

STEVE BELL

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"I told you we'd get a budget resolution, didn't I?"

I asked re the deal. "We have a lot of moderate Republicans up for election this year--Durenberger, Stafford, Chaffee people like that from the midwest and northeast. Only two conservatives are up--Schmidt and Wallop. But there were a lot of moderates--Danforth, Lugar, from a high unemployment state. Social security is a different issue for them--and they're a dying breed anyway. When they complained the first thing we did was make them show us they could beat us. Which they did! So we held a very unusual Tuesday policy luncheon. We had the regular luncheon till 1:30 and then we reconvened a continuing meeting at 3:30. Domenici said OK, we'll take out the social security numbers. They're only estimates anyway. But we'll keep the reconciliation instruction in along with a reporting date. What do you want in return for this? What does it take to make a deal? I had a list of five things I knew about--guaranteed student loans, veterans, the addbacks to cover deferrals, medicare. Domenici read them off and said "Anything else." If you get these, will you vote with us? Do we have a deal?' They said yes--except maybe Heinz and Roth, you can never depend on them. Everybody seemed satisfied except Smitty and we took care of him later."

"We were up all night costing these things out. They came to about 7 billion, but with revenue increases of 1B, we were left with 2.8B, 3B in additional spending. We had the parliamentarian here till late at night. And I had to make some arbitrary decisions. At 10:30 I had to call Dole and tell him that that we couldn't put in food stamps, because it wasn't part of the covenant. He had wanted us to slip it in. I said, we can't. There were others we couldn't get in either--railroad retirement, others."

Did you think you were in trouble on RR retirement? "That morning, no, I didn't think we were in trouble on that. I underestimated the number of railroad retirees in the thinly populated states of the west. They lobbied real hard and we lost that one. But we carried on veterans. That was a hell of a fight--51-49. And we had Bush in the chair. I was afraid if we lost veterans, we'd lose some others. I had a feeling we might lose one of the COLAs, but I wasn't sure which one. As it turned out, the least worthy one won. It's                      isn't it."

Talking on the phone with Leighteuser. "We have the feeling that some of those guys who voted against us violated their oath. Heinz was the worst-- cosponsoring (really) and advocating the railroad retirement increase. He and Roth were the worst. I understand some of the moderates like Danforth think Heinz broke his word and are mad at him. There will be strain inside our committee... (Then Leight. said something) Oh him, he doesn't have to run for 5 years, and then they'll never beat him. He and Hawkins and Specter were the biggest disappointments."

Leighteuser called to make sure he knew what they put back in the Chiles amendment. He listed the amounts. It was the so-called Rudman-Chiles amendment for Internal Revenue Agents, customs service and drug enforcement. Dole said it was OK with him so long as we didn't have to vote on it. So we just slipped it in."

They talked about Armstrong's 31 amendments on the supplemental.

He took a call from Charles Gentry on energy taxes; looked at a letter from Lee Rawls on energy taxes. They are both former AA's of P.D.

Re RR retirement, he said: "The workers contribute something, and the employers contribute something and it isn't enough, so they are sucking on the old government tit and don't want to get off." He shares Fulton's feeling that the worst program won. Veterans are more deserving. Bob said that the 70% disability cutoff is hard to justify.