

June 28, 1993

THE FACTS ABOUT THE SENATE RECONCILIATION BILL (\$ in Billions)

Last week, the Senate voted 50-49 to adopt the its version of the reconciliation bill. Not one Republican voted in favor of the bill. Over 5 years, the Senate-passed bill would raise taxes \$242.8 billion in taxes, increase user fees by \$14.9 billion, and cut mandatory spending by \$74.7 billion. A discretionary spending cap was added to the Senate bill prior to the vote on final passage. This and other changes (see "*" below) will cut spending in future legislation a net \$47.2 billion over 5 years. Assuming all promised future spending cuts are made, this bill provides only \$5.7 billion in net new spending cuts in the next 2 years. Only 20.9 percent of the new spending cuts in this bill would occur before October 1996.

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1994-8</u>
Mandatory Spending Cuts	5.2	8.4	15.4	20.1	25.6	74.7
User Fee Increases	2.2	2.4	3.7	3.2	3.4	14.9
Revenue Increases	34.7	36.4	48.8	62.5	60.4	242.8
Subtotal	42.1	47.2	67.9	85.8	89.4	332.4
Net Future Savings *	-3.9	-4.0	4.4	18.7	32.0	47.2
Total -- Savings from Policy Changes	38.2	43.2	63.5	67.2	57.4	379.6
Projected Changes in Net Interest	1.6	4.6	8.7	15.1	23.3	53.3
TOTAL **	39.8	47.8	72.2	82.3	80.7	432.9

RATIO: TAXES & FEES TO SPENDING CUTS ***	\$28.33 to 1	\$8.79 to 1	\$2.66 to 1	\$1.69 to 1	\$1.11 to 1	\$2.11 to 1
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* Negative numbers are net spending increases. Assumes \$65.9 billion in 5-year savings from extension from the discretionary spending cap minus: 1) \$7.2 billion for food stamps, 2) \$9.2 billion in intragovernmental offsets from the Federal pay freeze in future legislation, and 3) \$2.3 billion associated with the enactment of extended unemployment benefits.

** Does not include \$44 billion in spending cuts approved as part of the 1990 Budget Agreement.

*** Interest savings are not counted as spending cuts.

Note: Based on CBO/JCT Estimates

Prepared in consultation with Senate Budget Committee Minority Staff

TO: Senator Dole
FR: Kerry

RE: NFIB 50th Anniversary Conference
Tuesday, June 29
Hyatt Regency Hotel
9:45 A.M.

*You will be speaking to approximately 1,100 delegates to the NFIB 50th Anniversary Conference.

*President Clinton is scheduled to speak at 9:00 a.m. Paul and I will be in contact with NFIB in morning to ensure that everything is running on schedule.

*David Taylor will attend Clinton speech, and can brief you as to specifics of his remarks before your appearance.

SPEAK

This document is from the collections at the Dole Archives, University of Kansas
<http://dolearchives.ku.edu>

Monday - June 28
12:00 Noon
Hyatt Regency - Capitol Hill

Tues, 29th

NFIB
National Federation of
Independent Business

(Pres. Clinton will address same
group at their Tuesday luncheon)

Declined
6-4-93

Chris Pitts

TUES, JUNE 29th @

No Honorarium

9:45 AM

May 19, 1993

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

Dear Bob:

Nineteen Ninety-Three marks 50 Years of service and advocacy on behalf of America's eight million member small business community by the National Federation of Independent Business. I am pleased to extend to you this invitation to join us in celebrating the importance, strength, and vitality of American small business by speaking to our members and employees from around the country at our luncheon on Monday, June 28, 1993 at 12:00 noon at the Hyatt Regency Hotel on Capitol Hill.

In celebrating its 50th Anniversary in 1993, NFIB has invited its membership to join in the celebration by attending what will prove to be one of the largest gatherings of small and independent business owners in Washington, D. C. for sometime.

The Anniversary Conference will take place at the Hyatt Regency Hotel on Capitol Hill, beginning Sunday, June 27, 1993 and concluding with a Gala Dinner on Tuesday evening, June 30, 1993. It is expected that more than 900 guests will attend.

It is with great pleasure that we invite you to join us in this celebration and discussion of topics that are so important to our members, by agreeing to speak on the importance of small business in America.

Knowing your tight and demanding schedule, I have asked my staff to work with your office in arranging any and all details of your attendance. We will be more than happy to make your speaking appearance smooth and conducive to your schedule.

