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| 1 LIST | RE. ATTENDEES FOR WHITE HOUSE BRIEFING ON 7/19/82 | 2 | ND | В6 |

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The Bolover THE WHITE HOUS WASHINGTON

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TO: Dick Darman

FROM: Ken Duberstein

As we discussed, you may want to circulate this background fact sheet/ status report on the Balanced Budget Constitutional Amendment to our legislative strategy group (expanded)

THE WHITE HOUSE WASHINGTON

April 28, 1982

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

- S.J. Res 58 now has 53 co-sponsors (39 Republicans and 14 Democrats). The principal sponsors are Thurmond and Hatch.
- H.J. Res 350, as of Wednesday, April 28, has 201 co-sponsors (147 Republicans and 54 Democrats). The principal sponsors are Conable (R-NY) and Jenkins (D-GA).
- S.J. Res 58 and H.J. Res 350 are identical.
- To pass, 2/3 of those present in the Senate and House must vote "aye."
- 32 states have endorsed a call for a Constitutional Convention.
 34 are required for a Convention. 38 states required to ratify under this approach, which is the same ratification process required under the legislative approach.
- Since 1960, there has been only one balanced budget.
- What S.J. Res 58 and H. J. Res 350 do:
- SECTION 1: Prior to the beginning of each fiscal year, Congress must adopt a statement of income (receipts or taxes) and expenses (outlays) for the upcoming fiscal year which provides that income cannot exceed expenses.

 The Congress and the President are charged with ensuring this is adhered to. If the Congress wants to amend this during the year, both the Senate and House must concur and 3/5 of the whole number must support such a waiver. 261 hard votes in the House and 61 hard votes in the Senate.
- SECTION 2: Provides that taxes cannot increase any faster than national income. In other words, the budget can't be balanced simply by raising taxes disproportionately. This can be amended by Congress if a simple majority of the whole number of both the Senate and House (218 Hard votes in the House and 51 hard votes in the Senate).
- SECTION 3: Provides that Congress may waive the budget balancing provisions for any fiscal year in which a declaration of war is in effect.

- SECTION 4: Provides that Congress may not require that the states engage in additional activities without compensation equal to the additional costs. In other words, the states are protected from the Feds shifting expensive programs to them without providing financing to support such programs.
- SECTION 5: Total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for repayment of debt principal.
- SECTION 6: This article shall take effect for the second fiscal year beginning after its ratification.

On May 19, 1981, the Senate Judiciary Committee reported S.J. Res. 58 favorably 11-5. It is now ready for Senate Floor debate.

In the House, Chairman Rodino of the House Judiciary Committee, is purposely delaying committee action.

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| | Date:5/6/82 |
|------|--|
| TO: | Morton Blackwell |
| FROM | M: WAYNE H. VALIS |
| | For your information |
| | Per our conversation |
| | Other: |
| | Some of the business folks are "on board." |



NATIONAL ASSOCIATION OF WHOLESALER-DISTRIBUTORS

1725 K Street, N.W. Washington, D.C. 20006

... the national voice of wholesale distribution

202/872-0885

Dirk Van Dongen President

May 4, 1982

Mr. Lewis Uhler
President
National Tax-Limitation
Committee
1523 L Street, N.W.
Suite 600
Washington, D.C. 20036

Dear Lew:

On behalf of the 121 national who esaler-distributor trade associations (see attached) and 45.000 members of NAW, I want to convey our Board's recent endorsement of the balanced budget-tax limitation amendment (S.J. Res. 58/H.J. Res. 350).

While we do not view its passage by the Congress or its ratification by the states as a short term solution to our current deficit problems, we believe its long term benefit will be substantial.

By way of background, in 1981 the wholesale distribution sector of the economy was responsible for over 1.2 trillion of economic activity, employing 5.4 million people at 307,000 plus locations across the country.

NAW has been, and remains, a strong advocate of President Reagan's economic recovery program. We believe that unabated and excessive Federal spending is one of the root causes of our present economic malaise.

We look forward to working closely with the NTLC over the coming months in advancing this important legislation.

You are to be commended for the excellent work you have already done in this regard. I look forward to making your acquaintance.

Sincerely,

Dirk Van Dongen President

cc: William Tobin Charls Walker

Attachment

William M. Burckart Past Chairman Buffalo, New York

National Wholesaler-Distributor Organizations Affiliated with the National Association of Wholesaler-Distributors

Air-conditioning & Refrigeration Wholesalers

American Dental Trade Association

American Jewelry Distributors Association

American Machine Tool Distributors' Association

American Supply Association

American Surgical Trade Association

American Traffic Services Association

American Veterinary Distributors Association

Appliance Parts Distributors Association, Inc.

Associated Equipment Distributors

Association of Footwear Distributors

Association of Steel Distributors

Automotive Service Industry Association

Aviation Distributors & Manufacturers Association

Bearing Specialists Association

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Ceramic Tile Distributors Association

Ceramics Distributors of America

Coated Abrasives Fabricators Association

Cooperative Food Distributors of America

Copper & Brass Servicenter Association

Council for Periodical Distributors Association

Council of Wholesale-Distributors

American Institute of Kitchen Dealers

Distributors Council, Inc.

Door & Hardware Institute

Drug Wholesalers Association

Electrical Electronics Materials Distributors Assn.

Explosive Distributors Association, Inc.

Farm Equipment Wholesalers Association

Flat Glass Marketing Association

Fluid Power Distributors Association, Inc.

Food Industries Suppliers Association Foodservice Equipment Distributors Association

General Merchandise Distributors Council

Hobby Industry Association of America

Independent Medical Distributors Association

The Imgation Association

Institutional & Service Textile Distributors

Association, Inc.

International Ceramic Association

Machinery Dealers National Association

Mass Merchandising Distributors Association

Material Handling Equipment Distribution Association

Monument Builders of North America-Wholesale Div.

Motorcycle Industry Council

Music Distributors Association

National-American Wholesale Grocers' Association

National Appliance Parts Suppliers Association

National Association of Aluminum Distributors

National Association of Chemical Distributors National Association of Container Distributors

National Association of Decorative Fabric Distributors

National Association of Electrical Distributors

National Association of Fire Equipment Distributors

National Association of Floor Covering Distributors

National Association of Manufacturing Opticians

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National Association of Meat Purveyors

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National Association of Recording Merchandisers, Inc.

National Association of Service Merchandising

National Association of Sporting Goods Wholesalers National Association of Textile & Apparel Distributors

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National Association of Writing Instrument Distributors

National Beer Wholesalers Association

National Building Material Distributors Association

National Business Forms Association

National Candy Wholesalers Association

National Commercial Refrigeration Sales Association

National Electronic Distributors Association

National Fastener Distributors Association

National Food Distributors Association

National Frozen Food Association

National Independent Bank Equipment Suppliers Assn.

National Industrial Belting Association

National Industrial Glove Distributors Association

National Lawn & Garden Distributors Association

National Locksmiths' Suppliers Association

National Marine Distributors Association

National Paint Distributors, Inc.

National Paper Trade Association, Inc.

National Plastercraft Association

National Sash & Door Jobbers Association

National School Supply & Equipment Association

National Solid Wastes Management Association

National & Southern Industrial Distributors Associations

National Spa and Pool Institute

National Truck Equipment Association

National Welding Supply Association

National Wheel & Rim Association

National Wholesale Druggists' Association

National Wholesale Furniture Association National Wholesale Hardware Association

Northamerican Heating & Airconditioning Wholesalers

North American Wholesale Lumber Association, Inc.

