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THE WHITE HOUSE
WASHINGTON

April 15, 1975

MEMORANDUM FOR:

ROBERT HARTMANN
MAX FRIEDERSDORF
JIM LYNN
JACK MARSH
✓ BON NESSEN

FROM:

JIM CANNON 

SUBJECT:

Atlanta Airport Grant

By the attached memorandum, Secretary Bill Coleman suggests that the President announce a \$16 million airport grant to Atlanta, Georgia which was requested by Mayor Jackson and supported by Governor Busbee and the Georgia congressional delegation.

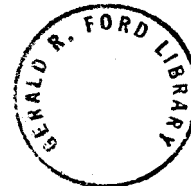
Normally, an announcement of this size would be handled by the Secretary but he believes it would be beneficial for the President to take credit for the project as it demonstrates that government can work quickly with State and local officials to produce results. In this case, the project will provide 5,000 jobs for the next 18 months in the Atlanta area and, when completed, will make Hartsfield Airport the second largest field in the nation.

As I see it there are several options:

1. White House announcement with personal telephone calls from the President or staff.
2. DOT announcement with prior notification calls from the White House (Hartmann - State party officials; Friedersdorf - Congressional; Domestic Council - State and local officials).
3. DOT announcement and complete responsibility for all action.

Could I please have your comments and recommendations on the above proposal. If possible, I would appreciate your input this afternoon so that the proposal may be moved to the President by Wednesday morning.

Thanks.



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

April 7, 1975

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

Three weeks ago I received a call from Senator Herman Talmadge asking that I see a delegation of Georgia officials led by Congressman Andrew Young and Mayor Maynard Jackson of Atlanta. These gentlemen petitioned me to arrange funding for a \$16 million project designed to permit the lengthening of a major runway at Atlanta's Hartsfield Airport which, in turn, requires relocating Interstate Highway 85.

Their petition was well presented and reasonable. It is a project that will provide 5,000 jobs for the next 18 months in the Atlanta area and, when completed, will make Hartsfield Airport the second largest field in the nation, employing 20,000 to 22,000 more people than are presently on its payroll. I was persuaded to find matching funds already in the Budget and planned for use in Georgia during 1975.

I immediately organized a task force, charging them to report back in two weeks as to the feasibility of Federal funding. This group, comprised of Federal Highway Administration and Federal Aviation Administration personnel, responded quickly and positively. Funds were available.

Governor George Busbee of Georgia assures me that this effort is among his State's highest priority projects. He will make state and local matching funds available -- and, because of the timely action of all parties, we can begin now.

I thought you would like to know about this project as it demonstrates that government can work at all levels to produce results quickly. It is a credit to your Administration that state and local leaders can come to Washington, receive a hearing, and expect results.



As it is now time to make the announcement, I would like to offer you the opportunity to inform the Georgia leaders of the Administration's decision. I would, of course, be pleased to act for you but I suggest that, because of its impact, you might consider handling this matter yourself.

I recommend you notify Senator Herman Talmadge, Governor George Busbee, Congressman Andrew Young, and Mayor Maynard Jackson of your action. Attachment 1 is a breakdown of the manner in which the funding will be accomplished. Attachment 2 is a recommended statement announcing your decision. This project will create 5,000 jobs today. The future Hartsfield Airport will give Georgia 22,000 jobs tomorrow.

I believe this presents government at its cost effective best.

Respectfully,

Bill
William T. Coleman, Jr.

Attachments



Attachment 2

Draft of Announcement by the President

I am pleased to announce that my Administration has, together with members of the Congress and strong, responsible leaders of state and local government, found a solution to a problem which will provide significant improvement in aviation service in the Southeastern United States, provide 5,000 additional jobs for the next 18 months, and create over 20,000 new job opportunities for the future.

I refer to action taken by Secretary of Transportation Bill Coleman, in concert with Governor George Busbee of Georgia and Mayor Maynard Jackson of Atlanta. These gentlemen were assisted by Senator Herman Talmadge and Congressman Andrew Young of Georgia who provided their considerable interest and support.

Acting together, in just three weeks, a \$16 million project to expand the runway facilities at Atlanta's Hartsfield Airport involving the relocation of Interstate Highway 85 was presented, approved, and funded, using money properly appropriated in the present fiscal year's budget -- but using it in such a way as to produce the maximum benefit to the region.

I commend Secretary Coleman and the agencies of the Department of Transportation for their responsiveness. I commend Governor Busbee and Mayor Jackson for their spirited cooperation in



solving the problems of their region and I thank Senator Talmadge and Congressman Young for their support.



THE WHITE HOUSE

WASHINGTON

May 12, 1975

MEMORANDUM FOR :

RON NESSEN

FROM :

JIM CANNON *J.C.*

SUBJECT :

Press options for the meeting
with Governor Hugh Carey and
Mayor Abe Beame

I wanted you to see the press options on handling the
Carey-Beame meeting tomorrow.



Elements of a Fiscal Improvement
Program for New York City

1. Phase out the use of long-term borrowing to finance operating expenses over a 5 to 10 year period by amendments to the Local Finance Law. This should include requirements for disclosure of all such items now included in the capital budget or "outside the certificate."
2. Reduction of the City's short-term debt position in line with a plan for the next 12 to 18 months. This should include a program of improved advances/reimbursements of State and Federal aid.
3. Improvements in the City's financial accounting and reporting systems by means including:
 - Work toward adoption of MFOA principles and standards
 - Install improved accounting systems
4. Installation of a long-range fiscal planning process (3 to 5 years) for City expenditures and -- in so far as feasible -- revenues.
5. Establish a City-State fiscal commission to review aid programs, shared financing of operating programs, etc., along the lines of the Mayor's proposal.



THE WHITE HOUSE

WASHINGTON

MEETING WITH GOVERNOR HUGH CAREY
AND MAYOR ABE BEAME

Tuesday, May 13, 1975
2:00 p.m. (45 minutes)
The Oval Office

From: Jim Cannon *JC*

I. PURPOSE

This meeting was requested by Governor Carey and Mayor Beame to apprise you of the fiscal crisis that New York City faces in the next two weeks and to appeal Secretary Simon's decision not to support legislation giving Treasury authority to loan New York City Federal funds.

This will provide you an opportunity to explain to them the problems the Federal government would have if it were to consider the fiscal crisis of one major municipality without at the same time considering the fiscal crisis of all other state and municipal governments who are experiencing similar financial difficulties. In addition, you may want to point out to the Mayor that you recognize that the current fiscal crisis has not developed overnight but rather results from a long series of decisions which has now precipitated this crisis.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: Attached at Tab A is a brief memorandum Dick Dunham has put together covering the New York City problem. Also attached (Tab B) is a summary of Treasury's views on the impact of the problem.

This morning Jerry Jones passed on your request for additional budget information on New York City. We are in the process of pulling that together.



- B. Participants: The Vice President, Governor Carey, Mayor Beame, Secretary Simon, Bill Seidman, Jim Lynn, Alan Greenspan, Jim Cannon, Dick Dunham, and Secretary Dunlop.
- C. Press Plan: To be announced. Photo opportunity.

Options

1. Immediate announcement by statement through Ron Nessen. Draft statement being revised by Paul Theis, is at Tab C.
2. Ron Nessen and Jim Lynn to brief press on what happened at the meeting and to make clear the President's position.
3. President himself to go to briefing room and summarize statement for the cameras. Leave and have Ron Nessen or Jim Lynn brief on the meeting and take questions.
4. The President considers the request from Mayor Beame and Governor Carey for 24 hours, then announces his decision, or have Jim Lynn announce it.

Domestic Council staff recommends Option 3.

III. TALKING POINTS

1. I have followed the situation closely and I am fully aware of your fiscal problem.
2. I am very sympathetic with your plight and very sympathetic with the people of New York City. You are up against a hard problem.
3. Call on Governor Carey.
4. Call on Mayor Beame



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THE WHITE HOUSE

WASHINGTON

May 12, 1975

MEMORANDUM CONCERNING NEW YORK CITY FINANCIAL CRISIS

The President will meet with Governor Carey and Mayor Beame on Tuesday, May 13, 1975, concerning the possible insolvency of New York City which could occur on or before May 23.

