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FOR IMMEDIATE RELEASE

June 10, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

FACT SHEET

EXECUTIVE ORDER ON PRESIDENTIAL REVIEW
OF CIVIL AERONAUTICS BOARD DECISIONS

The President has issued today an Executive Order entitled "Establishing Executive Branch Procedures Solely for the Purpose of Facilitating Presidential Review of Decisions Submitted to the President by the Civil Aeronautics Board."

This Order establishes publicly, for the first time, guidelines to improve the process of Presidential review of decisions of the Civil Aeronautics Board. The guidelines are designed to better assure fairness and to avoid suspicions of impropriety.

BACKGROUND

Under Section 801 of the Federal Aviation Act, the President has authority to approve or disapprove certification and permit decisions of the CAB involving international and overseas air transportation. This authority is in recognition of the President's Constitutional responsibilities for foreign policy and national defense.

Over the years, the process of Presidential review of CAB decisions has provoked some controversy. Among the problems raised have been the following:

- The views of Executive branch departments and agencies on regulatory issues have not been, in some cases, presented to the CAB in the ordinary course of its proceedings, where such views can be addressed by the parties and considered by the CAB.
- Lack of procedural standards governing access by interested parties to staff in the Executive Office of the President have been criticized as lending to suspicions of unfairness.
- Recommended decisions of the CAB are not made public during the period after they are submitted to the President and before he acts, even where foreign policy or defense considerations do not require confidential treatment prior to such action. Over the years, some interested parties have obtained information about some decisions while other parties did not and thus were unable to address specific arguments to Executive branch departments and agencies.

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- There has been a lack of opportunity to seek judicial review of CAB proceedings and decisions in "routine" cases (i.e., those orders of the CAB involving foreign and overseas certificates of U. S. carriers which are approved by the President and no defense or foreign policy reason underlies such approval).

After consideration within the Executive branch, the President is issuing an Executive Order to impose substantive and procedural guidelines and to facilitate Presidential review of CAB decisions. This is the first time in over thirty years during which this power has been exercised that a President has established such standards. They are designed to better assure fairness and to avoid suspicions of impropriety, as well as to improve the decision-making process.

PRINCIPAL PROVISIONS OF THE EXECUTIVE ORDER

1. Executive branch departments and agencies are directed, whenever possible, to present their views on regulatory issues to the CAB, on the record, in the regular course of its proceedings.
2. Individuals within the Executive Office of the President are directed not to discuss pending cases with interested parties and to transmit all written communications from such parties to the appropriate department or agency for handling. An exception is possible to handle an unusual circumstance.
3. Executive branch departments and agencies are directed to establish public dockets for all written communications from private parties (other than those requiring confidential treatment because of defense or foreign policy concerns), and to prescribe such other procedures governing oral and written communications with respect to CAB decisions as they determine appropriate.
4. A procedure is established for the release of CAB decisions as soon as they are screened for matters that must remain confidential for reasons relating to foreign policy or national defense. The procedure being adopted accords with a recent court decision involving the release of CAB decisions under the Freedom of Information Act.
5. Executive branch departments and agencies are requested to advise the President whether any foreign policy or defense factors might affect the judicial reviewability of the CAB proceedings and decisions. In a case involving a "routine" approval of an order with respect to a foreign or overseas certificate of a U. S. carrier, i.e., one not based on any foreign policy or defense objectives, the President may indicate that he would have no objection to judicial review of the CAB decision and proceeding.

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The provisions of the Executive Order are expected to become effective on the thirtieth day following publication in the Federal Register. Thus the effective date should be on July 11, 1976.

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JUNE 10, 1976

Office of the White House Press Secretary

NOTICE TO THE PRESS

The President today announced that he has issued an Executive Order to improve the process of Presidential review of certification and permit decisions of the Civil Aeronautics Board involving international and overseas air transportation. The Order establishes, for the first time, guidelines to better assure fairness in the review process and to avoid suspicions of impropriety.

In taking this action, the President is ordering that staff members in the Executive Office of the President not discuss pending cases with interested private parties. (A controlled exception is possible in unusual circumstances.) The Order directs Executive Branch departments and agencies to present their views on regulatory issues, whenever possible, to the CAB, on the record, in the regular course of its proceedings.

A procedure is established for the release of CAB decisions as soon as they are screened for foreign policy or national defense matters that must remain confidential. This procedure accords with a recent court decision involving the release of CAB decisions under the Freedom of Information Act.

Executive Branch departments and agencies are directed to establish public dockets and other procedures to govern communications from private parties on CAB decisions. In certain cases, the Executive Order contemplates that the President may indicate that he would have no objection to judicial review of CAB decisions and proceedings.

The provisions of the Executive Order being issued today will become effective on the thirtieth day after publication in the Federal Register. Thus, the effective date is contemplated to be on or about July 11, 1976.

