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#### THE WHITE HOUSE

WASHINGTON

# July 26, 1976

# ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

WILLIAM F. GOROG JAMES E. CONNOR

FROM:

SUBJECT:

Clean Air

Confirming a phone call to your office, the President has reviewed your memorandum of July 22 on the above subject and has approved your recommendation that we accept Senator Baker's suggestion that the changes be withheld at this point. And if the Senate Bill passes, you should then work with Congressman Broyhill to improve the House version.

cc: Dick Cheney Bill Seidman Jim Cannon

WASHINGTON

July 26, 1976

MR. PRESIDENT:

# <u>Clean Air</u>

Bill Gorog has prepared the attached memorandum to you on next steps regarding the Clean Air Amendments. He recommends that changes be withheld at this point. Buchen, Cannon, Marsh, Seidman, Friedersdorf and Duval concur.

Jim Lynn has submitted a separate memorandum to you (attached at Tab A) raising the question of the Moss Amendment and our position on it. He recommends that Max Friedersdorf determine what chance the Moss Amendment has of passage.

Bill Gorog, however, indicates that we should not raise the question of the Moss Amendment at this point since it would be construed negatively by Senator Baker. In addition, he says that the Moss Amendment already has an excellent chance of passage and thus there would be no need for us to indicate publicly our support for it at this time.

Jim Connor

#### WASHINGTON

ACTION

July 22, 1976

MEMORANDUM FOR THE PRESIDENT

THROUGH: L. WILLIAM SEIDMAN JAMES CANNON

FROM: WILLIAM F. GOROG

SUBJECT: Clean Air

In accordance with your recent instructions, we have discussed further amendments to the Clean Air Act Amendments of 1976 with Senator Buckley and Congressman Broyhill. These discussions and our efforts to find a position on Clean Air that may be acceptable to the Administration were predicated on the belief that we would definitely be faced with a Bill this year, and that we should therefore not leave ourselves in a position of having to veto environmental legislation.

As you directed, we indicated in our meetings with Buckley and Broyhill that you had not changed your position concerning the unacceptability of the Bill. Furthermore, we indicated that these amendments were not to be presented as a "White House compromise," but rather that they were presented in a good faith effort to demonstrate our willingness to work positively for a reasonable Bill.

Throughout this exercise, we have been concerned that regardless of the manner in which we handled our presentation of amendments, industry might perceive our efforts as a betrayal of legitimate industrial interests. Industry had formed a broad coalition, in concert with a few labor groups, to attempt to defeat the most odious portions of the Amendments. Their efforts have been predicated on the assumption that they would ultimately be successful in killing the Amendments. They gave virtually no consideration to the possibility that they may in fact be faced with legislation of some sort. For this reason, we viewed our efforts to improve the House and Senate Amendments as a parallel operation to the position taken by industry. To prevent our efforts from undermining those of industry, particularly before August, Max Friedersdorf and I talked with Senator Baker to determine if it were possible to defer action in the Senate, which precedes the House on this issue, until after the Convention. Senator Baker attempted to defer action, but was unsuccessful. Based on the assumption that we would be faced with a Bill of some kind, we proceeded to attempt to gain positive changes.

Our fears concerning industry's reaction to our efforts were realized today when a group of six industry representatives visited my office and expressed great concern about our actions. In spite of previous general consultations, industry maintains the belief that our efforts, despite excellent intentions, would in fact undermine their moves.

My major political concern is that regardless of the technical merits of our position, the various forces are so polarized that we have a great deal to lose if these Amendments are presented in the Senate. I discussed this issue with Dick Cheney, and he suggested we seek Howard Baker's advice.

Max Friedersdorf and I visited with him this afternoon, and I explained my concerns. Senator Baker said that he felt it would be best not to offer the Amendments arrived at by our Task Force. It was his opinion that they would be defeated under any circumstances and that it would needlessly expose you politically. He expressed his gratitude that you had been willing to be forthcoming and indicated that our work was not in vain since it would be valuable if and when the Bill comes to Conference.

