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[4/29/76]

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FROM: JACK MARSH
TO: DICK CHENEY
(DALLAS)

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THE WHITE HOUSE
WASHINGTON

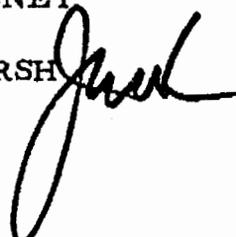
April 29, 1976



MEMORANDUM FOR: DICK CHENEY

FROM: JACK MARSH

SUBJECT: FEC Bill



Attached are summaries from Leppert and Kendall on House and Senate Republican leaders' attitudes on the FEC bill.

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THE WHITE HOUSE
WASHINGTON

April 29, 1976

MEMORANDUM FOR: MR. MAX FRIEDERSDORF
FROM: MR. CHARLES LEPPERT, JR. *CLJ.*
SUBJECT: S. 3065 - Federal Election Campaign
Act Amendments of 1976

I have the following recommendations to the President on the Federal Election Campaign Act Amendments conference report:

Representative John Rhodes

There are good reasons for the President to veto the conference report, such as the violence it does to an independent agency, the review of regulations, and actions of the Commission requiring a two-thirds vote, for which he does not believe there is precedent. On the other hand, there are reasons for the President to sign the conference report, principally the Sun-Pac provisions were handled as well as they possibly could be at this time and if you went back to the old law there would be the review of the decisions of the FEC which, in his judgment, is questionable.

Rhodes cannot make a hard recommendation because he does not know the violence the provisions of the conference report do to the prerogatives of the Executive. Also, the President has to consider what this conference report does to him personally and what effect a veto would have vis-a-vis denying money to the opposition.

Rhodes feels he will probably vote for the conference report, but cannot recommend that the President sign the bill because there are too many variables that the President must weigh for himself. Rhodes feels that the Pac provisions, even though there has been improvement in the provisions, are unconstitutional.

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If the President should decide to veto the conference report, Rhodes feels that the possibilities of sustaining a veto in the House are very good. If the President does veto, Rhodes will vote to sustain the veto and work to sustain the veto. Rhodes says that it is his judgment that many Members do not like the whole concept of a Federal Election Commission and therefore would vote to sustain the veto. If the President does decide to veto the conference report, it is essential that his decision be communicated to the Hill and the Members prior to the vote on the conference report, as the President's decision and his reasons will impact upon how some Members will vote.

Rhodes says "Ol' buddy, you better call this one and I'll help you."

Representative Bob Michel

Michel says he really doesn't know, that he and Senator Griffin seem to be two of the strongest against the conference report. Michel will vote against the conference report. He is not satisfied with the provisions on the mailings and does not feel that this is spelled out clearly enough and does not trust the interpretation of that language to be beneficial to anybody except the unions. Michel feels that the Pac provisions are not worth "two hoots" because most of the Pacs, if they do have any money, support incumbents and the business community has not learned how to support their friends and build a Republican Party. The business community does not act like the unions, who go all out to support their friends and "screw their enemies". Michel says that the President may be better served by listening to the more academic arguments on this conference report because his are strictly political.

Michel says if the President decides to veto the conference report, he understands that Senator Scott has said that there is a possibility of sustaining a veto in the Senate. Michel does not think a veto can be sustained in the House, as the Members do not have the guts to vote no on this conference report now.

Michel will still vote against the conference report and label it "the incumbents' protection act", but does not have faith that the members would stand up and vote against the conference report.

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If the President vetos the conference report, the President should get the word out and to the Members as it will bear heavily on how some Members vote.

Michel will not be on the floor of the House Monday, May 3, if the conference report is considered that day as he must be in his district for a speaking engagement.

Representative Chuck Wiggins

Wiggins states that the President should sign the conference report, it's not even a close call. The consequences of a veto are uncertain and if it is vetoed and the veto were sustained, you are back to the present law which, in his judgment, is unconstitutional in some aspects and the present law is not as good as the bill embodied in the conference report.

The Democrats will not send a bill to the President that does not deal with the Sun-Pac decision.

Wiggins states that Reagan is both ill-advised and ill-informed on the provisions of the bill and that the union advantages were put into the law back in 1971 and that the conference report is the first time that there is any chipping away at the union advantages. If the President vetos the conference report, the override or sustaining of that veto will be impacted by the President's decision and reasoning. If the President says nothing and lets the chips fall where they may, Wiggins predicts that there will be only 75 votes against the conference report. If the President is to veto and signals a veto to the Members, there will be, in Wiggins' judgment, only 130 votes to sustain.

Wiggins states that his information is that a veto cannot be sustained in the Senate.

Representative Bill Dickinson

Dickinson will oppose the conference report for several reasons, but feels the bill is better than it was before. Recommends that the President veto the bill, as he would like to see the whole thing (FEC) killed. Dickinson has trouble with the people appointed to the Commission, considers them activists, and feels that they did not do or act

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as they were supposed to under the law. Dickinson understands that the President will renew the present appointments to the Commission and he opposes that. Dickinson feels that the biggest objection to the bill on the lists has been cured by the conference report.

