

Gayle

DOW, LOHNES & ALBERTSON

ATTORNEYS AT LAW

1255 TWENTY-THIRD STREET

WASHINGTON, D. C. 20037

TELEPHONE (202) 857-2500

RICHARD S. BELAS

DIRECT DIAL NO.

857-2968

March 7, 1989

The Honorable Robert Dole
United States Senate
SH-141 Hart Senate Office Building
Washington, D. C. 20510

Attention: Ms. Betty Meyer

Dear Senator:

Our client, Marriott Corporation, would be honored to have you speak at the general manager's conference of Residence Inn by Marriott which will be held at the Marriott Crystal Gateway Hotel in Arlington, April 17-19. They would be pleased to offer an honorarium of \$2,000.

They would be happy to have you speak at any time during the conference, but mid-morning or lunchtime on Monday, the 17th, or mid-morning on Wednesday, the 19th, would be the best for them. Bill Marriott will be speaking to the group on Monday morning.

The theme for the conference is "The 1989 Summit...A Gathering of Leaders," and they would like you to share your views on leadership in Government and business today.

As I am sure you already know, Residence Inn was founded by Jack DeBoer in Wichita in 1974, where the first hotel was built, and it remained a Kansas-based company until it was purchased by Marriott in 1987. DeBoer is still Residence Inn's largest franchisee, with fifteen properties. He and several other Kansas-based franchisees are expected to attend.

Sincerely yours,

Rich

Richard S. Belas

*Britt Wise
or Don Radd*

Enclosures

3/15 Advised Jeff & Jim Connelly Sen. would do.

*April 19
Monday*

10:30 SPEAK

TELECOPIER (202) 857-2900

CABLE "DOWLA"
TELEX 425546

Whit

O.K.

RESIDENCE INN BY MARRIOTT

INTEROFFICE MEMO

DATE:	March 2, 1989	FYI	
TO:	Mr. Richard Belas	Action Required	___
		Response Required	___
FROM:	Jim Conley Vice President, Human Resources Residence Inn by Marriott		
SUBJECT:	1989 GENERAL MANAGERS CONFERENCE		

The following excerpts were sent in a memo to the General Managers of Residence Inn by Marriott. Hopefully this will give you some of the flavor of our conference.

[Our 1989 system-wide General Managers Conference will be held at the Crystal Gateway Marriott Hotel in Washington, DC. The conference will begin on Sunday, April 16th at 7:30 PM and will adjourn at 1:30 PM on Wednesday, April 19th.

The theme of this year's conference is

THE '89 SUMMIT - A GATHERING OF LEADERS

Our agenda has been designed to educate, entertain, and inform you as well as to celebrate our many successes during the past year. The ultimate objective will be to provide you with information that will improve your management skills and the profitability of your hotel. Specific subjects to be covered include the General Manager's involvement in sales, measuring and improving guest satisfaction, staying ahead of the competition, employee recruitment and retention, and the ever-popular break out sessions of like-size hotels.

Spouses are both invited and encouraged to attend this year's conference. The sessions have been designed to be of interest to both you and your spouse.

Dress for the conference will be business casual except for our awards dinner on Tuesday evening when business dress is requested.

This '89 SUMMIT is an excellent opportunity to gather together the leaders of our business - our General Managers. I am confident you will find your conference both enjoyable and rewarding.]

If you have any questions, please call me or Paula Butler at 380-0000.

/ba

D R A F T

RESIDENCE INN BY MARRIOTT
1989 GENERAL MANAGERS CONFERENCE
CRYSTAL GATEWAY MARRIOTT HOTEL

"THE '89 SUMMIT - A Gathering of Leaders"

Saturday, April 15, 1989

8:00 PM Dinner w/Dave Rolston, Executive Committee, District Managers,
and Spouses

Sunday, April 16, 1989

1:00 - 5:00 PM Arrival/Registration
Overview/Intro to Metro & Washington/Tour of Corporate

7:30 - 9:30 PM Reception

9:30 - 12:00 AM Hospitality

Monday, April 17, 1989

7:00 - 8:00 AM Breakfast

8:00 - 8:30 AM Opening

8:30 - 9:30 AM General Session J. W. Marriott, Jr.
Chairman of the Board and President
Marriott Corporation

Dave Rolston
Executive Vice President and General Manager
Residence Inn by Marriott