PROBLEM

The insolvency will occur unless the City can borrow on a short term basis by May 20 about \$750 million to meet various payrolls, BAN*maturities and other expenses.

Three major N.Y.C. banks have notified Mayor Beame, Governor Carey and Secretary Simon that they cannot market New York City short or long term debts in the amounts required over the next 4 months.

BACKGROUND

There are three elements to the problem and the solution to the short term financing problem lies in a credible and realistic solution to the other two.

These are:

1. The City needs to borrow on a short term basis about \$3.5 billion before the end of August. These tax anticipation notes would be used to finance the City's cash flow until property taxes or other payments are received in major amounts in the Fall.
2. The City must adopt by July 1, a 1975-76 Budget that is in balance. Mayor Beame states that there is a gap of \$600-800 million between estimated expenditures and estimated income that must be covered by new taxes, increased State or Federal aid or city service cuts.
3. There is a long term imbalance between revenues and expenses which lie at the heart of the problem.

*Bond Anticipation Notes



Over the last five years, City revenues (excluding State and Federal aid) have grown at an average rate of about 8 percent. During the same period, however, expenditure growth has averaged 15 percent.

This differential between revenues and expenditures has been funded through the use of one time revenues, accounting changes such as capitalizing current expenses, and increased short term borrowing.

See Tab A for a description of the types of methods used over the last few years which have caused the current lack of confidence in City financial paper. Most of these methods are well documented and in the public domain.

SOLUTION

Long Term

The solution to the short term financing problem is to restore confidence in the integrity of and long term balance of City revenues and expenditures.

The confidence of the financial community can probably only be restored by extensive fiscal reform, a cut back in the current level of services and expenditures, and a long term demonstration of willingness on the part of the City administration to live within the available revenues.

See Tab B for an illustrative list of possible current reductions.

See Tab C for a possible program to accomplish the long term restoration of confidence, balance, and reform.

Short Term

A reduction in City expenses for the 1975-76 fiscal year and the adoption of a longer term solution cannot realistically be accomplished within the next two weeks.

It is unlikely that a program containing elements of the above and possibly some tax increases could be accomplished much before June 30.



This leaves a cash need of the City for:

By May 15 \$650 - 750 Million

By June 11 \$750 - 850 Million

Total through June 30 \$1.5 Billion

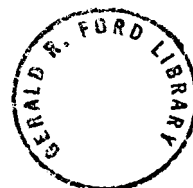
These short term funds will probably have to be provided through:

- A. Increased use of New York State credit.
- B. Refinancing by the Banks of current notes -
\$234 Million BAN's*and \$792 Million of TAN's.**
- C. Or appeals to the Federal Reserve Board.

* Bond Anticipation Notes

** Tax Anticipation Notes





SOME COMMENTS ON THE CITY'S FISCAL SITUATION

The current fiscal imbalance situation has not developed overnight but rather results from a series of decisions made by both the Lindsay and Beame Administrations. The central theme of these decisions has been the provision of new and expanded services without regard to the present or future ability of the City to finance them. In addition, the ability of the City's powerful unions to extract exorbitant wage settlements, coupled with ineffective lower and middle management have contributed significantly to the situation in which the City finds itself.

Some of the more significant fiscal practices which have contributed to the City's predicament are outlined below.

1. Capitalization of operating expenses

An estimated \$715 million of operating expenses are contained in the City's \$1.7 billion capital budget for 1974-75. The City uses this device to reduce the need for tax levy monies in a given fiscal year. This practice, however, has grown to the point where it seriously erodes the City's ability to finance needed capital improvements to its aging and deteriorating physical plant (e.g. housing). Further, this practice, while legal, inevitably costs the taxpayer about 15 to 20 percent more over time because of the interest payments on the borrowed funds. Examples in 1973-74 budget, the entire cost of the vocational education program (estimated at \$148 million) was transferred from the operating budget to the capital budget through a technical loophole in the law.

2. Rapid growth of debt service

Indicative of the City's growing reliance on both long and short term borrowings to achieve a "balanced" budget, the City's debt service payments will consume an estimated 16 percent or \$1.8 billion of the expense budget for 1974-75 (up from 11.2 percent or \$1.2 billion 1973-74). The magnitude of these payments impedes the City's ability to provide essential services and contribute to the use of fiscal gimmicks to balance the budget.



3. Underfunding pension cost

A series of articles in the New York Daily News last spring (3/25/74), indicated that the City may be seriously underfunding its entire pension program. The analysis noted that many of the actuarial assumptions have not been modified since they were made in 1917. This practice, coupled with the lucrative pension benefits agreed to by City officials and increases in the City's labor force have caused pension payments to jump from \$465 million in 1972-73 to an estimated \$1.1 billion in 1974-75

Dr. Bernard Jump of Syracuse University's Maxwell School indicated that retirement cost increases of \$700 to \$900 million per year (including social security) could reasonably be expected over the next seven years.

In addition, the Fire Department Pension fund is currently \$200 million in arrears because of an impasse among members of the fund's Board of Trustees as to the respective responsibilities which the employees and the City should assume in making payments to liquidate the deficit.

Despite these factors, the City took advantage of some fiscal gimmickry to use \$125 million of "excess" income in the Employees Retirement System to help "balance" the 1974-75 budget.

4. Underfunding collective bargaining settlements

In each of the last two fiscal years the City has underfunded the cost of its collective bargaining settlements by about \$100 to \$150 million annually. Essentially, the City assumes that contracts negotiated in one fiscal year, e.g., 1973-74, won't be settled until the following year, e.g., 1974-75. This allows the 1973-74 costs of such contracts to be paid retroactively through bonds issued under the "judgements and claims" provision of the City Charter and the State Finance Law. The effect on relative expenditure levels in the following year, e.g., 1974-75, is to double count the cost of the collective bargaining increase as the amount allocated doubles to meet the base year (1973-74) salaries plus the second year (1974-75) cost increases.



This practice also permits the City to grant salary increases in excess of what they might normally provide since there is little effect on the City tax levy funds in the base year.

5. Placing certain expenditures on a cash basis

Although the City normally operates on an accrual basis, they have been able to generate some one-time savings by placing certain expenditures on a cash basis. For example, if the last pay period of City FY 1973-74 actually includes 5 working days of the new fiscal year, an accrual system would require counting all the expenditures in 1973-74. By switching to a cash basis, however, the City charges only 5 days expense to the 1973-74 fiscal year with the remaining 5 days expense chargeable to the following fiscal year. While an ingenious strategy, it has one major drawback - viz. in 1977, according to City officials, the accrual pay period and the cash pay period will end on the last day of the City fiscal year (June 30). Thus, the City will, in effect, be faced with an extra or 27th pay period instead of the normal 26 periods.

6. Funding from one-time sources

The foregoing is but one example of the growing tendency of the City to resort to one-time sources to balance the budget. In CFY 1974-75 about \$450 million in such sources were used. In addition to the use of pension fund interest (\$125 million) and the accrual to cash accounting (\$32 million) noted above, other devices totalled \$297 million.

The use of these financing measures to support ongoing operating expenses means that a substantial portion of the programs in the 1974-75 budget had no dependable future support. Thus as the 1975-76 budget is drafted, the City will face the prospect of cutting the programs, finding some source of ongoing support, e.g., borrowing, increasing local taxes or getting additional State or Federal Aid and/or devising a new series of one-shot gimmicks.





Illustrative List of Possible Expenditures
Changes in 1975-76 Budget

1.	End free tuition at City University Establish State University tuition rate, for those who can afford it.	\$million
	138,000 students	60+
2.	Reduce work force. Say 10,000 employees. average salary \$11,000 fringe benefits 3,300	
	<u> </u> \$14,300	
	10,000 x \$14,300	143
3.	Raise subway fares \$0.05 From .35 to .40	50
4.	Tolls on East River Bridges	50
5.	Charge Day Care according to Federal standards	15
6.	Reduce City University salaries to State University salary rates	10
7.	Renegotiate employee contracts to require partial -- 20% contribution of employees to the retirement	200
8.	Reduction in primary and secondary education costs	100
9.	State takeover of city court system	120
10.	State takeover of correction system (tax levy cost)	90
11.	Reduction in levels of free hospital services (\$340 million tax levy)	100
12.	No increase in pay levels under pending negotiations	350-400



Proposed Comments on the Consequences of Default
by New York

Robert A. Gerard, Director
Office of Capital Markets Policy - TREASURY

There is little doubt that a default by NYC would have a substantial psychological impact on the municipal market and the capital markets generally, NYC accounts for 25% of the short term tax-exempt market; its total outstanding debt is \$12-13 billion. A default on even a single note issue would severely reduce the market values of all NYC securities, if it did not close the market entirely.