Optical Laboratories Association

Outdoor Power Equipment Distributors Association

Pet Industry Distributors Association

Petroleum Equipment Institute

Power Transmission Distributors Association, Inc.

Safety Equipment Distributors Association, Inc.

Scaffold Industry Association

Shoe Service Institute of America

Specialty Tools & Fasteners Distributors Association

Spring Service Association

Steel Service Center Institute

Textile Care Allied Trades Association

Toy Wholesalers' Association of America

United Pesticide Formulators & Distributors Association

Wallcovering Distributors Association

Warehouse Distributors Association for

Leisure & Mobile Products

Watch Materials & Jewelry Distributors Association

Water and Sewer Distributors Association Wholesale Florists & Florist Suppliers of America

Wholesale Stationers' Association, Inc.

Wine & Spirits Wholesalers of America, Inc.

Wood Heating Alliance

Woodworking Machinery Distributors Association

Reagan Boost Aids Tax-Limit Amendment

The President's strong endorsement of the Balanced Budget-Tax Limitation Amendment in last week's televised address to the nation is expected to give the amendment a big shot in the arm just as it nears a vote in the Senate. William H. Shaker, executive vice president of the National Tax Limitation Committee, told HUMAN EVENTS:

"We're really tickled pink that President Reagan has endorsed the amendment. His support will really be helpful as we proceed to a vote in the Senate." As previously reported, the amendment (SJ Res. 58, HJ Res. 350) has already been approved by the Senate Judiciary Committee and could reach the Senate floor at any time.

The proposed addition to the Constitution, which enjoys the enthusiastic support of Nobel Prize-winning economist Milton Friedman, has two key provisions. One requires that "total outlays"—significantly including so-called "off budget" items—may not exceed "total receipts." In emergencies, Congress could make exceptions to this rule. But this would require a three-fifths vote "of the whole number of both houses" in favor of a measure providing for "a specific excess of outlays over receipts," and—to assure accountability—the measure would have to be "directed solely to that subject."

The second major provision states that the government's "total receipts" for any fiscal year may not increase from year to year by more than the growth of national income, "unless a majority of the whole number of both houses of Congress shall have passed a bill directed solely to approving specific additional receipts and such bill has become law."

The amendment would become effective in the second full fiscal year after it was ratified by the necessary three-fourths of the states.

Another Spending Scandal

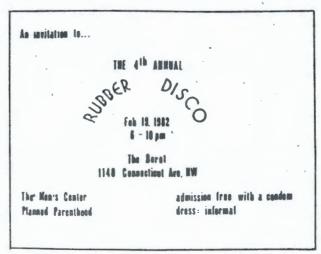
Is There No More Fat in the Budget?

Has the budget been "cut to the bone," as the liberals are so fond of saying these days? Judie Brown, president of American Life lobby, insisted to a House subcommittee on appropriations last week that all sorts of money is being wasted on Title X of the federally funded Public Health Service Act. This program, she pointed out, referring to a study by the General Accounting Office, "is riddled with waste and abuse."

Typical of hundreds of federal programs on the books, this measure will cost \$123 million in Fiscal Year 1983, but the GAO claims that at least \$48 million is foolishly spent on a yearly basis.

Consider, for instance, that Planned Parent-

hood of Washington, D.C., inspired something called "National Condom Week," an activity actually celebrated by the local D.C. government and endorsed by Mayor Marion Barry. The Planned Parenthood group, which received over half-amillion dollars in Title X funds in the last 14



The D.C. chapter of the Planned Parenthood organization, which is financed with federal funds, provided a perfect example of flagrantly wasted tax dollars when it staged a "Rubber Disco."

months, admitted through its financial director, Edith Ledbetter, that the condom celebration had been promoted with federal dollars.

To get the week (February 14-21) off to a rousing (or perhaps arousing) start, the local Planned Parenthood group sent out a promotional letter, signed by Paula Wilborne, which read in part:

"Included among the celebration of National Condom Week are: A symposium on Male Sexuality, a talk on Male Contraception, and last but not least, an evening of enjoyment and educational exchange called... RUBBER DISCO!!!!! — Yes, it is the 4th annual RUBBER DISCO. Admission is free with a condom and an invitation which can be picked up at the Men's Center of Planned Parenthood (located at 1108 16th Street, N.W.—that is, 16th and L). This fabulous dance will be held at The Beret Discotech, decorated with a rainbow of different colored, blown up condoms. The height of festivities will culminate with a condom blowing contest, the winner of which is to receive a prize of \$35.00."

Secretary of Health and Human Services Richard Schweiker called this project "tasteless" and a "flagrant example of irresponsibility and bad judgment at any time, but especially in these times of budget restraint." Representatives Robert Walker (R.-Pa.) and John Rousselot (R.-Calif.) were appalled, and roundly condemned the misuse of taxpayers' money. Walker kept referring to the occasion as "unbelievable." "This is yours and my federal tax dollars that are being used on this kind of enterprise," he moaned.

Most people would find that hard to disagree with. But Speaker Tip O'Neill and his Democratic colleagues, in breaking off the budget negotiations with the President last week, keep suggesting that cutting such spending amounts to a cruel blow to the underprivileged.

PLANNED PARENTHOOD OF METROPOLITAN WASHINGTON, D.C., INC.

1108 SIXTEENTH STREET, N.W. WASHINGTON, D.C. 20036 202-347-8500

Dear Friend,

Thank you for taking the time to express your support for our ad in the Washington Post. As you know, the Senate Judiciary committee just passed the Hatch Amendment by a vote of 10 to 7. This Amendment (S.J. 110) reads:

"A right to abortion is not secured by this Constitution. The Congress and several States shall have the concurrent power to restrict and prohibit abortion: provided, that a law of a State which is more restrictive than a law of Congress shall govern.

Now that it has passed the Judiciary Committee, this anti-choice legislation may reach the Senate floor in the very near future.

WHAT YOU CAN DO:

First and foremost, you can express your views to our elected representatives.

Members of the Judiciary Committee who voted pro-choice should receive personal thank-you notes. The pro-choice votes on the Judiciary Committee were:

> Specter, PA Leahy, VT Baucus, MT Metzenbaum, OH

Write: Senator , United States Senate, Washington, DC 20510

Residents of Virginia and Maryland should also write their Senators and urge them to vote against the Hatch Amendment and all other anti-choice legislation.

`***************** Maryland Residents Virginia Residents

Write:

Write:

Charles McC. Mathias, Jr. 358 Russell Building Washington, D.C. 20510

Harry Byrd, Jr. 417 Russell Building Washington, D.C. 20510

Paul Sarbanes 2327 Dirksen Building Washington, D.C. 20510

John Warner 6239 pirksen Building Washington, D.C. 20510 ***********

Finally, the Planned Parenthood Metropolitan Washington Public Affairs Program welcomes volunteers who want to work with us on this issue. If you can donate some time, please call us at 347-8500, or send in the attached coupon and we will contact you.

| Thanks again for your support | :1 | |
|---|--------------------------------|--------|
| | Amy Fine Public Affairs Direct | etor |
| Please contact me, I would like to Affairs Program. | volunteer with your | Public |
| Name | Phone: Day | , Eve |
| Mar Cop | | |

THE WHITE HOUSE

WASHINGTON May 18, 1982

MEMORANDUM TO WAYNE VALIS

FROM:

ROBERT MOSS

RE:

Support for the Balanced Budget Amendment

Attached is a letter from Bill Tobin of the National Tax-Limitation Committee with trade association support for S.J. Res. 58/H.J. Res. 350.