9:30 - 10:00 AM Marketing

10:00 - 11:00 AM Development/Gen IV

11:00 - 12:00 PM Franchising

12:00 - 1:30 PM Lunch/The Capitol Steps

1:30 - 3:00 PM Legal/Loss Prevention

3:00 - 3:15 PM Break

3:15 - 4:15 PM Frank Meeks, Domino's Pizza Franchisee

4:30 - 5:30 PM Human Resources

6:30 PM Buses to Dinner

Hospitality

1989 General Managers Conference
Page Two

Tuesday, April 18, 1989

7:00 - 7:30 AM Breakfast

7:30 - 8:30 AM John Dasburg, President, Marriott Lodging
Tom Peters, Author of The Shape of the Winner
Joe Creegan, Vice President Operations
Rich Pinto, Vice President Operations

8:45 - 10:45 AM GM's Role in Sales Breakout [6 Groups]

10:45 - 11:00 AM Break

11:00 - 1:00 PM Like-Size Hotels Breakout - District Managers

1:00 - PM Free Time

7:30 - 9:00 PM Awards Banquet

9:00 - 10:30 PM Awards Presentation Dave Rolston
Executive Vice President and General Manager

Hospitality

Wednesday, April 19, 1989

7:00 - 8:30 AM Breakfast/Paul Laxalt, Former Nevada Senator

8:45 - 9:00 AM Systems

9:00 - 10:00 AM Stress Management

10:15 - 10:30 AM Break

10:30 - 11:30 AM Wayne Nelson, Merrill Lynch (personal finance consultant)

11:30 - 1:30 PM Lunch/Closing Ceremony

1:30 PM Conference Adjourns



Residence Inn by Marriott
One Marriott Drive Washington D.C. 20058 301-897-1340

News Release

RESIDENCE INN BY MARRIOTT* CHRONOLOGY

- October 1974 Residence Inn Corporation (then known as Residence Venture Corporation) formed by Jack P. DeBoer and G. Ronald Tyler.
- 1975 First RESIDENCE INN hotel constructed by Residence Inn Corporation in Wichita, Kansas.
- 1975-81 Six more RESIDENCE INN hotels constructed throughout the U.S. by Residence Corporation.
- December 1981 Brock Hotel Corporation purchased the RESIDENCE INN concept from Residence Inn Corporation and formed Brock Residence Inns, Inc.
- January 1985 Residence Inn Corporation and Holiday Development, Inc. (a wholly owned subsidiary of Holiday Inns, Inc.) formed The Residence Inn Company, a 50-50 joint venture, and purchased the RESIDENCE INN franchise system from Brock Residence Inns, Inc.
- May 1987 Residence Inn Corporation purchased substantially all of Holiday Development, Inc.'s 50% share of the Residence Inn Company.
- July 1987 Residence Inn by Marriott, Inc. (a wholly owned subsidiary of Marriott Corporation) purchased substantially all of the assets of The Residence Inn Company.
- January 1989 There are currently 132 Residence Inn by Marriott hotels in 38 states, with a total of 15,851 suites system-wide and over 40 properties under construction or development.

*Residence Inn by Marriott is a registered trademark of the Marriott Corporation.

pab/gc

APRIL 14, 1989

TO: SENATOR DOLE
FROM: CAROLYN SEELY *Carolyn*
SUBJECT: SPEECH TO RESIDENCE INNS GENERAL MANAGERS CONFERENCE

At 10:00 a.m. on Monday April 17, 1989, you are scheduled to address the Residence Inns General Managers Conference. Before its purchase by Marriott, Residence Inns was a Kansas-based company founded by Jack DeBoer, and a significant number of the general manager attendees will be Kansans. Approximately 135 managers and spouses are expected to attend.

The theme of this Conference is leadership. Because you symbolize leadership to this audience, you have been asked to speak generally about leadership in government and in your personal life. The audience is also interested in personnel and employment issues. (Marriott which is a client of Rich Belas will be severely impacted by an increase in the minimum wage.)

You are the only government speaker. You have been asked to speak for 30 minutes; no Q&A is scheduled. On Wednesday morning, the Conference will hear Ann Compton of ABC News on "Washington -- A View from the Inside".