On the other hand, the cataclysm threatened by some City officials and some bankers is unlikely. NYC banks hold approximately \$1.25 billion of NYC securities, slightly more than 1% of their total assets. To the extent a default created liquidity problems for one or more banks, the Fed would undoubtedly step in with loans. There could be serious hardship to individual investors who need to convert to cash, but, if the City took proper measures, it would be short lived.

A default could trigger the kind of radical fiscal action by the City which is required. Such action could induce the banking community -- probably with the blessing of the Fed -- to provide the City with the cash to cure the default and conduct its affairs until enough tangible evidence of progress exists to return to the public market.

Alan Holmes, Vice President
Federal Reserve Bank - New York City

The possible consequences of a default by New York City on its note or bond obligations are difficult to predict, but it seems reasonable to anticipate that general effects on the credit markets would be confined to NYC's own issues and to other issues regarded as having relatively weak credit standings. It is not anticipated that there would be a widespread collapse of the markets in State and local issues generally.

A major unknown in this analysis is the possible secondary effect that might stem from a significant weakening of confidence in the large New York City banks. The major banks hold sizable amounts of NYC obligations and depositors could be feared of the consequences of the City banks facing large losses or significant liquidity problems. While this result is a risk, it is by no means a foregone conclusion or even a likelihood. Available information on the exposure of large



New York City banks does not suggest that such exposure is a major proportion of capital. On the other hand, one cannot entirely dismiss the possibility of "irrational reactions" in the financial community.

J.C. Partee, Managing Director
for Research & Economic Policy - Federal Reserve Board

A default on its note issues by New York City probably would not have significantly adverse effects on the national economy, assuming that the City is permitted to continue to meet pay-rolls and other current expenses. An austerity program undoubtedly would be forced upon New York City, and the resultant cutbacks over time in current activities would tend to increase the already substantial unemployment problem in that area. Some other hard-pressed communities and governmental entities, adversely affected by increased investor sensitivity to the risk factor in tax exempt securities, might also be compelled to curtail some activities for lack of financing. But the scale of these direct impacts would be very small relative to the overall economy.

Potentially more damaging to the economy would be the possible psychological effects of a New York City default. Banks and other lenders might tighten up on their credit standards generally. Consumers, confronted with this new evidence of weakness in the financial structure of the country, could become even more cautious in their spending behavior. Markets for stocks and corporate bonds could suffer a reaction, with selective declines in those issues judged to be of doubtful or marginal quality. Such a reaction, if it developed, would obviously weaken the prospects for recovery in business capital spending, construction, and postponable consumer expenditures.



May 12, 1975

New York City faces a financial crisis, and I am sympathetic to Governor Carey and Mayor Beame and all of the residents of our largest city.

Although New York City's fiscal problems are enormous, they come down to this:

The city has been living beyond its means for many years. The cost of the services the City provides has been rising almost twice as fast as the City's capacity to pay for them. The difference between annual income and outgo has been made up in large part by borrowing -- and now the size of New York City's debts are so great that banks are finding it difficult to extend credit to New York City.

But the problem is not new. The New York City fiscal situation was analyzed by a non-partisan State Study Commission for New York City and also by the State Charter Revision Committee for New York City. Both concluded, in effect, that the City's revenue base, big as it is, is simply not large enough to finance all the services that New York City provides.

There is a way out of this dilemma, and I have been pointing to it: Fiscal responsibility, for cities, states, and the Federal government.



I know how hard it is to reduce or postpone worthy and desirable public programs. Every family who makes up a budget has to make painful choices. As we make these choices at home, so also must we make them in public office too. We must stop promising more and more services without knowing how we will cover their costs.

Above all, it seems to me, we must play fair with the public. The extent to which the Federal Government can or should redistribute revenues among the States and cities is limited by standards of equity. The extent to which States can or should subsidize cities is also limited. And the taxpayer, on whom the whole pyramid rests, can only carry so much. It is fruitless to promise him more than he is willing to pay for.



THE WHITE HOUSE

WASHINGTON

May 20, 1975

MEMORANDUM FOR:

RON NESSEN

FROM:

JIM CANNON *JC*

The News Summary staff was very helpful to us recently in putting together a summary of news stories and comment on alleged abuses in the Food Stamp program. We have had an extremely difficult time in securing information on abuses and I wanted to let you know that we appreciate the efforts that your staff made.



THE WHITE HOUSE

WASHINGTON

June 5, 1975

TO: RON NESSEN
 BILL GREENER

FROM: JIM CANNON *Jmi*

SUBJECT: Uranium Briefings

Here is a tentative timetable for the uranium enrichment decision.

The June 30 date is firmly established, so we should undertake advance briefings with that date in mind.



TARGET DATES - URANIUM ENRICHMENT

	<u>Date</u>
- <u>Next Increment of Capacity</u>	
. Decision paper to the President	6/3
. Meeting with the President	6/5
. Preliminary discussions with Congressional leaders	
- Presidential discussion with selected members	6/10
- ERDA discussions with JCAE and staff	6/10
. Additional Government actions to assure commercial market, particularly for follow-on centrifuge	
- ERDA identifies possible additional actions and submits to Executive Office	6/16
. Legislation covering alternative selected	
- ERDA submits draft to OMB	6/16
- OMB completes clearance process	6/23
- Legislation transmitted	6/30
. Letter agreement (if Alt #1 is selected)	
- ERDA discuss with JCAE	6/10
- Obtain JCAE agreement	6/23
- Sign agreement	7/5
. Presidential Message	
- ERDA submits draft to Domestic Council	6/16
- Domestic Council gets OMB, NSC, FEA comments, discusses with ERDA by	6/18
- Domestic Council submits draft to Theis	6/19
- Theis completes his first draft for staff review	
- Draft message for Presidential review	
- Transmit message	6/30
. Fact Sheet	
- ERDA submits draft to Domestic Council	6/16
- Domestic Council gets OMB, NSC, FEA comments	6/18
- Domestic Council draft to all parties for comment	6/19
- Revised draft completed (for use in briefings)	6/23
- Final draft to press office	6/27



	<u>Date</u>
. Detailed Congressional briefings	6/25
<u>Commercial charge legislation</u>	
- ERDA submit draft to OMB	May 27
- OMB clearance completed	June 20
- Dr. Seamans transmits legislation	June 23
<u>Open season decision</u> - Proposed relief from penalties in current utilities' contracts with ERDA for enrichment services.	
- ERDA submits to OMB	May 13
- OMB review completed	June 10
- Decision announced by ERDA	June 11



THE WHITE HOUSE

WASHINGTON

September 11, 1975

MEMORANDUM FOR: RON NESSEN
FROM: JIM CANNON *Jm*
SUBJECT: Public Forums on Domestic Policy

This proposal was approved yesterday by the President.

Attachment





THE VICE PRESIDENT
WASHINGTON

September 10, 1975

MEMORANDUM FOR:

THE PRESIDENT

FROM:

THE VICE PRESIDENT *Walt*

SUBJECT:

Public Forums on
Domestic Policy

Attached is the plan for conducting the Public Forums on Domestic Policy, administered by the Domestic Council. The plan proposes:

- o One-day meetings in six cities with specific dates and locations listed. (Four additional cities optional.)
- o At each Forum, a three-hour morning session would be held with the Vice President chairing. Following the morning session, the participants would divide into four groups along the following major policy areas:

Social Programs
Jobs and the Economy
Resources and the Environment
Community Development, Transportation,
and Housing

- o Testimony from solicited persons representing a broad cross-section of opinion and interests.
- o The Forums be announced by the President and the Vice President following a Domestic Council meeting during the week of September 22.

