job-A-Thons</u> (Coyne) <i>1500</i>	East Room
	3:00 pm	<u>1505</u>	<u>Personnel Time</u> <i>Meese, John Harrington</i> (von Damm) <i>1512</i>	Oval Office
	3:30 pm	<u>1530</u>	<u>Taping Session: (Bakshian/Goode)</u> 1) American Feed Manufacturers Convention 2) 21st Anniversary of 1st James Bond Film 3) Future Business Leaders National Conference <i>1555</i>	Diplomatic Reception Room
	3:50 pm		<u>Personal Staff Time Remainder of Day</u>	Oval Office/ Residence
	1600	<i>(30 min)</i>	<i>Cabinet Affairs Briefing (Meese)</i>	<i>Oval Office</i>
	1630	<i>(5 min)</i>	<i>KEN KACHIGAN to see Pres</i>	<i>Oval Office</i>
	1648		<i>(MKD) (call when ready)</i>	

REVISED
UNP 4/21/83
8:00 am

THE SCHEDULE OF
PRESIDENT RONALD REAGAN



Thursday, April 21, 1983

9:00 am (30 min)	<u>Staff Time</u> (Baker, Meese, Deaver)	Oval Office
9:30 am (15 min)	<u>National Security Briefing</u> (Clark)	Oval Office
9:45 am (15 min)	<u>Senior Staff Time</u>	Oval Office
10:00 am (60 min)	<u>Personal Staff Time</u>	Oval Office
11:00 am (45 min)	<u>Meeting with Gaston Thorn of the EC</u> (Clark)	Oval Office/ Cabinet Room
11:45	DEPARTURE STATEMENT	
12:00 m (60 min)	<u>Lunch with Vice President Bush</u>	Oval Office
1:00 pm (90 min)	<u>Cabinet Meeting</u> (Fuller)	Cabinet Room
2:30 pm (15 min)	<u>Dropby Meeting of Promoters of TV Job-A-Thons</u> (Coyne)	East Room
3:00 pm (30 min)	<u>Personnel Time</u> (von Damn)	Oval Office
3:30 pm (20 min)	<u>Taping Session: (Bakshian/Goode)</u> 1) American Feed Manufacturers Convention 2) 21st Anniversary of 1st James Bond Film 3) Future Business Leaders National Conference	Diplomatic Reception Room
3:50 pm	<u>Personal Staff Time Remainder of Day</u>	Oval Office/ Residence

Don Fortin

met

ok

4:00 (30 min) *Cab. Affairs Briefing*

4:30 or 5:00 - *KEN KACHIGAN TO SEE RR*
(5 mins.) (MICK) *CALL WHEN READY*

UNP REVISED
4/21/83
8:00 am

THE SCHEDULE OF
PRESIDENT RONALD REAGAN

Thursday, April 21, 1983



9:00 am (30 min)	<u>Staff Time</u> (Baker, Meese, Deaver)	Oval Office
9:30 am (15 min)	<u>National Security Briefing</u> (Clark)	Oval Office
9:45 am (15 min)	<u>Senior Staff Time</u>	Oval Office
10:00 am (60 min)	<u>Personal Staff Time</u>	Oval Office
11:00 am (45 min)	<u>Meeting with Gaston Thorn of the EC</u> (Clark)	Oval Office/ Cabinet Room
11:45	DEPARTURE STATEMENT	C-9
12:00 m (60 min)	<u>Lunch with Vice President Bush</u>	Oval Office
1:00 pm (90 min)	<u>Cabinet Meeting</u> (Fuller)	Cabinet Room
2:30 pm (15 min)	<u>Dropby Meeting of Promoters of TV Job-A-Thons</u> (Coyne)	East Room
3:00 pm (30 min)	<u>Personnel Time</u> (von Damm)	Oval Office
3:30 pm (20 min)	<u>Taping Session: (Bakshian/Goode)</u> 1) American Feed Manufacturers Convention 2) 21st Anniversary of 1st James Bond Film 3) Future Business Leaders National Conference	Diplomatic Reception Room
3:50 pm	<u>Personal Staff Time Remainder of Day</u>	Oval Office/ Residence
4:00 (30 mins)	CABINET AFFAIRS	OVAL
APPROX. 4:30	QUICK VISIT W/ KEN KACHIGAN (MIKE DEEVER)	OVAL


REVISED
UNP 4/21/83
8:00 am

THE WHITE HOUSE

WASHINGTON

April 21, 1983

BRIEFING PAPER OF THE PRESIDENT

MEETING: CABINET AFFAIRS BRIEFING ON TRADE
REORGANIZATION
DATE: APRIL 21, 1983
TIME: 4:00 P.M. (30 MINUTES)
LOCATION: OVAL OFFICE
FROM: CRAIG L. FULLER 

I. PURPOSE

This meeting has been scheduled to review the current status of the trade reorganization proposal discussed with you previously in the Cabinet Council on Commerce and Trade.