Following is a list of specific organizations with respect to your request on their position regarding the balanced budget:

National Association of

Manufacturers ·

Support the amendment with the reasoning that it will limit federal spending.

U.S. Chamber of Commerce

Have not formulated a position on the Balanced Budget Amendment.

The Business Roundtable

Have not formulated a position on the Balanced Budget Amendment.

National Federation of Independent Business

Support the Balanced Budget Amendment and will work on behalf of its passage.

Westinghouse Electric Corp.

Will support the White House position on the Balanced Budget Amendment.

Mobil Corp.

Supports the Balanced Budget Amendment.

U.S. Steel Corp.

Have not taken a position on the Res. They will await a budget compromise and will support The White House position on the BBA.

National Association of Wholesaler-Distributors

Strongly in support of the BBA.



P. O. Box 513 Loomis, CA 95650 (916) 652-0471

OFFICERS

Lewis K. Uhler, President (Attorney, businessman, consultant)

William H. Shaker, Executive Vice President (NTLC — Washington Office)

William J. Tobin, Vice President (NTLC—Washington Office)

David Copeland, Vice President (Tennessee State Representative)

Donald L. Totten, Vice President (Illinois State Senator)

Jameson G.Campaigne, Jr., Treasurer (Publisher, consultant)

FOUNDERS & SPONSORS

C. Austin Barker (Financial Consultant Noyes Partners, Inc.)

George Champion (former Chairman, Chase Manhattan Bank)

M. Stanton Evans (Author, columnist, Broadcaster)

Milton Friedman (Author, Economist, Nobel laureate)

Arthur Godfrey (Entertainer, commentator)

Allan Grant (former President, American Farm Bureau Federation)

James M. Hall (former Secretary, California Human Relations Agency)

Clare Boothe Luce (Author, columnist, former U.S. Ambassador, congresswoman)

Vern I. McCarthy, Jr. (Director, Bank of Bellwood)

Frank Shakespeare (former Director, United States Information Agency; President RKO)

William Craig Stubblebine (Professor of Economics, Claremont College)

General A. C. Wedemeyer (U.S. Army, Retired)

FOUNDERS & SPONSORS
Currently in Government Service

Robert Carleson

William A. Niskanen

MEMORANDUM

TO: Bob Moss

FROM: Bill Tobin

DATE: May 18, 1982

Attached is a list of national trade associations that have formally endorsed the Tax Limitation/Bal-anced Budget Constitutional Amendment (S.J.Res.58/H.J.Res.350).

The National Tax Limitation Committee is financially supported by approximately 25,000 corporations and companies, who presumably agree with our major thrust to amend the constitution in order to limit the growth of taxes and spending and plan a balanced budget. I've enclosed a sheet giving examples of such corporations.

Among corporation contributors who are to my knowledge most active are: Flowers Industries, Blue Bell and the Reserve Fund. They have contacted their employees/investors and have asked them to contact their Senators and Representatives.

In addition to corporate support, NTLC has 600,000 individual members nationwide.

Please call me if you need additional information.

Association Support of the Tax Limitation - Balanced Budget Amendment

American Bakers Association

American Council for Capital Formation

American Farm Bureau Federation

American Gear Manufacturers Association

Associated Builders and Contractors

National Association of Homebuilders

National Association of Manufacturers

National Association of Realtors

National Association of Wholesaler - Distributors
National Lumber and Building Material Dealers Association
National Cattlemen's Association
(National Screw Products Association)
National Federation of Independent Business
National Welding Supply Association
United States Jaycees

Illinois Manufacturers Association

Michigan Chamber of Commerce

Associated Industries of Kentucky

Savings League of Wisconsin

Oklahoma Bankers Association

Virginia Agribusiness Council

Texas Bankers Association

FOR IMMEDIATE RELEASE Contact: William Tobin 202-393-2060



P. O. Box 513 Loomis, CA 95650 (916) 652-0471 ∑ 1523 L Street, N.W., Suite 600 Washington, D.C. 20005 (202) 393-2060

BIPARTISAN SUPPORT GROWS FOR TAX LIMITATION/BALANCED BUDGET AMENDMENT -- SENATOR CANNON SIGNS ON AS COSPONSOR -- PRESIDENTIAL ENDORSEMENT WELCOMED

OFFICERS

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Robert Carleson

William A. Niskanen

Washington, D.C., May 14, 1982 -- Senator Howard
Cannon (D-NV) is the latest member to announce support
for S.J.Res. 58, the Tax Limitation Balanced Budget

Amendment pending before the U.S. Senate. His sponsorship brings the official number of Senate cosponsors to 57. A number of additional Senators have indicated that they plan to vote for the Amendment.

President Reagan reiterated his support for the Amendment in a speech to the Nation May 1st. Public response has been running more than seven to one in favor of the Amendment.

Lewis K. Uhler, President of the 600,000 member
National Tax Limitation Committee, praised the action
by Senator Cannon saying: "That such a distinguished
member of the Senate should endorse the Amendment at
this time demonstrates that Senate support is steadily
mounting." A Senate vote expected in early June will
require 67 votes for passage.

Along with Cannon, other members who have signed on as cosponsors in a bipartisan show of support since the Amendment was favorably passed by the Senate Judiciary

Committee are: Senators Lloyd Bentsen (D-TX), Quentin Burdick (D-ND), Walter Huddleston (D-KY), John Melcher (D-MT) Sam Nunn (D-GA), William Roth (R-DE), Jim Sasser (D-TN), John Tower (R-TX) and Nicholas Brady (R-NJ).

Bipartisan support is also building in the House of Representatives, where the Amendment enjoys the cosponsorship of more than 200 Congressmen. The House drive is led by Representative Ed Jenkins (D-GA) and Barber Conable (R-NY). Among the House cosponsors are Robert Michel (R-IL), Minority Leader, and Tony Coelho (D-CA), Chairman of the Democratic Campaign Committee.

William H. Shaker, NTLC Executive Vice President reported that a number of other Senators, including Senator Lawton Chiles (D-FL) and Senator Charles Percy (R-IL), are closely studying the Amendment. Shaker said: "It now appears, based on constituent mail from Senators which has been shared with us by NTLC members, that the Amendment has sufficient support for passage."

Regarding the President's endorsement, Uhler said: "NTLC welcomes the radio address by President Reagan on May 1 in which the President urged the grassroots to start putting pressure on Congress now to pass the Tax Limitation/Balanced Budget Amendment."

"We agree with the President," said Uhler, "that government must stay within the limits of its revenues. The sorry fiscal record of the last 25 years is convincing evidence that Congress and the Executive need the external restraint of a constitutional amendment to balance the budget and limit taxes."

Both President Reagan and Vice President Bush supported this type of amendment during their respective Presidential Campaigns during 1980. Reagan first proposed such an amendment in 1973 as an amendment to the California constitution.

If passed by the Congress this year and ratified by the states in the amount of time normally taken for such ratification, the Amendment would first go into effect in fiscal year 1986. This is the year that both the President and Congressional leaders have set for achievement of a balanced budget -- which would be the first balanced federal budget since 1969. Uhler said, "Passage of the Amendment will put teeth in this goal and make Congressional and Presidential commitment to fiscal responsibility permanent."

The National Tax Limitation Committee played a principal role in formation of the Amendment's language and in introducing the Amendment in the Congress, as well as, spearheading the grass-roots campaign on the issue for the past seven year.

