

Ronald Reagan Presidential Library
Digital Library Collections

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

Collection: Deaver, Michael
Folder Title: Balanced Budget
Amendment (2)
Box: 34

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/>

Update Meeting

A.L. ORGANIZATION

- Kendall and Green on board as chairmen.
- National Advisory Committee Mailgram out with follow-up calls by COB 7/9.
- 2,000 State and local Committee mailgrams out.
- Kendall commitment to raise \$300,000 to \$450,000.

INVITATIONS

White House

- 750 mailgrams to White House Maxi-briefing out for East Room and State Dining Room
- Fallback plan with national organization leaders in effect on Monday.
- Composed of National Advisory Committee, national organization leaders, state co-chairmen and key state and local committee candidates.

Capitol Steps

- 4,500 RNC letters to Mid East region contributors. to attend event.
- 2,000 state and local AL candidates (see A.L. organization).
- 400 VIPs from White House events.
- Ken Duberstein to invite all co-sponsors to join on dais.
- Craig Fuller to invite all Cabinet Officers and Agency Heads to VIP area.
- Ticket distribution starts Thursday p.m., utilizing D.C.-based national organizations, RNC, Cabinet and agency contacts (Friday), and White House tour (Tuesday) and Capitol tours (Monday and Tuesday).
- Nancy Kennedy to handle Hill Staffs.

Hyatt Hotel

- 2,400 mailgrams out.

WHITE HOUSE EVENT

- Do we still want to consider 10 minutes in Oval Office for A.L. leadership, followed by lawn with press?
- East Room, State Dining Room and OEOB 450 confirmed.
- Speakers
 - Stockman confirmed, Meese has an NSC conflict, Regan to confirm later today.
- No press coverage of briefing.
- How do we treat national press during local press availability?
- KS meeting at 10:00 a.m. today for details of out-of-town press briefing.
- MB on track with extensive briefing kits for attendees: Fact Sheet, sample speech, Q's and A's, copy of bills and list of sponsors, NTLC pamphlet, list of states with current laws and/or legislation on balanced budget, visual graphics.
- PR to arrange bus transportation for 500 from White House to Capitol Steps.

CAPITOL STEPS

- Need confirmation on Marine Band for prelude and honors.
- Site survey with advance today, arranged by Howard Liebengood of Senate.
 - Seats for VIPs only (White House guests, Cabinet, non-sponsoring members, and special guests).
 - Standing in preferred ticket area.
 - RNC to cover site construction costs.
- Program as follows:
 - 12:15 p.m.-12:45 p.m. Marine Band Prelude
 - 12:45 p.m.- 1:00 p.m. Pre-program (Hill Speakers)
 - 1:00 p.m.- 1:20 p.m. Presidential Remarks
- Possibility of floor vote as early as event day afternoon.

HYATT HOTEL FOR A.L.

-- Schedule of activities as follows:

2:00 p.m.	Lunch for National Advisory Committee
3:30 p.m.	Meeting of National Advisory Committee and State Co-chairmen
5:30-7:00 p.m.	Reception for all 2,400 invitees, Members of Congress, press, and Administration officials.

-- Craig Fuller to help arrange some visits during afternoon
by Cabinet Officers.

THE WHITE HOUSE
WASHINGTON

July 12, 1982

file

MEMORANDUM FOR MICHAEL DEEVER

FROM: RICHARD S. WILLIAMSON *Rich*
SUBJECT: Balanced Budget Amendment Luncheon

GOAL: Support passage of Balanced Budget Amendment.

Actions:

1. A Committee to lobby for passage of the Amendment, a 501(c)(4), the American Lobby for President Reagan's Balanced Budget Amendment, is being formed. Advisory Committees (leadership) and organizations (grass roots) will be formed in every state and most Congressional Districts. Members will be encouraged to communicate with their elected officials to promote passage and ratification of the Amendment. A second tax exempt committee, a 501(c)(3), also is being formed.

Both Committees will develop speakers bureaus and direct mail operations.

2. To encourage rapid passage of the Amendment, on July 19th we are scheduling a day here in Washington dedicated to the Balanced Budget. The day would begin by the President meeting with some key activists in the Balanced Budget effort.

We have tentatively scheduled White House briefings for 425 opinion leaders from across the country and an event that the President would participate in on the Capitol Steps.

3. We would leverage off the grass roots organization through mailings and other activities to build and sustain public pressure for the amendment.

ATTACHMENT

Detailed listing of activities.

MEMO TO: MICHAEL K. DEAVER
FROM: RICHARD S. WILLIAMSON
DATE: JULY 12, 1982
SUBJECT: TALKING POINTS FOR PRESIDENT'S LUNCHEON WITH
HOUSE AND SENATE LEADERSHIP AND HOUSE AND SENATE
CO-SPONSORS OF THE BALANCED BUDGET AMENDMENT

1) Two Committees are being formed:

THE AMERICAN LOBBY ECONOMIC RECOVERY TASK FORCE (A.L.E.R.T.)