II. BACKGROUND

At Secretary Baldrige's initiative, we have pursued the question of reorganizing the Administration's trade related agencies and organizations.

Following the discussion in the Cabinet Council, the principal agencies involved in trade policy were asked to explore the attitudes in Congress about a trade reorganization initiative. This meeting has been scheduled to report back to you on the response from the Hill.

III. PARTICIPANTS

- ✓Malcolm Baldrige
- ✓Ed Meese
- ✓William Brock
- James Baker
- William Clark (or representative)
- ✓Richard Darman
- Ken Duberstein
- ✓Craig Fuller

IV. SEQUENCE

Secretary Baldrige will lead the briefing.

cc: Dave Fischer
Kathy Osborne
Nell Yates

MEETING WITH GASTON THORN, PRESIDENT OF COMMISSION OF THE
EUROPEAN COMMUNITIES

Thursday, April 21, 1983

PARTICIPANTS

U.S. The President
 The Vice President
 ~~Secretary of State~~ *Ken Dam*
 Secretary of Treasury
 George S. Vest
 U.S. Ambassador to EC
 W. Allen Wallis
 Under Secretary of State for Economic
 Affairs
 William P. Clark
 Robert C. McFarlane
 Charles P. Tyson
 Donald R. Fortier, National Security Council
 Henry Nau, National Security Council
 Mark Palmer, Acting Assistant Secretary of
 State

(Messrs. Meese, Baker, and Deaver will attend
at their discretion.)

Commission Gaston Thorn, President
of the EC Jean Durieux, Chef de Cabinet
 Sir Roy Denman, head of EC delegation,
 Washington
 CORNHAM MEADOWS

IV. PRESS PLAN

Press pool photo - Oval Office
Open coverage of departure remarks

V. SEQUENCE OF EVENTS

West Lobby, Roosevelt Room Guest Book
Rose Garden
11:00 a.m. ~~Oval Office~~ (Photo Opportunity)

11:05 a.m. Cabinet Room Meeting

11:40 a.m. Departure Statements -- C-9

cc: Dave Fischer
Kathy Osborne
Nell Yates

MEETING WITH GASTON THORN, PRESIDENT OF COMMISSION OF THE
EUROPEAN COMMUNITIES

Thursday, April 21, 1983

PARTICIPANTS

Ken Dam

U.S. The President
 The Vice President
 ~~Secretary of State~~
 Secretary of Treasury
 George S. Vest
 U.S. Ambassador to EC
 W. Allen Wallis
 Under Secretary of State for Economic
 Affairs
 William P. Clark
 Robert C. McFarlane
 Charles P. Tyson
 Donald R. Fortier, National Security Council
 Henry Nau, National Security Council
 Mark Palmer, Acting Assistant Secretary of
 State

(Messrs. Meese, Baker, and Deaver will attend
at their discretion.)

Commission Gaston Thorn, President
of the EC Jean Durieux, Chef de Cabinet
 Sir Roy Denman, head of EC delegation,
 Washington

CORANAM MEADOWS

IV. PRESS PLAN

Press pool photo - Oval Office
Open coverage of departure remarks

V. SEQUENCE OF EVENTS

11:00 a.m. Oval Office (Photo Opportunity)
11:05 a.m. Cabinet Room Meeting
11:40 a.m. Departure Statements -- C-9

VERIFICATION AND COMPLIANCE

--IMPORTANT FOR TWO REASONS:

- o TO IDENTIFY VIOLATIONS AND ASSURE COMPLIANCE
- o TO IDENTIFY WAYS TO IMPROVE VERIFICATION IN FUTURE TREATIES.

--ADMINISTRATION HAS HAD AN ACTIVE DIALOGUE WITH THE SOVIETS ON THESE ISSUES AT THE SPECIAL CONSULTATIVE COMMISSION (SCC) IN GENEVA FOR A LONG TIME. THE SCC IS IN SESSION NOW. *

--THE PROCESS FOR TREATING THESE ISSUES IS VERY DELIBERATE AND STRAIGHTFORWARD.

- o WHEN EVIDENCE OF A POSSIBLE VIOLATION IS RECEIVED IT IS CAREFULLY ANALYZED BY AN INTERAGENCY GROUP OF TECHNICAL EXPERTS.
- o THEY SUBMIT THEIR FINDINGS TO MY PRINCIPAL ADVISORS.
- o IT IS THEN CONSIDERED BY THE NSC.
- o IF THE QUESTIONS HAVE NOT BEEN RESOLVED BY THAT TIME QUESTIONS ARE SUBMITTED TO THE SOVIET UNION IN AN EFFORT TO ILLUMINATE THE ISSUE THROUGH THE RECEIPT OF DATA AND OTHER EXPLANATION.