Attachment



THE WHITE HOUSE

WASHINGTON

September 10, 1975

MEMORANDUM FOR: VICE PRESIDENT
FROM: JAMES M. CANNON
SUBJECT: Public Forums on Domestic Policy

I. OBJECTIVES

To conduct a series of six or more meetings, geographically distributed, to:

- Outline what the nation is facing with regard to Domestic Programs;
- Obtain public input in the development of Presidential options;
- Assist the President in formulating his legislative recommendations and initiatives to the Congress in the 1975 State of the Union message.

II. FORUM FORMAT

Each Forum will be a one-day meeting, consisting of the following elements:

- A. A morning session of approximately three hours would be chaired by the Vice President with Cabinet members and other Federal officials participating. The Vice President would open with introductions and brief remarks. The balance of the morning would be divided into time for a discussion of four major domestic policy areas. Two or three witnesses would be asked to present five-minute testimony on issues relating to social programs, the economy, resources, and subjects of interest to the area such as housing, transportation, etc. Following the presentation of testimony for each segment, the witnesses could be questioned by the Vice President and Federal officials. A portion of the time could also be made available for public participation.



B. Following the morning session, four separate, simultaneous meetings would be held to continue the discussion of the four major policy areas. These would involve:

1. A Cabinet level official would serve as chairman and would be backed up by representatives from appropriate Federal agencies, including the Domestic Council.
2. Selected individuals, representing a cross section of interests and opinion, would present testimony on pre-determined subjects. Each witness would be allowed up to five minutes for testimony, or to summarize a more comprehensive statement.
3. Total seating for each of the four meetings will be approximately 125 persons. Fifty to seventy-five seats will be reserved for the witnesses and support personnel; the remainder will be available to the general public on a first-come, first-served basis.
4. Vice President will rotate among the four meetings, dividing his time equally.
5. Opportunity for submission of written statements from the public.
6. An informal buffet luncheon for the Federal officials, invited participants, and selected State and local officials, hosted by the Cabinet member who would be serving as chairman, could begin the afternoon sessions.

III. DATES AND LOCATIONS

Tuesday, October 21	Denver, Colorado*
Tuesday, October 28	Kansas City, Mo.*
Tuesday, November 11	Austin, Texas
Tuesday, November 18	Philadelphia, Pa.*
Monday, December 1	Nashville, Tennessee
Tuesday, December 9	Los Angeles or Sacramento, California



* Locations of Federal Regional Offices

Possible additional cities (dates not currently available in Vice President's schedule):

Tampa/St. Petersburg, Florida
Springfield, Illinois
Hartford, Connecticut
Albuquerque, New Mexico

NOTE: The Vice President should not be scheduled to participate in any political activities in conjunction with the Forums.

IV. CONFERENCE ISSUES

The Forums will focus on four major domestic policy areas:

Social Programs (welfare, health, etc.)
Jobs and the Economy (manpower programs, inflation, etc.)
Resources and the Environment (raw materials, agriculture, etc.)
Community Development, Transportation, and Housing

The issues could vary according to regional interests. Under each general policy area specific issues will receive focus through the scheduling of witnesses. For example, welfare reform can be a discussion issue through scheduling witnesses concerned with that subject for a block of time; the same with health care, etc.

V. PARTICIPANT SELECTION (WITNESSES)

Participants will be selected from recommendations received from: State and local officials; labor, business, consumer groups and similar key constituencies; local Federal officials (Regional Offices); White House lists. Congressional recommendations, though not solicited, will also be considered.

A limited number of witnesses will come from State and local governments in the region covered by each Forum.

Members of Congress from the region covered by the Forum will be briefed on the purpose and plans of the Forum by the Congressional Liaison office. Although not specifically invited to the Forum, Members will be welcome to attend, as observers, and will receive appropriate introductions.



VI. ANNOUNCEMENT STRATEGY

- A. During the week of September 22, the Congressional leadership should be briefed at a session with the President.
- B. During the same week, the President would call a meeting of the Domestic Council, at which time he describes the program. Immediately following the meeting, the President and Vice President should adjourn to the press room. The President would announce his decision to direct that the hearings be held. The Vice President would brief the press about the purpose and scope of the hearings.
- C. It is important that a distinction be made between the Public Forums on Domestic Policy and the White House Conferences on Domestic and Economic Policy. In order to avoid confusion, it is recommended that the White House conferences be suspended during the period when the Forums are scheduled.
- D. Cooperation from the departments and agencies represented on the Domestic Council to provide personnel and financial resources for these Forums is essential. It will be necessary to utilize Regional Office personnel in the cities where the Forums will be held.



THE WHITE HOUSE

INFORMATION

WASHINGTON

October 28, 1975

MEMORANDUM FOR : RON NESSEN
FROM : JIM CANNON *Jm*
SUBJECT : Consumer Protection Act

The President would like Virginia Knauer to go public, before the vote on the Consumer Protection Agency on November 5, with a report on what has been accomplished thus far in having each Department set up a representative for consumers.

*Margita White.
Do what you
can, quickly, on*

this. RHN

10-29-75



THE WHITE HOUSE
WASHINGTON

October 24, 1975

MEMORANDUM FOR: RON NESSEN

FROM: JIM CANNON

A handwritten signature in black ink, appearing to read "Jim Cannon", written over the printed name "JIM CANNON".

I had an on-the-record luncheon discussion today with the Washington Bureau staff of Fairchild Publications.



THE WHITE HOUSE
WASHINGTON

October 23, 1975

MEMORANDUM FOR : THE HONORABLE WILLIAM SIMON
Secretary of the Treasury

FROM : JIM CANNON *J. Cannon*

SUBJECT : Telegram from Arthur Levitt
Comptroller of New York State

The attached telegram to the President was sent to Jim Falk today.

Since Treasury has the liaison with New York City, perhaps it would be more appropriate for you to respond.

cc: Ron Nessen



THE WHITE HOUSE
WASHINGTON

October 21, 1975

MEMORANDUM FOR: JIM CANNON

FROM: JIM FALK *F*

We recommend that Secretary of the Treasury Simon answer this telegram from Mr. Levitt.

We also recommend that a copy go to Ron Nessen.

Thanks.



THE WHITE HOUSE

WASHINGTON

October 21, 1975

MEMORANDUM FOR: THE HONORABLE WILLIAM SIMON
Secretary of the Treasury

FROM: JIM CANNON

SUBJECT: Telegram from Arthur Levitt
Comptroller of New York State

The attached telegram to the President has been sent to my office today.

I think a direct response from you would be appropriate.

Thanks.

Attachment



The White House
Washington

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ICS IPMNTZZ CSP

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PMS PRESIDENT GERALD FORD

WHITE HOUSE DC

DEAR MR PRESIDENT LAST NIGHT YOUR PRESS SECRETARY MADE THE STATEMENT THAT NEW YORK CITY'S FINANCIAL CRISIS COULD BE SOLVED IF ITS OPERATING BUDGET WERE CUT BY A MERE 6-0/0. UNFORTUNATELY THIS PROBLEM IS FAR MORE SERIOUS AND COMPLEX. BECAUSE IT HAS NO ACCESS TO THE CAPITAL MARKET NEW YORK CITY IS UNABLE TO FINANCE EITHER ITS OPERATING EXPENSE DEFICIENCY, ITS CAPITAL CONSTRUCTION PROGRAM, OR ITS MATURING SHORT TERM OBLIGATIONS.

IT IS NOW ESTIMATED THAT THE CITY WILL HAVE A CASH DEFICIT OF MORE THAN 5 BILLION DOLLARS BY JUNE 30 1976. THE FINANCING PACKAGE DEVELOPED BY THE STATE OF NEW YORK WILL COVER THE DEFICIENCY THROUGH

NOVEMBER 30 1975 FOR ABOUT 1 BILLION DOLLARS. BUT WITHOUT FEDERAL ASSISTANCE THE REMAINING CASH DEFICIT OF ABOUT 4 BILLION DOLLARS CANNOT BE FINANCED.

NO MATTER HOW THE CITY REDUCES ITS BUDGET IT CANNOT FIND SUFFICIENT CASH TO MEET ITS EXPENDITURES UNLESS IT HAS ACCESS TO THE CAPITAL MARKET.