Jaeger



Residence Inn by Marriott

Marriott Drive Washington, DC 20058 (301) 990-0000

April 17

March 21, 1989

Honorable Robert Dole
Hart Senate Office Building
Washington, DC 20510
Attention: Betty Mayer

Honorable Robert Dole:

We're delighted that you have agreed to speak at our general manager's meeting at the Crystal Gateway Marriott on Monday, April 17 at 10:00 a.m. We've enclosed some information on Residence Inn and a meeting agenda that may help you in organizing your presentation. We will notify you soon of the exact location of your presentation and who in our organization will greet you.

A word about our group. We will have approximately 135 Residence Inn general managers and their spouses at the meeting. Although the group is young (mid-30's on average), they are responsible for running their own businesses. They're enthusiastic, at times irreverent, and work hard to achieve their business and personal goals. They hail from all over the country; we don't have any foreign hotels....yet.

Residence Inn was purchased by Marriott Corporation in 1987 when it operated just under 100 hotels. The properties themselves are unique in the lodging industry--residential-style structures with fireplaces and full kitchens, primarily for guests staying an average of 10 days.

Please don't hesitate to contact me or Gail Cook at (301) 380-4536 if you have any questions or if you need any audiovisual assistance. Looking forward to seeing you in April.

Best regards,

Paula Butler
Director of Marketing Programs
and Public Relations

PAB/gc
Enclosure



Residence Inn by Marriott
One Marriott Drive Washington D.C. 20058 301-380-4536

News Release

RESIDENCE INN BY MARRIOTT AT A GLANCE

- WHAT:** Residence Inn by Marriott* is a moderately-priced, residential-style, lodging product designed primarily for the extended stay business traveler. Residence Inn by Marriott became a wholly owned subsidiary of Marriott Corporation when Marriott purchased Residence Inn in July 1987.
- WHERE:** Located in 38 states, there are 134 Residence Inn by Marriott properties across the country, with 16,051 total suites.
- PRODUCT CONCEPT:** Residence Inn by Marriott hotels are built as a neighborhood of two-story residential-style buildings. Architecturally and environmentally designed to resemble an upscale residential complex, a Residence Inn by Marriott hotel typically includes 80 to 160 studio and two-story penthouse suites.
- PRODUCT GROWTH:** Marriott Corporation plans to invest \$1 billion to develop Residence Inn by Marriott. Approximately 30-40 hotels will open each year, giving the chain about 300 hotels by the early 1990s.
- AMENITIES:**
- * Complimentary continental breakfast each morning, evening hospitality hour, and weekly themed dinner
 - * Complimentary daily newspaper
 - * Complimentary grocery shopping service
 - * In-room movies, 24-hour news and sports
 - * Swimming pool
 - * Heated whirlpool spa
 - * All-purpose SportCourt, including basketball
- SUITE FEATURES:** Each suite includes:
- * a fully-equipped kitchen
 - * full-size appliances in each kitchen
 - * separate living and sleeping areas
 - * private outside entrance
 - * color TV
 - * many have woodburning fireplaces

-more-

RESIDENCE INN BY MARRIOTT AT A GLANCE

2

PRICE: Residence Inn by Marriott is in the moderate price category. Rates are determined by a sliding scale based on the length of stay; rates decline as length of stay increases.

PROFILE OF
THE RESIDENCE
INN GUEST:

By Purpose of Travel:

By Occupation

Project Assignment
Short-term corporate trips
Training
Relocation

Sales
General Management
Engineering
Field Service

MARRIOTT
CORPORATE
OFFICERS:

J.W. Marriott, Jr.
Chairman of the Board and President
Marriott Corporation

John H. Dasburg
President
Marriott Lodging Group

David H. Rolston
Executive Vice President and General Manager
Residence Inn by Marriott

CORPORATE
OFFICES:

Marriott Corporation
Marriott Drive
Washington, D.C. 20058
(301) 380-9000

FOR MORE
INFORMATION
CONTACT:

Paula Auman-Butler
Residence Inn by Marriott
(301) 380-4536

###

*Residence Inn by Marriott is a registered trademark of the Marriott Corporation.

