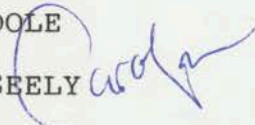


MARCH 6, 1990

TO: SENATOR DOLE
FROM: CAROLYN SEELY 
SUBJECT: SPEECH TO CARPET & RUG INSTITUTE

At 8:15 a.m. on Wednesday March 7, 1990, you are scheduled to give the keynote speech to the "Presidents' Conference" of the Carpet & Rug Institute. The audience will consist of 60-70 chief executives of carpet, rug, and fiber manufacturers and businesses which supply these industries, including Burlington, DuPont, Allied Chemical, etc. They are "businessmen, not lobbyists". Doug Cummins, the elected President of CRI and CEO of Salem Mills in Winston Salem, North Carolina, will introduce you.

You have been asked to give your prognosis of this legislative session, particularly the issues of interest to you, and to answer "one or two" of their questions. Clean air is of concern to them as manufacturers and as suppliers of products implicated in indoor air pollution. They are also interested in the budget and labor issues. They have asked for "just 10 minutes" of your time.

Following you on the program are Senators Mitchell, Heflin, Lott, Chafee, Thurmond, Boschwitz, Domenici and Boren and Congressmen Gray, Downey, Coleman, Fields, Jenkins, Bruce, Dannemeyer, Porter and Congresswoman Martin (the last speaker). They will also hear from Ann Archer (?) of the Consumer Products Safety Commission.

Joyce

Speak

*March 7
Wed*

Hyatt Reg



The Carpet and Rug Institute, Suite 500, 1155 Connecticut Avenue, N.W.
Washington, D.C. 20036 • 202/429-6629 • FAX 202/467-4924

February 16, 1990

Ms. Betty Meyer
c/o Senator Bob Dole's Office
United States Senate
141 Senate Hart Office Building
Washington, DC 20510

Dear Betty:

Thank you very much for making preparations so that Senator Dole will be able to speak at the Carpet and Rug Institute Presidents' Council. This letter will summarize the arrangements made with you.

Date: Wednesday, March 7, 1990

Time: 8:15-8:45a.m. or 8:00a.m. if possible
A talk of fifteen minutes with five minutes or so for questions would be ideal.

Location: Conference Theater
Hyatt Regency Washington
400 New Jersey Avenue, N.W.
Washington, D.C.

I will be at the front door to greet Senator Dole when he arrives at the hotel and walk with him down to the meeting room.

Honorarium: \$2,000
I will contact you to find out how you would like to have the check make out.

If I can supply you with additional information please do not hesitate to call me (429-6629).

Thanks again for your assistance.

Sincerely,

Richard N. Hopper

Richard N. Hopper
Director of Governmental Affairs

Jayce



The Carpet and Rug Institute, Box 2048, Dalton, Georgia 30722 (404) 278-3176

*Speak
March 7
8:15
(no breakfast)*

*March 7
Wed afternoon or Thurs
AM*

Ronald E. VanGelderens
President

January 5, 1990

at Hyatt Reg

*7
2*

The Honorable Robert J. Dole
United States Senate
141 Hart Senate Office Building
Washington, DC 20510

Dear Senator Dole:

We would like to extend an invitation to you to address the chief executives of our industry on Wednesday morning or afternoon, March 7, or Thursday morning, March 8, 1990. Realizing the tremendous demands on your time, we are asking for only ten minutes. Of course, we would love to have you address the group for a longer period of time, and we have allocated a 30-minute slot. However, we would be more than happy with just ten minutes. Our special "Presidents' Conference" will be held on Capitol Hill at the Hyatt Regency Washington, 400 New Jersey Avenue, N. W. Hopefully, the convenience of this location and our request for just ten minutes will allow you to just "pop in and out."

The Carpet and Rug Institute (CRI) is the national trade association for the \$8.3 billion carpet and rug manufacturing industry which covers more than 92 percent of all floors with carpet in the U.S.A. We represent such progressive companies as Burlington, Galaxy, Horizon, Karastan/Bigelow, Lees, Milliken, Mohawk, Salem, Shaw Industries, World Carpets, etc. Also represented by CRI are companies supplying fiber, yarn, machinery and services to the industry such as Allied Chemical, Du Pont, Monsanto, etc. Only a select group of chief executives from seventy (70) of these companies has been invited to this special "Presidents' Conference."

The purpose of the conference is to update these executives on current issues affecting business in general, their products and employees. We would like them to become familiar with the importance of being involved on the Washington scene before a crisis occurs. The industry has changed tremendously within the last ten-fifteen years as has the need for being involved. So, in addressing the group, we would like to have you (1) give your prognosis of proposed legislation, (2) address any other items of particular interest or concern to you, and (3) to allow them to ask one or two questions of particular concern to them.

*1-16-90 Interim letter
Non ? \$2,000*

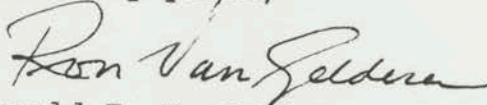
*red Hopper
429-6629*

The Honorable Robert J. Dole
January 5, 1990
Page two

Our representative in Washington, Ned Hopper, will contact your appointment secretary to supply her with additional information and discuss arrangements.

