

Bob Guttman

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He was working at CRS and anxious to leave. A friend of his had been negotiating with Quayle, but decided to take job as VP of CED. He tells Bob "Why don't you go over and talk with him?" "I did. I talked with Lester Rosen and then Dan and we hit it off."

It was clear from beginning that CETA would expire and they would have to come up with something--thought they would try small bill--youth bill--first "to get one under our belt."--but I don't think it went very far.

They planned from beginning "to take a long hard look at employment problem."

He emphasized that they had left a complete trail of public documents and that whole thing was available in documents.

Some of the stages - 2 pp. in CR on issues - a number of hearings so that all parties can be heard - he mentioned hearings in Indiana and a day long discussion with people there, in a hotel room, exchanging views - then a statement of principles following the hearings--an October 4 speech to National Alliance of Businessmen following the President.

2 major points in the speech - 1) DQ had concluded there was a federal role in helping the disadvantaged. 2) he wanted it to be bipartisan. (I should query Dan on both points.)

He sent a letter to Hatch and Kennedy and wanted response - Kennedy's came after some time and "could be interpreted" as conveying an interest in bipartisan approach. Hatch has to decide whether to wait for administration or not and decides to wait.

DQ published an outline of new training legislation and they started translating principles into legislation. Sending drafts to Hatch, Kennedy, interest groups.

And Bob goes out to talk to mayors, governors, interest groups, etc. "travelling salesman". "I was a travelling salesman, trying to find out what was important to the interest groups and what was not. Their positions taken by their Washington representatives are often much less flexible than the groups are prepared to take when you talk to them. Then I would make my cut at what they would buy."

They had 2 problems with the Administration. 1) The administration "was very slow in developing a proposal," and they were "very concerend about leaks. I only knew what I read in the Washington Post about what the administration was thinking..."

The admin, because it was slow and had no position, couldn't bargain.

As a matter of fact, and inexorably, "the admin. is coming closer to our proposal--because they are responding to the same people and the same concerns as we are. Legislation doesn't develop out of thin air. It develops out of a concrete set of concers on the party of certain people. And the administration listens to the same people we do."

They had a time when they didn't know what Kennedy would do. "We had to get them together. And the main thing was that they wanted to get together."

For Kennedy, it meant decideing that he was "willing to compromise on that which we absolutely could not give up. We could not agree to a direct line from the federal government, the labor department, to the localities. We had to work through the governors. That meant that Kennedy's people, the AFL-CIO, the mayors, the Labor Department--all of whom were 'his people'--were opposed to going through the governor. Kennedy agreed to our base position; and we put in procedural protections for the mayors. Kennedy's willingness to give in on such an important provision shows that he has a real interest in solving the problem. We didn't deal at all with Metzenbaum. And Riegle probably wont' go with 'em either..."

As to Admin pressure on Quayle to hold off, he said Admin asked him not to publish the principles of the legislation and then asked him not to introduce the bill. Bob says Quayle learned from his aborted anti-Department of Education bill experience not to believe the admin when they told him they would have a bill in a month or two weeks or whatever. He postponed his Education bill over and over and the admin never did come up with anything.

Hatch wants to be able to introduce the admin bill. So he waits. His problem is that the train may leave without him.

AFL-CIO - "We didn't deal with the AFL-CIO. We left that to Kennedy." They worry about the abolition of government - mayor links and training that produces job competition.

Bill's support comes from governors, businessmen, client groups and organizations that are program oriented and want to keep program going.

"Thsi will be the big bill coming out of the Labor Committee this year. On trade and labor issues there is no effective majority on the committee. Education matters will be fought out in the budget process."

Most visible opposition comes from local governments, which now control the program. Coalition building will have to continue. Re business, they favor it, but not intensely. "The President of GET doesn't say hey, how about job training. It's not the No. 1 issue for business... But some are concerned about the development of an under class."

Re the issue - "Interest is always there, but it's not deep. People would like to have a program, but few lose any sleep pover it. It's not a life and death issue for anyone. That leaves you a good deal of flexibility in working out the legislation. The Chamber of Commerce is in favor of it, but they don't have a strong position."

It's "a complicated issue. To put it bluntly, job training is education and education is a state and local matter. Still, there comes a

time when the institutions don't perform and you need to take action.

Neither business nor education performs, and so we need a gap-filler."

"If we started from scratch, we would never have produced this system. You can only explain it through history."

The joint hearings will be "a political statement of urgency" will lay out 3 bills in House - good "economy in government" move not to duplicate hearings.

"We would like to move from these hearings right into markups. But we will have to engage the administration. We can't move a piece of legislation without administration support or benevolent silence. We could get it out of subcommittee, but then Hatch wouldn't schedule it or it would be subject to a filibuster in the committees. And we couldn't get time agreements or Baker's support on the floor without a broad consensus."

Admin key objection is budget size. But he thinks there's no point in arguing that since it will be settled in budget and appropriations process. Dan wants 3.9 and admin wants 2.1, he thinks.

Money amounts will get voted in Labor Committee and then in budget committees and then in Appropriations Committee.

"The Administration is the big unknown factor... The pace of the administration is the key... If the Labor Department isn't ready by the time of our hearings, they will lose leverage within the admin... If they do produce a bill soon, they may want to hold hearings on their own bill.. If it weren't for us, they'd be nowhere near the pace they are at now... By setting our hearing deadline of February 22nd, we did the Labor Department a favor... Of course, with Hatch's support we could zoom right through... So we keep working on him."

"The administration has two problems with our bill. One is the size of the budget and the other is the co-sponsorship of Kennedy. And I'm not so sure that the second one isn't worse than the first. They were caught by

surprise. They did not think we could ever get Kennedy. It threw their timetable off. They haven't recovered."

"I think we have a shot. We've tried to convince them to take a bi-partisan bill. I think that there are only ruffled feathers at this point. Maybe Dan could go out and play golf with Donovan and that would do it."

Donovan's weakness with the admin a problem. Dan clals and asks Donovan to get together and Donovan says he can't. Angresani is Donovan's man and he won't move. Labor department hierarchy is in uncertain shape and that's one reason they are so slow.

He says his bill treats both governors and business better than admin bill.