#

DAIL

NATIONAL ASSOCIATION OF WHOLESALER-DISTRIBUTORS

... the national voice of wholesale distribution

1725 K Street, N.W. Washington, D.C. 20006

202/872-0885

Dirk Van Dongen President

May 4, 1982

Mr. Lewis Uhler
President
National Tax-Limitation
Committee
1523 L Street, N.W.
Suite 600
Washington, D.C. 20036

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We look forward to working closely with the NTLC over the coming months in advancing this important legislation.

You are to be commended for the excellent work you have already done in this regard. I look forward to making your acquaintance.

Sincerely,

Dirk Van Dongen President

cc: William Tobin Charls Walker

Attachment

William M. Burckert Past Chairman Buffalo, New York

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American Dental Trade Association

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National Wholesale Furniture Association

National Wholesale Hardware Association

Northamerican Heating & Airconditioning Wholesalers

North American Wholesale Lumber Association, Inc.

Optical Laboratories Association

Outdoor Power Equipment Distributors Association

Pet Industry Distributors Association

Petroleum Equipment Institute

Power Transmission Distributors Association, Inc.

Safety Equipment Distributors Association, Inc.

Scaffold Industry Association

Shoe Service Institute of America

Specialty Tools & Fasteners Distributors Association

Spring Service Association

Steel Service Center Institute

Textile Care Allied Trades Association

Toy Wholesalers' Association of America

United Pesticide Formulators & Distributors Association

Wallcovering Distributors Association

Warehouse Distributors Association for

Leisure & Mobile Products

Watch Materials & Jewelry Distributors Association

Water and Sewer Distributors Association

Wholesale Florists & Florist Suppliers of America

Wholesdie Stationers' Association, Inc.
Wine & Spirits Wholesalers of America, Inc.

Wood Heating Alliance

Woodworking Machinery Distributors Association



Dairy and Food Industries Supply Association, Inc.

for : Morton Blockwell

6245 EXECUTIVE BOULEVARD, ROCKVILLE, MARYLAND 20852

(301) 984-1444, Telex: 908706

Fred J. Greiner
Executive Vice President

7 May 1982

The President The White House Washington, D.C.

Dear Mr. President

As the chief executive officer of this Association, we want your office to be aware that this Association has gone on record as supporting the Constitutional Amendment re balanced rederal budget.

The action supporting this movement was taken by our Board of Directors at our annual meeting on April 21, 1982.

We are very pleased at your announcement of support made in your telecast last week and we want you to know how much we appreciate your effort toward achieving fiscal responsibility in the United States budget making process.

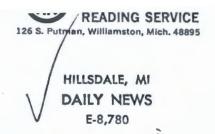
Cordially

Fred J. Greiner

Executive Vice President

-bcc - Wayne H. Valis

Wayme:



Huber Senate bid based on experien

By Paul Manning Krawzak

Robert J. Huber believes, for two han those opposing him in the race

o replace U.S. Donald .. liegle.

"I've served n every level of overnment.' he 59-year-old tepublican said 'riday during a top in Hillsdale. luber served as navor of Troy or six years, on he Oakland **county Board of**



Robert upervisors for Huber Huber

our years, as state senator for six ears, and as a U.S. representative or two years. "Nobody in this race as that," he said. 14 8 16 5

MOREOVER, HUBER has spent 7 years in industry. Since 1952 he has een president of Michigan Chrome

& Chemical Co. in Detroit, which he said sells its products in international as well as U.S. markets. He is also easons, that he is more qualified chairman of the board of a plastics corporation in Arkansas, director of Michigan National Bank in Troy, and director of a Detroit firm. He is "somebody who understands industry and the problems of industry," he said.

> Riegle's term expires at the end of this year. Opposing Huber on the Republican side are former Michigan Congressman Philip Ruppe, William Ballenger and University of Michigan Regent Dean Baker.

Economic recovery is the main issue facing the Senate, he said, and his approach to it would stress creating "an attractive business environment in which the free enterprise system can flourish."

"I THINK THE president's program is a very good, comprehensive program," he said. "The control of the inflation was a tremendous asset to industry.

"I think he's made the right moves both internationally as well as nationally," he said.

He would, however, place more emphasis than Ronald Reagan has on balancing the budget.

For this, he favors a tax on imported oil, which - would raise gasoline prices somewhat and provide the government with \$30 to \$40 billion it could use to cut the federal deficit. "It would reduce consumption of gas ... that would help our energy crunch," he said. By cutting the federal deficit, it would promote reduced interest rates, and it would also improve the nation's balance of trade, since the U.S. would import less, he said. ...

"I THINK IT'S essential to have a balanced budget," he said. But Huber is not comfortable with a constitutional amendment requiring one (which Reagan has proposed), Congress passed a law two years ago requiring a balanced budget by 1981, he said.

Asked what specific actions he

would take for economic recovery if he became a senator, Huber said, "It isn't a question of specific things. It's an attitude, an approach to problems,

"If my votes had been followed (when he was in Congress) we would have had a balanced budget," he said.

"Live within the means - now that's the philosophy one has to have and Don Riegle doesn't have it," he said. "We've had the Riegles running the railroads for the last 20 years and that's what's brought us to ruin."

"HE SAID THAT if an imported oil tax is implemented, there will be an upturn in the industrial base due to lower interest rates, an increase in employment, and a resulting cut in the deficit, since more tax revenue will flow in to the government and less welfare benefits will flow out.

"I think we've bottomed out in the economy," he said. "The recovery's not going to be rapid but it's going to be steady."

The U.S. must be

militarily than any other nation. said, since peace is not possible ur. the "strongest army, navy, air for is in the hands of the most peace nation."

For two reasons he supports t president's proposed arms buildi First, he is in favor of the prograu he said. Second, he said. "I do really believe there is anybody in t U.S., including the secretary defense, who understands the tol picture of our total problems exce the president."

"I THINK THE president mu explain his position to the people the U.S. and I think he's done that he said.

Given equal military forces by the U.S. and Soviet Union, there is the temptation on the part of the Sovie to "aggressively attempt to utilis what force they have to overpower intimidate," he said. "And the on way to stop that is to show them the they would bite off more than the could chew."

Huber lives in Troy.

ROBERT J. HUBER for U.S. Senator

"He Means Business"

Memo to: Mr. Morton Blackwell

From: Bob Huber

Thought you might like to see the different approaches being taken on the balanced budget issue.

I think we'd all agree the time has come to put America's fiscal house in order, and I support the President's efforts in that area.

file 1982 Election

Paid for by friends of Bob Huber

9732 Erwin Ave., Detroit, Mich. 48213 (313) 571-9670

PONTIAC, MI OAKLAND PRESS E-74,546

MAY- 5-82

Salanced budget amendment 'phony

By HANK SCHALLER Of The Oakland Press

One of the leading contenders for the Republican U.S. Senate nomination has parted company with the Reagan administration over the need for a constitutional amendment mandating a balanced federal budget.

In fact, former U.S. Rep. Philip Ruppe of Houghton baloney," Ruppe said Tuesday. agrees more closely with the man he hopes to unseat in the hard decisions. November, than whis three h "Any balanced budget

amendment is so much phony a reality."

"It seems to me the balanced budget amendment is geining guys off the hook for not making the hard decisions." - Philip Ruppe

"It seems to me the balanced stand of incumbent U.S. Sen. budget amendment is getting Donald Riegle, D-Michigan, the guys off the hook for not making

opponents for the GOP amendment would be framed to nomination. The state of have an out for politicians. It This balanced budget would be more promise than

That view is shared by Riegle as related by his press secretary Mike Russell.