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June 10, 1976

Office of the White House Press Secretary

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Office of the White House Press Secretary

THE WHITE HOUSE

EXECUTIVE ORDER

ESTABLISHING EXECUTIVE BRANCH PROCEDURES
SOLELY FOR THE PURPOSE OF FACILITATING
PRESIDENTIAL REVIEW OF DECISIONS SUBMITTED
TO THE PRESIDENT BY THE CIVIL AERONAUTICS BOARD

By virtue of the authority vested in me by the Constitution and laws of the United States of America including section 801 of the Federal Aviation Act, as amended (49 U.S.C. 1461), and as President of the United States of America, solely to provide Presidential guidance to department and agency heads and in order to facilitate Presidential review of decisions submitted to the President for his approval by the Civil Aeronautics Board pursuant to section 801 of the Federal Aviation Act, as amended, it is hereby ordered as follows:

Section 1. (a) Except as provided in this section, decisions of the Civil Aeronautics Board, hereinafter referred to as the CAB, transmitted to the President pursuant to section 801 of the Federal Aviation Act, as amended, hereinafter referred to as section 801, may be made available by the CAB for public inspection and copying following submission to the President.

(b) In the interests of national security, and in order to allow for consideration of appropriate action under Executive Order No. 11652, as amended decisions of the CAB transmitted to the President under section 801 shall be withheld from public disclosure for five days after submission to the President.

(c) At the same time that decisions of the CAB are submitted to the President pursuant to section 801, the CAB shall transmit copies thereof to the Secretary of State, the Secretary of Defense, and the Assistant to the President for National Security Affairs.

(d) The Secretary of State and the Secretary of Defense, or their designees, shall review the decisions of the CAB transmitted pursuant to subsection (c) above, and shall promptly advise the Assistant to the President for National Security Affairs or his designee, whether, and if so, why, action pursuant to Executive Order No. 11652, as amended, is deemed appropriate. If, after considering the above recommendations, the Assistant to the President for National Security Affairs or his designee determines that classification under Executive Order No. 11652 is appropriate, he shall take such action and immediately so inform the CAB. Action pursuant to this subsection shall be completed within five days of receipt of the decision by the President.

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(e) On and after the sixth day following receipt by the President of a CAE decision submitted pursuant to section 801, the CAB is authorized to disclose all unclassified portions of the text of such decision. Nothing in this section is intended to affect the ability to withhold material under Executive order or statute other than section 801.

Sec. 2. (a) Views of departments and agencies outside of the Executive Office of the President, other than those views involving considerations of defense or foreign policy (including international negotiations costs) which are to be the subject of recommendations to the President in connection with his review under section 801, shall be presented to the CAB in accordance with the procedures of the CAB. While some issues will inevitably involve both questions of regulatory policy and defense or foreign policy, departments and agencies outside of the Executive Office of the President should make a conscientious effort to present their views on regulatory matters in proceedings before the CAB, and raise only matters of defense or foreign policy that are of Presidential concern in the course of the review under section 801.

(b) Departments and agencies outside of the Executive Office of the President which intend to make recommendations to the President on matters of defense or foreign policy and have such intentions while the matter is pending before the CAB, shall, except as confidentiality is required for reasons of defense or foreign policy, make the existence of such intentions and the conclusions to be recommended known to the CAB in the course of its proceedings.

Sec. 3. (a) In advising the President with respect to his review of an order submitted to him pursuant to section 801, departments and agencies outside of the Executive Office of the President shall:

(1) identify any matter contained in their respective recommendations which was not previously submitted to the CAB pursuant to section 2(a) above;

(2) explain why such matter was not previously submitted to the CAB for its consideration; and

(3) identify with particularity the defense or foreign policy implications of the CAB decision which are deemed appropriate for the President's consideration.

(b) Orders involving foreign and overseas air transportation certificates of U.S. carriers that are subject to the approval of the President are not subject to judicial review when the President approves or disapproves an order for reasons of defense or foreign policy. All disapprovals necessarily are based on such a Presidential decision, but approval by the President does not necessarily imply the existence of any defense or foreign policy reason. For the purpose of assuring whatever opportunity is available under the law for judicial review of the CAB decisions, all departments and agencies which make recommendations to the President pursuant to section 801 should indicate separately whether, and why, if the order or any portion of the order is approved, the President cannot state in his approval that no defense or foreign policy reason underlies his action.

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Sec. 4. Individuals within the Executive Office of the President shall follow a policy of (a) refusing to discuss matters relating to the disposition of a case subject to the approval of the President under section 801 with any interested private party, or an attorney or agent for any such party, prior to the President's decision, and (b) referring any written communication from an interested private party, or an attorney or agent for any such party, to the appropriate department or agency outside of the Executive Office of the President. Exceptions to this policy may only be made when the head of an appropriate department or agency outside of the Executive Office of the President personally finds that direct written or oral communication between a private party and a person within the Executive Office of the President is needed for reasons of defense or foreign policy.