--THIS PROCESS IS UNDERWAY WITH REGARD TO THE RECENT TESTS OF A NEW SOVIET MISSILE--THE PL-5. ONCE MY ADVISORS HAVE GIVEN ME THEIR RECOMMENDATION, I WILL TAKE THE APPROPRIATE ACTION.

--THE VERIFICATION COMMITTEE WAS FORMED UNDER BILL CLARK SEVERAL MONTHS AGO TO OVERSEE THIS PROCESS.

--BEYOND THE PL-5 ISSUE IT ALSO CONSIDER THE HISTORY OF COMPLIANCE ON OTHER TREATIES IN THE INTEREST OF IMPROVING SUCH FUTURE TREATIES WE MIGHT CONCLUDE.

THE SCHEDULE OF
PRESIDENT RONALD REAGAN



Thursday, April 21, 1983

9:00 am (30 min)	<u>Staff Time</u> (Baker, Meese, Deaver)	Oval Office
9:30 am (15 min)	<u>National Security Briefing</u> (Clark)	Oval Office
9:45 am (15 min)	<u>Senior Staff Time</u>	Oval Office
10:00 am (60 min)	<u>Personal Staff Time</u>	Oval Office
11:00 am (45 min)	<u>Meeting with Gaston Thorn of the EC</u> (Clark) (distributed separately)	Oval Office/ Cabinet Room
12:00 m (60 min)	<u>Lunch and Personal Staff Time</u>	Oval Office
1:00 pm (90 min)	<u>Cabinet Meeting</u> (Fuller)	Cabinet Room (Tab A)
2:30 pm (15 min)	<u>Dropby Meeting of Promoters of</u> <u>TV Job-A-Thons</u> (Coyne)	East Room (Tab B) (draft remarks attached)
3:00 pm (30 min)	<u>Personnel Time</u> (von Damm)	Oval Office
3:30 pm (20 min)	<u>Taping Session:</u> (Bakshian/Goode) 1) American Feed Manufacturers Convention 2) 21st Anniversary of 1st James Bond Film 3) Future Business Leaders National Conference	Diplomatic Reception Room (Tab C) (draft remarks attached)
3:50 pm	<u>Personal Staff Time Remainder of Day</u>	Oval Office/ Residence

UNP 4/20/83
4:00 pm

THE WHITE HOUSE

WASHINGTON

April 20, 1983

CABINET MEETING

DATE: April 21, 1983
LOCATION: Cabinet Room
TIME: 1:00 PM (90 minutes)
FROM: Craig L. Fuller *CLF*

I. PURPOSE

To determine Administration positions on several legislative proposals and to review implementation plans for the Grace Commission's recommendations.

II. BACKGROUND

Agriculture Marketing Orders/CM356

Administration policy regarding season-long market volume restriction of specific agricultural commodities will be discussed. The Cabinet Council on Food and Agriculture reviewed this issue and there was considerable disagreement as to what was the best policy direction for the Administration.

President's Private Sector Survey on Cost Control/CM313

Ed Meese and Craig Fuller will outline the procedures for reviewing the recommendations of the Grace Commission. They will also brief the Cabinet on the format of the reports and the goals and time-frames for the review and implementation.

Reorganization Authority

The Congress is acting on a measure to extend Presidential authority to reorganize the Executive branch. The bill under consideration preserves expedited congressional consideration of Presidential reorganization plans but places additional limitations on the President's authority to propose changes. Director Stockman will outline legislative options.

Cabinet Briefing/Page Two

Procurement Reform/CM207

The Administration's options regarding reauthorization of the Office of Federal Procurement Policy will be considered. Legislative proposals include expansion of OFPP's regulatory powers and efforts to assimilate OFPP into the Office of Management and Budget.

Regulatory Reform/Paperwork Reduction Act/CM328

OMB will discuss reauthorization of the Office of Information and Regulatory Affairs. Authorization expires September 30, 1983. OMB urges Administration support for a simple three year extension of the Paperwork Reduction Act.

Immigration Policy/CM210

The Congress is moving forward on consideration of an Immigration bill substantially different from the Administration's original proposal. Concessions the Congress is making increase the cost of the legislation dramatically. Director Stockman will outline our legislative options. Guidance will be provided from this meeting.

Health Insurance Benefits for the Unemployed/CM303

Following the discussion of April 14 in which the report of the working group was first discussed, further work has been done on the various options laid out at that meeting. CCEA will meet on this issue at 8:45 A.M. and further refine the issue for discussion at the Cabinet meeting. No decision will be called for at this meeting.