Congressman Broyhill has reviewed our suggested amendments and has advised us that he would like to have several others considered. I have asked him for his changes to permit review by our Task Force. Broyhill's position is exactly opposite of the position of the Senate Minority. He feels our changes still leave major problems with the Bill while the Senate feels we have moved too far towards the position desired by industry.

#### **RECOMMENDATION:**

That we accept Senator Baker's suggestion that the changes be withheld at this point. If the Senate Bill passes, we should then work with Congressman Broyhill to improve the House version.

APPROVED MRZ DISAPPROVED

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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MEMORANDUM FOR:

FROM:

JAMES E CONNOR T. LYNN Clean Air

SUBJECT:

The attached memorandum from Mr. Gorog to the President on the Clean Air Act does not address the Moss amendment which would enact the current EPA regulations for significant deterioration for one year. During that time a National Commission would examine the issue and make recommendations for final Congressional action to resolve the issue for the long term.

The following is our analysis of the major advantages and disadvantages of strong Administration support of the Moss amendment to the Clean Air Act.

### Pros:

- The amendment has some chance of passage;
- The amendment would hold off for at least one year application of stricter significant deterioration provisions;
- The House, in light of Senate passage of the Moss amendment would most likely drop consideration of significant deterioration in this session; and,
- The Moss amendment is sound programmatically because further study is necessary to resolve many remaining uncertainties surrounding the significant deterioration concept and its impact on economic and industrial development.

# Cons:

- Passage of the Moss amendment could result in a move promised earlier by Senator Muskie to strike all the Senate Clean Air Act amendments and leave the current law, except for auto emissions, in force. For auto emission standards, however, Senator Muskie would propose
- I On May 28, 1976, your wrote Chairmen Staggers and Randolph, suggesting deferral of any significant deterioration provisions "until sufficient information concerning final impact can be gathered." (See Tab A)

even stricter auto emission standards than are in the current Senate bill which in turn are already stricter than the Administration supported Dingell-Broyhill amendment.

- Administration support of the Moss amendment could anger Senator Baker and would be strongly opposed by EPA.
- While temporarily giving statutory authority to EPA regulations, the Moss amendment would continue industrial uncertainty for at least a year as to the eventual resolution of the issue;
- A defeat after strong Administration support could leave the Administration in a weaker position for later amendments.

#### Recommendation

We would recommend that Max Friedersdorf check out the Hill to determine what chance the Moss amendment has of passage.

If Max Friedersdorf concludes that strong Administration support will lead to the passage of the Moss amendment, we recommend he go up to the Hill and energize support.

Attachment

# STAFFING

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back 7/26/16

July 26, 1976

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#### WASHINGTON

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FROM: WILLIAM F. GOROG

SUBJECT: Clean Air

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#### **RECOMMENDATION:**

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APPROVED \_\_\_\_\_ DISAPPROVED \_\_\_\_

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Jab A

WASHINGTON

May 28, 1976

Dear Mr. Chairman:

Both Houses of the Congress will soon consider amendments to the Clean Air Act of 1970. There are several sections of both the Senate and House amendments, as reported out of the respective committees, that I find disturbing. Specifically, I have serious reservations concerning the amendments dealing with auto emissions standards and prevention of significant deterioration.

In January 1975, I recommended that the Congress modify provisions of the Clean Air Act of 1970 related to automobile emissions. This position in part reflected the fact that auto emissions for 1976 model autos have been reduced by 83% compared to uncontrolled pre-1968 emission levels (with the exception of nitrogen oxides). Further reductions would be increasingly costly to the consumer and would involve decreases in fuel efficiency.