Sec. 5. Departments and agencies outside of the Executive Office of the President which regularly make recommendations to the President in connection with the Presidential review pursuant to section 801 shall, consistent with applicable law, including the provisions of Chapter 5 of Title 5 of the United States Code:

(a) establish public dockets for all written communications (other than those requiring confidential treatment for defense or foreign policy reasons) between their officers and employees and private parties in connection with the preparation of such recommendations; and,

(b) prescribe such other procedures governing oral and written communications as they deem appropriate.

Sec. 6. Although it is recognized that the provisions set forth in this Order will frequently apply to review of decisions made in adversary proceedings involving private parties, this Order is intended solely for the internal guidance of the departments and agencies in order to facilitate the Presidential review process. This Order does not confer rights on any private parties.

Sec. 7. The provisions of this Order shall be effective on the 30th day following publication in the Federal Register.

GERALD R. FORD

THE WHITE HOUSE,

June 10, 1976.

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:35 A.M. EDT

JUNE 10, 1976

THURSDAY

MR. NESSEN: We have a couple of visitors today that we should welcome. Jim Foy of KNBL-TV in Los Angeles, and Howard Williams of KNXT-TV in Los Angeles, who are in Washington for the meeting of the broadcast editorial writers.

I think you received the Executive Order issued by the President which has to do with CAB decisions.

Q Can you explain anything about that in layman's terms?

MR. NESSEN: I have standing by here at great expense Ed Schmults of the Counsel's Office who is involved in this issue. He could either take your questions from the podium or make himself available to you later, whichever you prefer.

Q I think one question is, what started it all? What is the basis of all this? Was there some impropriety?

MR. SCHMULTS: No, I think over the years the process has been criticized. Principally because at the CAB level you have a hearing, the parties are there, they submit briefs, and it is really unique, I believe, in our administrative law that after an administrative hearing like that, the decision of the CAB or any other administrative agency comes over to the White House where there is a Presidential review process designed so that the President can be sure that the CAB decision is in accord with foreign policies and defense policies but when it comes over here there have been or there never have been any procedural or substantive guidelines.

So the process has been criticized over the years as lending itself to appearances of unfairness and suspicions of impropriety and it seemed to the President that it would be desirable to put out an Executive Order imposing, as I said, for the first time substantive and procedural guidelines to improve the decision-making process and to really remove any doubts about the fairness of that process.

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Q Would you describe what is the unusual circumstance under which someone in the Executive Office of the President can discuss a pending CAB decision?

MR. SCHMULTS: The procedure now, or the lack of procedure now, is when the CAB decision comes over here the parties and others can communicate with staff members within the Executive Office of the President about the case on an ex parte basis. There is no record made of that and so forth.

Under the President's Executive Order he would bar any discussions by any interested parties with any staff member within the Executive Office of the White House. Written communications would be turned over to the concerned departments. It might be the State Department. It might be the Department of Transportation. Those departments are being instructed to set up public dockets and so forth. There is an exception, as the question noted, provided -- and it says a controlled exception because in order for there to be a private communication with a member of the staff within the Executive Office of the President the head of the department or agency -- it might be the State Department, it might be Justice, it might be Transportation -- personally -- that is not someone on down the list, it has to be the Secretary, the Attorney General, whoever is involved -- has to, in writing, advise that for reasons of defense or foreign policy that a personal ex parte communication would be desirable.

I don't foresee that circumstance happening very often at all. Indeed, I think it would be quite rare but that is built into the procedure.

Q Were there any cases that were brought to the attention of the President where he felt there was some sort of a political influence on an airline decision?

MR. SCHMULTS: No. He was made aware of it, as we all were who were working on it, but as I said, this has been a process that has been subject to criticism over the years and so it is a very strong, good government effort the President is taking in this action.

And, as I stated, it is the first time any action like this has been taken in more than 30 years. The power has been in existence and we think it is very desirable and will improve the process tremendously.

Q Doesn't this open up the possibility of Executive Branch interference in the decision-making of the regulatory agencies since you now, for the first time, will be apparently on a rather consistent basis presenting the views of the White House and the other Executive departments to the CAB -- doesn't that open up the possibility of Executive interference during the decision-making process?

MR. SCHMULTS: Quite the contrary. The way the process has worked over the years usually is that in many cases the agencies within the Executive Branch have made their arguments known to the President after the CAB has completed its work. We think it will be very desirable on the regulatory and garden variety economic issues for the Executive Branch agencies and departments to present their views to the CAB on the record so the parties can hear the views, can address these views and the CAB can take them into account in rendering their decision. We think that will improve the administrative process as one of the strong points of the Order.

Q If CAB then comes to know well in advance of its decision what the White House position on it is, isn't there the danger it will tailor its decision to get White House approval?

MR. SCHMULTS: No, the CAB encourages the Executive Branch agencies to come in and present their views on economic issues. These are open hearings and the CAB endorses this procedure wholeheartedly.

Q Ed, is there an analogous process with other agencies or is the CAB the only one where this type of thing would apply?

MR. SCHMULTS: Ed, I think this is the only one that I know of where this would apply. I know of no other independent regulatory agency where its decision is, in effect, only a recommended or advisory opinion to the President and he has complete power to approve, disapprove or modify the decision.

