

TALKING POINTS
NATIONAL MULTIPLE SCLEROSIS SOCIETY
VISTA HOTEL BALLROOM
WEDNESDAY, APRIL 17, 1985 - 7:30 P.M.

BUDGET PROPOSAL - IMPACT ON DISABLED

- O THE BUDGET ACCORD THAT WE HAVE NEGOTIATED AND INTEND TO TAKE TO THE SENATE FLOOR NEXT WEEK ATTEMPTS TO STRIKE A BALANCE AND TREAT ALL PROGRAMS IN A SIMILAR FASHION. BOTH DOMESTIC DISCRETINARY SPENDING AND DEFENSE SPENDING HAVE BEEN ADDRESSED AS HAVE THE ENTITLEMENTS.
- O NEEDLESS TO SAY, THERE WILL BE AREAS OF DISAGREEMENT. WE HAVE PROVIDED FOR TERMINATION OF A NUMBER OF PROGRAMS AND REFORM OF MANY OTHERS. BUT OVERALL, THE PACKAGE REPRESENTS A BALANCED AND REASONABLE APPROACH TO DEFICIT REDUCTION. IN MY VIEW, THE AGREEMENT PROVIDES THE BASIS FOR CONSENSUS AMONG MEMBERS OF BOTH SIDES OF THE AISLE AND THOSE AT THE WHITE HOUSE.
- O IN REGARD TO FEDERAL PROGRAMS THAT MAY AFFECT DISABLED AMERICANS, THEIR FAMILIES AND THEIR FRIENDS, RECOMMENDATIONS, IN GENERAL, WERE FOR LEVEL FUNDING IN FY 86.
- O I KNOW THAT THERE IS AN INTEREST AMONG THOSE ASSEMBLED REGARDING FUNDING UNDER NIH COMPETING RESEARCH GRANTS. WHILE I CANNOT AT THIS TIME REPORT TO YOU THE OUTCOME OF ACTIONS BEING TAKEN BY MY COLLEAGUES WITHIN THE HOUSE AND SENATE REGARDING FUNDING OF GRANTS WITH MONIES APPROPRIATED FOR FY 85, I CAN REPORT THAT UNDER THE SENATE-WHITE HOUSE AGREEMENT NEW AND COMPETING NIH AWARDS WOULD BE ADJUSTED TO 5,500 EACH YEAR. UNDER THE AGREEMENT, NIH OUTLAYS WOULD INCREASE ANNUALLY. THESE FUNDS WILL CONTINUE TO SUPPORT RESEARCH EFFORT IN THE AREA OF DIAGNOSIS AND TREATMENT OF DISEASES THAT IMPOSE HARDSHIPS AND SUFFERING ON MILLIONS OF AMERICANS.

- 2 -

TAX REFORM

- O OUR TOP PRIORITY IS TO CUT SPENDING TO REDUCE THE BUDGET DEFICIT. THE VITAL ISSUE OF TAX REFORM SHOULD PROCEED ON A SEPARATE TRACK TO ALLOW US TO SORT OUT THE OPTIONS AND SEE IF WE CAN BUILD A CONSENSUS WITHOUT LOSING MOMENTUM ON THE URGENT PROBLEM OF THE DEFICIT.
- O THE TREASURY DEPARTMENT HAS PROPOSED AN INNOVATIVE, CONSTRUCTIVE NEW PLAN FOR REFORMING OUR TAX SYSTEM, AND THE PRESIDENT MADE TAX REFORM A HIGH POINT OF THE STATE OF THE UNION ADDRESS. SOME OF THE PROPOSAL IS HIGHLY CONTROVERSIAL, AND THE PRESIDENT WILL NO DOUBT MODIFY SOME THINGS. I AM AWARE OF YOURS, AND OTHERS, CONCERNS REGARDING THE WAY SUCH A PROPOSAL WOULD AFFECT CHARITABLE CONTRIBUTIONS IF DEDUCTIONS WERE LIMITED TO AMOUNTS IN EXCESS OF 2 PERCENT OF ADJUSTED GROSS INCOME.
- O I ANTICIPATE THAT THE PRESIDENT WILL BE FORWARDING TO CONGRESS A MODIFIED TAX REFORM PROPOSAL SOME TIME IN MID-MAY, AFTER HE RETURNS FROM THE ECONOMIC SUMMIT. NOT HAVING SEEN THE PROPOSAL, I DON'T FEEL THAT I CAN COMMENT ON ITS PROVISIONS.

WORK INCENTIVES/DISINCENTIVES

- O THERE EXIST A LITANY OF PROBLEMS WITH RESPECT TO DISINCENTIVES THAT ARE PART OF OUR DISABILITY SYSTEM. CONGRESS MUST CONTINUE TO LOOK AT ADDRESSING THESE DISINCENTIVES, AS WELL AS PROVIDING INCENTIVES FOR EMPLOYERS TO HIRE, OR REHIRE, WORKERS WHO ARE OF WHO BECOME DISABLED.