- o 501(c)3
- o Tax exemption being applied for
- o Broad-based to qualify for tax exemption
- o Educational
- o Public awareness
 - Television
 - Radio
 - Newspapers
 - Advertising
- o Reserach
- o Writings, articles
- o Clearing House for relevant information
- o Publications
- o Newsletters sent to:
 - Elected Officials
 - Economists
 - Academic/Opinion Leaders
 - Business and Trade Associations
 - Constituent Groups
- o Briefings
 - National
 - Regional
- o Speaker's Bureau
- o Direct Mail
 - Advertising
 - Fundraising

THE AMERICAN LOBBY FOR PRESIDENT REAGAN'S BALANCED BUDGET AMENDMENT

- o 501(c)4
- o Passage of SJ Res 58 and HJ Res 350
- o State Ratification of Balanced Budget Amendment
- o President Reagan, Honorary Co-Chairman
- o Donald Kendall, Chief Executive Officer, PepsiCo, Co-Chairman
- o Bi-Partisian
- o National Advisory Committee being formed
 - Sixty (60) potential members identified
 - Two to Three Co-Chairmen
 - Senior Citizens
 - Agriculture
 - Athletes
 - Business leaders
 - Handicapped/disabled
 - Economists
 - Elected Officials
 - Entertainers
 - Ethnics
 - Labor Leaders
 - Public Interest Groups
 - Women
- o State Advisory Committees being formed
 - 294 potential members identified
 - Co-chairmen
 - Same importance as NAC
- o Congressional District Advisory Committees
 - 240 potential identified
 - Same as composition as NAC/SAC

- o Local advisory committees
 - Same composition as NAC/SAC
- o Local members (grassroots)
- o Activities
 - Communication with elected officials
 - U.S. Senate
 - U.S. House of Representatives
 - State legislators
 - Speakers Bureau(s)
 - Public awareness
- o Direct Mail
 - Advertising
 - Fundraising
- o Time Frame
 - Executive director appointed
 - National Advisory Committee, including Co-Chairmen by July 20th
 - State Advisory Committee(s), including Co-Chairmen by July 27th
 - Congressional Advisory Committee(s), including Co-Chairmen by August 31st
 - Local Advisory Committee(s), including Co-Chairmen by September 30th
 - Grassroots - immediately via personal

Activities

- o Speakers Bureau(s) - operating by August 15th
- o Direct Mail - operating by August 30th
- o Lobby Congress - immediately
- o Lobby
 - House - discharge
 - Senate - if needed
 - State Legislators - when appropriate

Targeted

Others

Television, radio, newspapers by September 15th

Research - already begun

Clearing House - already begun

Publications by August 30th

Newsletter by August 1st

Briefings

National - July

Regional - August, September, October

PRESIDENTIAL STATEMENT

b55

LIFTING OF ECONOMIC SANCTIONS

I have ordered termination of economic sanctions against Argentina, effective today, July 12. These sanctions, which were imposed April 30, include withholding of new Export-Import Bank credits, insurance and guarantees, and new Commodity Credit Corporation guarantees. I have made this decision after a thorough review of the situation in the South Atlantic following the cessation of hostilities. It is important now for all parties involved in the recent conflict to put the past behind us, and to work for friendship and cooperation. The United States, for its part, will do all it can to strengthen its historic ties among nations of this Hemisphere.

Q. What about the military sanctions?

A. No decision has been made on those yet. The suspension of military exports and the withholding of certification of eligibility for military sales remain under review.

Q. Why are the economic sanctions being lifted now? Why weren't they lifted earlier when the fighting ended?

A. This is an appropriate time to do so, in view of the situation in the South Atlantic and the importance we place on restoring normal and friendly relations with Argentina.

Q. But what has changed since the fighting ended a month ago? Has the US decided that a formal ceasefire is not necessary?

A. The important point is that hostilities have ended. The decision is, in any event, based on the presumption that the cessation of hostilities will continue.

Q. Was the decision delayed until the USG received assurances of some kind from the new Argentine government?

A. No.

Q. Will you reimpose the sanctions if fighting breaks out again?

A. Obviously, a renewal of hostilities would necessitate a review of our policy.

Q. Did you consult the British before lifting the sanctions?

A. I do not intend to discuss diplomatic exchanges, except to note that we informed both the British and Argentine governments of the action.

June 28, 1982

done

MEMORANDUM FOR MICHAEL DEEVER

THROUGH: RICHARD S. WILLIAMSON *Rich*

FROM: ANDRE LeTENDRE *ALL* 7700 *Rich Neal*

SUBJECT: Balance the Budget Effort

Capitol Steps Event

I suggest that we schedule our Capitol Steps event on July 14, 1982, including the Oval Office visit with leadership of the Committee; press availability with leadership of the Committee; White House briefings; and the Capitol Steps event. A National Advisory Committee meeting and reception will follow the Capitol Steps event at the Capitol Hill Club with Cabinet members in attendance.

