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*Pal has new list*

THE WHITE HOUSE

WASHINGTON

March 6, 1975



MEMORANDUM FOR:

JIM CANNON

FROM:

JIM FALK *JF*

SUBJECT:

Advisory Commission on Intergovernmental Relations (ACIR)

This Commission was established in 1959 to review operations of the Federal system and the fiscal and structural aspects of the governments inter-relations. The present members are:

Private Citizens

Robert E. Merriam, Chairman	(R)	Illinois
Robert H. Finch	(R)	California
John H. Altorfer	(R)	Illinois

U.S. Senate

Ernest F. Hollings	(D)	South Carolina
Edmund S. Muskie	(D)	Maine
William V. Roth	(R)	Delaware

U.S. House of Representatives

L. H. Fountain	(D)	North Carolina
Clarence J. Brown, Jr.	(R)	Ohio
Vacancy		

Executive Branch

Caspar W. Weinberger	(R)	California
James T. Lynn	(R)	Ohio
Vacancy		

Governors

Daniel J. Evans	(R)	Washington
Philip Noel	(D)	Rhode Island
Richard S. Kneip	(D)	South Dakota
Robert D. Ray	(R)	Iowa

Mayors

Richard G. Lugar	(R)	Indiana
Jack D. Maltester	(D)	California
John H. Poelker	(D)	Missouri
Vacancy		

State Legislative Leaders

John H. Briscoe	(D)	Maryland
Robert P. Knowles	(R)	Wisconsin
Charles F. Kurfess	(R)	Ohio

County Officials

Conrad M. Fowler	(D)	Alabama
John H. Brewer	(R)	Michigan
Vacancy		



Note: I have followed-up on our conversation of yesterday and have spoken with Bill Walker about setting in motion your appointment to ACIR as the successor to Ken Cole, whose term became vacant upon his departure.

File

ADVISORY COMMISSION  
ON INTERGOVERNMENTAL RELATIONS

726 Jackson Place, N.W.  
Washington, D.C.  
20575

Private Citizens:

Robert E. Merriam, chairman, Chicago, Ill.  
John H. Altorfer, Peoria, Ill.  
Robert H. Finch, Los Angeles, Calif.

Members of the U.S. Senate:

Ernest F. Hollings, South Carolina  
Edmund S. Muskie, Maine  
William V. Roth, Delaware



Members of the U.S. House of Representatives:

Clarence J. Brown, Jr., Ohio  
James C. Corman, California  
L.H. Fountain, North Carolina

Officers of the Executive Branch, Federal Government:

James T. Lynn, Director, Office of Management and Budget  
Caspar W. Weinberger, Secretary of Health, Education and Welfare  
James M. Cannon, Executive Director, The Domestic Council

Governors:

Daniel J. Evans, Washington  
Richard F. Kneip, South Dakota  
Philip W. Noel, Rhode Island  
Robert D. Ray, Iowa

Mayors:

Richard G. Lugar, vice chairman, Indianapolis, Ind.  
Jack D. Maltester, San Leandro, Calif.  
John H. Poelker, St. Louis, Mo.  
Vacancy

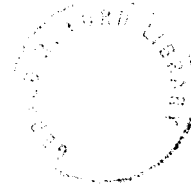
ADVISORY COMMISSION  
ON INTERGOVERNMENTAL RELATIONS

Members of State Legislative Bodies:

John H. Briscoe, Speaker, Maryland House of Delegates  
Robert P. Knowles, Senator, Wisconsin  
Charles F. Kurfess, Minority Leader, Ohio House of Representatives

Elected County Officials:

John H. Brewer, Kent County, Mich.  
Conrad M. Fowler, Shelby County, Ala.  
Vacancy



April 1975

BBB Honnani ACIR 6/2/75  
Chair a Temp Committee

Nat Academy of  
Public Administration

explor ch - to Pres & Cong  
reps - Hoover Commission

Relationships with & Congress  
Govt

Grant from CSR



Discussions meeting - Bryce (Hawthorn)

THE WHITE HOUSE

WASHINGTON

August 1, 1975

MEMORANDUM FOR: WARREN RUSTAND  
FROM: JIM CANNON *Jm*  
SUBJECT: Governor Ray's Request

I think the Governor has an excellent idea here and it should be pursued. If the concept is approved by the President, we will work with Governor Ray to develop an appropriate agenda for the presentation.