January 1989
pab/gc



Residence Inn by Marriott
One Marriott Drive Washington D.C. 20058 301-380-4536

News Release

RESIDENCE INN BY MARRIOTT* CHRONOLOGY

- October 1974 Residence Inn Corporation (then known as Residence Venture Corporation) formed by Jack P. DeBoer and G. Ronald Tyler.
- 1975 First RESIDENCE INN hotel constructed by Residence Inn Corporation in Wichita, Kansas.
- 1975-81 Six more RESIDENCE INN hotels constructed throughout the U.S. by Residence Corporation.
- December 1981 Brock Hotel Corporation purchased the RESIDENCE INN concept from Residence Inn Corporation and formed Brock Residence Inns, Inc.
- January 1985 Residence Inn Corporation and Holiday Development, Inc. (a wholly owned subsidiary of Holiday Inns, Inc.) formed The Residence Inn Company, a 50-50 joint venture, and purchased the RESIDENCE INN franchise system from Brock Residence Inns, Inc.
- May 1987 Residence Inn Corporation purchased substantially all of Holiday Development, Inc.'s 50% share of the Residence Inn Company.
- July 1987 Residence Inn by Marriott, Inc. (a wholly owned subsidiary of Marriott Corporation) purchased substantially all of the assets of The Residence Inn Company.
- January 1989 There are currently 134 Residence Inn by Marriott hotels in 38 states, with a total of 16,051 suites system-wide and over 40 properties under construction or development.

*Residence Inn by Marriott is a registered trademark of the Marriott Corporation.

pab/gc

Biography
DAVID H. ROLSTON
Executive Vice President
and General Manager
Residence Inn by Marriott

David H. Rolston was born in Chicago, Illinois in 1937. Reared and educated in the Midwest, Rolston attended Valparaiso University in Valparaiso, Indiana.

A veteran of 25 years in the hospitality industry--17 years with Marriott--Rolston has a well rounded background in hotel sales and marketing as well as operations and restaurant management. Prior to joining Marriott, Rolston worked with Hilton Hotels corporation and at the Palmer House hotel in Chicago. He later served as national convention sales manger for the Chicago Convention and Visitors Bureau.

Rolston joined Marriott Hotels as national sales manager for the Midwest region in 1971. At that time the company had just 17 hotels and has since grown to include 179 hotels and resorts worldwide. One year later, he moved into hotel operations for Marriott and served for four years as resident manager of the Chicago Marriott O'Hare. Rolston was appointed general manager of the Springfield Marriott and later Marriott's Camelback Inn Resort and Golf Club, which under his direction earned the Mobil 5-Star and AAA 5-diamond status.

Most recently, Rolston served as regional vice president for Marriott Hotels and Resorts in the West, responsible for hotels and resorts in Colorado, Utah, Washington, Oregon, California and Arizona with combined annual sales of \$300 million.

Rolston's new responsibility as executive vice president and general manager of Residence Inn by Marriott will be to direct operations and the ambitious growth planned by Marriott for the Residence Inn by Marriott system which currently includes 134 hotels. Future development plans call for about 300 Residence Inn by Marriott properties to be operating by the early 1990's. Marriott purchased the Residence Inn Company in July 1987.

Rolston is a member of numerous professional and civic organizations, including the Hotel Sales Management Association and the California Hotel-Motel Association. He served on the board of directors of the Phoenix Chamber of Commerce and was active in the Rotary, both in Scottsdale and in Springfield, Mass. He was recently appointed to the board of the San Francisco Convention and Visitors Bureau.

Rolston and his wife Lorry have two children.

January 1989



Corporate Profile

Marriott Corporation was founded in 1927 when J. Willard and Alice S. Marriott opened a nine-seat root beer stand called "The Hot Shoppe" in Washington, D.C. Since then, the company has grown into an international leader in lodging and food service. J.W. Marriott, Jr., son of the founders, serves as chairman and president.

Today, there are Marriott operations in all 50 states and 25 countries, and through them the company serves nearly five million meals a day. Principal businesses include lodging products ranging from full-service hotels and resorts to economy motels; food and services management; airline catering; airport terminal restaurants and shops; and fast food, family and turnpike restaurants.

Marriott is among the 10 largest employers in the United States, and has approximately 230,000 employees worldwide. Corporate revenues surpassed \$7.3 billion in 1988.

The company has over 56,000 shareholders and is listed on the New York, Midwest, Pacific, Philadelphia and Tokyo stock exchanges with ticker symbol MHS.