III. PARTICIPANTS

List attached to Agenda

IV. PRESS PLAN

None

V. SEQUENCE OF EVENTS

You will open the Cabinet Meeting. Dave Stockman will be prepared to lead the discussion on Agriculture Marketing Orders which is a highly charged issue. Ed Meese will lead the discussion on PPSSCC and the three management issues. The Attorney General will discuss the Immigration issue and Dave Stockman will handle the Health Insurance issue.



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MEMORANDUM FOR: CABINET COUNCIL ON ECONOMIC AFFAIRS

FROM: Working Group on Health Insurance for
the Unemployed

SUBJECT: Draft Memorandum to the President

Background

At the CCEA meeting on April 14, a Working Group recommendation was presented regarding the need to formulate a policy on health insurance benefits to the unemployed.

During Senate consideration of the Social Security reform legislation we were faced with a costly, ill-considered rider amendment providing health benefits for the unemployed. We were successful in dissuading the Senate Leadership from adding this proposal by promising serious consideration of this matter by your Administration.

After due deliberation, the Cabinet Council believes that the options outlined below represent a good faith effort to address the health insurance needs of the unemployed without creating a costly new entitlement program. The advantages and disadvantages of each approach are duly noted.

Basic Facts Relevant to Issue

The Cabinet Council Working Group concluded that extreme caution is warranted in choosing an option for the following reasons.

- 1) The problem has not been well defined. 55% of the unemployed are out of work for less than 15 weeks. Due to the prevalence of multiple worker families, average incomes of some of the unemployed tend to be quite high.
- 2) The comparatively low cost estimates for proposals currently being discussed (\$1 billion per year) may be drastically understated and are reminiscent of the experience with medicaid/medicare where cost estimates exploded soon after enactment.

- 3) Costs of a Federal program could range from \$20 to \$200 a month per family, depending upon whether bare bones catastrophic coverage or high-option comprehensive coverage were provided. Similarly, the number of workers covered could range from 3 million to 11 million per year depending upon whether all unemployed workers or only those with both prior employer coverage and unemployment insurance eligibility are covered. These two factors combined produce a potential annual cost range between \$1 billion and \$20 billion.
- 4) Despite claims of advocates that only a temporary program is desired, any Federally funded effort is likely to become a permanent multi-billion dollar drain on a Federal budget already in desperate straits. Even with nearly 5% real GNP growth this year and sustained recovery in the future, there will be 9 million unemployed as late as 1986 - more than enough to create pressure for a permanent program.
- 5) Since it will be almost impossible to establish fair and consistent standards under which the unemployed can be covered, any direct Federal program has the potential to evolve into back door national health insurance. Since so many millions are alleged to fall through the gaps between medicaid (need-based), medicare (age-based) and private computer insurance, a new Federal program for the deserving unemployed could, under continuing legislative pressure, be steadily transformed into a national health program for most or all of the uncovered.

OPTION ONE: Rely on Private Sector and State Initiatives

In most instances, private employer coverage currently extends at least through the month in which the employee becomes unemployed. In some cases, private sector coverage can be extended for periods of up to three or six months. In addition, most employees are offered the option of retaining coverage under their employer plans even after lay-off, although they must pay the cost of higher "individual rate" coverages themselves.

A number of States also regulate employer practices in this area. Twelve States have legal requirements that employer insurance plans offer continuing coverage beyond separation to employees who are involuntarily laid off. Still other States mandate that employees be offered conversion privileges.

Whatever options you may select for direct Federal involvement in this area, if any, the Cabinet Council recommends that you commend and draw attention to private sector and State efforts in this area.

OPTION ONE: (A) Oppose direct Federal involvement in efforts to assist the unemployed in meeting health care costs. Support and encourage private sector and State efforts.

(B) In addition to private sector and state efforts, support direct Federal involvement in the form of one or more options listed below.

OPTION TWO: Regulating Employer Enrollment & Coverage Extension Practices.

Employed Spouses

A problem arises when one of two working spouses is laid off. If the laid off spouse had previously carried family coverage for both workers, the family will be without health insurance, in most cases, until the other spouse can reenroll for family coverage with the other employer. Since many employers permit enrollment changes only once a year, this may not be possible for many months. A similar problem arises when both workers have elected "single only" coverage through their respective employers, and one is laid off. In this case, the remaining employed worker cannot elect to convert from individual to family coverage until the next open enrollment period.

The Working Group has recommended that Federal corporate tax rules be modified to ensure, as a condition of continuing deductibility for health insurance contributions, that employers be required to permit such enrollment changes without requiring employees to wait for the next open enrollment period. Since an estimated 40% of workers drawing unemployment benefits have working spouses, such a change could ensure coverage for a significant percentage of workers who are now unemployed and without insurance, without Federal subsidies. The disadvantage is that many employers' insurance costs are predicated on the assumption that not all workers will take insurance. The result will be somewhat higher employer health care premiums.