We should also consider whether it would be appropriate to have it in the East Room, with open press coverage.

CC: Jerry Jones



MEMORANDUM

THE WHITE HOUSE

WASHINGTON

July 30, 1975

MEMORANDUM FOR: → JAMES CANNON  
JAMES CAVANAUGH  
JAMES CONNOR  
GOVERNOR SHAFER

FROM:

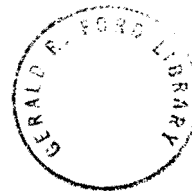
WARREN RUSTAND *WR*

SUBJECT:

Request by Governor Bob Ray to have  
the head of the National Governors'  
Conference come in sometime in early  
January and make a State of the States  
presentation to the President and the  
Cabinet

We would appreciate having your comments and recommendation  
on the attached suggestion.

Thank you.





THE WHITE HOUSE

WASHINGTON

July 25, 1975

MEMORANDUM FOR:

JERRY JONES

FROM:

DONALD RUMSFELD

Governor Bob Ray called me today and said that last year the National Governors' Conference had asked to have an opportunity to appear before the Congress and present a State of the State message to the Congress. They met with no success. It has been suggested to him, as Chairman, that they make contact again. However, he has a somewhat different idea and that is that sometime in early January before the President makes his State of the Union address, we arrange to have the head of the National Governor's Conference come in and make a State of the State presentation to the President and the Cabinet. He said he would like me to consider it. Think about it and get back to me.



THE WHITE HOUSE

WASHINGTON

August 1, 1975

MEMORANDUM FOR: WARREN RUSTAND  
FROM: JIM CANNON *Jm*  
SUBJECT: Governor Ray's Request

I think the Governor has an excellent idea here and it should be pursued. If the concept is approved by the President, we will work with Governor Ray to develop an appropriate agenda for the presentation.

We should also consider whether it would be appropriate to have it in the East Room, with open press coverage.



CC: Jerry Jones

Note: Good Idea.

1. This would lead the 7 p.m. news shown that day.
2. It would also be excellent for educating the public (through wire PBS) about government's problems.

THE WHITE HOUSE

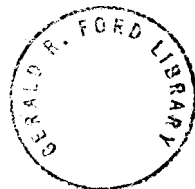
WASHINGTON

August 8, 1975

MEMORANDUM FOR THE VICE PRESIDENT

FROM :

JIM CANNON



This is the report I made to the Cabinet today on the ~~Domestic Council's~~ responsibilities for intergovernmental relations.

Attachment

*Jim*  
*Exalt*  
*h*

CABINET MEETING  
August 8, 1975

Mr. President, no part of our responsibilities is more important than Intergovernmental Relations--one out of every six Federal dollars goes as aid to state and local governments (\$63 of \$359).

Simply described, our job with the governors, mayors, county executives and other local officials is communication, and it is cooperation.

This is a non-partisan effort, with two major goals--  
--to assist state and local governments to better meet their responsibilities, and  
--at the same time, to keep the Federal government informed about how programs are working.

We work with them through two approaches:

1. We maintain direct and frequent contact with individual state and local officials. We inform them, by letter and phone, of major domestic Presidential actions. And we hear from them when they have a problem --which is often.



2. We work closely and regularly with the paid fulltime staff of their representatives here in Washington--the "Big Seven":

- (1) National Governors Conference
- (2) National League of Cities
- (3) U.S. Conference of Mayors
- (4) National Association of Counties
- (5) Council of State Governments
- (6) National Conference of State Legislatures
- (7) International City Management Association.

The Domestic Council Associate Director for Intergovernmental Relations is Jim Falk, a young and personable Arizona lawyer who has worked in this area for 2 1/2 years and who has made innumerable friends among the governors and mayors.

Working with Falk is Pat Delaney, a young and personable New York political leader and businessman who joined the Domestic Council last April.

The third and new man in this group is Paul Myer, a young and personable political scientist and Capitol Hill man, who joined us last week to mobilize the public interest groups in a joint effort--under the direction of Max Friedersdorf and his staff, and with the Treasury's

Congressional relations staff--to get the House and Senate committees, and then the Congress, to pass revenue sharing.

