TO: Senator Dole FR: Kerry

RE: Heating and Air Conditioning Contractors April 27, 1995

*You will be speaking to approximately 750-900 heating and air conditioning contractors from across America.

*The conference is sponsored by Lennox, Inc., and many of the attendees will be Lennox distributors.

*Lennox is based in Iowa, and is currently celebrating its centennial. Approximately 100-150 of the attendees will be from Iowa.

*Attendees are owners of small businesses, and they asked that you discuss what you're doing to help small business. They are very supportive of your efforts in tort reform, regulatory reform, and the BBA. HEATING AND AIR CONDITIONING ESTABLISHED 1895

R. Edwin Redfern Washington Representative

March 26, 1995

The Honorable Robert Dole Majority Leader United States Senate Washington, D.C. 20515

Dear Senator Dole:

As you know I represent John Ruan here in Washington, another of my clients is Lennox International, which started 100 years ago in Marshalltown Iowa. This year during their 100th Anniversary they will be holding their industry's largest business education conference here in Washington.

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International Inc.

On April 28 a conference for more than <u>900 Heating and air-conditioning Contractors (HVAC)</u>, representing thousands of HAVAC workers from around the United States, will be held at the Renaissance Hotel in Washington, D.C.

There will be 10 members from Kansas as well as 100 to 150 people from Iowa will be in attendance at this meeting. The rest of the people will be from other parts of the United States.

We believe that your work and leadership for these small businesses this coming year will have a significant impact on their future. We would appreciate it if you would consider being the Speaker for the Luncheon at 12:00 on Friday, April 28.

As you know, small businesses have been burdened by over regulation and over taxation for many years. This group would appreciate hearing your remarks on future legislation affecting their businesses.

Lennox has 9,000 employees with several plant around the United States. They recently expanded their plant in Marshalltown, Iowa, increasing its employment to more than 1200 workers. This plant in now the largest employer in Marshalltown, and one that I have talked to some of your staff about visiting during your trips to Iowa.

I have asked Senator Grassley to deliver this letter to you, as Marshalltown is one of his strongholds and Lennox has been represented by Senator Grassley when he was in the House and our relationship goes back many years.

We would appreciate your consideration of this request and look forward to hearing back from you. If you or your staff has any questions please feel free to give me a call.

Sincerely,

R. Edwin Redfern Washington Representative

Fii, April 28 10-2 Library of Congress-Senate Republican Conference Mtg.

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GREAT FALLS, VIRGINIA 22066-1824

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SENATOR BOB DOLE HEATING AND AIR CONDITIONING CONTRACTORS

THANK YOU, AND WELCOME TO WASHINGTON. THE SENATE IS BACK IN SESSION THIS WEEK, AND THE HOUSE COMES IN NEXT AFTER WE BOTH TOOK A BREAK FROM THE FIRST 100 DAYS.

AND WHILE THOSE FIRST HUNDRED DAYS WERE VERY IMPORTANT, I THINK THE NEXT 100 MAY BE EVEN MORE CRITICAL FOR

THE FUTURE OF AMERICA AND THE FUTURE OF SMALL BUSINESSES. AND SPEAKING OF 100, I KNOW THAT MANY OF YOU ARE LENNOX DEALERS, AND I WANT TO **CONGRATULATE YOU ON YOUR CENTENNIAL ANNIVERSARY. MUCH HAS CHANGED IN** AMERICA SINCE DAVE LENNOX **INVENTED THE RIVETED STEEL**

FURNACE IN 1895, BUT TWO THINGS HAVEN'T.

THE FIRST IS THAT STROM THURMOND WAS IN THE SENATE IN 1895, AND HE'S STILL THERE TODAY.

AND THE SECOND IS THAT THEN, AS NOW, SMALL BUSINESSES ARE THE FURNACE THAT HEAT AMERICA'S ECONOMY.

I REPRESENT A STATE THAT IS ALMOST ENTIRELY RELIANT ON SMALL BUSINESS. AND I'M ALSO PROUD TO BE THE SON OF TWO SMALL BUSINESS PEOPLE. MY DAD **RAN A CREAM AND EGG STATION.** AND MY MOTHER SOLD SEWING MACHINES DOOR-TO-DOOR. AND THE FIRST REAL JOB I HAD WAS IN A PLACE CALLED DAWSON'S DRUG STORE IN RUSSELL, KANSAS.

SO I HAVE THE GREATEST **RESPECT FOR WHAT EACH OF YOU** DO EVERY DAY. BUILDING A **BUSINESS AND MEETING A PAYROLL** TAKES A LOT OF HARD WORK. AND THE SAD FACT IS THAT FOR TOO LONG, CONGRESS JUST DIDN'T UNDERSTAND THAT, THEIR **ATTITUDE WAS THAT EVERY SMALL BUSINESS HAD TO ANSWER TO THE GOVERNMENT. AND THEY WERE**

ALWAYS READY, IT SEEMED, TO SADDLE SMALL BUSINESS WITH **NEW REQUIREMENT, NEW** PAPERWORK, NEW REGULATIONS, AND NEW TAXES. **AMERICANS CHANGED A LOT OF** THINGS IN LAST NOVEMBER'S **ELECTIONS, BUT ONE OF THE MOST IMPORTANT THINGS THAT**

CHANGED WAS THE ATTITUDE

THAT CONGRESS HAS TOWARDS BUSINESS.