"A. balanced budget amendment is something to be looked at at least two or three years down the road," Russell explained. "It has little bearing on the problems of today. What is more important is to keep a open dialogue between President Reagan and congressional leaders on budget talks,"

Ruppe said a better control on federal spending would be tax indexing which would wipe out. the benefits of inflation to the federal treasury. He explained federal revenues now increase 1.6 percent for every percent of inflation.

In comparison, former U.S. Rep. Robert J. Huber of Troy, University of Michigan Regent Deane Baker of Ann Arbor. former state Sen. William Ballenger of Lansing, and the other GOP candidates, agree with Reagan and basically support a Constitutional Amendment mandating a balanced federal budget.

Huber said Congress is already ignoring a law which required a balanced federal budget beginning in 1981.

"Since laws are designed to control people while constitution amendments are passed to control governments, the American people must now initiate the process of a constitutional amendment to

"We may have gotten to the point where Congress has let the budget get out of its hands, however."

- William Ballenger

force the U.S. Senate and House of Representatives to live within its budget like responsible citizens do." Huber explained.

While stressing he had some reservations about a balanced federal budget amendment, Ballenger said he could support the proposal.

"I have no problem living with -a constitutionally required

balanced budget if that is the only thing that can be done." Ballenger explained.

"I'm certainly in favor of a balanced federal budget. At this point, though, I'm not certain i want to go the whole mile with a constitutional amendment. I'm always wary of tampering with the Constitution. We may have gotten to the point where Congress has let the budget get out of its hands, however."

For his part, Baker said he supported the concept of abalanced budget amendment as long as it was flexible enough to deal with national emergencies.

"The concept would be good if for no other reason that it would discipline the representatives and senators," Baker explained.

THE WHITE HOUSE

WASHINGTON

June 7, 1982

to Morton B.

MEMORANDUM FOR RED CAVANEY

THRU:

DIANA LOZANO

FROM:

SUBJECT:

MORTON C. BLACKWELL

Grover Norquist's Group

Here is some material put out by Grover Norquist's new group.

Have we put the Balanced Budget -Tax Limitation Amendment on the back burner?

Morton
Ped indicates balanced lendert

rally steel pending for the 15
no action this which lucouse of

prep. for budget battle.

Diana

Mort:
Dictation from
yester day,

MEMORANDUM FOR THE RECORD

Unfortunately, the main concern of the NTLC leaders is that a strong Presidential initiative on the balanced budget tax limitation will steal their thunder. They resent the idea that the President will jump on board the bandwagon. They did a good job in crafting the amendment with the assistance of Milton Friedman and other scholars, but they have no record of successful political organization. Uhler was the chief of the Proposition 1 Tax Limitation campaign in California which went down to defeat. At that time, his organization never even went back to the petition signers and grassroots financial supporters of their campaign for assistance in passing Proposition 1, which narrowly failed.

Our experience in dealing with the NTLC has amply demonstrated that they are not well organized. Last year we helped them out with a briefing which caused us more last minute emergencies than virtually any other briefing we have undertaken.

The President will be perceived as leading on this and other major issues as Franklin Roosevelt led the country in the 1930s.

Their suggestion that the President should wait until the Senate has passed the Amendment and then give a speech -- outside of Washington -- endorsing the amendment, is almost absurd. It is certainly not in the best interest of the President.

If we go forward immediately with a major Presidential event here in D. C., the NTLC has no alternative but to applaud the President's support. Even private grumblings would be unbecoming and seen by them as dangerous.

There is a big difference between battling for a proposition in California and fighting a legislative battle. One major difference is that elected politicians are not held accountable in referendum

battles. The National Right to Work Committee opposed almost violently the effort which put a proposed Right to Work bill on the statewide ballot in Missouri. Unlike the situation in other states which have had battles in their state legislatures over the Right to Work issue, the losing Right to Work referendum in Missouri a few years ago had absolutely no favorable impact on subsequent legislative contests.

If the President goes out in front in behalf of this amendment, we will swamp the Hill with favorable grassroots comments. There is no likelihood that a comparable grassroots opposition to the amendment can be mounted.

The NTLC leaders are simply not capable of organizing a massive grassroots effort across the nation which would heighten voters' awareness of how their legislators voted on the amendment. Only a Presidentially-led grand coalition could accomplish this fully.

The NTLC leaders' argument that Presidential involvement would hurt the amendment effort by making it appear to be partisan is not a very serious point. It ought to be quite easy for the President in his strong endorsement of the amendment to make it crystal clear that he is not approaching this as a partisan issue. He could single out for praise prominent Democrats not running for reelection this year and prominent boll weevils, strongly commending them for their support.

The final point the NTLC made is that the President will not be helped if the amendment should lose in the Congress this year. This is simply not so. From the standpoint of the Congressional elections, it is clear that supporters of the President would benefit much more from the amendment issue in Congressional races if the amendment had narrowly lost in the House. If the amendment passes, the issue will effectively be most in Congressional races because the battle will be transferred to the state legislatures.

This is not to say that we should attempt to create a narrow loss for the amendment. We should go all out to win on it, but the argument that a loss after a good fight will hurt the President simply does not stand up to analysis.

If we do go ahead with a major Presidential event in D. C., it would be highly appropriate for the President to single out Lew Uhler and the NTLC for special praise for the excellent position they have done in bringing this important proposal before the American people.

Balanced Budget Lle

BALANCED BUDGET - TAX LIMITATION AMENDMENT

Mr. Paul Weyrich, Director 546-3000 Committee for Survival of a Free Congress 721 Second St. N. E. Washington, D. C. 20012

Rev. Jerry Falwell, President (804) 528-4/12
The Moral Majority
National Capitol Office
500 Alleghany Ave.
Lynchburg, VA 24501

Mr. John T. Dolan, National Director 522-2900 National Conservative Political Action Committee 1500 Wilson Blvd., Suite 513 Arlington, VA 22209

Mrs. Karen Davis, Director 8/7-429-6396 Christian Women's National Concerns 654-4022 Box 1224 Fort Worth, TX 75202

Mrs. Phyllis Schlafly, Chairman (618)
Eagle Forum
68 Fairmount
Alton, Illinois 62002

Mr. Howard Phillips, Chairman 281-6782 The Conservative Caucus 422 Maple Avenue East Vienna, VA 22180

Mr. Don Todd, Executive Director 546-655 American Conservative Union 316 Pennsylvania Avenue S. E. Washington, D. C. 20003

Mr. Lewis Uhler, President 393-2000 National Tax Limitation Committee 1523 L St. N. W. Washington, D. C. 20005

Mr. James A. DAvidson, Chairman 543-1300 National Taxpayers Union 325 Pennsylvania Avenue, S. E. Washington, D. C. 20003 7/2 Wayne

Dirk Van Dongen President

NATIONAL ASSOCIATION OF WHOLESALER-DISTRIBUTORS

LVAIL

1725 K Street, N.W. Washington, D.C. 20006 202/872-0885

July 12, 1982

15 militati

Senator Orrin Hatch United States Senate Russell Senate Office Building Washington, DC 20510

Dear Senator Hatch:

for? Morron
Blockboelf
FYE

This is to urge your support for S.J.Res.58, the proposed Balanced Budger/Tax Limitation Constitutional Amendment. In our view, this amendment is a responsible measure -- from both an economic and constitutional perspective -- and would establish in the Constitution fundamental principles of political accountability.

S.J.Res.58 is a carefully crafted, consensus constitutional proposal that will prove effective in eliminating the structural bias toward greater public spending in our fiscal process, while being sufficiently flexible to allow Congress to properly respond to a variety of changing economic and other circumstances.

