

MEMORANDUM

TO: SENATOR DOLE

FR: GREG SCHNACKE

DA: APRIL 24, 1990

RE: SPEECH TO NATIONAL MARINE MANUFACTURERS ASSN.

DAVID BROOME, V.P. GOVT. RELATIONS, WILL MEET YOU AT THE FRONT DOOR OF THE HYATT AND TAKE YOU TO THE SPEECH. THEY HAVE YOU SCHEDULED FOR 10:45. PACK ST. CLAIR, NEODESHA, PRESIDENT OF COBALT BOATS, WILL INTRODUCE YOU. THERE WILL BE 150 IN ATTENDANCE. THEY WILL HAVE CONCLUDED TWO PANELS ON THE IMPORTANCE OF PACS AND GRASSROOTS LOBBYING.

BROOME WANTED YOU TO ENCOURAGE THEM TO BE ACTIVE IN LOBBYING AND IN THEIR PAC. OVERALL, THEY ARE INTERESTED IN WHERE THE ECONOMY IS HEADED.

OF NOTE: THEY HAD A SIMILAR AMENDMENT LIKE YOUR FMC PHOSPHATE AMENDMENT ON THE CLEAN AIR BILL THAT TOOK CARE OF THEIR PROBLEMS REGARDING STYRENE PROCESS EMISSIONS IN THE BOAT MANUFACTURING BUSINESS. THE AMENDMENT CREATED A SEPERATE SUBCATEGORY FOR THIS TYPE OF MANUFACTURING PROCESS AND WAS SPONSORED BY SENATORS DURENBERGER AND BREAUX. THEY DID NOT APPROACH US ON IT AND THERE IS NO SIMILAR PROVISION IN THE HOUSE BILL.

Wed. - April 25

NATIONAL
MARINE

MANUFACTURERS
ASSOCIATION

April 16, 1990

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

Dear Senator Dole:

We are delighted that you will be giving the concluding presentation for the National Marine Manufacturers Association's annual Government Relations Conference. Your address will be on Wednesday, April 25, at 10:45 a.m. in the Ticonderoga room at the Hyatt Regency on Capitol Hill.

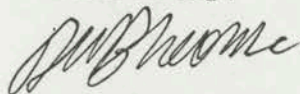
As Republican leader and chief spokesman for the Bush Administration in the Senate, your insights on a range of subjects that affect manufacturers would be most interesting to our membership. Our members' concerns are typical of those for most manufacturing industries, e.g., clean air, taxes, EEC 92, and trade opportunities in the coming decade.

Our association is comprised of more than 1700 member companies, including the manufacturers of recreational boats, marine engines, marine accessories, and related service industries. In 1989, the recreational boating industry reached over \$17 billion in retail sales and employed more than 600,000 workers. Additionally in 1989, our industry reached net exporter status for the first time.

Our attendees will have had the opportunity to hear guests speak on international trade opportunities, the impact of political action committees, and establishing an effective grassroots lobbying program. Your thoughts on any these topics would be appreciated.

Please do not hesitate to contact me if you have any questions.

Sincerely,



David Broome
Vice-President
Government Relations

4-18-90 Copy to Joyce
for daybook information



1000 Thomas Jefferson St., N.W. • Suite #525
Washington, DC 20007 • 202/338-6662

April 20
Wed.

Carolyn
NATIONAL
MARINE

MANUFACTURERS
ASSOCIATION

March 1, 1990

GM

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

Dear Senator Dole:

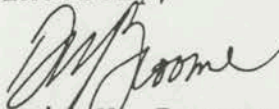
On behalf of the National Marine Manufacturers Association ("NMMA"), a national trade association representing the vast majority of domestic manufacturers of recreational marine craft, engines, accessories, trailers and related service industries, I would like to invite you to speak at the Annual NMMA Government Relations Conference on April 25, 1990 at 10:45 a.m., to be held at the Hyatt Regency Hotel on Capitol Hill, 400 New Jersey Avenue, N.W. Approximately 150 industry leaders will be in attendance.

The NMMA has become increasingly active in federal legislative activities which impact the manufacturing sector. The association has a keen interest in deficit reduction proposals, clean air legislation, and international trade opportunities.