MARRIOTT LODGING GROUP

Marriott entered the lodging business in 1957. Today, led by John H. Dasburg, president of Marriott's Lodging Group and an executive vice president of Marriott Corporation, the company's lodging operations encompass over 470 hotels with more than 123,000 rooms in all market segments. These include:

- *Marriott Hotels & Resorts* are located in downtown, suburban, airport and resort sites. There are over 190 full-service Marriott hotels, each designed to serve individual business travelers, pleasure travelers and groups. The company also is developing smaller full-service hotels, enabling expansion into a number of new markets and trade areas. Marriott, which annually receives more industry awards and recognition than any other U.S. chain, is the hotel company most preferred by business travelers and meeting planners.
- *Marriott Suites* hotels, designed to keep pace with changing customer needs and expectations, offer wide appeal to business travelers who want an upscale, residential atmosphere. These all-suite properties are located primarily in suburban and downtown areas of large and medium-sized cities. Plans call for the development of 40 all-suite hotels by 1992.
- *Residence Inn*, acquired by Marriott in July 1987, is the company's moderate price extended stay lodging product. Over 130 properties are currently open, with plans to have some 300 properties open by the early 1990s. The typical Residence Inn guest stays more than 10 consecutive nights and often is relocating to a new city, is on temporary assignment or is attending a training program.
- *Courtyard by Marriott* is leading the industry with its aggressive national expansion of moderate price hotels. There are currently more than 120 properties open, with plans for over 300 to open by the early 1990s. By the end of 1989, Courtyard will be in 80 markets around the country. Plans for international development call for 12 to 15 Courtyards to open in the United Kingdom in the next three to five years.
- *Fairfield Inn*, Marriott's entry into the economy lodging segment, opened its first property in October 1987. After a successful market test, 18 properties were opened in 1988. Development plans call for 300 units to be in operation across the United States by the mid-1990s.

- *Marriott Vacation Ownership Resorts* operates four time-sharing condominiums in Orlando, Florida and Hilton Head Island, South Carolina. A fifth project will be developed near Marriott's Desert Springs Resort & Spa in California.

MARRIOTT SERVICE GROUP

Marriott's full spectrum of contract service and restaurant businesses is headed by Francis W. Cash, president of Marriott's Service Group and an executive vice president of Marriott Corporation. Individual business units of the group include:

- *Marriott Food and Services Management* is North America's leading supplier of contract food service management. It serves more than 2,100 clients, providing meals and facilities management to a variety of businesses and industries, health care facilities and educational institutions. The division has grown seven-fold since 1984, and has recently expanded its scope into facilities management, including custodial and housekeeping services and plant operations and maintenance.
- *Airline Catering* was pioneered by Marriott Corporation in 1937 with the preparation of box lunches for airline passengers at Washington's Hoover Airport. Today, Marriott In-Flite Services is the world's leading airline caterer, with over 100 U.S. and international flight kitchens serving more than 150 airlines and catering over 150 million meals a year.
- *Airport Operations*, including airport terminal cafeterias, snack bars, full-service restaurants, gift shops and newsstands, has been operated through Marriott's Host division since 1982. Utilizing extensive market research, Host has recently introduced new concepts such as food courts, fast food and portable kiosks in its facilities at airports nationwide.
- *Senior Living Services* is Marriott's division concerned with providing quality living facilities and health care services to older people. Marriott currently manages nine lifecare retirement communities. Two others will open in 1989, and development is proceeding on four other complexes. Additionally, Marriott will develop 25 assisted living/personal care complexes called Brighton Gardens by Marriott over the next five years. These facilities will provide "catered living" to elderly residents who need personal assistance in daily living.
- *Roy Rogers Restaurants*, established in 1968, provides premium quality fast food in the Middle Atlantic and Northeastern states. Over 600 restaurants are owned or franchised, with plans to add approximately 50 new units in 1989. Roy Rogers menu focuses on hamburgers, chicken and roast beef, as well as salad and breakfast items.
- *Family Restaurants* have long been the mainstay of Marriott's hospitality business. Today, the company operates over 450 restaurants across the country including Bob's Big Boys and several smaller regional chains. Marriott's newest concept, Allie's, focuses on contemporary dishes and popular food bars. After a successful market test in San Diego, Allie's will be expanded nationally to over 600 units within the next five years.
- *Travel Plazas* restaurants, gift shops and related facilities operate at over 100 locations on 16 turnpike systems. Under a highly successful program, Marriott is continuing to convert traditional tollroad food service facilities to branded fast food and family restaurants. Marriott now operates seven nationally branded concepts, offering travelers a wide range of menu choices.