Continuation of Coverage

As indicated above, most workers are offered the option of continuing their employer group coverage after they are laid off. In almost every case, however, the individual is required to pay higher "individual" rates than the group rate charged to the employer.

Requiring all employers to at least offer this opportunity would affect only a small number of firms and unemployed workers, but would create no new costs for any of the parties, since enrollment would be voluntarily paid by the employee.

A further step would be to require employers to make such coverages available, at the employee's option, at the group rate. Doing so would probably cause insurers to increase somewhat the premium charged to the employer for all employees.

A third possibility that was considered by the Working Group was to require that employers make available a special, low-cost plan in which former employees who are laid off could enroll. A "catastrophic only" plan could probably be purchased on the market for \$20-40 per month. The disadvantage to this approach would be to impose a new burden on the employer to make available the sort of insurance coverage which can, in many cases, be purchased already on the open market.

OPTION TWO: (A) Require Open Enrollment When Spouse Becomes Unemployed.

Approve _____

Disapprove _____

(B) Require Continuation of Coverage

At individual rates _____

At group rates _____

In special low-cost plan _____

Do not mandate continuation _____

OPTION THREE: Direct Federal Financial Support

You have stated publicly your opposition to the creation of a new Federal entitlement program in this area. Should you believe that some Federal support in this area is warranted, the option of a temporary block grant was discussed at the last Council meeting.

Such a grant program could be in the form of a one-year (or two-year) appropriation to the States as an add-on to their regular funding under the Social Services block grant. The Social Services Block Grant Act could then be amended to permit the use of any or all of these funds for health insurance for unemployed persons who have lost their coverage upon being unemployed. In fashioning this amendment, care could be taken to restrict the eligible population and benefit package. Alternatively, State could be permitted to fashion their own rules to provide whatever coverages and eligibility rules they deemed prudent out of their allotted funds.

The advantage to this approach is that it provides the hope that a program that is truly temporary could be created, and a permanent entitlement program avoided. Such legislation, however, would be very difficult to contain in the legislative process without a clear signal that any expansions would render the bill unacceptable to you. Even if enacted in such a contained form, however, the chances are very good that the program would be continually extended by the Congress, creating, in effect, a new permanent program. During later extensions, it could, of course, be expanded in whatever fashion the Congress desires.

For this reason, the Cabinet Council is divided in its recommendation. The Secretaries of Health & Human Services, Labor and Commerce support approval of direct support as a fall-back option should the Congress go forward in this area. The Chairman of the Council of Economic Advisers and the Director of the Office of Management and Budget are opposed to any form of direct Federal subsidy, even of a temporary nature.

OPTION THREE: Direct Federal Support

(A) Support block grant only as a
fall-back position.

Approve _____

Disapprove _____

(B) Oppose all proposals for direct
Federal Financial Support.

Approve _____

Disapprove _____

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: Edwin Meese, Chairman Pro Tempore *EM*
Cabinet Council on Management and Administration

SUBJECT: President's Reorganization Authority

In the next few weeks, Administration officials will be testifying on the President's Reorganization Authority. This document requests your guidance and approval of the proposed Administration position on this issue.

Background

Reorganization authority has been available to all Presidents, except President Ford, since 1939. The authority has permitted the President to propose organizational changes through the Congress through an expedited form called "Reorganization Plans"; and the Plan automatically takes effect in 60 days unless disapproved by either House.

A bill (H.R. 1314) sponsored by Congressmen Brooks and Horton would provide the authority to you until December 1984. The bill preserves the concept of expedited congressional consideration of a plan but adds further limitations on use of the President's authority to propose organization changes.

- . Requires an affirmative vote on a joint resolution of approval by both Houses of Congress. (This overcomes the constitutional question presented by the one House veto.)
- . Requires the submission of Presidential directives (e.g., Executive orders, memos, etc.) with a plan if these directives are required to complete a reorganization.
- . Extends to 90 days the period within which Congress can act.
- . Prohibits use of the authority to create an agency or rename a department.

Current Status

The Deputy Director of OMB testified before the House Government Operations Committee in favor of H.R. 1314 with two proposed changes:

- . To avoid disclosing draft Presidential directives (e.g., Executive orders, memos) to Congress, the message accompanying a plan would describe the actions for completing a reorganization.
- . Maximum number of plans that can be pending before Congress should be increased from three to four.

Markup of H.R. 1314 by the Committee is anticipated by April 28. Hearings before Senator Roth's Governmental Affairs Committee are tentatively set for the same date.

Options

1. Continue to support extension of reorganization authority (H.R. 1314), with previously discussed modifications.

The authority provides a means for proposing--through reorganization plans--the transfer and consolidation of statutory functions or activities. Even though the authority in H.R. 1314 is more constrained than we would prefer, the procedures in the bill that ensure expedited action by the Congress are of value.