Sign off on July 14th will allow me to begin making recruitment calls for the National Advisory Committee immediately. It will also allow us adequate time to arrange the briefings in the White House.

Prior to implementation of the July 14th plan, Senator Baker and Congressman Michel should be called by Congressional Relations.

The Capitol Steps event and related activities to be scheduled on July 14, 1982.

AGREE _____

DIAGREE _____

MORE INFORMATION _____

National Co-chairmen

Since it is very unlikely that Milton Friedman will agree to serve as National Co-chairman, I recommend the following be considered as National co-chairmen and be called by the President as soon as we know the status on Freidman. They

- Bill Simon

YES _____ NO _____

- Tom Sowell

YES _____ NO _____

The President as Honorary Chairman of Committee

It is Arthur's recommendation that the President agree to serve as Honorary Chairman of both Committees, i.e., the 501(c)(3) (Tax Exempt Educational Committee) and the 501(c)(4) (Push for passage of the Balance the Budget Amendment with Congressmen and Senators). This puts the President out front on the issue and gives us greater flexibility with the names of both committees. We are asking Fielding's office for an opinion on this.

National Advisory Committee

I am attaching the roster of the National Advisory Committee we plan to contact and name. If you have a problem with anyone on the list or if you have any additions, please advise. I plan to start calling potential members as soon as the date for the event has been approved.

cc: Cavaney
Neal
Russo
Thompson

DRAFT SCENARIO

Announcement Day: June 15, 1982

10:30 a.m.

President Reagan Balanced Budget Committee Leadership group visit in Oval office for 10 minutes (Presidential time commitment - 10 minutes)

NOTE: On conclusion, spokesmen talk with White House press on lawn en route briefing.

10:30 a.m.

Local press briefing by Secretary Regan, Stockman and Baker in 450 OEOB for one hour.

11:00 a.m.

Twin, simultaneous balanced budget amendment "maxi-briefings" in East Room (elected officials and candidates) and State Dining Room (organizational leaders) for President Reagan Balanced Budget Committee and other key leadership groups by Secretary Regan, Stockman and Baker for one hour, 15 minutes. (Presidential time commitment - 10 minutes each meeting)

NOTE: Williamson/Rollins host East Room, Dole in State Dining Room with briefers moving to each as well as local press briefing. Presidential involvement would be "drop by" for a thank you to almost-400 in attendance.

12:15 p.m.

Local press availability on White House lawn for "maxi-briefing" attendees, using White House as a backdrop to gain local evening news coverage for 30 minutes.

NOTE: May wish to have concurrent White House press briefing by Secretary Regan and Stockman.

1:30 p.m.

Presidential remarks on Capitol steps to kickoff national campaign in support of balanced budget amendment. (Presidential commitment - 20 minutes)

NOTE: Attendees as follows: All SJR 58 and HJR 350 sponsors and co-sponsors, Governors from states with balanced budget legislation or in support thereof, state legislative leaders from states with balanced budget legislation or in support thereof, leadership of the President Reagan Balanced Budget Committee, state and local candidates in support of balanced budget legislation, the guests of national, state and local organizations in support of balanced budget, and general public.

2:00 p.m.

President Reagan Balanced Budget Committee luncheon reception on Capitol Hill for selected members of Congress for one hour.

PROPOSED SCENARIOAnnouncement Day: June 24, 1982

- 10:30 a.m. President Reagan Balanced Budget Committee Leadership group visit in Oval Office for 10 minutes (Proposed Presidential time commitment - 10 minutes)
- NOTE: On conclusion, spokesmen talk with White House press on lawn en route briefing.
- 10:30 a.m. Local press briefing by Secretary Regan, Dave Stockman and Ed Meese in 450 OEOB for one hour.
- 11:00 a.m. Twin, simultaneous balanced budget amendment "maxi-briefings" in East Room (elected officials and candidates) and State Dining Room (organizational leaders) for President Reagan Balanced Budget Committee and other key leadership groups by Secretary Regan, Dave Stockman and Ed Meese for one hour, 15 minutes.
- NOTE: Williamson/Rollins host East Room, Dole in State Dining Room with briefers moving to each as well as local press briefing.
- 12:15 p.m. Local press availability on White House lawn for "maxi-briefing" attendees, using White House as a backdrop to gain local evening news coverage for 30 minutes.
- NOTE: May wish to have concurrent White House press briefing by Secretary Regan and Dave Stockman.
- 12:45 p.m. Buses depart White House with guests en route Capitol Steps VIP seating area.
- 1:30 p.m. Presidential remarks on Capitol Steps to kickoff national campaign in support of balanced budget amendment. (Approved Presidential commitment - 20 minutes)
- NOTE: Attendees as follows: All SJR 58 and HJR 350 sponsors and co-sponsors, Governors from states with balanced budget legislation or in support thereof, state legislative leaders from states with balanced budget legislation or in support thereof, leadership of the President Reagan Balanced Budget Committee, state and local candidates in support of balanced budget legislation, the Cabinet, guests of national, state and local organizations in support of balanced budget, and general public.
- 2:00 p.m. President Reagan Balanced Budget Committee luncheon reception on Capitol Hill for selected members of Congress for one hour, 15 minutes. (Optional Presidential time commitment - one hour, 15 minutes or less)