Given your esteemed leadership role in the Senate, the NMMA would be honored to have you speak to our group. A brief question and answer period would follow your address.

The members of the U.S. boating industry would, I am sure, find your insights to be extremely informative. I hope you will be able to join us on April 25, and look forward to hearing from your staff as to your availability on that day.

Sincerely,



David W. Broome
Vice-President
Government Relations



1000 Thomas Jefferson St., N.W. • Suite #525
Washington, DC 20007 • 202/338-6662

2,000

TALKING POINTS
NATIONAL MARINE
MANUFACTURES ASSOCIATION

IT IS A PLEASURE TO BE HERE.
I AM GLAD TO SEE MY OLD
FRIEND PACK ST. CLAIR FROM
NEODESHA HERE TODAY. WE
GO BACK A LONG WAYS —
LONG BEFORE THEY MADE
BOATS LIKE YOU DO TODAY. IT

IS PARTICULARLY IMPORTANT
FOR ME TO BE IN FRONT OF A
GROUP THAT IS A BELLWETHER
OF THE ECONOMY LIKE THIS
INDUSTRY. THE FACT IS WE ALL
KNOW THAT PEOPLE WILL NOT
BUY A BOAT IN TIMES OF
ECONOMIC UNCERTAINTY. AND
WITH AN INDUSTRY AS BIG AS
YOURS IS, BOTH DOMESTICALLY
AND INTERNATIONALLY, THAT

CAN MEAN FINANCIAL DISASTER.

THIS IS AN EXCITING TIME
TO BE ALIVE. EVERYWHERE YOU
TURN THE SOUND OF FREEDOM
RINGS. EASTERN EUROPE,
RUSSIA, CENTRAL AMERICA — IT
MAY BE THE WORLD WE'VE ALL
BEEN WAITING FOR — THE
COLLAPSE OF COMMUNISM AND
THE DISINTEGRATION OF THE
'EVIL EMPIRE'—— BUT I'M NOT

SURE IT IS A WORLD WE ARE
PREPARED TO DEAL WITH.

THE SOVIET UNION

THESE LESSONS HAVE
CERTAINLY NOT BEEN LOST ON
MR. GORBACHEV. WHILE WE
WANT HIM TO SURVIVE, WE
ALSO WANT HIM TO CONTINUE
ON HIS CURRENT COURSE. THE
EVENTS IN LITHUANIA ARE

PARTICULARLY IMPORTANT.
WHO KNOWS WHERE THINGS
WILL BE IN SIX MONTHS. WE
ARE HOPEFUL NEITHER HE NOR
ANY SUCCESSOR WILL REVERSE
THESE POSITIVE EVENTS. THE
GENIE IS OUT OF THE BOTTLE;
THE SOVIET EMPIRE —— THE
WARSAW PACT —— IS DEAD.

NEVERTHELESS, AS
TEMPTING AS IT IS TO LOOK

FOR LARGE SAVINGS IN THE
DEFENSE BUDGET, WE NEED TO
MAINTAIN AN ORDERLY
PROCESS WHEN IT COMES TO
PLANNING OUR MILITARY
STRATEGY FOR THE NEXT
CENTURY. BEFORE WE BEGIN
UNILATERALLY WITHDRAWING
TROOPS FROM EUROPE, WE NEED
A CONVENTIONAL FORCES
AGREEMENT THAT IS MUTUAL

AND VERIFIABLE. AND THIS IS
NOT THE TIME TO BEGIN
WRITING CHECKS TO
GORBACHEV AS DICK
GEPHARDT SUGGESTS. IF WE
ARE TO HELP GORBACHEV
SUCCEED, WE SHOULD DEMAND
THAT THE SOVIETS QUIT
POURING BILLIONS OF DOLLARS
OF MILITARY AID INTO
TOTALITARIAN REGIMES SUCH AS

CUBA, SYRIA, ANGOLA AND THE
PUPPET GOVERNMENT OF
AFGHANISTAN.

SO MY RESPONSE IS: IF
GORBACHEV NEEDS SOME
READY CASH, HE CAN ASK FOR
A REFUND FROM CASTRO, NOT
A HAND—OUT FROM UNCLE
SAM.