2. Quietly withdraw support for the authority.

The Administration is on record supporting H.R. 1314 and the value of the authority to both the President and Congress. Withdrawal of support now would send a signal that your Administration is not interested in organization of the executive branch and may increase the probability that Congress will legislate further in the organization area, e.g., S. 35, Commission on More Efficient Government.

Recommendations

Option 1 (Support H.R. 1314 with modifications).

Approve: _____ Disapprove: _____

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: Edwin Meese, Chairman Pro Tempore *EM*
Cabinet Council on Management and Administration

SUBJECT: Reauthorization of the Office of Federal
Procurement Policy

In the next few weeks, Administration officials will be testifying on the reauthorization of the Office of Federal Procurement Policy. This document requests your guidance and approval of the proposed Administration position on this issue.

Background

OFPP's statutory authorization expires September 30, 1983. At the CCMA meeting on March 18, 1983, OFPP reauthorization was discussed, and the Council concluded that the Administration should support reauthorization, but preferably as a more integrated element of OMB (in lieu of continuing it in its current, somewhat independent status). H.R. 2293, introduced on March 23, confirmed the preference of Congressmen Brooks, (D-Tex) and Horton (R-NY) for a separate OFPP organization.

Current Status

H.R. 2293 would reauthorize OFPP in its present organizational form for three years and provide it with regulatory authority in addition to its existing policy role. The House Government Operations Committee held hearings on April 7 at which OMB, OFPP, GAO, GSA, the American Bar Association, and several industry associations testified. While generally supporting the bill, Administration spokesmen recommended several modifications, including removal of the proposed regulatory authority provisions. Markup of the bill is scheduled to be completed on April 28.

On April 7, Senators Roth (R-Del) and Cohen (R-Me) introduced an OFPP reauthorization bill (S. 1001) which would reauthorize OFPP with its current mission and functions, for five years. Hearings have been scheduled for April 27.

Options

Because the process of reauthorizing OFPP is not yet complete, the Administration can still influence legislation which will determine OFPP's role and mission for the next several years.

1. Support S. 1001 and work with its co-sponsors (principally Senator Cohen) to shape it more to the Administration's views. As noted by Senator Cohen, passage of S. 1001 in its introduced form is not intended. The bill provides for a 5-year renewal of OFPP without changing any other provisions of the current authorization. Many of the provisions in the current authorization are clearly out-of-date and will need revision. (For example, it calls for development of the Uniform Federal Procurement System, which was completed and submitted to Congress over a year ago.)
2. Since H.R. 2293 is not yet in markup, seek the help of sympathetic Committee members to incorporate the changes recommended in the Administration's testimony. If successful, urge its adoption by the House. If unsuccessful, revert to Option 1. (Options 1 and 2 are not mutually exclusive, and can be pursued simultaneously or in sequence.)
3. Draft separate legislation and seek Senate sponsorship of a bill which would (1) reauthorize OFPP for five years, (2) transfer the Federal Acquisition Institute to GSA, (3) provide for testing authority of new procurement concepts, and (4) not provide for procurement regulatory authority. The passage of time makes this option a less viable alternative. Introduction of an additional bill, moreover, might confuse the situation and split the Administration's potential allies, especially in the Senate.

Recommendations

That the Administration pursue Options 1 and 2 simultaneously.

Approve: _____

Disapprove: _____

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: Edwin Meese, Chairman Pro Tempore *EM*
Cabinet Council on Management and Administration

SUBJECT: Paperwork Reduction Act

In the next few weeks, Administration officials will be testifying on the Paperwork Reduction Act. This document requests your guidance and approval of the proposed Administration position on this issue.

Oversight hearings on the Paperwork Reduction Act will be held before Chairman Brooks on April 27. The Act gives broad powers to OMB to:

- . Reduce the private-sector burdens of federal forms, surveys, and regulations.
- . Enhance the quality and efficiency of federal statistical data and the surveys underlying them.
- . Improve federal management of computer and telecommunications technologies.

The Act's paperwork review authorities have been critical to the success of your regulatory review program under Executive Order 12291. The Act has also been the vehicle for preparation of the Administration's annual "paperwork budget."

While these are oversight hearings, the Act's authorization for appropriations expires September 30, 1983. Chairman Brooks may attempt to use the funding reauthorization issue to raise several policy issues, especially OMB's use of the Act to implement your regulatory relief program. If the issue arises, we propose to support a simple three-year extension of funding authorization. We are concerned that if the substance of the Act is opened up, several adverse consequences could result such as:

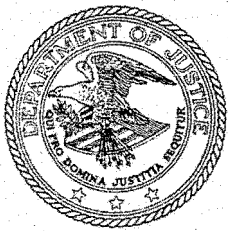
- . The President could lose some of the authorities underlying the regulatory reform efforts.
- . Exemptions from paperwork reduction efforts could be granted to certain programs or agencies.
- . The revised Act could include authorities or organizational mandates from the Chairman that we may not desire.