TENTATIVE SCENARIO

Announcement Day

- 10:00 a.m. President Reagan Balanced Budget Committee Leadership group Oval Office visit.
- 10:00 a.m. Balanced budget amendment briefing for local press.
- 10:30 a.m. Twin, simultaneous balanced budget amendment "maxi-briefings" in East Room and State Dining Room for President Reagan Balanced Budget Committee and other key leadership groups.
- 11:45 a.m. Local press availability on White House lawn for "maxi-briefing" attendees.
- 12:15 p.m. Buses depart White House with guests en route Capitol Steps VIP seating area.
- 1:00 p.m. Presidential remarks on Capitol Steps to kickoff national campaign in support of balanced budget amendment.

NOTE: Attendees as follows: All SJR 58 and HJR 350 sponsors and co-sponsors, Governors from states with balanced budget legislation or in support thereof, state legislative leaders from states with balanced budget legislation or in support thereof, leadership of the President Reagan Balanced Budget Committee, state and local candidates in support of balanced budget legislation, the Cabinet, guests of national, state and local organizations in support of balanced budget, and general public.

- - 1:30 p.m. President departs Capitol en route White House.

TARGET DATES

Pre-Announcement Sequence to June 24, 1982

<u>Date</u> <u>Not Later Than</u>	<u>Item</u>
6/15	-- Concurrence of Senator Baker and Representative Michel to stage event.
	-- Approval of Announcement Day Draft Draft Scenario.
	-- Approval from Hill leadership to stage event on Capitol steps.
6/16	-- Initial Coalition Meeting of D.C.-based organizations in support of balanced budget, including President Reagan Balanced Budget Committee, who will help raise crowd and plan 6/24 event.
	-- Preparation of briefing materials begins by Baroody.
	-- Mailgrams to key out-of-town guests.
6/17	-- Coalition Invitation Sub-Committee follow-up meeting to get ticket distribution underway.
	-- Coalition Hill Sub-Committee meets to track Member and staff invitation trail.
	-- Coalition Host Sub-Committee meets to plan luncheon event.
	-- Coalition Site Sub-Committee meets to plan afternoon visit to Hill.
	-- Coalition Finance Sub-Committee meets to coordinate resource allocation.
6/21	-- Full Coalition Committee meets for Sub-Committee reports.
	-- Invitation Sub-Committee begins VIP call-outs.
	-- Sub-Committee meetings, as appropriate, for remainder of the week.
	-- Draft of briefing materials available for review and approval.
6/23	-- Site walk-thru, including rehearsal of crowd flow plan.
	-- Activation of grassroots crowd-raising in supportive business and association complexes.
	-- Final VIP call-outs.
	-- Briefing packets complete.

June 21, 1982

MEMORANDUM

FROM: ANDRE LeTENDRE *JEL*
SUBJECT: BALANCE THE BUDGET COMMITTEE

CO-CHAIRMEN

I spoke with Edith Green and Milton Friedman as a follow-up to the President's calls to them. Edith Green has agreed to serve as Co-Chairman of the Committee. Milton Friedman desires additional information.

The President's call sheet asking Donald Kendall to serve as Finance Chairman of the Committee has not been returned.

Has the President called Donald Kendall?

Yes

No X

send cc: to HO for completion. of 8/1

BALANCE THE BUDGET SENATE VOTE

According to Congressional Liaison (Bobby Thompson), there is a good chance the Senate will consider in open debate the Balance the Budget Amendment prior to the July 2nd Senate recess. Rumors persist that the Senate may consider the Balance the Budget Amendment as early as this Wednesday and may vote on it prior to the July 2nd recess. Since we want the President to lead, not follow, it is critical to our major objective, the political track, to put the President out front on this popular-populus issue as early as possible.

JUNE 24TH PRESIDENTIAL LUNCHEON

As discussed at our June 16th meeting, we were planning on a June 24th luncheon with the President followed by a press event to include the Senate and House leaders; the Senate and House sponsors of the Balance the Budget Amendment; and an equal number of National Advisory Committee members, to include: Milton Friedman, Edith Green, and Donald Kendall.

Milton Friedman cannot attend a 24th luncheon because of his daughter's wedding on June 25th; Edith Green probably cannot attend a 24th luncheon since she has pneumonia and doubts if her doctor will permit her to attend; Donald Kendall probably has not yet been called by the President; and Senator Hatch cannot attend due to a wedding in his family.

In light of the above, I recommend the June 24th luncheon be postponed and rescheduled for June 29th. This date would still allow our candidates, incumbents and challengers, to use the issue over the 4th of July, and, would hopefully still put the President out front prior to a Senate vote.