We would greatly appreciate your favorable consideration.

Sincerely yours,



Ronald E. VanGelder

REV/pup

cc: Mr. Ned Hopper

MARCH 7, 1990

TALKING POINTS
CARPET & RUG INSTITUTE

- O GOOD MORNING.
- O IT IS A PLEASURE TO BE HERE AND TO GET AWAY FOR
A FEW MINUTES FROM THE ROUND THE CLOCK
NEGOTIATIONS THAT ARE OCCURRING OVER OUR
CLEAN AIR LEGISLATION.

CLEAN AIR

- O AS YOU KNOW, PRESIDENT BUSH MADE GOOD ON HIS CAMPAIGN PROMISE TO BE THE ENVIRONMENTAL PRESIDENT BY PROPOSING A \$19 BILLION REVISION TO OUR CLEAN AIR LEGISLATION -- ITS FIRST MAJOR REVISION IN 12 YEARS.

- O HOWEVER, THE COST OF THE CLEAN AIR BILL BROUGHT TO THE SENATE FLOOR WAS STAGGERING -- \$40 TO \$100 BILLION PER YEAR -- TO BE PAID BY

-3-

AMERICAN BUSINESS. SO LAST WEEK, WE ARRIVED
AT A COMPROMISE ON THE MAJOR PROVISIONS
DESIGNED TO CONTAIN THIS COST -- TO THE EXTENT
THAT WE CAN CALCULATE IT -- TO THE \$20 BILLION
RANGE PROPOSED BY THE PRESIDENT.

- O THIS DEBATE IS NOT PARTISAN SO MUCH AS
REGIONAL. I COME FROM A CLEAN STATE, KANSAS,
AND CITIZENS OF MY STATE DO NOT WANT TO PAY A
BIG BILL FOR CLEANING UP THE AIR IN NEW
ENGLAND.

-4-

- O NOW, WE ARE DEBATING THE SO-CALLED SMALL AMENDMENTS, WHICH ARE NOT SO SMALL IF YOU ARE A RURAL HOSPITAL AND NEED TO INCINERATE YOUR WASTE, OR A STRIPPER OIL PRODUCER, OR A FARMER CONCERNED ABOUT AMMONIA.

- O AND AS MANUFACTURERS, ALL OF YOU NEED TO BE CONCERNED ABOUT THE POTENTIAL COST OF THIS LEGISLATION AND ABOUT THE CONSTRAINTS ON YOUR ABILITY TO PRODUCE THE BEST PRODUCTS.

-5-

- O WHILE WE ALL AGREE ON THE NEED FOR THIS
LEGISLATION, AT SOME POINT, WE MUST ALSO
CONSIDER THE COST OF GOING FROM, SAY, 90%
REDUCTIONS IN POLLUTANTS, TO 91% OR 92%, IN
TERMS OF THE BURDENS ON AMERICAN BUSINESS
AND AMERICAN CONSUMERS.

THE BUDGET PROCESS

- O JUST OVER A MONTH AGO, THE PRESIDENT
SUBMITTED A BUDGET TO CONGRESS WHICH MEETS
THE 1991 GRAMM-RUDMAN-HOLLINGS DEFICIT

-6-

TARGET OF \$64 BILLION. IT IS NOT A BOLD PLAN. IT
RELIES ON OPTIMISTIC ECONOMIC ASSUMPTIONS; IT
IGNORES AS MUCH AS \$30 BILLION IN WORKING
CAPITAL NEEDED TO ADMINISTER THE S&L BAILOUT.
AND IT INCLUDES THE USUAL EXPEDIENTS, SUCH AS
ANOTHER PAYROLL TAX SPEED-UP, TO RAISE
REVENUE.

-7-

- O AS YOU KNOW, LAST YEAR WE BASICALLY TOOK A WALK ON THE DEFICIT ALTHOUGH WE HAD AN OPPORTUNITY, GIVEN THE ELECTION MANDATE, TO ENACT SOME TOUGH PROGRAMS LIKE THE FLEXIBLE FREEZE.

- O INSTEAD WE SPENT 10 MONTHS AND DEVOTED OVER 60% OF OUR ROLL CALL VOTES IN THE SENATE TO REDUCE THE DEFICIT BY ONLY \$16 BILLION -- AND WE NEEDED FOUR MONTHS OF SEQUESTER TO DO EVEN

-8-

THAT. THIS YEAR WE NEED \$36 BILLION -- MORE
THAN TWICE AS MUCH -- EVEN USING OMB'S
OPTIMISTIC ASSUMPTIONS.

- O SO YOU CAN SEE WHY THE PROCESS IS SO
FRUSTRATING AND WHY THE BUDGET COMMITTEE
PREFERS TO FOCUS ON REFORMING
GRAMM-RUDMAN -- AGAIN! IN FACT, THE COMMITTEE

WILL NOT EVEN BEGIN WORK ON A 1991 BUDGET
RESOLUTION UNTIL AFTER THE MARCH RECESS, TWO
WEEKS BEFORE ITS APRIL 1 DEADLINE.