The Senate and House amendments, as presently written, fail to strike the proper balance between energy, environmental and economic needs. Therefore, I am announcing my support for an amendment to be co-sponsored by Congressman John Dingell and Congressman James Broyhill, which reflects the position recommended by Russell Train, Administrator of the U.S. Environmental Protection Agency. This amendment would provide for stability of emissions standards over the next three years, imposing stricter standards for two years thereafter. Furthermore, a recent study by the Environmental Protection Agency, the Department of Transportation and the Federal Energy Administration indicates that the Dingell-Broyhill Amendment, relative to the Senate and House positions, would result in consumer cost savings of billions of dollars and fuel savings of billions of gallons. Resulting air quality differences would be negligible. I believe the Dingell-Broyhill Amendment at this point best balances the critical considerations of energy, economics and environment.

I am also concerned about the potential impact of the sections of the Senate and House Committee Amendments that deal with the prevention of significant deterioration of air quality. In January 1975, I asked the Congress to clarify their intent by eliminating significant deterioration provisions. As the respective Amendments are now written, greater economic uncertainties concerning job creation and capital formation would be created. Additionally, the impact on future energy resource development might well be negative. While I applaud the efforts of your committee in attempting to clarify this difficult issue, the uncertainties of the suggested changes are disturbing. T have asked the Environmental Protection Agency to supply me with the results of impact studies showing the effect of such changes on various industries. I am not satisfied that the very preliminary work of that Agency is sufficient evidence on which to decide this critical issue. We do not have the facts necessary to make proper decisions.

In view of the potentially disastrous effects on unemployment and on energy development, I cannot endorse the changes recommended by the respective House and Senate Committees. Accordingly, I believe the most appropriate course of action would be to amend the Act to preclude application of all significant deterioration provisions until sufficient information concerning final impact can be gathered.

The Nation is making progress towards reaching its environmental goals. As we continue to clean up our air and water, we must be careful not to retard our efforts at energy independence and economic recovery. Given the uncertainties created by the Clean Air Amendments, I will ask the Congress to review these considerations.

o to Charman Mr.

Sincerely,

Hurald R. Ford

The Honorable Harley O. Staggers Chairman

Interstate and Foreign Commerce Committee Ouse of Representatives Chington, D.C. 20515 THE PRESIDENT MAS SEEN. ....

#### THE WHITE HOUSE

WASHINGTON July 26, 1976

MEMORANDUM FOR:

FROM:

THE PRESIDENT JACK MARSH

Congressman John Heinz sent word for me to call him in Pennsylvania, which I did. He advises:

- 1. Don't worry too much about the Schweiker selection because he is not too much "on the in" with the hard core, regular Republicans in Pennsylvania.
- The danger to watch for is that some of the candidates for the State Legislature, because of their own races, may begin to pushthe delegates.
- 3. This does give the Reagan forces something they have not had inasmuch as it could be a focal point for organization.
- 4. Heinz cannot attend the PFC meeting in Philadelphia, but will send his campaign manager.
- 5. <u>Privately Heinz suggests the name of Scranton as a possible</u> Ford Vice President.
- 6. In response to my query as to the impact of the Schweiker announcement on Heinz's Senatorial race and what does he plan to say, he mentioned that the press are trying hard to get to him. He says to plans to say that Schweiker is a "fine person, a good Senator who is Vice Presidential material, but President Ford is more electable and Ford is still my guy."

If Heinz does make this type of statement, he should receive some type of recognition because it could be very helpful in holding the Pennsylvania delegation in line.

cc: Dick Cheney

# EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

#### WASHINGTON, D.C. 20503

#### MEMORANDUM FOR:

JAMES E. CONNOR JAME LYNN

FROM:

SUBJECT:

Clean Air

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Cons:

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<sup>1</sup> On May 28, 1976, your wrote Chairmen Staggers and Randolph, suggesting deferral of any significant deterioration provisions "until sufficient information concerning final impact can be gathered." (See Tab A)

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- Administration support of the Moss amendment could anger Senator Baker and would be strongly opposed by EPA.
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#### Recommendation

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If Max Friedersdorf concludes that strong Administration support will lead to the passage of the Moss amendment, we recommend he go up to the Hill and energize support.