° POSTPONE THE JUNE 24TH LUNCHEON

Agree X

Disagree

° RESCHEDULE THE LUNCHEON FOR JUNE 29TH

Agree 2

Disagree

FRIEDMAN PROBLEM

In my conversation with Milton Friedman, he raised several questions regarding the formation of another committee in support of the Balance the Budget amendments; questioned any high Presidential visibility on the issue prior to the Senate vote; and desired a detailed description of his personal involvement.

The latter is easily handled. The former questions seem to be a result of a conversation Milton Friedman had with Lewis K. Uhler, President, National Tax Limitation Committee, following his conversation with the President. Uhler seems to view the new committee as a threat to his committee. Both Uhler and Friedman are more concerned with the legislative track than the political track regarding this issue.

It is imperative that we obtain a positive response from Friedman as soon as possible to serve as Co-Chairman to allow us to proceed as rapidly as possible and to avoid any further lobbying of Friedman by Uhler.

I suggest a high level call (Baker/Meese) to Friedman immediately restating the President's wish to have him serve as Co-Chairman of the Committee; the importance of the Committee and his involvement to the President; how critical time is; and our need for an immediate, positive response. Friedman should understand that we will proceed with the Committee with or without his involvement.

° JAMES BAKER CALL FRIEDMAN

Agree _____

Disagree _____

° ED MEESE CALL FRIEDMAN

Agree X

Disagree _____

If Friedman doesn't agree to serve as Co-Chairman within 24 hours, I suggest we immediately identify other potential Co-Chairmen and proceed.

Agree X

Disagree _____

CONGRESSIONAL BRIEFING

It is my understanding that Congressional Affairs has arranged a briefing regarding the Committee for Senator Baker and Congressman Michel on Tuesday, June 22nd. I do not yet know the time and place of the meeting. The briefing will be conducted by you, Ken Duberstein, and me. Ken has the action on this.

MICHAEL K. DEAVER
SCHEDULE

JUNE 15, 1982

TUESDAY

7:30	BREAKFAST MEETING
8:00	SENIOR STAFF MEETING
8:30	HICKEY
9:00	BIG 3/PRESIDENT
9:30	PRESIDENT/BI-PARTISAN LEADERSHIP (CABINET)
10:00	
10:30	NATIONAL SECURITY BRIEFING (Oval)
11:00	MIKE McMANUS/BILL SITTMANN
11:30	BALANCED BUDGET MEETING (Roosevelt Room)
12:00	ISSUES LUNCHEON (CABINET)
1:00	
1:30	
2:00	
2:30	
3:00	LEAVE FOR HOUSTON

THE WHITE HOUSE

WASHINGTON

June 1, 1982

MEMORANDUM FOR MICHAEL DEEVER

FROM: RICHARD S. WILLIAMSON 
SUBJECT: Balanced Budget Amendment

As you may be aware, I've been trying to see you for some time on the above matter. I'd like to summarize some points:

1. The Capitol Steps Event: The July 15th date has been cancelled by you. However, as of now, no new date has been scheduled.

Red Cavaney has the action on this event. My office, through Rick Neal, will help provide support for Red at such time as a new date is scheduled.
2. At this time, our "campaign" on this issue is hardly a campaign. To date, it consists of a single event.
 - a. I'd suggest that substantive support for the amendment must be agreed upon and put in a marketable form.
 - b. I'd suggest that the effort be part of a campaign with three dimensions: '82 elections, '84 re-election, and '84 "coalition building."
 - c. The national committee should have the appearance of being a political/bi-partisan makeup. The state and CD organizations can and should be political.
 - d. The kick-off campaign should be part of a time-line calendar of events through the state and down to the CD level.

3. The following are items which need your attention:

- a. Who is "action officer" for the Capitol steps event? (Red Cavaney) _____
- b. What is the new date for the event? (Late June) _____
- c. Arthur Finkelstein has agreed to serve as a consultant. Can we hire Andre Letendre to be the "outside" staff director to run the day to day operation and handle the countless details ASAP? (initially on RNC payroll, eventually on separate balance budget committee payroll) _____
- d. Who is responsible for translating the Cabinet Council on Economic Affairs material on the balanced budget amendment into marketable form? (Should be ready 1 week prior to Capitol steps event.) (Mike Barody) _____
- e. Who is responsible for lining up the national co-chairmen? (Milton Friedman? Edith Green? alt - Thomas Sowell?) _____
- f. Who is responsible for lining up the national finance chairman? (Don Kendell) _____
- g. Who is responsible for lining up the national advisory committee? _____ Who needs to sign off on the membership? (Suggested size 24 to 48; generally non-political) _____
- h. Who is responsible for lining up the 50 state co-chairmen? (Andre Letendre) _____ Should this be completed by the Capitol steps event? (yes) _____ Who needs to sign off on these names? _____
- i. Who is responsible for formation of the 50 state advisory committee membership? (Andre Letendre) _____ Who needs to sign off? _____ What should be the target date for completion? (labor day) _____
- j. Who is responsible for lining up Congressional District chairmen? (Andre Letendre) _____ What should the target date be for completion (Mid-Sept.) _____
- k. Who is responsible for developing the "campaign" _____