If the President vetoes the conference report, Dickinson says the possibilities of sustaining a veto in the House are zilch. Dickinson says that the Chowder and Marching Society talked about it yesterday, that Senator Brock said it was too close to call in the Senate, Bob Michel said there's not a prayer to sustain it in the House, and Dickinson feels that sustaining of a veto ultimately depends on the vote on the conference report. Dickinson feels the conference report will pass the House like a greased pig and that most Members recognize that the bill is much better than what they voted on previously.

Representative John Anderson

Anderson is not happy with some of the provisions of the conference report. Anderson says on balance he thinks the President should sign the conference report. He feels the public will not understand the objections to the bill and there are many political risks, and if vetoed the President would be considered as playing dog in the manger because his campaign has financing whereas the other candidates do not. Anderson feels that the unions will not rest if the bill is vetoed and will not deal with the Sun-Pack provisions as lightly as they have on this occasion. Anderson feels that to veto the bill would run the risk and possibility of getting into a deadlock and the potential loss of the FEC, and therefore hopes the President will, even if reluctantly, sign the conference report.

If the President vetoes the conference report, Anderson says the chances are not too good on sustaining the veto. Anderson said that in discussing it with Representative Lagomarsino, that Lagomarsino said that it would be hard to vote against the conference report and then have to go home and face the charge that you are against clean elections. If the bill is vetoed, the President should send his decision to the Members before the vote on the conference report.

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Representative Bill Frenzel

Frenzel says that the President doesn't have much choice. The bill is not a good bill and not a bad bill. He says that we have come out better with regard to the Sun-Pac provisions than he believed we could, feels that the fears of the business community are not well-founded; on the other hand, there are good reasons to veto the bill, such as the impact on the independence of the Commission. At the same time, there are many more reasons for the President to sign the bill, the foremost of which is the disclosure of union spending.

On balance, Frenzel supports the bill and hopes the President will sign it. Frenzel says that the conference report should pass the House by more than a two-thirds vote.

If the bill was vetoed, Frenzel feels the President will take a lot of crap from the press. If he vetoes the bill, Frenzel feels that the President needs some awfully good reasons to do so and doesn't think the President has those awfully good reasons. However, whatever the President's decision, it should be done promptly, within a day or so after he receives the bill. While Frenzel feels the President has been in a perfect position on this bill by requesting a simple extension of the Commission and his reasons therefor, he feels that a veto of the conference report will be overridden by the House. If the President signs the bill, he continues in a posture of having considered it objectively and exercising leadership and being a good guy.

Representative Joe Waggoner

Waggoner has trouble thinking that the President will get by with vetoing the conference report. He knows the problem with Reagan, feels it's a political problem with Reagan and the other candidates. Waggoner does not know what is best for the President to do politically and says that he would do it solely on that basis.

Waggoner says a veto would be overridden, that there would be trouble sustaining a veto on the conference report because of the pressure building on the other candidates for money.

If the President vetoes the conference report, it would be best to get the word to the Members before the vote on the conference report.

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Waggoner says he would need more time to evaluate this, but feels the President should do what's best for him politically because that is what others are doing. "It's all politics and that's all it is."

When the Federal Election Campaign Act Amendments bill, H. R. 12406, was considered in the House, the vote on the motion to recommit was 153 ayes to 246 nays and the vote on final passage of the bill in the House was 241 ayes to 155 nays.

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GRIFFIN

He again stated he thought if a veto is forthcoming that Congress should have early notice. Congress, after all, will not get conference report until next week and either body could reject the report and send it back to conference. He feels that it will be tougher now to veto because of time lapse and fact that President has not come out against conference bill previously. He is not at all sure that veto can be sustained. Incidentally he said Baker talked about bill at Policy Lunch and said he is opposed to bill because it institutionalizes the labor vs. business fight.

SCOTT

He thinks President should sign the bill. There is more good than bad in it. Our fund raisers say they can live with it. If President vetoes bill it will unite Democrats for first time and they will use it politically against the President. Scott would have difficulty reversing himself since he has signed report. Thinks that a veto, whether sustained or overridden, is a no win situation. Thinks veto would be overridden.

HATFIELD

Recommends signing since it is best bill possible at this time. If it were vetoed there would be greater political repercussions than necessary. He believes the votes are there to override and that Dems would be in position to exploit a veto politically.

PACKWOOD

Advises that President should sign the FEC bill. He will vote to override if bill is vetoed. He believes veto will be overridden in the Senate for these reasons: (1) Honorarium provision which increases honorarium from 1 to 2 thousand with a 25,000 top. (2) The PAC are now acceptable with the corporate list problem resolved. (3) Any subsequent bill would be worse, not better than the present bill.

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