Q How about the International Trade Commission? That is one that recommends to the President.

MR. SCHMULTS: Yes, in a sense, I suppose that is analogous, although it is not a regulatory commission.

Q What has been the record in the past of the President overturning CAB's decisions?

MR. SCHMULTS: I don't have those figures on how many times the CAB decisions have been overturned or modified, but in the important cases, in a great many of them, the President has differed with the CAB's actions -- the Presidents over the years I am talking about now.

Q Was there a specific case that led to this?

MR. SCHMULTS: No, no specific case.

Q What led to this now? Why this now?

MR. SCHMULTS: Why now? It is something we have been working on. Why not some time ago? We have been working on it for six months--an agency clearance, clearance within the Executive Office of the President and the drafting, of course, of the decision memo and then the Executive Order. There is nothing unusual about the timing except this is when we completed our work.

Q Do you anticipate any problem with Congress over this Executive Order? These agencies, of course, are creatures of Congress. It has fitfully from time to time recalled that fact. Do you anticipate any problem with Congress on it?

MR. SCHMULTS: I would hope that Congress would applaud this effort because, as I said, this is, I think, a good government non-controversial improvement of the process and I think it will improve the CAB process. I think that if you can get the views of not only the parties but the government agencies on the record so the CAB can consider them, it will improve the CAB decision-making process and the President will receive better and more informed opinions from the CAB and he won't have the Executive Branch agencies arguing again the same matters that they presented to the CAB.

Now it is not clear that that will be removed in every case, but if you look at the Executive Order, we are asking -- the President is asking the Executive Branch agencies when they make a recommendation to him to let the President know if they made the recommendation to the CAB on the record and if not, why not. And so what the President is trying to do here is to encourage the Executive departments and agencies to have the issues, the regulatory issues and what I call the garden variety economic issues, addressed on the record where the parties can hear them, where the parties can argue about them, where the merits can be tested in an open proceeding.

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Q Is this the first time, to your knowledge, that the principle of ex parte communication has been accepted by the President? In other words, you have these unusual circumstances in which an ex parte communication would be approved. These would be permissible. These, of course, have traditionally been held as the protestants of evil when it came to the workings of the regulatory agencies. Now you have approved it at least in principle. Is this the first time?

MR. SCHMULTS: I don't understand the question when you say we have approved --

Q You have opened up the possibility of ex parte communications between Cabinet members and the CAB; is that right?

MR. SCHMULTS: No, sir. I think when we are talking about the ex parte communication, now there is no procedure. There are no rules governing ex parte communication between parties interested in the CAB decision and staff members here in the White House. There are no rules.

At the CAB you have ex parte rulings. Everything is on the record. Briefings are submitted. It is all public. When it comes over to the White House, over the years there are no rules like that. There are ex parte communications.

Some parties got the decision because they were leaked some place and were able to address specific arguments over here on an ex parte basis. Other parties didn't know what was going on.

We are saying now, the President is saying, no ex parte communications with staff members here in the White House.

Q I understand that.

MR. SCHMULTS: Take those views to the Executive Branch agencies and they will be presumably incorporated, if meritorious, in the recommendations they make to the President.

Q I have not had time to read the order or the fact sheet. I thought I understood you to say that in exceptional circumstances -- and only at the Cabinet level -- an ex parte communication between a Cabinet member and CAB would be permissible.

MR. SCHMULTS: No, sir. That permissible ex parte communication would be between an interested party in the case and a staff member here in the White House, and only after the communications were first directed to a Cabinet member and he personally says for defense or foreign policy reasons come back over here and tell it to Brent Scowcroft or somebody else in the White House.

Q Will you be available afterwards for questions?

MR. SCHMULTS: I will be happy to.

MR. NESSEN: Ed will be available here or later this afternoon in his office.

Let me give you a couple of thoughts on travel coming up. Tomorrow, as you know, the President is going to Springfield, Missouri. The press check-in is at 1:15 at Andrews. Due to that, I think we will not have a briefing tomorrow. The press plane leaves Andrews at 1:45. Air Force One leaves Andrews at 2:25. The press plane arrives at Springfield, Missouri Municipal Airport at 3 o'clock. That would be Central Daylight Time. Air Force One arrives at Springfield at 3:40 Central Time.

The President begins a series of meetings with delegates at, I believe it was, the Howard Johnson's, at 4 o'clock, and speaks to a Republican reception at the Howard Johnson's at 7:15.

The President will depart from Springfield at 8:15 tomorrow and will arrive back at Andrews Air Force Base at 11:15, which would put him on the White House grounds at about 11:35.

Q May I ask a question on that?

MR. NESSEN: Sure.

Q Ronald Reagan will be coming into the airport at around 7:00.

MR. NESSEN: On what night?

Q Tomorrow evening -- to Springfield. Will there be any chance that he and the President would meet?

MR. NESSEN: I don't know of any plans for them to meet, Helen.