Recommendation

To support a simple extension of the authorization section of the Paperwork Reduction Act of 1980, if the question arises.

Approve: _____

Disapprove: _____



Office of the Attorney General

Washington, D. C. 20530

April 20, 1983

MEMORANDUM FOR: Cabinet Council on Legal Policy

FROM: William French Smith *WFS*
Attorney General

SUBJECT: Background Paper on Current Status
of the Immigration Reform Legislation

This memorandum sets forth the current status of immigration reform legislation in the 98th Congress.

Historical Overview

Following receipt of the Final Report of the Select Commission on Immigration and Refugee Policy in March of 1981, the President established a Cabinet Task Force, chaired by the Attorney General, to study the Commission's recommendations for comprehensive immigration reform. Based on that review the Administration submitted a legislative package of immigration reform proposals to the Congress in October of 1981 which embodied the most important recommendations of the Select Commission.

The principal provisions of the Administration bill were (1) penalties on employers who knowingly hire illegal aliens, (2) legal status for illegal aliens who were in the U.S. before January 1, 1980, (3) an expanded temporary foreign worker program where domestic workers are unavailable, (4) reform of our procedures to return persons who enter the U.S. illegally, (5) expanded legal authorities to deal with mass arrivals of undocumented aliens, and (6) increased legal immigrant admissions for Canada and Mexico.

After extensive hearings on the Administration bill, Senator Simpson and Congressman Mazzoli, the Chairmen of the Senate and House Immigration Subcommittees, respectively, in March of 1982 introduced their own immigration reform legislation which incorporated most of the Administration's proposals. The most significant exception to that incorporation was the deletion of the Administration's mass immigration emergency plan. At the Cabinet Council meeting on April 16, 1982, it was decided that the Simpson-Mazzoli bill would become the Administration's vehicle for immigration reform.

Thereafter, on August 17, 1982 the U.S. Senate passed a substantially unchanged Simpson-Mazzoli bill on an overwhelming, bipartisan vote of 80-19. The following month the House Committee on the Judiciary reported its amended version of the legislation to the House floor where it became stalled during the post-election "lame duck" session.

Current Status

On February 17, 1983 Senator Simpson introduced the Immigration Reform and Control Act of 1983, S. 529, an identical bill to the legislation which passed the Senate in the 97th Congress. On the same date Congressman Mazzoli introduced H.R. 1510, identical in all major respects to the reform legislation reported by the House Committee on the Judiciary.

Expedited hearing schedules were established by both the Senate and House Immigration Subcommittees. The Senate hearings commenced on February 24th and lasted four days. Several Administration witnesses testified in support of the legislation including the Attorney General and Diego Asencio of the Department of State. On the House side three weeks of hearings began on March 1 ultimately accumulating 26 hours of testimony, including generally supportive statements, from an expanded list of Administration witnesses.

During the week of April 4, 1983 both the Senate and House Immigration Subcommittees completed mark-up on their respective bills. The Senate bill was reported to full Committee on a voice vote and House Subcommittee passage was accomplished on a gratifying 7-1 vote.

Most recently, on April 19th, the Senate Committee on the Judiciary completed its consideration of S. 529 and reported it favorably to the full Senate on a 13-4 vote. Floor action has tentatively been scheduled for April 28 but other scheduling priorities and bill report printing requirements could easily cause that date to slip. The dates for full Committee and floor action in the House are unknown at this time although the former could occur as early as the first week in May.

Significant Remaining Issues

The immigration reform issues which remain problematic principally reflect the differences between the Senate and House bills. One of the most significant of those issues is the appropriate mechanism for assisting state and local governments with the costs which arise as the newly legalized residents access welfare programs. The Senate bill takes the

strongly preferred approach of establishing a block grant/ impact aid program by which the Administration would be committed to fund at \$1.1 billion for four years. The House bill authorizes the Federal government to reimburse 100% of all State and local welfare programs for those legalized including educational expenses. OMB has estimated that the four year cost of this approach would be \$4.8 billion for welfare expenditures and \$2.5 billion for educational program support.

A corollary to this issue is whether to advance the legalization eligibility date in light of the fact the immigration reform effort is one year older. The House Immigration Subcommittee has already brought this issue into sharp focus by adopting a 1981 "one tier" legalization program with a four year federal benefit ineligibility. The Senate bill maintains last year's Administration supported "Grassley compromise" which provides permanent resident status for eligible aliens who continuously resided in the United States since before 1/1/77 and temporary resident status for such aliens who arrived here before 1980 with adjustment to permanent status after three years. In the Senate ineligibility for federal benefits would extend for three years from the time permanent resident status was obtained.