Please respond to Chris Pitts at (202) 554-9000 at your earliest convenience. And please, do not hesitate to contact us if we can answer any questions and provide further information on the Anniversary Conference.

+ 8:00 - Dinner

+ 2:40 -

6/15 - 10:15

11:15 - 12:15

No

S-21- Advised Mike Roush would be in touch w/ Sen. Dole

Suite 700, 600 Maryland Ave. S.W. • Washington, DC 20024 • 202-554-9000 • Fax 202-554-0496

Rec'd S-20- 2:55 p.m.

The Guardian of Small Business for Fifty Years

Page Two

We look forward to hearing your views on small business as well as other current issues, on which you have become an important voice.

On behalf and the National Federation of Independent Business and its membership of more than 600,000 business owners, I look forward to your positive response, and your attendance on June 28, 1993.

Sincerely,

A handwritten signature in dark ink, reading "John J. Motley III". The signature is fluid and cursive, with the first name "John" being the most prominent.

John J. Motley III
Vice President

Federal Governmental Relations



May 19, 1993

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

Dear Bob:

*Yvonne -
for what it
worth -
I hope she
agrees to do
this*

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SENATOR BOB DOLE

TALKING POINTS

NFIB CONFERENCE

JUNE 29, 1993

***THANK YOU. IT'S A
PLEASURE TO BE HERE TODAY
AND TO SEE SO MANY
TAXPAYERS IN ONE ROOM.**

***AND LET ME BEGIN BY
WISHING NFIB A HAPPY 50TH
BIRTHDAY.**

***I KNOW YOU JUST HEARD
FROM THE PRESIDENT. AND I
KNOW HE GAVE A PITCH FOR
HIS ECONOMIC PLAN.**

**AND I MEAN NO DISREPECT
FOR THE PRESIDENT IN SAYING
THAT HIS PLAN IS ONE 50TH
BIRTHDAY PRESENT YOU**

PROBABLY WANT TO EXCHANGE.

**LET ME BE CLEAR IN SAYING
THAT I LIKE PRESIDENT
CLINTON. AND HE LIKES ME.
THAT'S ONE THING WE AGREE
ON.**

***AND WHEN IT COMES TO
ISSUES LIKE N.A.F.T.A....OR AIDE
TO RUSSIA...OR THE RECENT
ACTION WE TOOK IN RESPONSE
TO THE IRAQI PLOT TO**

**ASSASSINATE PRESIDENT
BUSH...OR ANY NUMBER OF
ISSUES, THEN I'M GOING TO
SUPPORT THE PRESIDENT.**

***I'VE BEEN AROUND
WASHINGTON FOR QUITE A
WHILE. AND ONE THING I'VE
LEARNED IS THAT AMERICA CAN
ONLY HAVE ONE PRESIDENT AT
A TIME.**

***BUT ANOTHER THING I'VE
LEARNED IS THAT THE
PRESIDENT IS NOT ALWAYS
RIGHT. AND WHEN I HAVE A
FUNDAMENTAL DISAGREEMENT
OF PHILOSOPHY WITH THE
PRESIDENT...IF I BELIEVE HE IS
STEERING AMERICA IN THE
WRONG DIRECTION, THEN I OWE
IT TO THE FOLKS WHO SENT ME**

**HERE TO DO SOMETHING ABOUT
IT.**

***AND NO DOUBT ABOUT IT, I
THINK THE PRESIDENT'S
ECONOMIC PLAN IS BAD FOR
AMERICA. IT'S BAD FOR
TAXPAYERS. IT'S BAD FOR
SMALL BUSINESSMEN AND
WOMEN. IT'S BAD FOR JOB
CREATION. AND IT'S BAD FOR
THE ECONOMIC FUTURE OF OUR**

CHILDREN AND GRANDCHILDREN.

***I'M SURE THE PRESIDENT
WILL DISAGREE WITH A LOT OF
WHAT I SAY TODAY--BUT
THERE'S ONE ESSENTIAL FACT
WITH WHICH HE CAN NOT
DISAGREE. AND THAT'S THE
FACT THAT HIS PLAN PUTS INTO
EFFECT THE LARGEST TAX
INCREASE IN WORLD HISTORY.**

***CAN YOU IMAGINE WHAT
WOULD HAVE HAPPENED IN
LAST FALL'S ELECTION IF
CANDIDATE CLINTON HAS SAID
THAT AS PRESIDENT, HE WOULD
BE HAPPY TO PROPOSE THE
LARGEST TAX INCREASE IN
WORLD HISTORY?**