(developing a time line from the Capitol steps event thru the remainder of the year combining proposed Presidential involvement (up to 6 events), surrogate strategy, action packets for each state committee, direct mail advocacy pieces & plan, petition drives. etc.)? _____

5/12/82

DEAVER MEETING RE:
BALANCED BUDGET
CONSTITUTIONAL AMENDMENT

- | | | |
|-----|--|------------|
| (1) | The President's Decision | Darman |
| (2) | The Legislative Context | Duberstein |
| | --Next steps to gain
Congressional passage | |
| (3) | The State-level Context | Williamson |
| | --What needs to be done
to develop support
without triggering
Constitutional Convention | |
| (4) | The General Political Context | Various |
| | --What needs to be done to
organize and mobilize support
(through a special campaign?) | |

MEMORANDUM

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.

AS REPORTED OUT
ON 7/10/81

Calendar No. 193

97TH CONGRESS
1ST SESSION

S. J. RES. 58

[Report No. 97-151]

Proposing an amendment to the Constitution altering Federal fiscal decisionmaking procedures.

IN THE SENATE OF THE UNITED STATES

MARCH 27 (legislative day, FEBRUARY 16), 1981

Mr. THURMOND (for himself, Mr. HATCH, Mr. DeCONCINI, Mr. SIMPSON, Mr. HEFLIN, Mr. LAXALT, Mr. BAKER, Mr. BOREN, Mr. DENTON, Mr. HARRY F. BYRD, JR., Mr. DOLE, Mr. COCHRAN, Mr. EAST, Mr. LUGAR, Mr. ARMSTRONG, Mr. GARN, Mr. GRASSLEY, Mr. NICKLES, Mr. MURKOWSKI, Mr. ANDREWS, Mr. HUMPHREY, Mr. HELMS, Mr. GOLDWATER, Mr. McCLOSURE, Mr. PRYOR, Mr. JEPSEN, Mr. KASTEN, Mr. PRESSLER, Mr. ZORINSKY, Mrs. HAWKINS, Mr. MATTINGLY, Mr. WARNER, Mr. EXON, Mr. WALLOP, Mr. QUAYLE, Mr. ABDNOR, Mr. RUDMAN, Mr. SYMMS, Mr. HAYAKAWA, Mr. SCHMITT, Mr. BOSCHWITZ, Mr. DOMENICI, Mr. D'AMATO, Mr. DURENBERGER, Mr. PROXMIRE, Mr. DANFORTH, and Mr. JOHNSTON) introduced the following joint resolution; which was read twice and referred to the Committee on the Judiciary:

JULY 10 (legislative day, JULY 8), 1981

Reported by Mr. HATCH, with an amendment and an amendment to the title

[Omit the part struck through and insert the part printed in italic]

JOINT RESOLUTION

Proposing an amendment to the Constitution altering Federal fiscal decisionmaking procedures.

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled*
3 *(two-thirds of each House concurring therein), That the fol-*
4 *lowing article is proposed as an amendment to the Constitu-*
5 *tion of the United States, which shall be valid to all intents*
6 *and purposes as part of the Constitution if ratified by the*
7 *legislatures of three-fourths of the several States within*
8 *seven years after its submission to the States for*
9 *ratification:*

10 “ARTICLE —

11 “SECTION 1. The Congress shall adopt for each year a
12 budget, which shall set forth the total receipts and outlays of
13 the United States. No budget in which outlays exceed total
14 receipts shall be adopted, unless three-fifths of each House of
15 Congress duly sworn and elected approve such budget by a
16 rollcall vote directed solely to that subject. The Congress
17 shall not pass and the President shall not sign any bill which
18 would cause the total outlays for any year to exceed the total
19 expenditures in the budget for such year.

20 “SECTION 2. The receipts in any year shall not be re-
21 tained for use of the Treasury in an amount which exceeds as
22 a proportion of the national income, that retained for the

1 prior year, unless a bill directed solely at approving a specific
2 increase in such proportion has been passed by a majority of
3 each House duly sworn and elected and such bill has become
4 law.

5 "SECTION 3. The Congress may waive the provisions of
6 sections 1 and 2 with respect to any single year in which a
7 declaration of war is in effect.

8 "SECTION 4. The Congress shall have the power to en-
9 force this article by appropriate legislation.

10 "SECTION 5. This article shall take effect on the first
11 day of January of the second calendar year beginning after
12 its ratification."

13 "SECTION 1. Prior to each fiscal year, the Congress
14 shall adopt a statement of receipts and outlays for that year
15 in which total outlays are no greater than total receipts. The
16 Congress may amend such statement provided revised out-
17 lays are no greater than revised receipts. Whenever three-
18 fifths of the whole number of both Houses shall deem it neces-
19 sary, Congress in such statement may provide for a specific
20 excess of outlays over receipts by a vote directed solely to that
21 subject. The Congress and the President shall ensure that
22 actual outlays do not exceed the outlays set forth in such
23 statement.