On that point, Mr. President, as part of our Inter-governmental Relations effort, I am telling the governors and mayors and county executives at every opportunity that revenue sharing is in trouble. And the reason is that state and local officials are not talking to their members of the House and Senate about revenue sharing.

They are taking it for granted that revenue sharing will be extended--which is the most dangerous thing they could do.

Another important part of our work with the governors and mayors is at their national and regional conferences.

They like to have appropriate members of the Cabinet and your staff at their meetings. And I would encourage you to accept their invitations. You can learn plenty, in a brief period, about the effectiveness of your programs by talking to the elected officials who have to administer them.

Secretary Hills took part in the National Governors Conference in New Orleans, as did Ray Shafer, representing the Vice President. Secretary Coleman and Secretary Hills attended the Conference of Mayors in Boston, the Vice President and Don Rumsfeld at the Midwest Governors Conference in Cincinnati. The reports we got were that all did a great job.



Falk and Delaney, our key men at these conferences, have the responsibility to advance, or defend, your positions and programs.

At the Governors Conference in New Orleans, for example, Falk and Delaney were instrumental in tabling a resolution against you on strip mining on the day it was to come to a vote in Congress.

At the Mayors Conference in Boston, they made the difference in blocking one resolution that could have hurt defense appropriations and another that would have been divisive on revenue sharing.

Finally, Mr. President--and most important of all to intergovernmental relations--is your openness and spirit of cooperation with the governors and the mayors and the other local officials.

You have gone out to see all the governors in your regional meetings and welcomed them here.

From my own conversations with them, I know that, Democratic or Republican, governors and mayors know you care about them and their problems and the people they serve. And although they may not always agree with you politically, they share your concern and want to work with you, for the future of the country.

\* \* \* \* \*

\* \* \* \* \*

Mr. President, we work closely with OMB in our intergovernmental relations and OMB is taking the lead in one very important effort--that is, to consult purposefully with the New Coalition, a group of three governors, three mayors, three state legislators and three county officials before the next Federal budget is put together.

May I ask Paul O'Neill to speak briefly about that.







# THIRTEENTH GUAM LEGISLATURE

P. O. BOX 373  
AGANA, TERRITORY OF GUAM  
U. S. A. 96910

*J TTP*  
*Guam*  
**August 22, 1975**

General Governmental Operations

Mark F. Blas — Chairman  
R. Duenas — Vice Chairman

D. Ada  
T. Charfauros  
Duenas  
M. Palomo  
do Salas

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

Dear Mr. President:

As Chairman, I wish to inform you of the organization of the Special Commission on the Political Status of Guam. The thirteen members of the Commission include representatives of the general public and representatives of the Executive and Legislative branches of the Guam government.

The Guam law creating the Special Commission states that "a resolution of some of Guam's basic economic, social and political questions should be sought within the framework of political status negotiations with the federal government with all due speed."

Accordingly, the Commission has formally approved a timetable for accomplishing its purposes, among which are identifying points of discussion for inclusion in any status negotiations, and drafting a plebiscite for submission to the voters during next year's Primary Election in September.

In a March 3, 1975 meeting between Mr. Norman Ross, former Assistant Director to the President's Domestic Council, and the Governor of Guam, Ricardo J. Bordallo, Guam's relationship with the United States was discussed and a Presidential Task Force was mentioned by Mr. Ross as one method of studying all aspects of Guam's political status.

The recently concluded and successful status talks with the Northern Marianas were conducted by Ambassador Haydn Williams, appointed to represent the President of the United States, and the Political Status Commission of the Northern Marianas.

The Commission believes its mission can be accomplished much quicker if liaison were established as soon as possible between the office of the President and itself.

Therefore, the Commission, by this letter, respectfully requests that a representative of your office be appointed for the purpose of establishing initial dialogue with the Special Commission on the Political Status of Guam in order that proper coordination can be maintained throughout our efforts to resolve the important question of the future relationship of Guam to the United States of America.