March 1989

APRIL 17, 1989
TALKING POINTS
RESIDENCE INNS GENERAL MANAGERS CONFERENCE

- O GOOD MORNING.
- O THE THEME OF THIS CONFERENCE IS LEADERSHIP.

AND I HAVE LEARNED THAT LEADERSHIP IN

GOVERNMENT IS THE WILLINGNESS TO MAKE THE

TOUGH CHOICES. THE POPULAR VOTES ARE EASY.

-2-

THE BUDGET

- O ON FRIDAY, THE PRESIDENT AND CONGRESSIONAL LEADERS AGREED ON A 1990 SPENDING PLAN.
- O IN MY VIEW, THIS BUDGET IS NOT A BOLD STEP. BUT IT HOLDS NEW TAX REVENUES TO THE AMOUNT SET FORTH IN THE PRESIDENT'S PROPOSAL, PROVIDES FOR RESPONSIBLE GROWTH IN DEFENSE SPENDING AND MORE STRICTLY CONTROLS DOMESTIC PROGRAMS.

-3-

THE PRESIDENT'S ROLE

- O I BELIEVE THAT THE PRESIDENT DISPLAYED

LEADERSHIP IN ACHIEVING THIS AGREEMENT.
- O HIS FIRST MEETING WITH CONGRESSIONAL LEADERS

WHICH I ATTENDED WAS A BIPARTISAN SESSION ON

THE DEFICIT LASTING TWO HOURS. AFTER THAT THE

PRESIDENT PROMPTLY NAMED HIS NEGOTIATORS

AND SENT THEM TO INITIATE DEFICIT REDUCTION

TALKS WITH THE BUDGET COMMITTEE CHAIRMEN.

THESE EFFORTS HAVE NOW PROVED SUCCESSFUL.

-4-

O THUS, THIS IS AN IMPORTANT FIRST STEP. NOW
COMES THE HARD PART -- REALLY CUTTING THE
DEFICIT FOR 1991 AND BEYOND. IT IS NOT GOING TO
GO AWAY AS THE RESULT OF OUR MODEST EFFORTS
THIS YEAR. IT IS GOING TO KEEP COMING BACK TO
HAUNT US UNTIL WE MAKE SOME TOUGH CHOICES.

-5-

STICKING TO THE PLAN

O THAT MEANS THAT IT IS UP TO US IN CONGRESS TO
LIVE WITHIN OUR MEANS AND STOP THE PRACTICE
OF ADDING SPECIAL INTEREST SPENDING
PROVISIONS TO EVERY PIECE OF LEGISLATION WE
SEND TO THE PRESIDENT. TO HELP US ACHIEVE THIS
RESTRAINT, A NUMBER OF REPUBLICAN SENATORS
WILL JOIN WITH ME THIS AFTERNOON TO ANNOUNCE

-6-

OUR INTENTION TO MOVE FORWARD WITH
LEGISLATION WHICH GIVES THE PRESIDENT THE
RIGHT TO VETO SELECTED SPENDING PROVISIONS
SLIPPED INTO IMPORTANT LEGISLATION.

- O TODAY IS THE DEADLINE FOR AMERICANS TO PAY
THEIR TAXES FOR 1988. AND WE BELIEVE THAT YOU
HAVE A RIGHT TO KNOW HOW THE CONGRESS IS
SPENDING YOUR TAX DOLLARS.

-7-

THE BUDGET PROCESS

- O I ALSO BELIEVE THAT IT IS IMPORTANT THAT WE BUILD
ON THIS BEGINNING AND ACCELERATE THE NORMAL
BUDGET PROCESS WHICH CAN DRAG ON UNTIL
OCTOBER OR NOVEMBER.
- O BUDGET DECISIONS SHAPE OTHER NATIONAL
PRIORITIES. RIGHT NOW THE DEFICIT LIMITS THE
AMOUNT OF MONEY WE CAN SPEND NOT ONLY ON
NEW INITIATIVES, BUT ALSO ON EXISTING PROGRAMS.

-8-

O THIS AFTERNOON, THE SENATE WILL BEGIN
CONSIDERATION OF LEGISLATION TO SOLVE THE
SAVINGS AND LOAN CRISIS. WE MUST ALSO DEAL
WITH OTHER PRIORITIES FROM THE ENVIRONMENT
TO EDUCATION AND CHILD CARE. WE CANNOT
AFFORD TO SPEND THE ENTIRE SESSION
SQUABBLING ABOUT THE BUDGET.