Just to look ahead a little bit now, on next Tuesday, the President will go to Norfolk, Virginia -- that is, June 15 -- to speak to the Southern Baptist Convention. The President plans to leave the White House at about 1:30 and the convention is in Norfolk at a place called the Scope Convention Center. The President plans to speak at about 3:30. Immediately after the speech, he will return directly to Washington, arriving back on the South Lawn at about 5:25.

Q No time for the Southern Baptists to ask a few questions, Ron?

MR. NESSEN: The only thing planned, Les, is the speech.

Q What will the speech be on?

Q Will we assume that is not a campaign trip, or is it a campaign trip?

MR. NESSEN: In what sense?

Q Who would pay for it?

MR. NESSEN: I don't know who is going to pay for it, but I will check that out for you.

Q What will the speech be on?

MR. NESSEN: I have not seen the text of it, Helen.

Q Ron, when President Kennedy was running for office he let the Protestants ask him all kinds of questions. Why doesn't Mr. Ford let the Baptists ask him some questions?

MR. NESSEN: The only plan is for -- and I guess what the invitation was for -- was for the President to speak to the convention, which he is going to do.

Q Why don't you find out if the President is going to change those plans a little bit and accept some questions, and then let us have the answer.

MR. NESSEN: I have the answer for that, and the answer is --

Q You already asked him, you mean?

MR. NESSEN: I already checked out whether there were any plans beyond the speech, and the answer is no.

Q Ron, is there any doubt in your mind that the Baptists would not like to have an opportunity to ask the President questions?

MR. NESSEN: I don't know, Les.

Q Do you think there is any possibility that they would not, Ron? Do you think that they have no questions in their minds, Ron? I think Sarah's analogy is well drawn.

MR. NESSEN: Looking further ahead now, let me give you some thoughts on what the President will be doing during the July 4th period in the way of Bicentennial appearances.

The period -- just generally speaking, July 1 to July 5 -- encompasses really the main events in which the President has been asked to take part. And the events are these:



On July 1, about mid-morning, the President will participate in the dedication of the National Air and Space Museum. I think some of you perhaps know that this is a new, large building on the Mall, part of the Smithsonian complex, and the President will speak briefly at the dedication of the Air and Space Museum.

The next night, on July 2, which is Friday, the President will take part in an event at the National Archives, which is a public exhibit of the important documents of American history -- and English-speaking history, really, because the Magna Carta is there, the Declaration of Independence, the Constitution, and other documents. The President will speak, as will Chief Justice Burger and Speaker Albert, at that event. That is in the evening of July 2.

Q Ron, does this mean they will move the Magna Carta from the Capitol to the Archives?

MR. NESSEN: I have to check on the precise details. My understanding is the Magna Carta will be there.

Q The Space Building was supposed to open before that. Has that been postponed?

MR. NESSEN: This is the official dedication. Whether the building is actually open or not, I am not sure.

On the Fourth of July --

Q Nothing on the third?

MR. NESSEN: There is a Kennedy Center sort of entertainment salute that I think the President will attend.

Q Is that the third?

MR. NESSEN: The third, which is Saturday.

Q Is that the Kennedy Center or Wolf Trap?

MR. NESSEN: Kennedy Center, according to my rundown.

On the 4th, the President will go to Valley Forge State Park and there will be various events there, one of which is the wagon train. Are you familiar with the wagon train which has crossed --

Q The one with the diseased horses? (Laughter)

MR. NESSEN: I didn't know that.



Q Ron, in that connection -- someone has just mentioned about the diseased horses -- the head of this wagon train said his is the only legitimate, real wagon train, that the wagon trains that are being allowed into Valley Forge are hired for the Bicentennial and have hydraulic brakes and rubber-tire wheels with high salaried people who ride on them sleeping and eating in motels every night. Can't we do something about having some real, honest-to-God, legitimate wagon trains in Valley Forge Park? This man says he is legitimate -- who is from Texas, I might say -- he says his is the only legitimate wagon train and the others are frauds.

MR. NESSEN: Well, the actual wagon train part of this event, I think, is handled by the American Revolutionary Bicentennial Commission.

Q It certainly is. The one with the rubber-tire wagon wheels and the people who sleep in motels at night -- that is handled by the Bicentennial Commission. He says his horses have passed the test of a Maryland veterinarian.

MR. NESSEN: I think for the exact details of which wagon train will be there and the health of the horses, you really need to check the Bicentennial Commission.

Q They are only going to tell us about theirs, which is a fraud.

Q What is he going to do at Valley Forge Park?

MR. NESSEN: Helen says, what is he going to do at Valley Forge Park?

He will speak briefly there. But, what exactly he will do with the wagon trains, I don't know.

Q Is he going to Independence Hall, Ron?

MR. NESSEN: After the Valley Forge ceremonies in the morning, in the late morning the President will go to Philadelphia for ceremonies at Independence Hall, where he will also speak.

In mid-afternoon, the President will travel to New York City, to the harbor, to participate in a review of the Operation Sail.

Q Is this all the same day?