BECAUSE THE NEW REPUBLICAN MAJORITY UNDERSTANDS THAT SMALL BUSINESS ISN'T A TARGET TO BE SHOT. IT'S NOT A COW TO **BE MILKED. RATHER, IN THE** WORDS OF WINSTON CHURCHILL, IT'S THE STURDY HORSE THAT PULLS THE CART OF DEMOCRACY.

AND HERE'S HOW WE'RE TRYING TO HELP:

TORT REFORM: LET ME BEGIN WITH THE ISSUE THAT WE HAVE **DEBATED ALL WEEK ON THE** SENATE FLOOR--REFORM OF OUR **CIVIL JUSTICE SYSTEM.** THE AMERICAN TRIAL LAWYERS **ASSOCIATION IS SPENDING \$20 MILLION IN A CAMPAIGN TO**

CONVINCE AMERICANS THAT

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THOSE WHO WANT TO REFORM OUR CIVIL JUSTICE SYSTEM ARE NOTHING BUT PAWNS OF BIG BUSINESS.

IT'S A SEXY ACCUSATION THAT'S SURE TO GET LOTS OF NEWS. BUT IT'S COMPLETE AND TOTALLY FALSE--AND THEY KNOW IT.

THE FACT IS THAT IT'S SMALL BUSINESSMEN AND WOMEN...AND

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ITS THE AVERAGE AMERICAN FAMILY WHO ARE HURT MOST BY LAW SUIT ABUSE.

ACCORDING TO RECENT SURVEYS BY THE NATIONAL FEDERATION OF INDEPENDENT BUSINESSES IN TEXAS AND TENNESSEE, ONE-THIRD TO ONE-HALF OF SMALL BUSINESSES HAVE BEEN SUED OR BEEN THREATENED WITH SUIT FOR PUNITIVE DAMAGES. BECAUSE OF THIS KIND OF LAWSUIT ABUSE, THE WASHINGTON-AREA GIRL SCOUT **COUNCIL MUST SELL 87,000 BOXES OF COOKIES EACH YEAR JUST TO** PAY FOR LIABILITY INSURANCE. **BECAUSE OF THIS ABUSE, THE AVERAGE LOCAL LITTLE LEAGUE'S** LIABILITY INSURANCE JUMPED

1,000 PERCENT IN A RECENT 5-YEAR PERIOD. **BECAUSE OF THIS ABUSE, BUSINESSES--SMALL AND LARGE--ARE FORCED TO RAISE PRICES ON** CONSUMERS. **BECAUSE OF THIS ABUSE, BUSINESSESS--SMALL AND LARGE--**

ARE FORCED TO LAY OFF

EMPLOYEES.

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AND BECAUSE OF THIS ABUSE, NEW PRODUCTS AND DISCOVERIES ARE KEPT OFF THE MARKET.

YES, WE NEED A SYSTEM THAT ENSURES THAT THOSE HARMED BY SOMEONE ELSE'S WRONGFUL CONDUCT ARE COMPENSATED FULLY.

BUT WE ALSO NEED TO ENSURE THAT THE SYSTEM IS NOT TWISTED IN WAYS THAT DETER FOLKS FROM

ENGAGING IN ACTIVITIES THAT WE OUGHT TO ENCOURAGE. LET ME BE FRANK IN SAYING THAT THOSE OF US WHO FAVOR TORT REFORM ARE IN AN UPHILL BATTLE. THE TRIAL LAWYERS HAVE DONE THEIR WORK VERY WELL. BUT WE OWE IT TO THE **AMERICAN PEOPLE TO FIGHT AS** HARD AS WE CAN.

REGULATION: YOUR LEADERSHIP TOLD ME THAT YOUR NUMBER ONE PRIORITY FOR CONGRESS WAS THAT WE REDUCE THE NUMBER OF **GOVERNMENT RULES**, **REGULATIONS, AND RED TAPE.** AND THAT'S MY NUMBER ONE PRIORITY AS WELL. AND MY GUIDE IS THE 10TH AMENDMENT. I CARRY **IT AROUND WITH ME WHEREVER I** GO. AND WHAT IT BASICALLY

SAYS IS THAT IF THE CONSTITUTION DOESN'T GIVE A POWER TO THE FEDERAL GOVERNMENT, THEN IT BELONGS WITH THE STATES AND WITH THE PEOPLE.

AND THAT'S JUST WHAT WE'RE TRYING TO DO. WE'RE TRYING TO GET GOVERNMENT'S NOSE OUT OF PLACES WHERE IT DOESN'T BELONG, AND LET YOU MAKE MORE

OF THE DECISIONS THAT AFFECT YOUR LIFE, THE LIFE OF YOUR FAMILY, AND THE LIFE OF YOUR BUSINESS.