Sincerely yours,

FRANK F. BLAS  
Chairman  
Special Commission  
on the Political  
Status of Guam



MEETING OF THE ADVISORY  
COMMISSION ON INTERGOVERNMENTAL  
RELATIONS  
Thursday, September 11, 1975





# NALUers in political action



## Richard E. Olson, Mayor of Des Moines

**T**he plaque in his Des Moines, Iowa, city hall office epitomizes the attitude and approach of career life underwriter Mayor Richard E. Olson: "Thanks to Mayor Olson for caring enough to become involved and rescuing two girls trapped in the flood of 1973." Caring and involvement—the willingness to do more than just talk and criticize—are what led Dick Olson to seek public office in the first place. These are qualities that effective and successful life underwriters develop as they grow in their profession.

Asked to pinpoint the reasons he became involved in his city's government, Olson said, "Everything I have and own, I made in the city of Des Moines. I felt that I owed the community something if the citizens chose to elect me to office. You know, it is like the insurance business. You get involved. You get something going and you just have to stay with it to bring it to completion. In politics, the citizens will tell you when they've had enough of you."

Olson entered the life insurance business in 1954 as an agent with Bankers Life of Iowa. Nine years later, he was appointed manager of the company's Des Moines agency, which he continues to manage while serving as mayor. He simply couldn't live and support his family solely on the mayor's salary of \$500 a month. Since 1963, Olson has built his agency from a seven-associate office producing \$5 million of business a year to an agency that has 46 associates and an annual production in excess of \$40 million. His is the largest Bankers Life agency in the nation; and Olson is a Qualifying member of the Million Dollar Round Table and a recipient of the General Agents and Managers Conference National

Management Award.

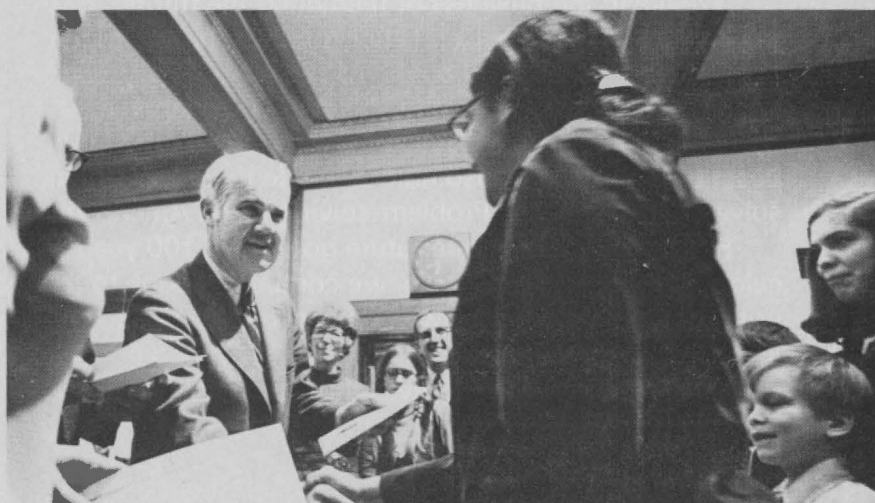
Conversations with friends about the need to revitalize the core city and the lack of dynamic leadership led Olson to become a candidate for City Council in 1967. He was elected to a two-year term. In 1969, he ran unopposed for a four-year term on the Council. In 1971, he resigned to seek election as mayor.

Asked why he decided to run for the mayor's office, Olson said, "You get involved in things. We were trying to start a redevelopment plan for the downtown area. There was a referendum to commit city monies to this project. If it passed, I knew it would need someone committed to it to follow through and get the job done."

However, the referendum failed. And Olson was elected mayor of the city that has a population of about 225,000. He pointed out that the need for redeveloping the Des Moines core did not disappear because the referendum failed. A firm believer in the free enterprise system and its ability to do the job, Olson worked closely with the city's business community.