MR. NESSEN: Yes, the 4th. I think you know that Operation Sail is a collection of some 200 ships of all types from all over the world, including old sailing vessels as well as more modern naval vessels from several foreign countries.



Then, in the evening, the President comes back to Washington and he will witness the fireworks display from the White House. He also plans -- I think you may know that a Viking spaceship lands on Mars at about 10:30 that evening, and the President will have a method of monitoring the progress and landing of the spaceship.

On the 5th, the President's immediate participation in the Bicentennial July 4th period concludes with a trip to Monticello at Charlottesville, Virginia, in mid-morning. This will be on the steps of Monticello, the Jefferson home, and the event will be a naturalization ceremony for a number of new American citizens.

As I say, the President does speak at a number of these events and, although the texts, speeches, have not all been written, I think it would be fair to say the separate speeches together will comprise really a single expression by the President of his view of America on its 200th birthday, its past and its foundations and beginnings, its history up to this point, and what he hopes and plans for the future. As I say, the speeches, while they will be separate addresses, when taken together will form one statement by the President on this occasion.

Q How is he going to speak in New York Harbor?

MR. NESSEN: I don't think he is going to speak at all the events. The four major speeches that I am talking about are the Space Museum, the Archives, the Independence Hall, and the Jefferson speech. There will also be remarks at Valley Forge.

Q Are you suggesting, Ron, that those remarks, taken as a whole, will have a political tone to them in terms of what he expects the country needs and he will provide?

MR. NESSEN: Jim, I am not even going to deny that, because I think it is something that is so far from the realm and scope of these speeches that when you see them you will be sorry you asked the question. (Laughter)

Q All of the President's speeches -- being the 200th anniversary -- will they be deposited in some vault to be opened 100 years from now?

MR. NESSEN: No, they won't. They won't be, no.

Well, that is about all the announcements I have.



Q Ron, since reports from the Reagan campaign include the slogan "Congressman Ford could not pardon Nixon, but President Ford did," I was wondering, if the Reagan campaign and the 10 remaining States use this along with film clips of Congressman Ford assuring the Senate that the American people would never stand for it, would you and the President think this is fair, using these rather questionable ads?

MR. NESSEN: I think the President has already expressed his view on that, Les, and I don't have anything to add to them.

Q Could I follow up? In view of the Carter landslide, doesn't there seem to be a need for Republicans to be united by an apology for rather questionable ads?

MR. NESSEN: I think the President has also expressed his view on that.

MORE

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Q Ron, why is the President sending the Budget Director to the Middle East and why wasn't it announced?

MR. NESSEN: Jim Lynn is going to the Middle East. This trip has been planned for some time and Jim Lynn is going to the countries, whose names I will give you, really to talk to sort of equal officials, budget officials, finance officials of those countries, about their development in their own budgetary processes and their future development plans and their American aid programs involving those countries.

The countries are Israel, Jordan, Syria and Egypt. And he will be leaving tonight. As I say, the questions to be discussed are budget matters, economics, development policies and American assistance programs.

Q Is this really necessary, Ron?

MR. NESSEN: Well, he wouldn't go if it wasn't.

Q I don't know whether he would or not. All of this has been duplicated by other officials of the government. They have already given this information. It seems to me he can get what he wants by asking the Ambassadors of those countries right here.

MR. NESSEN: He is also going to visit briefly several American and NATO military installations in Germany and Italy.

Q Ron, there is a story on the wire that some private detective has evidence that some 300 American prisoners of war are still being held in Southeast Asia. I am wondering if there is any evidence the U.S. Government has that there are any American prisoners of war still alive in Communist camps?

MR. NESSEN: I have not checked today or during this immediate period, but I know the last time the question was raised -- which was maybe two months ago -- the United States had no evidence that there are any Americans alive in Southeast Asia.

Now I would be happy to -- since that is something I checked on about two months ago -- I would be happy to check it again.

Q Ron, you said there were no Americans alive or no American prisoners?

MR. NESSEN: No American prisoners or captives who are missing who are alive in Southeast Asia. There is no evidence we have that they are.

Q Ron, two questions related to the Puerto Rico meeting. First, has the United States received a request from a representative of the European economic community to take part in the summit meeting at Puerto Rico?

MR. NESSEN: I don't know the answer to that but I will check.

Q Second, how are you coming along on the physical arrangements?

MR. NESSEN: There is an advance team down there now and they will be back later today. They went down there to survey and to begin to make the physical arrangements, but they are not far enough along, really, to go into. The meetings themselves will be in the area known as Dorado.

Q If Jimmy Carter asked for permission to come along as an observer, would the President object to that?

MR. NESSEN: I don't know, Les. I will have to check.

Q Ron, let's get back to the Lynn trip just briefly. Was it his idea or the President's idea that he go?

MR. NESSEN: I will have to check. Obviously, it is with the President's approval.

Q Can you tell us who is in the party?