To date we have consistently opposed advancing the eligibility date both on equity grounds and from the point of view of limiting federal outlays. Our argument has been that legalization is not intended to give legal status to all illegal aliens but only to those who have demonstrated a commitment to this country by long term continuous residence as contributing, self-sufficient members of their community. Any other standard would be unfair to our legal residents and to legal immigrants waiting patiently in line, often for years, to obtain immigrant visas. Every effort will be made ultimately to obtain the legalization program outlined in the Senate bill.

Another contentious issue is the appropriate mechanism for assisting agricultural employers who have become dependent on an illegal migratory workforce. Both the Senate and House bills establish a more streamlined statutory H-2 program for agricultural workers. Following Subcommittee mark-up the House bill also contains a supplementary program permitting agricultural employers to hire "undocumented" workers, subject to numerical limitations established by the Attorney General, for a three-year "transition" period. The Senate has also expressed interest in this proposal and it is certain to be considered as a floor amendment.

The Administration's position has been that the "compromise" package of H-2 "streamlining" amendments, ratified by the April 16, 1982 Cabinet Council meeting, would provide sufficient statutory assurance of a workable program for obtaining foreign workers where domestic workers are unavailable. However, we will closely monitor the discussions which are ongoing between agricultural and labor interests on the transition program concept to insure that our operational concerns are addressed.

Two other important, though less problematic, differences between the Senate and House bills should be mentioned. The first is the changes in our current system for legal immigration contained in the Senate bill principally the "overall cap" of 425,000 on legal immigration including immediate relatives. The House bill, at the insistence of Chairman Rodino, specifically rejects changes in our current preference system. The Administration has likewise argued that changes in our legal immigration system should be deferred until after we have addressed the more urgent problem of uncontrolled illegal migration. Indications are that that view will prevail in conference and significant other portions of the Senate bill may well be obtained in exchange.

The second "second tier" issue concerns the Senate and House treatment of our current overburdened adjudication and asylum system. The Senate bill provides for more streamlined procedures which promise some finality in judgments while the House procedures are in several particulars even more cumbersome than current law. Attempts will be made to narrow the gap by amending the House bill and strong efforts will be made to have our preference for the Senate procedures prevail.

Prospects

The introduction of bills already considered by both Houses and the early mark-up schedules have brightened considerably the prospects for final enactment of a comprehensive immigration reform bill. Likewise nationwide editorial support and public opinion as evidenced in opinion polls will encourage Congressional action. Nevertheless, it is generally agreed that enactment will need to take place during the first session of the 98th Congress as the second session will in all probability be dominated by Presidential politics.



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MEMORANDUM TO ED MEESE

FROM: DAVE STOCKMAN

SUBJECT: Immigration Legislation—Costs and Strategy

Immigration bills are moving swiftly through both Houses of Congress. The Senate Judiciary Committee completed mark up on April 19, and floor action is tentatively scheduled for April 28. In the House Judiciary Subcommittee mark-up occurred on April 5 and 6, and full committee mark up is anticipated prior to May 15. Both Senate and House bills will significantly increase the federal deficit (\$9.3 and \$4.5 billion in FY84-87, respectively). In view of the high cost of the bills, the Cabinet should meet to reassess the Administration's current overall position on immigration legislation and its legislative strategy.

One of the Administration's primary concerns with immigration legislation last session was the social welfare costs incurred as a result of legalizing large numbers of illegal aliens. Accordingly, the Administration bill limited the size of the legalized population, restricted benefit eligibility, and limited Federal assistance and costs.

Key cost control provisions we sought were:

- Temporary resident status granted only to illegals entering prior to 1981.
- Legalized aliens eligible for Federally financed benefits after 8-year waiting period.
- Federal aid provided to states in the form of a block grant.
- These provisions limit federal cost to \$1.2 billion for FY84-87.

Despite Administration efforts to control the legislation, both House and Senate bills diverge significantly from the Administration's position. Key legalization provisions in both bills increase the federal social welfare costs.

In the House:

- Permanent status granted to illegals entering prior to 1981.
- Eligibility for Federal benefits granted after a 4-year waiting period.
- 100 percent Federal reimbursement provided for State and local public assistance and education costs.

In the Senate:

- . Permanent status granted to illegals entering prior to 1977; temporary status granted to illegals entering prior to 1980.
- . Eligibility for Federal benefits granted after 3-year waiting period for permanent residents and 6-year waiting period for temporary residents.
- . 5-year block grant to cover state and local costs.

In addition to multi-billion legalization cost, both bills authorize administrative costs at \$200 million annually. The Administration never budgeted a funding level for implementing the legislation. The secure worker identification system required by both bills is estimated to cost \$1 to \$2 billion. The Administration position to rely on existing documents would not generate such costs.