24 "SECTION 2. Total receipts for any fiscal year set forth
25 in the statement adopted pursuant to this article shall not

1 increase by a rate greater than the rate of increase in nation-
2 al income in the last calendar year ending before such fiscal
3 year, unless a majority of the whole number of both Houses
4 of Congress shall have passed a bill directed solely to approv-
5 ing specific additional receipts and such bill has become law.

6 "SECTION 3. The Congress may waive the provisions
7 of this article for any fiscal year in which a declaration of
8 war is in effect.

9 "SECTION 4. The Congress may not require that the
10 States engage in additional activities without compensation
11 equal to the additional costs.

12 "SECTION 5. Total receipts shall include all receipts of
13 the United States except those derived from borrowing and
14 total outlays shall include all outlays of the United States
15 except those for repayment of debt principal.

16 "SECTION 6. This article shall take effect for the second
17 fiscal year beginning after its ratification."

Amend the title so as to read: "Joint resolution pro-
posing an amendment to the Constitution altering Federal
budget procedures."

As INTRODUCED

11

97TH CONGRESS
1ST SESSION

S. J. RES. 58

Proposing an amendment to the Constitution altering Federal fiscal decisionmaking procedures.

IN THE SENATE OF THE UNITED STATES

MARCH 27 (legislative day, FEBRUARY 16), 1981

Mr. THURMOND (for himself, Mr. HATCH, Mr. DECONCINI, Mr. SIMPSON, Mr. HEFLIN, Mr. LAXALT, Mr. BAKER, Mr. BOREN, Mr. DENTON, Mr. HARRY F. BYRD, JR., Mr. DOLE, Mr. COCHRAN, Mr. EAST, Mr. LUGAR, Mr. ARMSTRONG, Mr. GARN, Mr. GRASSLEY, Mr. NICKLES, Mr. MURKOWSKI, Mr. ANDREWS, Mr. HUMPHREY, Mr. HELMS, Mr. GOLDWATER, Mr. MCCLURE, Mr. PRYOR, Mr. JEPSEN, Mr. KASTEN, Mr. PRESSLER, Mr. ZORINSKY, Mrs. HAWKINS, Mr. MATTINGLY, Mr. WARNER, Mr. EXON, Mr. WALLOP, Mr. QUAYLE, Mr. ABDNOR, Mr. RUDMAN, Mr. SYMMS, Mr. HAYAKAWA, Mr. SCHMITT, Mr. BOSCHWITZ, Mr. DOMENICI, Mr. D'AMATO, Mr. DURENBERGER, and Mr. PROXMIRE) introduced the following joint resolution; which was read twice and referred to the Committee on the Judiciary

JOINT RESOLUTION

Proposing an amendment to the Constitution altering Federal fiscal decisionmaking procedures.

- 1 *Resolved by the Senate and House of Representatives*
- 2 *of the United States of America in Congress assembled*
- 3 *(two-thirds of each House concurring therein), That the fol-*
- 4 *lowing article is proposed as an amendment to the Constitu-*

1 tion of the United States, which shall be valid to all intents
2 and purposes as part of the Constitution if ratified by the
3 legislatures of three-fourths of the several States within
4 seven years after its submission to the States for
5 ratification:

6 "ARTICLE—

7 "SECTION 1. The Congress shall adopt for each year a
8 budget, which shall set forth the total receipts and outlays of
9 the United States. No budget in which outlays exceed total
10 receipts shall be adopted, unless three-fifths of each House of
11 Congress duly sworn and elected approve such budget by a
12 rollcall vote directed solely to that subject. The Congress
13 shall not pass and the President shall not sign any bill which
14 would cause the total outlays for any year to exceed the total
15 expenditures in the budget for such year.

16 "SECTION 2. The receipts in any year shall not be re-
17 tained for use of the Treasury in an amount which exceeds as
18 a proportion of the national income, that retained for the
19 prior year, unless a bill directed solely at approving a specific
20 increase in such proportion has been passed by a majority of
21 each House duly sworn and elected and such bill has become
22 law.

23 "SECTION 3. The Congress may waive the provisions of
24 sections 1 and 2 with respect to any single year in which a
25 declaration of war is in effect.

1 "SECTION 4. The Congress shall have the power to en-
2 force this article by appropriate legislation.

3 "SECTION 5. This article shall take effect on the first
4 day of January of the second calendar year beginning after
5 its ratification."

○

THE WHITE HOUSE

WASHINGTON

May 28, 1982

MEMORANDUM FOR MICHAEL DEEVER

FROM: RED CAVANEY 

SUBJECT: Balanced Budget Amendment Kick-Off
Tuesday, June 15, 1982 - Announcement Day

In conjunction with Rick Neal, Paul Russo and Bob Thompson, the attached documents re subject event are provided for your approval. Tab A contains a Draft Scenario of Announcement Day, while Tab B contains target dates of activities essential to ensure a successful kick-off.