***CANDIDATE CLINTON DIDN'T
TALK ABOUT THAT, HOWEVER.
HE TALKED ABOUT A MIDDLE**

**CLASS TAX CUT. AND HE
TALKED ABOUT JOBS, JOBS,
AND JOBS.**

***HE EVEN MADE THE POINT
AGAIN AND AGAIN THAT THE
MAJORITY OF JOBS COME FROM
SMALL BUSINESSES.**

***SO WHAT DOES HIS BILL DO
FOR SMALL BUSINESSES?**

***WELL, FOR ONE THING, IT
DOESN'T CREATE JOBS. IN**

**FACT, IN A RECENT NFIB POLL,
ONLY 4% OF SMALL BUSINESSES
SAID THEY THOUGHT CLINTON'S
ECONOMIC PLAN WOULD HELP
THEM....AND I WOULD GUESS
THAT ALL OF THOSE ARE HAIR
STYLISTS.**

***THE FACT IS THAT IN THIS
SUMMER OF "JURASSIC PARK,"
THE PRESIDENT'S ECONOMIC
PLAN MAY SEND SMALL**

**BUSINESSMEN AND WOMEN THE
WAY OF THE DINOSAUR.**

***PLAIN AND SIMPLE--BIG
TAXES AND SMALL BUSINESS
DON'T MIX.**

***AS YOU KNOW, 80% OF
BUSINESSES IN THIS COUNTRY
PAY TAX AS INDIVIDUALS, NOT
CORPORATIONS. THOSE
INDIVIDUALS OPERATE AS SOLE
PROPRIETORS, PARTNERSHIPS,**

AND SUBCHAPTER S CORPORATIONS.

***AS A RESULT, SMALL
BUSINESSES RESPOND TO
CHANGES IN THE INDIVIDUAL
INCOME TAX RATE.**

***THE PRESIDENT'S BILL ADDS
A NEW FOURTH BRACKET OF
36%, IT IMPOSES A 10% SURTAX
ON THOSE WITH EARNINGS
OVER \$250,000, IT CONTINUES**

**THE CUTBACK OF ITEMIZED
DEDUCTIONS AND PERSONAL
EXEMPTIONS, IT REPEALS THE HI
WAGE BASE, AND IT CREATES A
NEW CAPITAL GAINS SURTAX.**

***I CHALLENGE ANYONE TO
SUGGEST THAT ANY OF THOSE
PROVISIONS WILL CREATE ONE
JOB.**

***THE TRUTH IS EXACTLY THE
OPPOSITE--THEY WILL LEAD TO**

THE LOSS OF THOUSANDS OF JOBS.

***AND THERE'S MORE. THERE
ARE OTHER PROVISIONS IN THE
BILL THAT WILL AFFECT SMALL
BUSINESS--REDUCTION OF THE
BUSINESS MEAL DEDUCTION
FROM 80% TO 50%; ADDITION OF
A TRANSPORTATION FUEL TAX
OF 4.3 CENTS PER GALLON; AN
INCREASE IN THE PAPERWORK**

BURDEN.

**AND THEN, OF COURSE,
THERE'S THE TAX INCREASE
WHICH WILL ASSUREDLY
ACCOMPANY THE CLINTONS'
HEALTH CARE PLAN.**

***I EXPECT THAT ALL THESE
PROVISIONS ARE PUTTING YOU
IN THE SAME PLACE AS LES
BRANDT, WHO OWNS A SMALL
HEATING AND AIR**

CONDITIONING OPERATION IN TOPEKA, KANSAS.

***LES WANTED TO EXPAND HIS
BUSINESS AND MOVE TO A
DIFFERENT LOCATION. BUT HE
CHANGED HIS MIND. WHY?
BECAUSE HE WORRIES THAT
"DECISIONS MADE IN
WASHINGTON COULD TAKE THE
WHOLE BUSINESS AWAY."**

***AND I SUSPECT THERE ARE
MANY HERE TODAY AND
COUNTLESS OTHERS WHO
AREN'T GOING TO DO A THING
BECAUSE THEY'RE AFRAID OF
WHAT THE PRESIDENT'S TAX
PLAN MIGHT DO.**