At the same time that Congress is engaged in addressing short-term economic problems, it is critical that efforts also be made to address longer-term economic difficulties. S.J.Res.58 represents such an effort and ought to be supported.

State legislatures, representative national organizations, and the public generally have all made increasingly clear to Congress their desire for a constitutional amendments to restore an environment of public fiscal responsibility. We would respectfully ask you to recognize these calls and support S.J.Res.58. Although we do not know what amendment may be offered to this measure, we would also ask you to recognize the balance that has been achieved in S.J.Res.58 and view such amendments with great caution.

Sincerely,

National Tax Limitation Committee
American Bakers Association
American Council for Capital Formation
American Gear Manufacturers Association
American Subcontractors Association
Associated Builders and Contractors
Chamber of Commerce of the United States
Citizen's Choice
Independent Bakers Association
National Association of Homebuilders
National Association of Manufacturers
National Association of Temporary Services
National Cattlemen's Association
National Federation of Independent Business
National Knitwear Association

National Lumber and Building Material Dealers Association National Screw Machine Products Association National Taxpayers Union Steel Services Center Institute United States Jaycees

National Association of Wholesaler - Distributors and affiliated organizations: Air-conditioning & Refrigeration Wholesalers American Dental Trade Association American Jewelry Distributors Association American Machine Tool Distributors' Association American Supply Association American Surgical Trade Association American Traffic Services Association American Veterinary Distributors Association Appliance Parts Distributors Association, Inc. Associated Equipment Distributors Association of Footwear Distributors Association of Steel Distributors Automotive Service Industry Association Aviation Distributors & Manufacturers Association

Bearing Specialists Association
Beauty & Barber Supply Institute, Inc.
Bicycle Wholesale Distributors Association, Inc.
Biscuit & Cracker Distributors Association

Ceramic Tile Distributors Association
Ceramics Distributors of America
Coated Abrasives Fabricators Association
Cooperative Food Distributors of America
Copper & Brass Servicenter Association
Council for Periodical Distributors Association
Council of Wholesale-Distributors
American Institute of Kitchen Dealers

Distributors Council, Inc.
Door & Hardware Institute
Drug Wholesalers Association

Electrical-Flectronics Materials Distributors Assn. Explosive Distributors Association, Inc.

Farm Equipment Wholesalers Association Flat Glass Marketing Association Fluid Power Distributors Association, Inc. Food Industries Suppliers Association Foodservice Equipment Distributors Association

General Merchandise Distributors Council

Hobby Industry Association of America

Independent Medical Distributors Association The Irrigation Association

Institutional & Service Textile Distributors Association, Inc. International Ceramic Association

Machinery Dealers National Association
Mass Merchandising Distributors Association
Material Handling Equipment Distribution Association
Monument Builders of North America-Wholesale Div.
Motorcycle Industry Council
Music Distributors Association

National-American Wholesale Grocers' Association National Appliance Parts Suppliers Association National Association of Aluminum Distributors National Association of Chemical Distributors National Association of Container Distributors National Association of Decorative Fabric Distributors National Association of Electrical Distributors National Association of Fire Equipment Distributors National Association of Floor Covering Distributors National Association of Manufacturing Opticians National Association of Marine Services, Inc. National Association of Meat Purveyors National Association of Plastics Distributors National Association of Recording Merchandisers, Inc. National Association of Service Merchandising National Association of Sporting Goods Wholesalers National Association of Textile & Apparel Distributors National Association of Tobacco Distributors National Association of Writing Instrument Distributors National Beer Wholesalers Association National Building Material Distributors Association National Business Forms Association National Candy Wholesalers Association National Commercial Refrigeration Sales Association National Electronic Distributors Association National Fastener Distributors Association National Food Distributors Association National Frozen Food Association National Independent Bank Equipment Suppliers Assn. National Industrial Belting Association National Industrial Glove Distributors Association National Lawn & Garden Distributors Association National Locksmiths' Suppliers Association National Marine Distributors Association National Paint Distributors, Inc. National Paper Trade Association, Inc. National Plastercraft Association National Sash & Door Jobbers Association National School Supply & Equipment Association National Solid Wastes Management Association National & Southern Industrial Distributors Associations National Spa and Pool Institute National Truck Equipment Association National Welding Supply Association National Wheel & Rim Association National Wholesale Druggists' Association National Wholesale Furniture Association National Wholesale Hardware Association Northamerican Heating & Airconditioning Wholesalers

North American Wholesale Lumber Association, Inc.

Optical Laboratories Association Outdoor Power Equipment Distributors Association

Pet Industry Distributors Association Petroleum Equipment Institute Power Transmission Distributors Association, Inc.

Safety Equipment Distributors Association, Inc.
Scaffold Industry Association
Shoe Service Institute of America
Specialty Tools & Fasteners Distributors Association
Spring Service Association
Steel Service Center Institute

Textile Care Allied Trades Association Toy Wholesalers' Association of America

United Pesticide Formulators & Distributors Association

Wallcovering Distributors Association
Warehouse Distributors Association for Leisure & Mobile Products
Watch Materials & Jewelry Distributors Association
Water and Sewer Distributors Association
Wholesale Florists & Florist Suppliers of America
Wholesale Stationers' Association, Inc.
Wine & Spirits Wholesalers of America, Inc.
Wood Heating Alliance
Woodworking Machinery Distributors Association

THE WHITE HOUSE

WASHINGTON

July 15, 1982

MEMORANDUM FOR

DISTRIBUTION

FROM:

EDWIN J. GRAY

SUBJECT:

BALANCED BUDGET AMENDMENT

filo

ISSUE UPDATE

Attached is a redraft of OPI's Issue Update on the Balanced Budget/Tax Limitation Amendment which the President has endorsed. Because of urgent deadlines facing the distribution of the paper, I have to request any comments or changes by 6 p.m. today.

If I do not hear from you, I will assume the paper meets with your approval.

Thank you very much for your cooperation. I apologize for the short deadline.

To:

James Jenkins
Roger Porter
Bill Barr
Morton Blackwell
David Gerson
Eric Hemel
Michael Uhlmann

THE AMERICAN LOBBY

FOR PRESIDENT REAGAN'S BALANCED BUDGET AMENDMENT

July 15, 1982

The Honorable Morton C. Blackwell Special Assistant to the President for Public Liaison The White HOuse 191, Old Executive Office Building Washington, D.C. 20500

Dear Mr. Blackwell:

On behalf of the American Lobby, and Mr. Donald Kendall, National Co-Chairman of The American Lobby, I would like to invite you to The American Lobby reception for our National Advisory Committee, State Co-Chairmen, and State Advisory Committee Members as part of the activities on July 19 to inaugurate the American Lobby's drive toward Congressional passage and State ratification of President Reagan's Balanced Budget Amendment. The reception will be held from 5:30 p.m. to 7:00 p.m. on Monday, July 19, 1982, at The Capitol Hill Club, 300 First Street, S.E., Washington, D.C.

I would be deeply honored if you could grant us the time in your busy schedule to participate in The American Lobby's first efforts in support of the President and a Balanced Budget. Even if you must limit your visit to just a few minutes, it would be greatly appreciated.