MR. NESSEN: Donald Ogilvie. He is Associate Director of OMB who specializes in the area of national security and international affairs. And also Wesley Clark, who is a Special Assistant to Jim Lynn.

Q Is Mrs. Lynn going?

MR. NESSEN: I don't know that.

Q Does this have any political connotation? Is he carrying any message to the heads of State?

MR. NESSEN: No, it is purely what I told you which is a trip to discuss budgetary and financial and economic matters, development of American assistance --

Q For what, the foreign aid program?

MR. NESSEN: Part of what he will do will deal with the foreign aid program.

Q How long will he be gone?

MR. NESSEN: He will -- I don't have the time.



Q Do you suspect Lynn's office would know whether Mrs. Lynn or other members of the family are going?

MR. NESSEN: Yes, you can call Alan Wade and he will help you.

Q Ron, what is the position of the White House on direct payment to victims of the Teton Dam disaster?

MR. NESSEN: I think I mentioned yesterday that in addition to the things the President has done so far, he has asked the Federal Disaster Assistance Administrator to prepare for him recommendations for any further steps that the Federal Government should take. At the moment that decision has not been made yet. I may have something further later in the week.

Q There was a bill introduced by Senator Church. What is the White House position on that bill?

MR. NESSEN: I think until the Federal Disaster Assistance Administrator has reviewed the subject and made a recommendation to the President, we will have to wait.

Q Do you know whether that type of thing will be included in the recommendation, whether the White House should support or not support direct payments?

MR. NESSEN: I believe that is one of the matters that the Administrator is looking into.

Q There is a dam up here in Seneca -- at the Seneca Indian reservation in New York -- that is going to do the same thing soon.

Q Ron, on the Elizabeth Kovachevich nomination, why is the President bypassing Florida's Judicial Selection Commission?

MR. NESSEN: I didn't know he had.

Q She did not go through that commission, the selecting process.

MR. NESSEN: I don't know whether that is true or not but I can look into it for you.

Q Is he aware that neither Florida Senator intends to sign the blue slip on that nomination?

MR. NESSEN: I don't know the background on that nomination but I can check for you.



Q Ron, do you know if last night the President and Vice President talked politics, and if they did, would it include the possibility of Mr. Rockefeller being on the ticket?

MR. NESSEN: I didn't go on the trip, John, and I have no idea of what they discussed.

Q Ron, is it considered ethical by the White House for the Vice President and the President Ford Committee to call various and sundry big wigs, rich people and people who head big corporations and invite them to pay \$1,000 a person to come to a fund raising party for President Ford at Mr. Rockefeller's house? Is that considered ethical?

MR. NESSEN: If that is going on, it is ethical.

Q Isn't that the same as the White House going out here and asking for something, for a favor?

MR. NESSEN: I don't know what you mean.

Q Just exactly what I said. Isn't this the White House going to individuals and asking them for \$1,000 for Mr. Ford?

MR. NESSEN: I don't know. The fund raising is handled by the President Ford Committee and you can ask Peter Kaye or Stu Spencer.

Q It certainly is. I already investigated that. I said does the White House think this is ethical, to have the President Ford Committee ask individuals for \$1,000 a shot through the Vice President?

MR. NESSEN: They asked me for \$1,000 directly.

Q You say they did ask you for \$1,000?

MR. NESSEN: Sure, they are out raising funds like all the candidates are raising funds. They are living up to the letter and the spirit of the law.

Q You understand, these other people, he is going out here and asking them for \$1,000 -- does that mean if they give \$1,000, then do they get a promise of an invitation to the White House or do they get a promise of performance by the President in some special interest way?

MR. NESSEN: All the fund raising stuff you need to ask PFC, Sarah.

Q I don't need to ask PFC. I have asked them. I am asking the White House if the President thinks this is ethical.



MR. NESSEN: He is sure it is ethical or else they wouldn't be doing it.

Q He thinks it is ethical. Then is that your statement? You have not asked him about it now?

MR. NESSEN: He has confidence in the people who are running his campaign and he has given them very firm direction to live up to the spirit and letter of the law.

Q May we have the list of the people who were invited to that party, about 200 of them?

MR. NESSEN: I am sure the PFC could provide you with it, Sarah.

Q They haven't yet.

Q Did you give \$1,000?

MR. NESSEN: I wish I had \$1,000.

Q In view of the fact the President apparently is going to be located in San Juan on the Puerto Rico Conference, we do have facilities for a pool, and I mean a mini press room near the Conference or right on the scene? I think that that would only be fair.

MR. NESSEN: As I say, we are not very far along in making the physical arrangements. The team is not even back yet and I have only talked to them once on the phone.

Q We understand we are not even getting telephones or anything -- don't have any facilities.

MR. NESSEN: I don't know who you understand that from because I have only had one brief talk with the people.

Q It is seeping down.

MR. NESSEN: It hasn't seeped down to me yet.

Q Your advance team is back. We might inform you of that.

MR. NESSEN: I don't think they are due back until later today.

Q Ron, do we go down on Sunday morning and come back Monday night?