EASTERN EUROPE

IN EASTERN EUROPE, THE
PACE OF CHANGE HAS BEEN
BREATHTAKING. SIX MONTHS
AGO, AN INDIVIDUALS CHANCES
OF RISING TO POWER DEPENDED
ON HIS YEARS OF SERVICE TO
THE COMMUNIST PARTY; NOW
IT'S THE NUMBER OF YEARS
SPENT IN A COMMUNIST JAIL.

I HAPPENED TO BE IN

POLAND LAST SUMMER ON THE
DAY THE MAZOWIECKI
GOVERNMENT TOOK POWER.
THERE WERE ONLY THREE OR
FOUR PEOPLE IN THE ROOM
WHO HAD ANY EXPERIENCE
GOVERNING. IT WAS LIKE
SEEING THE FOUNDING
FATHERS — AND THIS IS THE
SENIOR GOVERNMENT IN
EASTERN EUROPE.

NOW THAT FREEDOM HAS WON,
THE NEW DEMOCRACIES MUST
PICK UP THE PIECES —
POLITICALLY AND
ECONOMICALLY. THERE ARE
STILL SOME TOUGH CHALLENGES
AHEAD — AND I AM THINKING
ABOUT WHAT IS GOING ON
INSIDE THE SOVIET UNION
TODAY — BUT CLEARLY THE
MAP OF EUROPE IS CHANGING

BEFORE OUR VERY EYES. NOT
ONLY WILL THERE BE AN
ECONOMIC UNION OF THE
NATIONS OF THE EUROPEAN
COMMUNITY IN TWO YEARS,
THERE MAY BE A POLITICAL
UNION OF THE TWO GERMANY'S
IN AS MANY MONTHS.

GERMAN UNIFICATION WILL
HAVE PROFOUND IMPLICATIONS
FOR THE EUROPEAN COMMUNITY,

FOR NATO AND FOR THE PEACE
AND STABILITY OF EUROPE.
CERTAINLY THE UNITED STATES
SHOULD WELCOME THESE
CHANGES, BUT WE MUST ALSO
BE PREPARED TO MEET THE
POLITICAL CHALLENGES AND
SEIZE THE ECONOMIC
OPPORTUNITIES WHICH WILL
ARISE. WE MUST INSIST THAT
AMERICA AND AMERICAN

BUSINESS REMAIN ALLIES AND
PARTNERS IN THE NEW EUROPE.

IN ADDITION, WE MUST NOT
IGNORE COMPETITIVENESS AT
HOME. LAST MAY, AT THE
SUGGESTION OF SENATOR
DANFORTH, I CONVENED A TASK
FORCE OF REPUBLICAN
SENATORS TO ADDRESS THOSE
BARRIERS WHICH ARE WITHIN
CONTROL OF THE FEDERAL

MANUFACTURERS.

NEVERTHELESS, WE
RECOGNIZE THAT AMERICA
NEEDS LEADERSHIP AND
COORDINATION IN ITS TRADE
AND ECONOMIC POLICIES. OUR
TASK FORCE AIMS TO ESTABLISH
THOSE PRIORITIES. OUR INITIAL
FOCUS HAS BEEN ON THE WAYS
IN WHICH GOVERNMENT IMPEDES
COMPETITIVENESS —— WHETHER

GOVERNMENT. WE ARE NOT
LOOKING TO ESTABLISH AN
INDUSTRIAL POLICY. LIKE MOST
OF YOU WE BELIEVE THAT
PROTECTIONISM AND
GOVERNMENT INTERVENTION IN
THE MARKETPLACE CREATE
OBSTACLES TO
COMPETITIVENESS BY RAISING
THE COST OF CAPITAL AND
MATERIALS FOR U.S.

THROUGH ANTI—TRUST LAWS,
TAX POLICY OR EXCESSIVE
REGULATION. THE TASK FORCE
HAS ALREADY RECOMMENDED
TAX INCENTIVES FOR RESEARCH,
EDUCATION, SAVINGS AND
INVESTMENT, PRODUCT LIABILITY
REFORM, ANTI—TRUST REFORM,
FEDERAL COORDINATION OF
STRATEGIC TECHNOLOGIES AND
STREAMLINED PUBLIC/PRIVATE

PARTNERSHIPS TO TRANSFORM
FEDERAL RESEARCH DISCOVERIES
INTO NEW PRODUCTS AND
SERVICES.

