

BOB GUTTMAN

May 17, 1982

I stopped in to see Bob about the markup on Thursday and about his negotiations on Friday. The negotiations never took place and the markup is off.

"We're back to square one; Hatch has got to decide whether to call a markup or not. The ball is in his court."

What happened was that Bob waited for Angresani or someone to call on Friday and no one did. Then he had to go down to the Labor Department to pick up a copy of a letter sent to Chris IversSM, Hatch's ass't from Angresani.

That letter renegs on the agreements worked out on Thursday evening. The letter had 2 paragraphs to it. The first paragraph said a loan fund was OK, but that the absolute prohibition on wages which was "agreed on" (he said) on Thursday s had to be in the bill. The second paragraph said that they rejected the summer youth employment program (which Bob called "the sweetener"). And then a couple of added pages brought up objections to things Bob said he hadn't heard of.

He says OMB and the legislative people are the antagonists in exec. branch. "The legislative people know they have to have a bill. But Angresani won't budget until he has unambiguous instructions from the White House. Until he does, he will just go back to the Department's original position. That's what he has done. Why he made a deal Thursday I don't know. He just made a mistake."

"You read in the paper about blowup between Hatch and Donovan didn't you? What happened Friday may have more to do with that than anything else."