UNLESS THE FEDERAL GOVERNMENT GUARANTEES ITS BORROWINGS THE CITY WILL SURELY DEFAULT ON ITS OBLIGATIONS. THOUSANDS OF CONSTRUCTION WORKERS WILL LOSE THEIR JOBS. THE CITY'S ADMINISTRATIVE MACHINERY WILL COME TO A GRINDING HALT AND THE CITY'S PEOPLE WILL BE SEVERELY HURT. FURTHERMORE THE PROBLEM IS SPILLING OVER INTO THE STATE'S OWN PROGRAM AS WELL AS THOSE OF THE STATE'S OTHER MUNICIPALITIES. STATE

PUBLIC AUTHORITIES CREATED TO FINANCE CAPITAL CONSTRUCTION CAN NO LONGER BORROW AND MIGHT DEFAULT NEXT MONTH ON THEIR MATURING OBLIGATIONS. THEY MUST HAVE ACCESS TO SOME 2 BILLION DOLLARS BY JUNE 30 1976 IF THEY ARE TO AVOID DEFAULT AND CONTINUE CONSTRUCTION. THE STATE'S MUNICIPALITIES AND THE STATE ITSELF ARE PAYING INORDINANTLY HIGH INTEREST RATES AND HAVE VIRTUALLY LOST ACCESS TO THE CAPITAL MARKET

WE DO NOT SEEK OUTRIGHT GRANTS, NOR DO WE NEED FEDERAL LOANS. WE NEED YOUR GUARANTEES TO PROVIDE US WITH ACCESS TO THE CAPITAL MARKETS I RESPECTFULLY URGE YOUR IMMEDIATE INTERVENTION.

ARTHUR LEVITT COMPTROLLER STATE OF NEW YORK

NNNN



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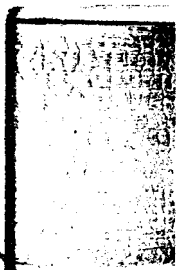
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ARTHUR LEVITT COMPTROLLER STATE OF NEW YORK

NNNN



THE WHITE HOUSE
WASHINGTON

October 21, 1975

MEMORANDUM FOR: RON NESSEN
FROM: JIM CANNON
SUBJECT: Telegram from Arthur Levitt

I thought the attached may be of interest
to you.

*I have asked
Bill Simon to
respond.*

Jim



The White House
Washington

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WHITE HOUSE DC

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ARTHUR LEVITT COMPTROLLER STATE OF NEW YORK

NNNN



FORM 6000 REVISED BY THE SECRETARY DEFENSE COMMISSION

THE WHITE HOUSE

WASHINGTON

November 3, 1975

MEMORANDUM FOR:

DOUG BENNETT
PHIL BUCHEN
MAX FRIEDERSDORF
ALAN GREENSPAN
ROBERT T. HARTMANN
JIM LYNN
JACK MARSH
RON NESSEN
BILL SEIDMAN
BRENT SCOWCROFT
PAUL THEIS

FROM:

JIM CANNON *JC*

SUBJECT:

ESTABLISHMENT OF TWO SCIENCE AND TECHNOLOGY
ADVISORY GROUPS

As indicated in the attached draft memorandum, the President has approved the Vice President's proposal to establish two new advisory groups to begin identifying issues in two areas in which the new Office of Science and Technology Policy should play a major role.

Arrangements for funding and staff support for the two groups have been worked out with Dr. Stever. Members of the groups will be appointed as consultants to Dr. Stever. In order to provide a measure of status, prestige and presidential interest, we are planning (a) Presidential letters to the Chairman and each member of the group, and (b) Announcement of groups through a White House Fact Sheet.

Necessary arrangements for compliance with the Advisory Committee Act have been worked out among staffs of the NSF, OMB, Domestic Council and Vice President's Office.

May we have by COB November 4 your comments and concurrence on the enclosed draft (a) memo to the President, (b) fact sheet, and (c) Presidential letter to the Chairman of each group and (d) Presidential letter to members of the two groups.

Thanks for your help.



THE WHITE HOUSE

WASHINGTON

November 3, 1975

DRAFT
SIGNATURE

MEMORANDUM FOR: THE PRESIDENT

FROM: JIM CANNON

SUBJECT: LETTERS TO MEMBERS OF THE TWO NEW
SCIENCE AND TECHNOLOGY GROUPS

On September 16, 1975, you approved the Vice President's proposal to establish two new advisory groups to identify issues in which the proposed new Office of Science and Technology Policy should play a major role: (a) contributions of Technology to Economic strength, and (b) Anticipated Advances in Science and Technology.

Drs. Simon Ramo and William O. Baker have agreed to serve as Chairmen of the groups as you requested. Other members are listed at Tab A.

Arrangements have been worked out with Dr. H. Guyford Stever, in his role as Science Adviser and Director of the National Science Foundation, to provide funding and staff support. The formal appointments will be made by Dr. Stever.

To provide a measure of prestige for the groups, we are proposing that you send the two Chairmen and each member of their group a letter expressing appreciation for their willingness to serve.

Creation of the groups will be announced through release of a fact sheet (Tab B) if you approve the letters.

In addition to the Vice President, this matter has been reviewed by Messrs. Buchen, Greenspan, Friedersdorf, Hartmann, Lynn, Marsh, Seidman, and Scowcroft.

RECOMMENDATION

That you sign the letters to the members of the two groups. The letters have been approved by Paul Theis.



THE WHITE HOUSE

FACT SHEET

ESTABLISHMENT OF ADVISORY GROUPS ON CONTRIBUTIONS OF
TECHNOLOGY TO ECONOMIC STRENGTH AND ANTICIPATED
ADVANCES IN SCIENCE AND TECHNOLOGY

The establishment of two new advisory groups concerned with science and technology is being announced today. One group will be concerned with contributions of technology to economic strength; the other with anticipated advances in science and technology.

Background

- . On June 9, 1975, the President sent legislation to the Congress proposing the establishment of an Office of Science and Technology (OSTP) in the Executive Office of the President.
- . The House of Representatives is expected to complete action on November 6 on the legislation (H.R. 10230) to create the OSTP. Three Senate Committees are now working on similar legislation and, hopefully, will complete action soon.
- . To facilitate planning for the activities of the OSTP, the President directed the Vice President, working with Science Adviser, H. Guyford Stever, to bring together two groups of experts on two major areas that will be important to the new Office in providing advice on scientific and technical aspects of issues and policies that must be addressed at the highest level of the Government.

The Two New Advisory Groups

Both groups will be made up of experts from the academic community, industry, government and other organizations who can provide advice on the wise use of science and technology in achieving important national objectives.



Contribution of Technology to Economic Strength. This group will examine issues and opportunities involving the improved utilization of technology in fostering economic strength and in assuring that economic goals are achieved along with environmental goals. Examples of issues that are expected to be discussed are:

- productivity improvements through new, developing technological systems.
- environmental and safety aspects of technological developments.
- the role of government in fostering U.S. technological development.
- the international economic impact of technological transfer among nations.

This advisory group will be chaired by Dr. Simon Ramo, Vice Chairman of the Board, TRW, Inc.

Other members include: (List alphabetically)

Anticipated Advances in Science and Technology. This group will consider developments that may take place in science and engineering in the decade ahead and examine the national policy implications of these developments. Examples include:

- new communication technology.
- disaster prediction and control technology.
- waste supply technology.
- technological aids for improved or more economical health care.

This advisory group will be chaired by Dr. William O. Baker, President, Bell Laboratories.

Other members include: (List alphabetically)

In accordance with the Advisory Committee Act (P.L. 92-463), charters for the two groups have been filed with the Office of Management and Budget and Library of Congress, and notices of meetings will be published in the Federal Register.



THE WHITE HOUSE
WASHINGTON

DRAFT
11/3/75

DRAFT LETTER FROM THE PRESIDENT TO DRS. RAMO AND BAKER

Dear Dr. Ramo: (Dr. Baker)

I was especially delighted to learn from the Vice President that you have agreed to serve as Chairman of the Advisory Group on Technology and Economic Growth* that is now being established. This group, together with the Advisory Groups on Anticipated Advances in Science and Technology*, will, I believe, be able to identify critical policy issues in which the proposed new Office of Science and Technology Policy should play a major role. The work you do will permit the new office to proceed quickly and effectively in carrying out its responsibility for providing advice on the scientific and technical aspects of issues and problems that require attention at the highest levels of Government.