Sincerely,

Andre E. LeTendre
Executive Director
The American Lobby
for President Reagan's
Balanced Budget Amendment

R.S.V.P. 225-3865



Chamber of Commerce of the United States

1615 H Street, N.W. Washington, D.C. 20062



FOR IMMEDIATE RELEASE Thursday, July 15, 1982 Contact: Frank Benson (202) 463-5682

NEW CHAMBER GALLUP SURVEY FINDS AMERICANS FAVOR BALANCED BUDGES AMENDMENT BY THREE TO ONE

WASHINGTON, July 15 -- There is heavy public support for an amendment to the Constitution which would both require a balanced budget and limit tax increases to no more than the increase in Gross National Product (GNP) during the previous year.

This was among findings of the most recent U.S. Chamber/Gallup survey of consumer attitudes toward a wide range of policy issues which was conducted last month.

By a ratio of three to one, respondents favored an amendment similar to the balanced budget/tax limitation constitutional amendment now before the House of Representatives and Senate. Respondents were asked their opinion of a two-part proposed amendment as follows:

- I. Congress would not be allowed to approve a budget with an expected deficit unless:
 - (a) Both the House and Senate approve the budget by a three-fifths vote, or
 - (b) In the event of war
- II. Federal tax increases could not be larger than the increase in the nation's total output of goods and services (GNP) during the previous year.

Sixty-four percent of those polled responded they would favor such an amendment, while only 20 percent would oppose it. Seventeen percent had no opinion.

Importantly, this support holds up along a wide cross-section of the public. Union members favored it by a ratio of 63 percent to 24 percent, while non-union members favored it 64 percent to 19 percent.

Although it is not a survey finding, the fact that the only important source of opposition to the amendment comes from the leadership of several major trade unions lends a note of irony to the survey's finding of such strong support from union members.

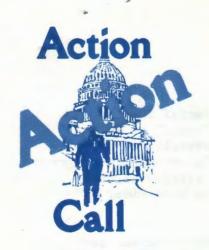
Support for the amendment was also widespread among major income groups. Respondents from families with incomes of \$15,000 or less favored the amendment by 58 percent to 17 percent Over \$15,000, both support and opposition increased, respectively, to 68 percent and 22 percent.

The results are based on face-to-face interviews by the Gallup Organization with 1,504 adults, 18 years and older, conducted during June 11-14, 1982. It is very probably (95 chances out of 100) that the findings are within three percentage points of the figures that would have been obtained if the entire adult population had been interviewed. Because of sample size, the margin of error for subgroups is larger.

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(82 - 240)

NOTE TO CORRESPONDENTS: Additional information and comments abount the survey are available from the director of the Chamber's Research Survey Center, Dr. James Morris, (202) 463-5620.



ISSUE: CONSTITUTIONAL AMENDMENT TO LIMIT

TAXES AND BALANCE THE BUDGET

(H.J. Res. 350)

ACTION NEEDED:

Prompt contact with your Representative. Urge him to sign the discharge petition needed to break the big spenders' control over H.J. Res. 350, and bring it to a

vote on the House floor.

July 9, 1982

Despite intense efforts by the President and his supporters in Congress to limit Federal spending growth, the federal budget is still out of control and triple-digit deficits are expected in both fiscal years 1982 and 1983.

Indeed, deficit spending has become the normal state of affairs in federal budgeting. Since 1950, the budget has been in deficit for 26 of 31 years, and has run a surplus in only one of the past 21 fiscal years. Although most politicians pay lip service to the goal of balancing the budget, their actual votes on spending programs move the country further and further from this goal.

This pattern of rampant deficit spending is a recent phenomenon. For most of our history, balancing the budget was considered a major obligation of government, even though unstated in the Constitution. When deficits were incurred, usually as a result of war-related expenditures, efforts were made to restore balance by running subsequent surpluses. The deficits of the Civil War were followed by 28 years of surpluses. The deficits of World War I were followed by 10 years of surpluses.

As is evident from recent patterns of budgeting, the government's sense of fiscal discipline has greatly diminished — some say disappeared — over the past three decades. Electoral mandates for lower spending have been ineffective in slowing budget growth. Public opinion polls showing strong support for greater spending cuts are disregarded by Congressmen eager to preserve and expand pet projects and programs. Statutes and resolutions calling for smaller deficits and limited spending are routinely passed and routinely ignored by Congress.

Obviously, something stronger is needed to limit Congress' propensity to spend and tax. A constitutional mandate to balance the budget is an important first step in finding a solution to this problem.

BACKGROUND

Persistent and expanding levels of deficit spending have made it painfully evident that something is fundamentally wrong with the government's budget process. It is clear that the failure to limit spending growth stems from an inherent bias in the budget process toward ever-increasing spending.

The number of entitlement program beneficiaries has increased rapidly relative to the number of taxpayers, and the cost of such programs has risen even faster. At the same time, Congress has become increasingly reluctant to make the necessary changes in automatic entitlement programs to hold back the excessive growth in transfer payments.

(over)



The chief cause of this bias is the imbalance of power between special interest groups and the general taxpayer, the individual. The so-called "needs" of each special interest group are heard loud and clear — and taken separately, the cost of each special program to the taxpayer is relatively small. This encourages Congress to satisfy the vocal and well organized special interests at the expense of the taxpayer. Taken collectively, the costs of funding these programs have added up to an oppressive tax burden and record level deficits.

This systematic bias in the political system in favor of tax spenders versus tax payers is encouraged by the fact that it has been unnecessary for Congress to confront explicitly the consequences of its excessively generous spending decisions by voting for tax increases. Tax increases have occurred automatically as a result of the progressive tax system and the inflation that has pushed American workers into higher and higher tax brackets.

This pro-spending bias cannot be rectified within existing Congressional authority. Given the scope of the problem and the record of failure in limiting spending growth, a constitutional mandate is needed to restore balance to the budget process.

HOW THE AMENDMENT WOULD WORK

The purpose of the amendment is to make the budget process more responsive, more neutral and more democratic. It would do this by eliminating the structural bias toward increased levels of spending that is now built into the political system.

H.J. Res. 350, the Balanced Budget/Tax Limitation Constitutional Amendment, restores this balance by limiting both deficits and tax increases. It <u>limits growth in taxes</u> by requiring that the increase in taxes in any given fiscal year be no greater than the prior calendar year's growth in national income. It thus ends excessive and automatic increases in the tax burden.

H.J. Res. 350 restrains deficits by a combination of two of its provisions. First, Congress must plan a balanced budget: planned outlays must be no greater than planned receipts. This is the basic balanced budget provision of the amendment.

Second, actual outlays may not exceed planned outlays. This is the absolute requirement of the amendment. The basic requirements of a balanced budget and of tax increases limited to the growth in national income can be overcome by other provisions of this amendment, but this cannot.

H.J. Res. 350 is sufficiently flexible to allow Congress to override some provisions of the amendment in the event that a prolonged recession or threat of war necessitates deficit spending. For such reasons, and any others that the Congress may consider appropriate, an unbalanced budget statement can be adopted. It must, however, be adopted explicitly by a vote on that subject alone. Congress can vote to accept a deficit if three-fifths of the full membership of both houses feel such a deficit is necessary. It allows a simple majority of the full membership plus the President to approve an increase in taxes in excess of the rate of increase in the prior year's national income.

In conclusion, H.J. Res. 350 would restore to the budget process the essential balance between tax spenders and tax payers, and impose on Congress the fiscal discipline that has been absent for several decades. It would thus end the seemingly automatic process of expanding the federal sector and increasing the tax burden, causing chronic deficits.

LEGISLATIVE STATUS

H.J. Res. 350 (Conable, R-N.Y., Jenkins, D-Ga.) has 223 cosponsors. Despite the endorsement of a majority of the House, opposition by the Democratic leaders has led Rep. Rodino (D-N.J.) to use his power as Chairman of the Juciciary Committee to bottle the legislation up in his committee, preventing the full House from voting on it.