***LES HIT THE NAIL ON THE
HEAD WHEN SOMEONE ASKED
HIM WHAT HE WOULD LIKE TO
TELL THE PRESIDENT. HE SAID--**

**AND I QUOTE--"I FIRST WOULD
PROBABLY TELL HIM I
HONESTLY BELIEVE HE HAS THE
INTERESTS OF ALL THE PEOPLE
IN THE U.S. AT HEART.**

**' THAT I THINK HIS APPROACH
IS NOT THE RIGHT WAY TO GO.
WE NEED FOR PRIVATE
ENTERPRISE TO CREATE THE
JOBS THAT HE IS TALKING**

**ABOUT. WE NEED NOT MORE
GOVERNMENT, BUT LESS."**

***AND THAT'S SOMETHING I
HEAR OVER AND OVER AGAIN--
NOT ONLY IN KANSAS, BUT
ACROSS AMERICA.**

***REPUBLICANS TRIED TO
ANSWER THEIR CONCERNS. WE
DIDN'T JUST SIT ON THE
SIDELINES AND THROW ROCKS.
WE STOOD UP FOR TAXPAYERS**

**AND WE STOOD UP FOR SMALL
BUSINESS.**

***WE PROPOSED AN
AMENDMENT TO EXEMPT SMALL
BUSINESSES WITH GROSS
RECEIPTS OF \$10 MILLION OR
LESS, FROM A VARIETY OF
CRIPPLING NEW TAXES.**

***BUT THE DEMOCRATS
DEFEATED THAT AMENDMENT,
AND A STRING OF OTHERS WE**

**PROPOSED THAT WOULD HAVE
LIGHTENED THE TAX BURDEN,
AND MADE SOME TOUGH
SPENDING CUTS.**

***THEY ALSO DEFEATED OUR
SUBSTITUTE THAT WOULD HAVE
ACHIEVED EVEN MORE IN
DEFICIT REDUCTION WITHOUT
INCREASING YOUR TAX BURDEN.**

***THE CONFERENCE
COMMITTEE TO RESOLVE THE**

**DIFFERENCES BETWEEN THE
HOUSE AND SENATE WILL MEET
IN THE NEXT FEW WEEKS. AND
ONCE AGAIN, THE REPUBLICANS
WILL BE TOTALLY CUT OUT.**

***BUT WE WILL CONTINUE TO
DO WHAT WE CAN.**

***SUCH AS INTRODUCING
LEGISLATION--WHICH SENATOR
D'AMATO AND I DID JUST LAST
WEEK--WHICH OUTLINES A SIX-**

POINT PLAN TO HELP EASE THE CREDIT CRUNCH.

***REGARDLESS OF WHAT THE
WHITE HOUSE "SPIN DOCTORS"
TELL THE AMERICAN PEOPLE,
REPUBLICANS WILL CONTINUE
TO FIGHT FOR CUTTING
SPENDING FIRST, SECOND, AND
THIRD.**

***AND WE'LL CONTINUE TO
SAY THAT THERE'S NOTHING**

**WRONG WITH BEING
SUCCESSFUL. THERE IS
NOTHING WRONG WITH SEEKING
THE AMERICAN DREAM.**

***I REMEMBER A FEW YEARS
BACK WHEN DICK RUTAN AND
JENNA YEAGAR FLEW THE
"VOYAGER" AROUND THE
WORLD. AFTER THE FLIGHT
WAS COMPLETE, THE PILOTS
SAID THAT THEY ONLY HAD TO**

**FILL OUT TWO PIECES OF
PAPERWORK BEFORE THEIR
FLIGHT--A CERTIFICATE OF
FLIGHTWORTHINESS, AND AN
APPLICATION FOR A TAIL
NUMBER.**

**AND WHEN SOMEONE ASKED
DICK RUTAN WHY THEY MADE
THE FLIGHT, HE SAID, "WHAT
TYPE OF COUNTRY WOULD THIS
BE IF THERE WERE NO DARING?"**

THE LESSON, OF COURSE, IS
THAT IT'S NOT GOVERNMENT
THAT CREATE JOBS AND FUEL
THE ECONOMY. IT'S SMALL
BUSINESSMEN AND WOMEN LIKE
YOU. IT'S YOUR DREAMS AND
YOUR DARING THAT KEEP
AMERICA MOVING.

AND I HAPPEN TO BELIEVE
THAT THE BEST WAY
GOVERNMENT CAN HELP IS TO

**STOP BURYING YOU UNDER
TAXES AND MANDATES AND TO
STAY OUT OF YOUR WAY, AND
ALLOW YOU TO MAKE YOUR
DREAMS A REALITY.**