SOCIAL SECURITY

- O INSTEAD THE DEMOCRATS ARE CAUCUSING TO
DECIDE UPON AN ALTERNATIVE TO SENATOR
MOYNIHAN'S PLAN TO CUT SOCIAL SECURITY
PAYROLL TAXES BY \$55 BILLION IN 1991.

-10-

O SENATOR MOYNIHAN HIT UPON A SLOW NEWS DAY
WITH THIS PROPOSAL FOR TAX CUTS TO ELIMINATE
THE SOCIAL SECURITY TRUST FUND SURPLUS AND
RETURN TO A "PAY AS YOU GO" SYSTEM.
PREDICTABLY, OTHER DEMOCRATS, LIKE SENATOR
HOLLINGS, IMMEDIATELY BEGAN CALLING FOR TAX
INCREASES TO PAY FOR THESE CUTS, THEREBY
EXPOSING THE REAL DANGER TO THE ECONOMY OF
THE MOYNIHAN PLAN.

-11-

O BUT ALTHOUGH THE LAST TIME I LOOKED SENATOR MOYNIHAN ONLY HAD ONE VOTE -- HIS OWN -- THIS DEBATE IS LIKELY TO AT LEAST SLOW DOWN ENACTMENT OF CAPITAL GAINS RELIEF.

O MOREOVER, THE ISSUE OF THE ROLE OF SOCIAL SECURITY IN THE BUDGET PROCESS IS SQUARELY BEFORE US. AND OTHER SENATORS, LIKE SENATOR HEINZ, ARE RENEWING THEIR CALLS TO REMOVE THE TRUST FUND BALANCE FROM THE DEFICIT CALCULATIONS.

CAPITAL GAINS

- O IN SPITE OF THE SOCIAL SECURITY CONTROVERSY
AND IN SPITE OF THE FACT THAT THIS IS AN ELECTION
YEAR, I BELIEVE THAT CAPITAL GAINS RATE
REDUCTIONS WILL BE ENACTED THIS YEAR,
PROBABLY IN CONNECTION WITH SOME NEW
SAVINGS INCENTIVE TARGETED AT LOW AND MIDDLE
INCOME TAXPAYERS. AND SEVERAL SENATORS, LED
BY SENATOR PACKWOOD THE RANKING REPUBLICAN
ON THE FINANCE COMMITTEE, ARE WORKING TO
EXTEND THIS RELIEF TO CORPORATIONS, AS WELL AS
INDIVIDUALS.

THE ELECTION

- O AS YOU KNOW THIS IS AN ELECTION YEAR. AND FOR A CHANGE, THE REPUBLICANS APPEAR LIKELY TO MAKE GAINS IN A MID-TERM ELECTION.

- O UNLIKE RECENT SENATE CAMPAIGNS WHERE THE DEMOCRATS HAVE BEEN ABLE TO RECRUIT BETTER CANDIDATES, WE NOW HAVE 8 REPUBLICAN HOUSE MEMBERS RUNNING FOR THE SENATE BEHIND A PRESIDENT WHOSE POPULARITY IS BREAKING RONALD REAGAN'S RECORDS.

-14-

O OF COURSE, PRESIDENT BUSH'S RATINGS WILL
NATURALLY COME DOWN SOMEWHAT, AND PUNDITS
NOW CONTEND THAT THE PRESIDENT'S COATTAILS
DO NOT HELP IN CONGRESSIONAL ELECTIONS. BUT I
THINK THAT BILL SCHUETTE IN MICHIGAN, TOM
TAUKE IN IOWA, CLAUDINE SCHNEIDER IN RHODE
ISLAND AND LYNN MARTIN IN ILLINOIS ARE EACH
POSITIONED TO UNSEAT AN INCUMBENT DEMOCRAT.
SO I HOPE THAT YOU WILL GIVE A PARTICULARLY
WARM WELCOME TO CONGRESSWOMAN MARTIN
TOMORROW.

-15-

CONCLUSION

- O BECAUSE THIS IS AN ELECTION YEAR, BI-PARTISAN COOPERATION WILL BECOME MORE AND MORE DIFFICULT. HOWEVER, I BELIEVE THAT WE WILL FINALLY AGREE ON WHAT I HAVE CALLED THE FIVE C's: CLEAN AIR, CHILD CARE, CAMPAIGN FINANCE REFORM AND A CRIME AND DRUG PACKAGE, AS WELL AS ON SOME FORM OF CAPITAL GAINS RELIEF. HOWEVER, AS ALWAYS, THE SERIOUS DEBATE ON

-16-

THE BUDGET AND THE BUDGET PROCESS WILL
CONTINUE TO DOMINATE OUR AGENDA UNTIL BOTH
CONGRESS AND THE PRESIDENT FACE UP TO THE
TOUGH CHOICES.

O THANK YOU.