- 3 -

- O PRIOR TO THE ENACTMENT OF THE 1980 SOCIAL SECURITY AMENDMENTS, A DISABLED SSI RECIPIENT GENERALLY CEASED TO BE ELIGIBLE FOR SSI WHEN HIS OR HER EARNING EXCEEDED \$300 MONTHLY, THE LEVEL WHICH DEMONSTRATED SUBSTANTIAL GAINFUL EMPLOYMENT. UNDER SECTION 1619 OF THE SOCIAL SECURITY ACT, WHICH LAST YEAR WAS REAUTHORIZED THROUGH JUNE 1987, DISABLED RECIPIENTS WHO WORK AND EARN MORE THAN SGA MAY RECEIVE A SPECIAL SSI PAYMENT AND MAINTAIN MEDICAID COVERAGE AND SOCIAL SERVICES.

- O ALSO INCLUDED IN THE 1980 AMENDMENTS WAS A PROVISION THAT PROVIDED AUTHORITY, WITHIN SECTION 505, TO CONDUCT EXPERIMENTS AND DEMONSTRATION PROJECTS UNDER BOTH TITLE II AND TITLE XVI WHICH WOULD EXPLORE ALTERNATIVE METHODS OF REHABILITATING INDIVIDUALS. UNFORTUNATELY, IMPLEMENTATION OF SECTION 505 WAS NOT OF SUFFICIENT SCOPE TO PROVIDE FOR EVALUATION; I TRUST THAT THIS SECTION WILL BE EXTENDED IN A CONSIDERATION OF TECHNICAL AMENDMENTS LATER THIS SESSION.

- O RECENTLY I ONCE AGAIN SPONSORED LEGISLATION TO EXTEND FOR THREE YEARS THE \$35,000 TAX DEDUCTION FOR THE ELIMINATION OF ARCHITECTURAL AND TRANSPORTATION BARRIERS. THIS IS THE ONLY FISCAL INCENTIVE FOR EMPLOYERS AND BUSINESSES TO MODIFY THEIR FACILITIES TO MAKE THEM MORE ACCESSIBLE TO DISABLED PERSONS.

- O THE TARGETED JOBS TAX CREDIT IS UP FOR REAUTHORIZATION AT THE END OF THIS YEAR. DISABLED VETERANS AND CERTAIN OTHER DISABLED CITIZENS ARE INCLUDED AMONG THE TARGETED CATEGORIES. THIS LEGISLATION PROVIDES UP TO A \$3000 TAX INCENTIVE DURING THE FIRST YEAR TO EMPLOYERS.

- 4 -

DOLE FOUNDATION

- O I WANT TO TAKE THIS OPPORTUNITY TO TELL YOU ABOUT MY FAVORITE CHARITY, THE DOLE FOUNDATION. I THINK THAT YOU WILL BE INTERESTED, NOT JUST BECAUSE YOU'RE BEING POLITE TO THE SENATOR FROM KANSAS, BUT BECAUSE THE GOALS OF THE FOUNDATION SO CLOSELY RELATE TO YOUR OWN JOB RAISING PROGRAM.
- O THE DOLE FOUNDATION IS A NONPARTISAN CHARITABLE FOUNDATION DEDICATED TO THE ECONOMIC INDEPENDENCE OF PERSONS WITH DISABILITIES. IT WILL PROVIDE GRANTS WHICH PROVIDE OPPORTUNITIES FOR DISABLED PERSONS IN COMPETITIVE EMPLOYMENT.
- O WHILE THE FOUNDATION'S MAIN FUNCTION IS GRANTMAKING IN SUPPORT OF SPECIFIC PROJECTS, IT WILL HAVE AN IMPORTANT SECONDARY ROLE IN ENCOURAGING GREATER FINANCIAL SUPPORT FOR SUCH PROGRAMS BY PRIVATE FUNDERS. AS A GRANTMAKING ENTITY, THE FOUNDATION IS ALSO IN A UNIQUE POSITION TO INFLUENCE OTHER FUNDERS IN THE PRIVATE SECTOR, TO THE ULTIMATE BENEFIT OF BOTH LOCAL PROJECTS AND NATIONAL DISABILITY ORGANIZATIONS SUCH AS THE MULTIPLE SCLEROSIS SOCIETY.
- O AFTER AN INITIAL PERIOD OF DEVELOPMENT, THE FOUNDATION WILL BE STARTING LIMITED GRANTMAKING ACTIVITY IN THE FALL. I, AND OTHER MEMBERS OF THE BOARD, ARE EXCITED ABOUT THE PROMISE OF THE FOUNDATION. ALL OF US ARE PLEASED TO JOIN HANDS WITH INDIVIDUALS SUCH AS YOURSELVES WHO ARE COMMITTED TO ASSISTING PERSONS WITH DISABILITIES TAKE THEIR RIGHTFUL PLACE IN AMERICAN SOCIETY AS PRODUCTIVE EMPLOYEES, BUSINESSOWNERS AND TAXPAYERS.