MEMORANDUM FOR

THE PRESIDENT

1. As I am sure you know, we have had some very good developments on FAP. Most importantly, Senators Ribicoff and Bennett have got together on a "liberal" amendment, basically acceptable to us, which they will propose from the floor.

It would be enormously helpful if you could call Ribicoff and Bennett. Ribicoff is slightly sensitive that the radicals seem to be taking credit for his work. Bennett is slightly sensitive that he may be going too far.

2. A key group now is the AFL-CIO. They have wanted a requirement that any job provided FAP recipients (on pain of losing an adult allowance) pay at least the minimum wage. We have now accepted this "prinicple" but are asking that it be only 3/4 the minimum wage, that is to say \$1.20. The FAP benefit would make up the difference. As there are now 7 million persons working at leas than the minimum wage, we think this is reasonable.

A call to Meany -- who hasn't followed this issue closely -- would be enormously helpful.

3. As a result of some lobbying, Senator Hartke made a speech on the floor yesterday in which he pleaded with the Senate to pass FAP, saying if it does not the States will go bankrupt. It was a good speech. He has sent a copy to all his colleagues. If you are interested in burying the hatchet with a man who will be voting for or against you for the next six years, a call here would be both magnanimous and fruitful.

Daniel P. Moynihan