We are very fortunate in having someone of your knowledge and experience willing to lead an advisory group and I greatly appreciate your willingness to serve. I am confident that your group will come forward with important recommendations and I look forward to meeting with your group in the near future.

Sincerely,

*Names of the two groups will be reversed in letters to Dr. Baker as Chairman of the Group on Anticipated Advances...



DRAFT LETTER FROM THE PRESIDENT TO MEMBERS OF THE TWO GROUPS

Dear _____:

I was delighted to learn from the Vice President that you are willing to serve on the Advisory Group on Contributions of Technology to Economic Strength that is now being established. This group, together with the Advisory Group on Anticipated Advances in Science and Technology*, will, I believe, be able to identify critical policy issues in which the proposed new Office of Science and Technology Policy should play a major role.

The work you do will permit the new Office to proceed quickly and effectively in carrying out its responsibility for providing advice on the scientific and technical aspects of issues and problems that require attention at the highest levels of Government.

I greatly appreciate your willingness to serve. I am confident that the group will come forward with important recommendations and I look forward to meeting with you in the near future.

Sincerely,

* Names of the two groups will be reversed in letters to members of the Group on Anticipated Advances . . .





General
Services
Administration

NOV 7 1975

Honorable James M. Cannon
Executive Director of the
Domestic Council
The White House
Washington, DC 20500

Dear Mr. Cannon:

The report of the activities of the General Services Administration (GSA) for October 1975 is as follows:

First Lady Unveils Miniature Calder

First Lady Betty Ford joined former GSA Administrator Arthur F. Sampson on October 14, 1975 for the formal unveiling of a miniature of Alexander Calder's sculpture "Flamingo" at the Hirshhorn Museum. The specially designed miniature, which is approximately one-tenth the size of the original, is the first known effort in the United States to provide the visually handicapped with sculpture they can see through touch. The stabile eventually will go to the Chicago Federal Center where it will be placed near the original 53-foot art work for the enjoyment of the blind.

Natural Gas Shortage Contingency Activities

GSA's Federal Preparedness Agency (FPA) has completed its draft contingency plan for the use of Defense Production Act authorities in a severe natural gas shortage situation. The plan includes a defense and defense-related industrial impact analysis which would serve as the basis for a finding to invoke those authorities. FPA is preparing to send the draft contingency plan to Federal Energy Administration (FEA), Federal Power Commission (FPC), and Department of the Interior (DOI) for their consideration. GSA/FPA is emphasizing the need for the prompt development of the interagency memorandum of agreement between FEA and DOI for the use and implementation of defense production authorities for defense needs before the onset of the winter season.

Washington, DC 20405



In addition, letters have been sent to the governors and mayors of major cities detailing steps GSA has taken to achieve a 50 percent reduction in the use of natural gas during the past two years. The letter also offered GSA assistance to state and local governments in implementing natural gas contingency plans.

GSA Submits Revised Regulations on Presidential Materials

On October 15th the Administrator forwarded to the Speaker of the House and President of the Senate revised regulations to govern the archival processing, restriction and public release of the presidential materials of Richard M. Nixon. These were submitted to the Congress in accordance with Title I of the Presidential Recordings and Materials Preservation Act of 1974 (P. L. 93-526). The regulations become effective in ninety legislative days unless disapproved by either house of Congress.

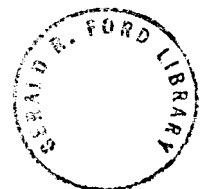
Kluczynski Building Dedicated

On October 10, at the ceremony attended by a large number of Federal, State, and local officials, the Chicago Federal Building was formally dedicated to the memory of U. S. Representative John C. Kluczynski. Congressman Kluczynski died in January 1975 after 43 years of public service. Dean of Chicago's congressional delegation, he was on the House Public Works Committee for more than 24 years with the last 10 years spent as subcommittee chairman. Those attending included GSA Administrator Arthur F. Sampson, Mayor Richard B. Daley, Former Speaker of the U. S. House of Representatives John W. McCormack, Senator Jennings Randolph (D - W. Va.) and Illinois Representatives: Daniel Rostenkowski, Ralph H. Metcalfe, Morgan F. Murphy, Martin A. Russo, John D. Fary, Henry J. Hyde, Cardiss Collins, Sidney R. Yates, Frank Annunzio, Philip M. Crane, Robert McClory, and Tim L. Hall.

The 42-story building was designed and constructed under GSA supervision. It houses 4,500 employees in 740,000 sq. ft. of space.

Computer Procurement Policy Changes

In order to insure that the Government's policy of relying on commercial sources wherever possible be fully adopted, a new procurement policy has been initiated by GSA's computer arm, the Automated Data and Telecommunications Service. In the past when agencies have requested GSA to authorize them additional computing power, the request has often been in the



form of upgrading the existing equipment, on an interim basis. Under the new policy, the requesting agency shall be given authority to obtain commercial services rather than equipment. Only when the procurement is justified, under guidelines issued by the Office of Management and Budget, will the agency be given the authority to acquire additional equipment.

Presidential Letter - Accelerated Space Utilization Program

In light of the President's recent call for significant curtailment of Federal expenditures, it is our intention to prepare for presidential signature, a letter to the heads of all Government agencies asking for an intensified effort to achieve economy in the use of Federal facilities and space. This letter will advise the agencies that all space for Federal agencies will be acquired, assigned, and utilized on the basis of the absolute minimum needed to accomplish their missions. In addition, the agencies will be notified that the General Services Administration is reevaluating and revising its existing criteria to develop new standard space allowances to insure optimum utilization of space. The agencies will be asked to play an active role in this effort at both the headquarters and field levels so that substantial savings can be achieved.

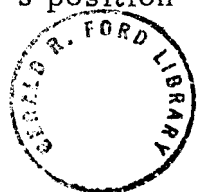
Department of Agriculture Computer Procurement

GSA was advised by the Department of Agriculture that a joint Senate/House Conference on the Fiscal Year 1976 Agriculture Appropriations Bill had established a ceiling on Agriculture's Working Capital Fund that precludes any major computer equipment procurements. As a result GSA has cancelled the major procurement for new equipment that we were conducting for the Department. This is a procurement that the General Accounting Office had requested that Agriculture cancel and that has had much interest in the press due to privacy concerns.

Executive Director named for the National Historic Publications and Records Commission

GSA's National Archives and Records Service (NARS) has announced the appointment of Dr. Frank G. Burke as Executive Director of the National Historic Publications and Records Commission (NHPRC). The 17-member commission chaired by the Archivist of the United States, recommends grants to the Administrator of GSA to help support preservation and publication projects.

Dr. Burke has been with NARS in a variety of administrative and staff positions since 1967. He has been acting in the Executive Director's position since Dr. E. Berkeley Tompkins' resignation in May.



GSA Holds Workshop for Female Entrepreneurs

A workshop for female entrepreneurs on October 8, 1975, highlighted GSA's observance of our sixth annual Women's Week observance. The purpose of the workshop was to focus on Federal procurement opportunities and resources that can assist in the development of female-owned firms. All facets of GSA's procurement programs were discussed, from basic guidance on doing business with the government to specific contract areas such as maintenance and repair, data processing and concessions. Speakers included: Virginia R. Allan, Deputy Assistant Secretary of State for Public Affairs; Dr. Mary M. Fuller, head of career planning and development programs for the Department of Agriculture Graduate School; and Dr. Bennetta B. Washington, Special Assistant to the Assistant Secretary for Manpower, Department of Labor. The program's goals included recruitment and hiring of qualified women; interagency communication on opportunities for women; and promotion of continued education for women.

Legacy of Parks

To date a total of 544 parks containing more than 76,000 acres with an approximate value in excess of \$213,000,000 have been announced. These parks are located in all 50 States, the Commonwealth of Puerto Rico, the Virgin Islands and the District of Columbia.