Pending your approval of the scenario, an event coalition will be formed on June 3 to set in motion plans for the Capitol steps kick-off. Members of this bipartisan effort will be supportive organizations, including the President Reagan Balanced Budget Committee. Three elements are key if the draft scenario is accepted: two new commitments of Presidential time, support in obtaining desired briefers and use of the East Room and State Dining Room for maxi-briefings. To soften the impact of having the White House closed to tours on June 15, we might wish to offer VIP tickets to the President's speech on the Capitol steps.

In order to obtain a good supportive audience base at the Capitol, approximately two weeks of preparation are needed as per Tab B. In view of this and the European focus of the next several weeks, we strongly recommend you convene a meeting on Tuesday, June 1, to gain concurrence of all parties re Tab A. We have reason to believe some variant views exist, particularly as it relates to the legislative forecast for mid-June.

In convening a June 1 meeting, would suggest you invite the following in addition to those of us working on the project:

Richard Darman
Craig Fuller
Jim Jenkins
Jim Cicconi
Bill Sittmann

Thank you.

cc: Edwin Meese III
James A. Baker, III
Richard Darman
Craig Fuller
Jim Jenkins

Jim Cicconi
Bill Sittmann
Rick Neal
Paul Russo
Bob Thompson

DRAFT SCENARIOAnnouncement Day: June 15, 1982

10:30 a.m. President Reagan Balanced Budget Committee Leadership group visit in Oval office for 10 minutes (Presidential time commitment - 10 minutes)

NOTE: On conclusion, spokesmen talk with White House press on lawn en route briefing.

10:30 a.m. Local press briefing by Secretary Regan, Stockman and Baker in 450 OEOB for one hour.

11:00 a.m. Twin, simultaneous balanced budget amendment "maxi-briefings" in East Room (elected officials and candidates) and State Dining Room (organizational leaders) for President Reagan Balanced Budget Committee and other key leadership groups by Secretary Regan, Stockman and Baker for one hour, 15 minutes. (Presidential time commitment - 10 minutes each meeting)

NOTE: Williamson/Rollins host East Room, Dole in State Dining Room with briefers moving to each as well as local press briefing. Presidential involvement would be "drop by" for a thank you to almost 400 in attendance.

12:15 p.m. Local press availability on White House lawn for "maxi-briefing" attendees, using White House as a backdrop to gain local evening news coverage for 30 minutes.

NOTE: May wish to have concurrent White House press briefing by Secretary Regan and Stockman.

1:30 p.m. Presidential remarks on Capitol steps to kickoff national campaign in support of balanced budget amendment. (Approved Presidential commitment - 20 minutes)

NOTE: Attendees as follows: All SJR 58 and HJR 350 sponsors and co-sponsors, Governors from states with balanced budget legislation or in support thereof, state legislative leaders from states with balanced budget legislation or in support thereof, leadership of the President Reagan Balanced Budget Committee, state and local candidates in support of balanced budget legislation, the Cabinet, guests of national, state and local organizations in support of balanced budget, and general public.

2:00 p.m. President Reagan Balanced Budget Committee luncheon reception on Capitol Hill for selected members of Congress for one hour.

TARGET DATES

Pre-Announcement Sequence to June 15, 1982

<u>Date</u> <u>Not Later Than</u>	<u>Item</u>
5/28	-- Concurrence of Senator Baker to stage event.
	-- Submission of Announcement Day Draft Scenario for preliminary approval and comment.
6/1	-- Approval from Hill leadership to stage event on Capitol steps.
	-- Approval of Announcement Day Scenario and Communications Plan.
6/2	-- Initial Coalition Meeting of D.C.-based organizations in support of balanced budget, including President Reagan Balanced Budget Committee, who will help raise crowd and plan 6/15 event.
6/3	-- Coalition Invitation Sub-Committee follow-up meeting to get ticket distribution underway.
	-- Coalition Hill Sub-Committee meets to track Member and staff invitation trail.
	-- Coalition Host Sub-Committee meets to plan advertising campaign and special events.
	-- Coalition Site Sub-Committee meets to plan 6/4 visit to Hill.
	-- Coalition Finance Sub-Committee meets to coordinate resource allocation.
	-- Preparation of briefing materials begins.
6/4	-- Site-Sub-Committee visits Hill to determine recommended site layout.
6/8	-- Full Coalition Committee meets for Sub-Committee reports.
6/9	-- Invitation Sub-Committee begins VIP call-outs.
	-- Sub-Committee meetings, as appropriate, for remainder of the week.
6/10	-- Draft of briefing materials available for review and approval.
6/14	-- <u>Washington Post</u> ads announcing event and inviting public (also on 6/15)
	-- Site walk-thru, including rehearsal of crowd flow plan.

Date
Not Later Than

Item

6/14
(Continued)

- Activation of grassroots crowd-raising in
supportive business and association complexes.
- Final VIP call-outs.
- Briefing packets complete.