AND WE'VE DECIDED THAT ONE WAY TO DO THAT IS TO REDUCE THE NUMBER OF RULES, REGULATIONS, AND RED TAPE. THE HOUSE OF REPRESENTATIVES HAVE ALREADY PASSED A REGULATORY REFORM BILL, AND NOW IT'S THE SENATE'S TURN.

LEGISLATION I HAVE INTRODUCED IN THE SENATE WOULD ENACT WHAT I CALL THE "COMMON SENSE TEST" OF REGULATIONS. FIRST, MAJOR REGULATIONS--THOSE WITH A \$50 MILLION

IMPACT ON THE ECONOMY--WOULD

UNDERGO A COST-BENEFIT ANALYSIS.

SECOND, WE WOULD STOP **USING VERY IMPROBABLE AND EXTREMELY COSTLY SCENARIOS** WHEN EVALUATING RISKS TO HUMAN HEALTH AND SAFETY. I WANT TO ASK FOR YOUR HELP HERE. I'M SURE ALL OF YOU KNOW **OF A FEDERAL REGULATION THAT IS PARTICULARLY HARSH ON YOUR**

BUSINESS, THAT IS COUNTER PRODUCTIVE, OR THAT DOESN'T MAKE SENSE.

WHAT I WANT YOU TO DO IS TO WRITE THEM DOWN, AND SEND THEM TO BOB DOLE, CARE OF THE UNITED STATES CAPITOL.

TAXES/BUDGET: IF THERE'S ONE THING THAT SMALL BUSINESSES DON'T NEED, IT'S ANOTHER TAX INCREASE. IN 1993, PRESIDENT

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CLINTON PROPOSED AND THE DEMOCRAT CONGRESS PASSED--WITHOUT A SINGLE REPUBLICAN **VOTE--THE LARGEST TAX INCREASE** IN AMERICAN HISTORY, AND THAT **INCLUDED A BIG, BIG, TAX INCREASE ON A LOT OF SMALL BUSINESSES AND SUBCHAPTER S** OPERATIONS.

INSTEAD OF AN INCREASE, THE NEW REPUBLICAN CONGRESS WOULD LIKE TO GIVE A LITTLE TAX RELIEF TO AMERICA'S FAMILIES. AND WE'D ALSO LIKE TO GIVE A LITTLE SHOT TO OUR ECONOMY, AND INCREASE EMPLOYMENT AS WELL, BY CUTTING THE CAPITAL GAINS TAX RATE.

THERE'S ANOTHER WAY WE CAN HELP THE ECONOMY. AND THAT'S TO GET THE GOVERNMENT TO BALANCE ITS BUDGET. IF YOU

DIDN'T BALANCE YOUR BUDGET EVERY YEAR, YOU'D BE OUT OF **BUSINESS BEFORE TOO LONG. YOU** DON'T HAVE THE LUXURY THAT THE FEDERAL GOVERNMENT DOES. THEY CAN KEEP SPENDING AND SPENDING AND SPENDING, AND SIMPLY GIVE THE BILL TO OUR CHILDREN AND GRANDCHILDREN. AND THAT'S GOT TO STOP. WE **COULD HAVE MADE AN IMPORTANT**

STEP WITH THE BALANCED BUDGET AMENDMENT. BUT WE FELL ONE **VOTE SHORT IN THE SENATE, 98% OF REPUBLICANS VOTED TO SEND** THE BALANCED BUDGET AMENDMENT TO THE STATES. BUT PRESIDENT CLINTON PUT THE PRESSURE ON DEMOCRATS TO **OPPOSE IT, AND LESS THAN 30%** ENDED UP SUPPORTING THE AMENDMENT.

I HAVEN'T GIVEN UP ON THE AMENDMENT YET. I HAVE THE **RIGHT TO BRING IT UP ANYTIME,** AND I STILL BELIEVE THAT AS NEXT YEAR'S ELECTION DRAWS CLOSER, THE HEARING OF ONE OR TWO **SENATORS MIGHT IMPROVE, AND** THEY MIGHT JUST HEAR WHAT THE **VAST MAJORITY OF THE AMERICAN** PUBLIC IS SAYING.

WE HAVE SOME TOUGH BATTLES AHEAD OF US, AND WE WILL NEED YOUR HELP. YOU'VE HEARD SOME OF THE RHETORIC COMING FROM THE OTHER SIDE. BY WANTING TO **REDUCE REGULATIONS, WE ARE ENDANGERING OUR ENVIRONMENT** AND YOUR SAFETY. BY DRAWING THE LINE ON SPENDING INCREASES, WE ARE THREATENING OUR SENIOR

CITIZENS AND STARVING OUR CHILDREN.

IF YOU WERE SERIOUS ABOUT WANTING CHANGE LAST **NOVEMBER--AND I THINK YOU** WERE--THEN YOU HAVE TO LOOK PAST THE HEATED RHETORIC, AND **AN URGE CONGRESS TO COMPLETE** THE MISSION YOU SENT US HERE **TO DO--TO GET AMERICA MOVING** IN THE RIGHT DIRECTION BY

REINING IN GOVERNMENT, BY REDUCING RULES AND REGULATIONS, AND BY PUTTING OUR FINANCIAL HOUSE IN ORDER. THANK YOU.