MINIMUM WAGE

O AS YOU KNOW, LAST WEEK THE SENATE PASSED
SENATOR KENNEDY'S LEGISLATION WHICH WOULD
RAISE THE MINIMUM WAGE TO \$4.55/HOUR OVER
THREE YEARS, THE SAME AMOUNT CONTAINED IN
THE HOUSE BILL, WITH A MEANINGLESS TWO MONTH
TRAINING WAGE.

-10-

- O OVER 60 STUDIES PERFORMED BY A WIDE RANGE OF ECONOMISTS CONFIRM THAT THE KENNEDY BILL WILL COST THOUSANDS OF JOBS FOR AMERICAN WORKERS -- AS MANY AS 600,000 JOBS NATIONWIDE. THE PRESIDENT'S PROPOSAL -- AN INCREASE TO \$4.25 WITH A SIX-MONTH TRAINING WAGE -- WOULD SAVE ALMOST 400,000 OF THESE JOBS.

-11-

- O THAT IS WHY THE PRESIDENT HAS PROMISED TO
VETO ANY ADDITIONAL INCREASE TO THE MINIMUM
WAGE AND 35 REPUBLICAN SENATORS -- ENOUGH TO
SUSTAIN HIS VETO -- HAVE AGREED IN WRITING TO
SUPPORT HIM.

MANDATED BENEFITS

- O HOWEVER, RAISING THE MINIMUM WAGE IS ONLY THE
BEGINNING. SENATOR KENNEDY AND OTHERS ARE
READYING LEGISLATION IMPOSING MANDATED

-12-

HEALTH BENEFITS. SENATOR DODD HAS ALREADY
INTRODUCED LEGISLATION REQUIRING EMPLOYERS
TO PROVIDE UP TO 10 WEEKS UNPAID LEAVE FOR THE
BIRTH OR ADOPTION OF A CHILD AND AS MUCH OR
MORE FOR THE SERIOUS ILLNESS OF EITHER THE
EMPLOYEE OR HIS CHILD.

-13-

O THIS IS A TYPICAL DEMOCRAT'S RESPONSE.

TRADITIONALLY, WHILE THE REPUBLICANS PREFER

CHOICES, THE DEMOCRATS OPT FOR MANDATES. IN

DOING SO, THEY OF COURSE LIMIT THE OPTIONS

GIVEN TO EMPLOYEES.

O EVERY EMPLOYEE BENEFIT, EVEN UNPAID LEAVE, HAS

A SIGNIFICANT COST. (LAST YEAR THE GENERAL

ACCOUNTING OFFICE ESTIMATED THAT PARENTAL

LEAVE LEGISLATION WOULD COST EMPLOYERS

-14-

ALMOST \$200 MILLION ANNUALLY.) WHEN WE ARE
DEALING WITH COSTS OF THIS MAGNITUDE, I BELIEVE
THAT EMPLOYEES AND EMPLOYERS SHOULD HAVE
SOME SAY.

- O FOR EXAMPLE, ONE EMPLOYEE MAY WANT HIS
RESOURCES SPENT ON CHILD CARE WHILE
LONG-TERM CARE MAKES MORE SENSE FOR
ANOTHER. IF A MANDATE IS IN PLACE, SOMEONE IS

-15-

GOING TO LOSE. THE FREE MARKET SYSTEM
DECIDES MORE EFFICIENTLY THAN CONGRESS HOW
RESOURCES SHOULD BE ALLOCATED.

- O I ALSO BELIEVE THAT THERE IS A ROLE FOR
GOVERNMENT, ALONG WITH THE PRIVATE SECTOR, IN
HELPING TO MAKE THESE BENEFITS AVAILABLE. IT IS
NOT AN EITHER/OR PROPOSITION. THE PROBLEMS
ARE JUST TOO LARGE FOR THE GOVERNMENT OR
THE PRIVATE SECTOR ALONE.

-16-

CONCLUSION

- O IN THIS COUNTRY, LEADERSHIP IS UP TO ALL OF US,
TO "WE THE PEOPLE". IT IS UP TO YOU TO LET YOUR
REPRESENTATIVES IN GOVERNMENT KNOW WHAT
NEEDS TO BE DONE. AND IT IS UP TO US TO GET IT
DONE.
- O THANK YOU.