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THE WHITE HOUSE

WASHINGTON

May 21, 1968
Tuesday, 11:15 a. m.

TO: Juanita Roberts

FROM: Barefoot Sanders *BS*

Attached is a summary of the discussion at the Leadership
Breakfast this morning.

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LEADERSHIP BREAKFAST
May 21, 1968

The following were in attendance:

The President

The Vice President	Senator Russell Long
Speaker John McCormack	Mike Manatos
Carl Albert	Joe Califano
Hale Boggs	Barefoot Sanders
Senator Mansfield	

The meeting lasted about 1-1/2 hours -- from 8:30 to 10:00 a.m.

All the discussion centered on the Tax Bill Conference Report and the consequences of the \$6 billion reduction, and whether the members of the House should have an opportunity to vote on a \$4 billion reduction and if so, how.

The President stated that if the \$6 billion reduction were enacted, he was considering obtaining some of the reduction by suspending loan programs -- REA, SBA, Farmers Home Administration, EDA, and so on. He wasn't sure whether Export-Import Bank should be included in this suspension.

Carl Albert urged that disaster loans be excepted from any suspension.

Russell Long and others said that if the Conference Report were enacted, the employment ceilings on the Post Office and the Defense Departments would have to be removed. Long said that he was sure that this would be done by the Congress.

The President said the employment ceilings on the Post Office and Defense Departments were unwise.

The remainder of the discussion centered on whether or not there should be a vote in the House on a \$4 billion reduction in lieu of the \$6 billion in the Conference Report.

While the President was out for a few minutes, the Speaker discussed at length his dislike of the entire situation.

SENATE

The President insisted that a decision be made as to how to obtain a vote on \$4 billion, as it seemed to him from all the information that he had that such a vote was desirable.

It was agreed that the Speaker and Carl Albert will see Wilbur Mills today to ask him to hold up filing the Conference Report in order to allow time for a motion to be programmed to instruct the conferees to report back a \$4 billion reduction.

The Speaker and Carl will find someone to make this motion if the approach is agreeable to Wilbur Mills.

Albert thought that we should consult Ford. The Speaker thought not.

The President emphasized that it seemed to him that the only way to get the Conference Report adopted is to allow the vote on the \$4 billion. He kept asking the Leadership if they had a better plan but had no response from them.

Just before the meeting closed, the President mentioned that the Administration would be sending up 4 supplemental appropriations bills this week.