THE BUDGET

LET ME SHIFT A MOMENT
TO A SUBJECT THAT SHOULD BE
OF INTEREST TO ANYONE WHO
OWNS A BUSINESS: THE BUDGET
DEFICIT. LAST WEEK, AFTER THE

DEADLINE FOR COMPLETION OF
A CONGRESSIONAL BUDGET
RESOLUTION HAD PASSED, THE
HOUSE BUDGET COMMITTEE
FINALLY MARKED UP A
DEMOCRATIC BUDGET PLAN,
AND DESPITE THE
ACCOMPANYING RHETORIC, THIS
IS NOT A SERIOUS PROPOSAL.
WE CAN ONLY HOPE IT IS THE
FIRST STEP TOWARD A

COMPREHENSIVE BUDGET
SUMMIT. I WON'T GO INTO ALL
THE BUDGET LINGO ON THIS
PLAN, BUT IT IS SAFE TO SAY
THAT IT IS WAY OFF THE MARK
IN A NUMBER OF AREAS — USER
FEES, BUDGET ASSUMPTIONS,
AND OTHER ACCOUNTING
HOCUS POCUS.

THE ROSTENKOWSKI PLAN

THAT IS WHY I THINK THE
ROSTENKOWSKI PLAN WAS THE
WAKE—UP CALL WE'VE BEEN
WAITING FOR. I DON'T AGREE
WITH EVERYTHING THE
CHAIRMAN HAS RECOMMENDED,
BUT HE WAS RIGHT IN INSISTING
THAT ANY 'PEACE DIVIDEND' BE
USED FOR DEFICIT REDUCTION
AND THAT ANY NEW SPENDING

BE ON A PAY—AS—YOU—GO
BASIS. WE MUST EITHER MAKE
NEW PROGRAMS FINANCIALLY
SELF—SUFFICIENT OR SCALE
BACK EXISTING PROGRAMS TO
PAY FOR NEW INITIATIVES. THIS
IS WHAT I PROPOSED WHEN I
CALLED FOR A FIVE PERCENT
REDUCTION IN FOREIGN AID SET
ASIDES.

THE FREEZE

BY REVIVING CANDIDATE
BUSH'S ONE YEAR FREEZE ON
FEDERAL SPENDING,
ROSTENKOWSKI WAS PROBABLY
RIGHT POLITICALLY. A FREEZE
IS NOT THE BEST POLICY — IT
IS BUDGETARY CRUISE CONTROL.
IT DOES NOT DISTINGUISH
AMONG PROGRAMS
ACCORDING TO CHANGING

NEEDS. MOREOVER, IT DOESN'T
EVEN FREEZE CONGRESSIONAL
PAY. WE ALL MUST SHARE
EQUALLY IF WE ARE TO
SUCCEED.

THE BUDGET PROCESS

WE ARE FACING OUR GREATEST
CHALLENGE THIS YEAR WITH
REGARD TO THE BUDGET
DEFICIT. WE BASICALLY TOOK

A WALK LAST YEAR AND SPENT
10 MONTHS AND 60 PERCENT
OF OUR ROLL CALL VOTES TO
REDUCE THE DEFICIT ONLY \$16
BILLION. THESE WERE NOT
TOUGH VOTES. WE FOUND \$500
MILLION IN LOST FOOD STAMPS;
WE ACCELERATED MILITARY PAY
DATES; AND WE NEEDED A FOUR
MONTH SEQUESTER ON TOP OF
THAT. THIS YEAR WE NEED \$36

BILLION IN BUDGET SAVINGS TO
MEET THE GRAMM—RUDMAN
TARGET — AND MAYBE \$15
BILLION MORE ACCORDING TO
BUDGET DIRECTOR DICK
DARMAN.

TAXES

I HAVE ALWAYS INSISTED
THAT TO REDUCE THE DEFICIT
WE SHOULD LOOK TO SPENDING

CUTS AND NOT NEW TAXES. I
DO NOT BELIEVE THAT THE
PRESIDENT WILL ABANDON HIS
'NO NEW TAXES' PLEDGE TO
RAISE INCOME TAX RATES, EVEN
AS PART OF A DEAL LIKE THE
ROSTENKOWSKI PACKAGE.
INCOME TAX RATES ARE THE
POLITICAL CRUX OF THE NO
TAX PLEDGE. WHEN PEOPLE
HEAR 'NO NEW TAXES' THEY

UNDERSTAND NO INCOME TAX
INCREASES.