On October 15, 1975, the Administrator approved 7 additional parks. These parks consist of approximately 658 acres and have an approximate value of \$861,000. There are 26 parks containing approximately 1,667 acres having an estimated value of approximately \$2,125,500 ready for announcement.

Personal Property Disposal

Fiscal Year 1976 statistics through September 30, 1975, reveal that Federally owned property worth \$204.9 million has been rehabilitated under contracts let by GSA. Under the Utilization Program, property with an acquisition cost of \$325.8 million has been transferred to Federal agencies. Property worth \$91.1 million has been donated for health, education and civil defense and airport use under the Donation Program. The Overseas Property Program has returned \$1.1 million worth of excess military equipment from the Pacific and European areas. Since this program's inception in 1969, equipment with a total acquisition cost of more than \$136.6 million has been returned from overseas. Finally, the Surplus Property Sales Program shows as of September 30, proceeds from public sales totaling \$3.5 million.



FY 76 Real Property Sales Date

Total sales awarded nationwide for fiscal year to date amount to \$6,518,059.
Cash receipts for the fiscal year to date amount to \$8,431,919.

Minority Business Contract Awards

During the month of September, the Small Business Administration awarded 21 GSA 8(a) contracts valued at \$1,870,314.

These awards bring the FY 1976 totals to 49 contracts valued at \$4,919,455.

On September 18, Wendell E. Brown Construction Co., a Black-owned firm in Portland, Oregon, was awarded an 8(a) construction contract for tenant work in the amount of \$223,000. This is the third GSA 8(a) contract awarded to this firm.

Significant AwardsAutomated Data and Telecommunications ServiceCalifornia

Rolm Corporation, Cupertino, California, for purchase of ADP systems; estimated dollar value, \$2,500,000.

California Computer Products, Inc., Anaheim, California, for purchase, lease and maintenance of ADP systems; estimated dollar value, \$1,500,000.

District of Columbia

ITEL Computer Products, Inc., Washington, D. C., for purchase, lease and maintenance of ADP systems; estimated dollar value, \$1,275,000.

Maryland

International Business Machines Corporation, Bethesda, Maryland, on behalf of the Defense Communications Agency, for the lease of ADP equipment; estimated dollar value, \$1,052,292.

Federal Supply ServiceCalifornia

Beckman Instruments, Inc., Palo Alto, California, for centrifuges and accessories; estimated value: \$2,746,011.



Coherent Radiation, Palo Alto, California, for laser equipment; estimated value: \$1,000,000.00.

District of Columbia

Sperry Univac - Office Equipment Division, Sperry-Rand Corp., Washington, D. C., for visible record equipment; estimated value: \$3,930,500.

IBM Corporation, Washington, D. C., for magnetic cards; estimated value: \$1,000,000.

Illinois

Bell & Howell, Chicago, Illinois, for Photo Equipment; estimated value: \$1,421,157.

Victor Graphic Systems, Inc., Chicago, Illinois, for professional communication and facsimile equipment; estimated value: \$1,400,000.

Indiana

Wren, Inc., Indianapolis, Indiana, for picnic knives, spoons, forks, and flatware sets; estimated value: \$1,464,300.

Maryland

Becton, Dickinson and Company, Bioquest Division, Cockeysville, Maryland, for laboratory plastic ware; estimated value: \$1,880,000.

Massachusetts

Polaroid Corporation, Cambridge, Massachusetts, for photo equipment; estimated value: \$1,180,235.

Damon/IEC Division, Needham Heights, Massachusetts, for centrifuges, microtomes, microtomes-cryostats and related accessories; estimated value: \$1,143,631.

New Jersey

Norwood Industries, Inc., Northvale, New Jersey, for loose leaf ring binders; estimated value: \$1,329,938.

Westinghouse Electric Corporation, Lamp Division, Bloomfield, New Jersey, for electric and photographic lamps; estimated value: \$1,214,000.

New York

Eastman Kodak Company, Rochester, New York, for Photo Equipment;



estimated value: \$3,743,200.

Eastman Kodak Company, Rochester, New York, for film x-ray, Industrial and Radiographic; estimated value: \$1,500,000.

Ohio

General Electric Company, Lamp Business Division, Cleveland, Ohio, for lamps, electric and photographic; estimated value: \$9,800,000.

Avery Products Corporation/Fasson Division, Painesville, Ohio, for reflective sheeting and tape; estimated value: \$1,415,000.

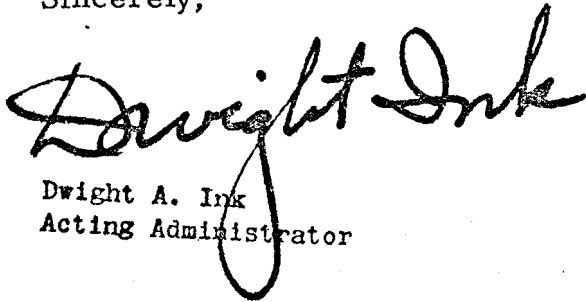
Texas

A. Brandt Company, Fort Worth, Texas, for Army Enlisted Bachelor Housing Program; estimated value: \$1,050,438.

Utah

Telemation, Inc., Salt Lake City, Utah, for audio and video equipment; estimated value: \$1,470,000.

Sincerely,



Dwight A. Ink
Acting Administrator



THE WHITE HOUSE

WASHINGTON

November 17, 1975

MEMORANDUM FOR:

PHIL BUCHEN
MAX FRIEDERSDORF
BOB GOLDWIN
ROBERT HARTMANN
JIM LYNN
JACK MARSH
RON NESSEN
PAUL THEIS

FROM:

JIM CANNON

Attached for your comments and recommendations is a memorandum to the President, for his approval, on his position on abortion.

I would appreciate it if you would send your comments to Sarah Massengale, Ext. 6776, Room 220, by close of business Thursday, November 20.

Thank you.

Attachment

OK
RHN



THE WHITE HOUSE
WASHINGTON

DECISION

MEMORANDUM FOR: THE PRESIDENT
FROM: JIM CANNON
SUBJECT: POSITION OF THE PRESIDENT ON ABORTION

This memo is to seek your approval of the attached papers which were prepared in response to a request by Knight newspapers for a statement on your position on abortion. Knight newspapers intends to run a story on the Presidential contenders' positions on abortion.

The "Administration position" is for release to the newspaper. The "Questions and Answers" are for background use by our press office if direct questions on these subjects are posed.

These have been approved by Phil Buchen's staff.

I recommend that you approve the position statement and questions and answers.

_____ APPROVE

_____ DISAPPROVE



ADMINISTRATION POSITION ON ABORTION

The President's position is that the law of the land must be upheld as interpreted by the Supreme Court in their 1973 decisions on the Roe v. Wade and Doe v. Bolton.

The President also has indicated that he personally feels that abortion is an issue better decided at the State level rather than in Washington.



BACKGROUND QUESTIONS AND ANSWERS

Q: The President has said he would support a Constitutional amendment that would allow each state to make its own laws concerning abortion. Does he still feel this way?

A: The President feels that this is a matter better decided at the state level. As you know, while in Congress, House Minority Leader Ford cosponsored an amendment to allow each state to make its own laws regulating abortion.

Q: Is the President pro or anti abortion?

The President supports the Supreme Court decision. The President's major concern is that a remedy be available for persons where abortion becomes necessary because of serious illness or a case of criminal attack of some kind.

Q: Does the President support abortion-on-demand?

A: In 1972 the President opposed a Michigan State referendum for abortion-on-demand.

Q: The Defense Department has announced a change in its abortion practice. What is that?

A: The Department of Defense has ordered all military facilities to comply with the Supreme Court decision on abortion in those instances where the law of the state in which the facility is located is inconsistent with the Supreme Court decision.

DOD will provide abortions as a normal medical service in its hospitals but will not reimburse individuals for abortions performed outside of military hospitals.

Q: Will HEW also change its practice?

A: In light of DOD's action, HEW will review its present Public Health Service and Indian Health Service policy.



THE WHITE HOUSE

WASHINGTON

March 1, 1976

MEMORANDUM FOR: RON NESSEN

FROM: JIM CANNON *Jm*

SUBJECT: Domestic Council Staff Meeting

Could you attend the Domestic Council Staff Meeting on Wednesday, March 3 at 5 p.m. in the Situation Room.