MR. NESSEN: I don't think the exact arrangements yet, John.



Q Ron, in view of the fact the President now announced he is determined to go into downtown Philadelphia and the Mayor of Philadelphia has asked for 15,000 Federal troops, is it possible you could give us some indication of some kind of security measures because if the Mayor asked for 15,000 troops and the President is going down there, and there has been no answer to the Mayor, it can leave the people, I think, a little bit apprehensive.

MR. NESSEN: Representatives of the Justice Department will be meeting in Philadelphia with city and State law enforcement officials this week. Following that meeting the Attorney General will then have supplied to him the information he needs to make a recommendation to the President. The Attorney General has sent a letter to Governor Shapp and to Mayor Rizzo -- he sent that letter on Monday, actually -- saying that he did not have sufficient information to reply to the request and would not have sufficient information until this meeting which will take place this week between the Justice Department and Philadelphia and Pennsylvania law enforcement officials.

Q Thank you very much.

Q Ron, when is the announcement on the speciality steel quota going to be made?

MR. NESSEN: Monday.

Q When you say this week, are they in Philadelphia today?

MR. NESSEN: I don't know. I haven't kept up that closely with it.

Q Ron, what was that announcement you were saying would be Monday?

MR. NESSEN: There is some question of when specialty steel will be announced.

Q On the bus you told us it would be Monday.

MR. NESSEN: Did I? Let's get this straightened out.

MR. CARLSON: The signing of the Orderly Marketing Agreement will be tomorrow. The proclamation imposing import quotas will be Monday.

MR. NESSEN: It comes in two steps.



Q On that kind of thing, can you tell us anything more as to when you expect the President's busing legislation to go up?

MR. NESSEN: No, I can't.

Q Do you have any kind of time frame at all? Are we talking about a month? Are we talking about a week? Do you have a general time frame?

MR. NESSEN: I do not have a general time frame for you.

Q Has he set up a meeting of civil rights leaders yet?

MR. NESSEN: I don't have an announcement to make on that yet.

Q Would that meeting precede the submission of the legislation?

MR. NESSEN: Yes, and, as I said before, there will be meetings, plural, with various people who have views on this subject, including city and State officials and groups of various kinds.

Q When do you expect the first of these meetings?

MR. NESSEN: I don't have an announcement yet, but I may very soon.

Q Is the President meeting with Levi today?

MR. NESSEN: No, not on this matter.

Q What are they talking about?

MR. NESSEN: Another matter.

Q What is the subject?

Q You can't tell us what the meeting is about, the subject matter?

MR. NESSEN: I think some of you know that the Elliot Richardson Commission has been working on the problem of questionable payments to foreign countries and foreign individuals, and there was a meeting of that Commission this morning on which the Attorney General sits, so that was the subject.

Q What did they decide at that meeting?

MR. NESSEN: There was no decision made at that meeting.



Q You mean he came to report to the President on what they discussed and decided?

MR. NESSEN: No. It was a discussion but no decisions or recommendations.

Q You mean there was something in the meeting that he had to bring to the President's attention for Presidential decision at some point? Is that what you are saying here?

Q Where was the meeting? Here?

MR. NESSEN: Yes.

Q With the President sitting in?

MR. NESSEN: Yes.

Q It was not on the schedule.

MR. NESSEN: It was a staff meeting.

Q Ron, has the President ruled out the possibility now of a meeting with Brezhnev between now and the election?

MR. NESSEN: There is no change in what has been said before on that, John.

Q Did you say the President sat in on this meeting?

MR. NESSEN: Yes.

Q I thought you said a moment earlier he was coming in to tell him what went on at the meeting. I guess I misunderstood you.

MR. NESSEN: Somebody said, why was he here, and I explained he is part of the Richardson Commission, and that is why he was here.

Q Did he have a separate meeting with the President?

MR. NESSEN: No.

Q He was here for the general meeting?

MR. NESSEN: Right.

Q I misunderstood you.

Q Do you have anything new to say on the situation in Lebanon?

MR. NESSEN: No.



Q Why hasn't the United States condemned an invasion of another country -- I mean, in very vocal public terms -- rather than the President being asked a question about it?

MR. NESSEN: I think we have said over and over again, Helen, the United States policy is to oppose all outside military intervention that could lead to a widening of the conflict and an escalation of the fighting. The President has expressed his sympathy for the Lebanese people, has reiterated his support for peaceful settlement, a political settlement by the Lebanese themselves, and for the territorial integrity of Lebanon, and so forth.

Q In the past, we never would have taken such an invasion so lightly. Why are we taking it so lightly?

MR. NESSEN: I don't know what invasion exactly it is that you are talking about.

Q The Syrian invasion of Lebanon.

MR. NESSEN: We have repeatedly talked about our opposition to outside military intervention which can lead to a widening of the conflict.

Q Don't you think the President should have made any kind of forceful statement against that kind of invasion in recent weeks, on the public record, on your own initiative?

THE PRESS: Thank you, Ron.

END (AT 12:20 P.M. EDT)

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