Attachment

#### THE WHITE HOUSE WASHINGTON

7/22

Jim:

Gorog would prefer not to have this staff around because of the sensitivity -- Marsh, Cheney, Friedersdorf and Duval have all seen it. Budd

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Sara

DUE: Date:	FRIDAY, July 2	3 Tim	e: NOON
FROM THE ST	Um Cannon Um Lynn Um Lynn Dill Seidman FAFF SECRETARY	Max Friederse Mike Duval	lorf
FOR ACTION:	Phil Buchen	xxxxxxxxxxxxxxxxxxxxxx	
Date: July	22	Time:	
ACTION MEMO	DRANDUM	WASHINGTON	LOG NO.:
	THE	WHITE HOUSE	

SUBJECT:

Gorog memo (7/22) re: Clean Air

**ACTION REQUESTED:** 

- For Necessary Action

K For Your Recommendations

\_\_\_\_\_ Prepare Agenda and Brief

Draft Remarks

**Draft Reply** 

X For Your Comments

**REMARKS:** 

COULD WE PLEASE HAVE THIS BACK BY NOONN

Cannon - recommend opprove Builen - noo March approve memo but not language Deval - approve memo but not language Tyreder dont - O,K.

your see comments

Buchen-moderation Seidman - approve

# PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate delay in submitting the required material, pleas telephone the Staff Secretary immediately.

THE	WHITE	HOUSE

ACTION MEMORANDUM

WASHINGTON

July 22 Date:

FOR ACTION:

Time:

Max Friedersdorf Mike Duval

Jim Lynn Bill Seidman FROM THE STAFF SECRETARY

Phil Buchen

Jim Cannon

Jack Marsh

DUE:	Date:	FRIDAY,	July 23	Time:	NOON
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SUBJECT:

Gorog memo (7/22) re: Clean Air

ACTION REQUESTED:

\_\_\_\_\_ For Necessary Action

X For Your Recommendations

\_\_\_\_\_ Prepare Agenda and Brief

X For Your Comments

\_\_\_\_\_ Draft Remarks

\_\_\_\_\_ Draft Reply

**REMARKS:** 

COULD WE PLEASE HAVE THIS BA TOMORROW

1/23/98 Approval

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	THE WHITE HOUSE						
	ACTION MEMORANDUM WASHINGTON			0 N	LOG	NO.:	
	Date:	July 22	2		Time:		
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			Gorog memo	(7/22) re:	Clean Ai	r	
	ACTIO	N REQUES	STED:				
		For Nec	essary Action		X For Y	our Recom	mendations
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ACTION MEMO	DRANDUM	WASHINGTON LOG NO.:
Date: July	22	Time:
FOR ACTION: FROM THE ST	Phil Buchen Jim Cannon Jack Marsh Jim Lynn Bill Seidman AFF SECRETARY	xxx(forexfxxxxxfxxx): Max Friedersdorf Mike Duval
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X For Your Recommendations

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X For Your Comments

\_\_\_\_\_ Draft Remarks

...... Draft Reply

**REMARKS:** 

COULD WE PLEASE HAVE THIS BACK BY NOON TOMORROW

O.T. - Mayf.

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DUE: Date	e: FRIDAY, July	23 <b>Time:</b>	NOON

SUBJECT:

Gorog memo (7/22) re: Clean Air

### ACTION REQUESTED:

X For Your Recommendations

\_\_\_\_\_ Prepare Agenda and Brief

X For Your Comments

\_\_\_\_ Draft Remarks

\_\_\_\_ Draft Reply

REMARKS:

COULD WE PLEASE HAVE THIS BACK BY NOON TOMORROW

No objections.

Philip W. Buchen Counsel to the President

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FOR AC		Phil Buchen Jim Cannon Jack Marsh Jim Lynn Bill Seidman H. SECRETARY	xxx(txxxxxxxxx Max Friedersdo Mike Duval	
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RECOMMEND APPEOVAL LWS

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