THERE ARE, HOWEVER,
WAYS WE CAN RAISE REVENUES
WITHOUT RAISING TAX RATES.
CLOSING TAX LOOPHOLES IS
ONE WAY. CUTTING CAPITAL
GAINS TAX RATES IS ANOTHER.
ALTHOUGH THE ROSTENKOWSKI
PLAN HAS PUT CAPITAL GAINS
ON HOLD FOR NOW, IT IS STILL

HIGH ON THE PRESIDENT'S
PRIORITY LIST AND IT HAS THE
SUPPORT OF BOTH THE
MAJORITY OF THE HOUSE AND
SENATE. THE PRICE FOR
CAPITAL GAINS RELIEF MAY BE
A SAVINGS INCENTIVE, AS
PROPOSED BY THE PRESIDENT,
OR AN EXPANDED IRA, AS
PROPOSED BY SENATOR
BENTSEN.

GRAMM—RUDMAN

FINALLY, I DO NOT AGREE WITH
CHAIRMAN ROSTENKOWSKI'S
CALL FOR A REPEAL OF
GRAMM—RUDMAN—HOLLINGS,
ALTHOUGH I DO SHARE HIS
FRUSTRATION WITH THE
CONGRESSIONAL BUDGET
PROCESS. WITHOUT THE
DISCIPLINE OF THE GRAMM—
RUDMAN—HOLLINGS LAW AND

ITS SEQUESTER THREAT, THERE
WOULD BE NOTHING TO FORCE
DEMOCRATS TO THE TABLE NEXT
YEAR, OR TO STOP THE
CONGRESS FROM RETURNING TO
ITS OLD FREE—SPENDING HABITS
AFTER THE DEAL EXPIRES.

SO I THINK CHAIRMAN
ROSTENKOWSKI HAS ISSUED A
CHALLENGE TO BOTH PARTIES
TO WORK OUT A REAL DEFICIT

REDUCTION PACKAGE. THE
WHITE HOUSE HAS ANSWERED
THIS BY OFFERING TO
NEGOTIATE WITH THE CONGRESS.
NOW IT IS UP TO THE
DEMOCRATS TO DO THE SAME.

CONCLUSION

BECAUSE THIS IS AN
ELECTION YEAR, BIPARTISAN
COOPERATION IN THE

CONGRESS MAY BECOME MORE
AND MORE DIFFICULT.

NEVERTHELESS, I BELIEVE THAT
WE WILL BE ABLE TO AGREE ON
WHAT I HAVE CALLED THE FIVE
C'S: CHILD CARE, CAMPAIGN
FINANCE REFORM, A CRIME
PACKAGE, CAPITAL GAINS
RELIEF AND CLEAN AIR. I
UNDERSTAND YOU LOOK PRETTY
GOOD IN THE SENATE CLEAN

AIR BILL REGARDING OFF—ROAD
ENGINE EMISSIONS AND
PERHAPS WITH REGARD TO
STYRENE EMISSIONS IN THE
BOAT MANUFACTURING
PROCESS, BUT I ENCOURAGE
YOU TO GET INVOLVED OVER IN
THE HOUSE. IN FACT, I
ENCOURAGE YOU TO GET
INVOLVED WITH YOUR
ASSOCIATION EVERY CHANCE

YOU GET. IT IS IMPORTANT
THAT MEMBERS OF CONGRESS
GET YOUR VIEWS DIRECTLY AND
HAVE AN OPPORTUNITY TO GET
YOUR OPINIONS BEFORE VOTES
ARE CAST. YOU HAVE A WELL
DEFINED POLITICAL ACTION
COMMITTEE AND IT IS AN
IMPORTANT VOICE FOR YOUR
ORGANIZATION.

AGAIN, IT HAS BEEN A

PLEASURE TO BE HERE. GOOD
LUCK TO ALL OF YOU IN THE
FUTURE.