We would like you to talk about how the Press Office and the Domestic Council staff can best work together. You might want to bring along John Carlson, Margaret Earl and others on your staff.

*11: R.N.
11:30 Interview*



RNK

THE WHITE HOUSE

WASHINGTON

July 3, 1976

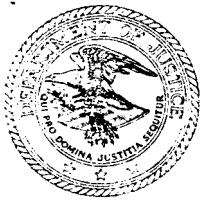
MEMORANDUM FOR: DICK CHENEY
RON NESSEN

FROM: JIM CANNON *Jani*

SUBJECT: Wall Street Journal Article
on Busing, June 30, 1976

I thought you might like to know that Ben Holman, Director of the Justice Department's Community Relations Service, has written the editor of the Wall Street Journal a flat denial that he made the statement attributed to him in the article of June 30, 1976.





THE DEPUTY ATTORNEY GENERAL
WASHINGTON, D.C. 20530

July 2, 1976


James M. Cannon
Domestic Council
The White House
Washington, D.C.

Dear Jim:

Enclosed please find a copy of Mr. Ben Holman's letter to the Editor of The Wall Street Journal. As you and I have discussed, Mr. Holman denies the quotation attributed to him in the busing article on June 30, 1976. Although dated July 1, 1976, the letter was actually dictated by Mr. Holman before I discussed this matter with him yesterday.

Knowing Mr. Holman as I do, I am wholly satisfied with his position in the matter. He is not the kind of public servant who exhibits disloyalty of any kind to his associates and the Department of Justice.

Yours sincerely,


Harold R. Tyler, Jr.

encl.





United States Department of Justice

COMMUNITY RELATIONS SERVICE
WASHINGTON, D.C. 20530

To DSD
yorker Fall

DIRECTOR

It is my strong conviction that legislation is a more preferable way of handling these problems. This is especially so since JUL 1 - 1976 and returning to normal levels of education in the public schools and returning to normal levels of education in the public schools.

Mr. Glynn Mates
Front Page Editor
The Wall Street Journal
22 Courtlandt Street
New York, New York 10007

Dear Mr. Mates:

An article in the June 30, 1976 edition of The Wall Street Journal attributes a statement to me as Director of the Community Relations Service, U.S. Department of Justice, doubting the constitutionality of the school bussing legislation proposed by President Ford. The quotation is not a correct statement of my views.

This letter is intended to clarify the record and my views.

Firstly, the only interview I have held recently with a representative of your newspaper was on June 3--several weeks prior to announcement of the President's proposal. I not only did not make any statement about the proposal, but did not even know at that time what the proposal would be.

Secondly, as a non-lawyer and head of a non-litigative office in the Department, I have no basis on which to formulate judgment on such legislation.

However, I have directed over the years many efforts by my agency (CRS) to mitigate the tensions and difficulties that result from court-ordered school desegregation. As a result of these efforts, I have long held the view that the Federal courts do not provide the most harmonious channel for achieving school desegregation.



United States Department of Justice

OFFICE OF THE RELATIONS SERVICE
WASHINGTON, D.C. 20530

2

It is my firm opinion that legislation is a far preferable way of handling these problems. This is precisely what President Ford and Attorney General Levi are attempting to do in Title I of the proposed legislation, and I strongly endorse their efforts.

Sincerely,

BEN HOLMAN

Ben Holman



Some items in this folder were not digitized because it contains copyrighted materials. Please contact the Gerald R. Ford Presidential Library for access to these materials.

Lull in Washington

Policymaking Grinds

To a Halt as Politics

Envelops White House

Believing Ford Will Lose

To Reagan or to Carter,

Aides Seek Private Jobs

Air Bags, Clean Air & Flu

By FRED L. ZIMMERMAN

THE WALL STREET JOURNAL

10. 20. 1976
Date

—Only in the politically sensitive areas of busing, the economy and military spending does the President seem to be paying much attention to policymaking. On most other issues, officials say the President appears too preoccupied with delegate-hunting to make big decisions. At the State Department, officials complain that the President isn't resolving major disagreements among Secretary Henry Kissinger, Agriculture Secretary Earl Butz and Treasury Secretary William Simon, about such issues as world grain reserves and international commodity agreements. At the Environmental Protection Agency, an official says: "I don't think Ford knows the environment is here."

A Stiff Political Battle

Of course, the President is caught up in perhaps the stiffest political battle an incumbent has ever faced, and it's understandable that he seems preoccupied. "There isn't any question that everybody here is looking over their shoulder at the Reagan challenge," says a White House

administration is actively working for repeal.

After announcing with great fanfare a government program to immunize the nation against swine flu, President Ford has seemed to stand aside as the plan drifts into a variety of difficulties. Officials at the Health, Education and Welfare Department who are in charge of the program complain that the President seems to be withdrawing much of his support. "If the decision were to be made today," says a health official, "I don't think we'd have an immunization campaign."

Other administration plans languish. In his State of the Union message, President Ford proposed relaxation of clean-air standards for automobiles. The legislation has made it part-way through Congress, but is stalled now—with no discernible pressure from the White House, to the chagrin of the auto industry. "They're concerned about nothing but uncommitted delegates at the

THE WHITE HOUSE
WASHINGTON

NOTE FOR: *Jim Cannon*

FROM : RON NESSEN

FYI

RHN

7/6/76



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FAM-FORD-ALASKA PIPELINE; 260

WASHINGTON (AP) - PRESIDENT FORD HAS ORDERED A GOVERNMENT FACT-FINDING TEAM TO CHECK ON REPORTS OF FAULTY WELDING ALONG THE TRANS-ALASKA PIPELINE THAT NOW APPEARS TO BE MORE WIDESPREAD THAN PREVIOUSLY INDICATED; A WHITE HOUSE SPOKESMAN SAID TUESDAY.

PRESS SECRETARY RON NESSEN SAID THE PRESIDENT HAD BEEN INFORMED THAT A REPORT BY THE PRIVATE AUDITING FIRM OF ARTHUR ANDERSEN AND CO. NOW INDICATES "THERE COULD BE MORE WELDING FLAWS IN THE TRANS-ALASKA PIPELINE THAN HAD BEEN FOUND EARLIER."

FORD HAS DIRECTED INTERIOR SECRETARY THOMAS KLEPPE AND TRANSPORTATION SECRETARY WILLIAM COLEMAN TO MAKE A PRELIMINARY WRITTEN REPORT TO HIM WEDNESDAY ON THE PIPELINE PROBLEM.

FORD IS ASKING THE FACT-FINDING TEAM, WHICH WILL BE HEADED BY UNDER SECRETARY OF TRANSPORTATION JOHN BARNUM, TO ASSESS WHAT THE LATEST REPORTS MAY MEAN IN TERMS OF POSSIBLE DELAY IN COMPLETION OF THE PROJECTED 800-MILE PIPELINE, AND WHETHER THERE COULD BE ANY ADDITIONAL COSTS OR ENVIRONMENTAL IMPACT. THE TEAM IS ALSO BEING DIRECTED TO EVALUATE NEW PIPELINE TESTING PROCEDURES.

NESSEN SAID THE FACT-FINDING TEAM IS TO LEAVE FOR ALASKA EARLY NEXT WEEK.

THE PRIVATE CONSORTIUM OF SEVEN OIL COMPANIES THAT IS CONSTRUCTING THE PIPELINE, ALYESKA PIPELINE SERVICE CO., HAD PREVIOUSLY INDICATED ITS OWN SURVEY SHOWED 3,955 WELDS ON THE PIPELINE WERE QUESTIONABLE.

HOWEVER, REP. JOHN MELCHER, D-MONT., CHAIRMAN OF THE HOUSE INTERIOR SUBCOMMITTEE ON PUBLIC LANDS, SAID A PRIVATE AUDITING COMPANY FOUND RECORDS SO CONFUSED THAT IT COULD NOT CARRY OUT ITS AUDIT OF WELDING X-RAYS.

MELCHER SAID LAST WEEK THAT IT MAY BECOME NECESSARY TO DIG UP AND X-RAY EVERY WELD ON THE PIPELINE.

1603PED 07-06