Such an antidemocratic power play can be overcome, however, with a little-used legislative procedure called a "discharge petition." The petition, when signed by a majority of the members, discharges the committee from consideration of the bill and the bill would be brought before the full House with no further delay.

*

ACTION NEEDED

Prompt contact with your Representative. <u>Urge him/her to sign the discharge petition</u> needed to bring H.J. Res. 350 before the full House. In addition, <u>if not now a cosponsor</u> (see list below), urge him/her to become one.

Regardless of whether your Representative is in favor of H.J. Res. 350, the discharge petition merits signing. A balanced budget amendment is too important to keep bottled up in committee. The full House must be given an opportunity to debate the proposal publicly and vote on it.

Tell your Representative you are fed up with persistent deficit spending and H.J. Res. 350 is the only viable alternative to a flawed budget process that has allowed federal spending to surge out of control. Prompt communication is essential.

For further information, call Dr. Ron Utt (202) 463-5620.

Distribution: Selected business members, corporate CAC chairmen, local chamber CAC execs, Washington corporate reps, state chamber execs.

Address for all Representatives: The Honorable _____, House of Representatives, Washington, D. C. 20515. Phone for all: (202) 224-3121.

REPRESENTATIVES WHO HAVE NOT COSPONSORED H.J. RES. 350

| Addabbo, Joseph - NY |
|-------------------------|
| Akaka, Daniel - HI |
| Albosta, Donald - MI |
| Alexander, Bill - AR |
| Anderson, Glenn - CA |
| Annunzio, Frank - IL |
| Anthony, Beryl - AR |
| Applegate, Doug - OH |
| Aspin, Les - WI |
| Ashbrook, Jean - OH |
| Au Coin, Les - OR |
| Bailey, Wendell - MO |
| Barnes, Michael - MD |
| Bedell, Berkley - IA |
| Beilenson, Anthony - CA |
| Benjamin, Adam - IL |
| |

Bethune, Edwin - AR Biaggi, Mario - NY Bingham, Jonathan - NY Blanchard, James - MI Boggs, Lindy - LA Boland, Edward - MA Bolling, Richard - MO Boner, William - TN Bonior, David - MI Bonker, Don - WA Breaux, John - LA Brodhead, William - MI Brooks, Jack - TX Brown, George - CA Burton, John - CA Burton, Phillip - CA

Byron, Beverly - MD Chisholm, Shirley - NY Clay, William - MO Collins, Cardiss - IL Conte, Silvio - MA Conyers, John - MI Coyne, William - PA Crockett, George - MI de la Garza, E - TX Dellums, Ron - CA De Nardis, Larry - CT Derwinski, Ed - IL Dicks, Norman - WA Dingell, John - MI Dixon, Julian - CA Donnelly, Brian - MA

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Dorgan, Byron - ND Dougherty, Charles - PA Dowdy, Wayne - MS Downey, Thomas - NY Dunn, Jim - MI Dwyer, Bernard - NJ Dymally, Mervyn - CA Early, Joe - MA Eckart, Dennis - OH Edgar, Robert - PA Edwards, Don - CA Emery, David - ME Erlenborn, John - IL Ertel, Allen - PA Evans, Billy Lee - GA Fary, John - IL Fascell, Dante - FL Fazio, Vic - CA Ferraro, Geraldine - NY Fish, Hamilton - NY Fithian, Floyd - IN Florio, James - NJ Foglietta, Thomas - PA Foley, Thomas - WA Ford, William - MI Frank, Barney - MA Frost, Martin - TX Fuqua, Don - FL Garcia, Robert - NY Gaydos, Joseph - PA Gejdenson, Sam - CT Gephardt, Richard - MO Gilman, Benjamin - NY Gonzalez, Henry - TX Gore, Albert - TN Gray, William - PA Green, William - NY Guarini, Frank - NJ Hall, Tony - OH Hamilton, Lee - IN Harkin, Tom - IA Hawkins, Augustus - CA Heckler, Margaret - MA Heftel, Cecil - HI Hertel, Dennis - MI Hollenbeck, Harold - NJ Howard, James - NJ Hoyer, Steny - MD Hughes, William - NJ Hyde, Henry - IL Jeffords, James - VT Jenkins, Ed - GA Jones, James - OK Kastenmeier, Robert - WI Kazen, Abraham - TX

Kemp, Jack - NY Kennelly, Barbara - CT Kildee, Dale - MI Kogovsek, Ray - CO LaFalce, John - NY Lantos, Tom - CA Lehman, William - FL Leland, Mickey - TX Long, Clarence - MD Long, Gillis - LA Lowry, Michael - WA Luken, Thomas - OH Lundine, Stanley - NY McClory, Robert - IL McHugh, Matthew - NY McKinney, Stewart - CT Markey, Edward - MA Marks, Marc - PA Matsui, Robert - CA Mattox, Jim - TX Mavroules, Nicholas - MA Mazzoli, Romano - KY Mica, Dan - FL Mikulski, Barbara - MD Miller, George - CA Mineta, Norman - CA Minish, Joseph - NJ Mitchell, Parren - MD Moakley, Joe - MA Moffett, Toby - CT Molinari, Guy - NY Mollohan, Robert - WV Mottl, Ron - OH Murphy, Austin - PA Murtha, John - PA Myers, John - IN Natcher, William - KY Nelligan, James - PA Nelson, Bill - FL Nowak, Henry - NY Oakar, Mary Rose - OH Oberstar, James - MN Obey, David - WI O'Neill, Thomas - MA Ottinger, Richard - NY Panetta, Leon - CA Pashayan, Charles - CA Patman, William - TX Patterson, Jerry - CA Pease, Donald - OH Pepper, Claude - FL Perkins, Carl - KY Peyser, Peter - NY Price, Melvin - IL Pritchard, Joel - WA

Rahall, Nick Joe - WV Rangel, Charles - NY Ratchford, William - CT Regula, Ralph - OH Reuss, Henry - WI Rhodes, John - AZ Richmond, Fred - NY Rinaldo, Matthew = NJ Roe, Robert - NJ Rosenthal, Ben - NY Rostenkowski, Dan - IL Roukema, Marge - NJ Roybal, Edward - CA Russo, Marty - IL Sabo, Martin - MN St Germain, Fernand - RI Savage, Gus - IL Scheuer, James - NY Schneider, Claudine - RI Schumer, Charles - NY Seiberling, John - OH Shamansky, Bob - OH Shannon, James - MA Sharp, Philip - IN Simon, Paul - IL Smith, Joseph - PA Smith, Neal - IA Solarz, Stephen - NY Stanton, William - OH Stark, Fortney - CA Stokes, Louis - OH Stratton, Sam - NY Studds, Gerry - MA Swift, Allan - WA Synar, Mike - OK Traxler, Bob - MI Udall, Morris - AZ Vento, Bruce - MN Walgren, Doug - PA Washington, Harold - IL Waxman, Henry - CA Weaver, James - OR Weiss, Theodore - NY Whitten, Jamie - MS Williams, Lyle - OH Wirth, Tim - CO Wolpe, Howard - MI Wortley, George - NY Wright, Jim - TX Wyden, Ron - OR Yates, Sidney - IL Yatron, Gus - PA Young, Robert - MO Zablocki, Clement - WS Zeferetti, Leo - NY

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RE. ATTENDEES FOR WHITE HOUSE BRIEFING ON 7/19/82

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]

B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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