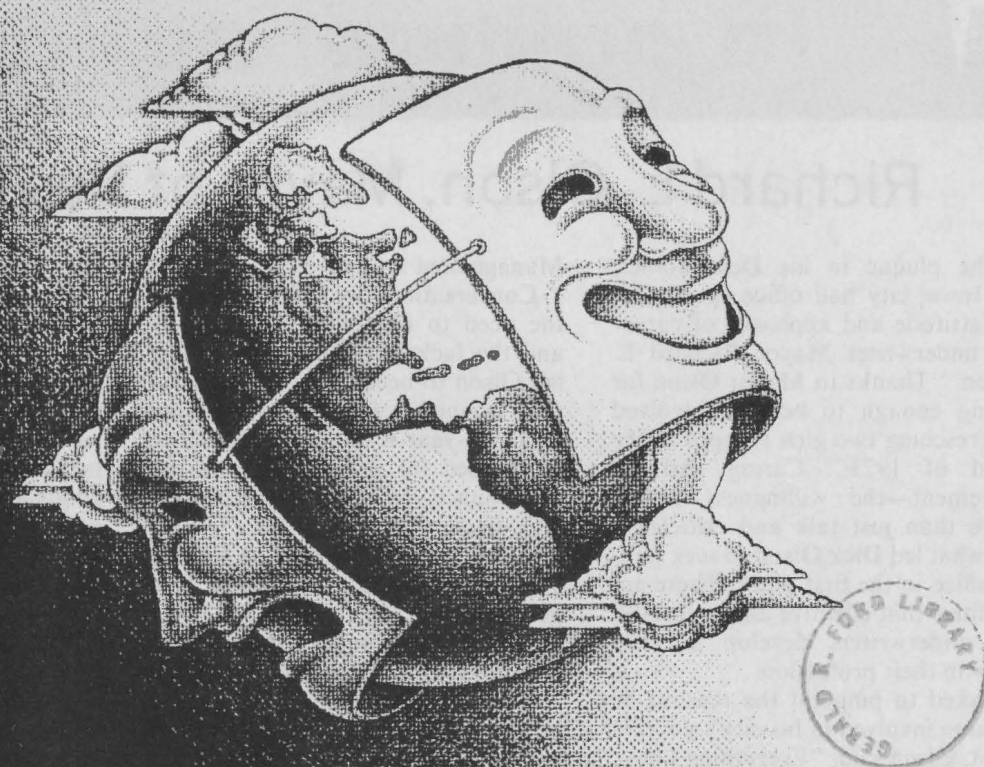
In innumerable discussions, he reminded the businessmen that they ran the real risk of losing the substantial investments in the city if the core of the city were permitted to deteriorate. He told them that they would end up with expensive buildings but no public to purchase their goods and services. As a result of his continuous effort, the private sector raised \$9 million to begin work on a theater and civic center with an accompanying plaza. Because this project is still in its early stages, Olson ran for reelection in November—and won—so that he can continue to guide it to a successful conclusion.

He said a life underwriter is uniquely equipped to play a leadership role in his community. "We are in a positive business. We are always thinking we can do things. We are always encouraging people to take action. As life underwriters we sell ourselves and our ideas. As a community leader in politics, you're doing the same thing. You are dealing with and motivating people—in politics, you're motivating an entire community to action." □



Mayor Richard Olson (center) chats with other involved Des Moines citizens.

*I/R Code: 5500.03 People.*



## **Every insurance company looks ahead to the future. Prudential looks forward to it.**

The future can be viewed from two different perspectives. We at Prudential have good reasons to favor the bright side.

We are in the business of predicting the future, utilizing actuarial tables, statistical projections, computer analyses, and directional charts of current trends.

These tools help us point to a healthier, happier, better educated, longer lived America. One which, if it is beset by problems, is also uniquely able to cope with and solve those problems. Problem-solving is the American way of life.

Prudential's faith in the future goes back 100 years. As we celebrate a century of service, we continue to look to the future—not to the past—to see how we can serve the public even better in the years ahead.

For Prudential truly believes the past is but a prologue to the future.



**Prudential**

*Life · Health · Auto · Home*

THE WHITE HOUSE

WASHINGTON

January 28, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: JIM CANNON *Jin*  
SUBJECT: Intergovernmental Relations

Intergovernmental Relations was assigned to the Domestic Council under Executive Order 11690 on December 14, 1972. (A copy is attached at Tab A.) Now that this responsibility has been moved back into the White House, Executive Order 11690 is no longer necessary or appropriate.

RECOMMENDATION

That you revoke Executive Order 11690, assigning to the Executive Director of the Domestic Council responsibility for assisting the President with respect to Intergovernmental Relations generally.

Phil Buchen and OMB concur in this recommendation.

\_\_\_\_\_ Approve

\_\_\_\_\_ Disapprove





THE WHITE HOUSE  
WASHINGTON

ACTION

*File*

February 10, 1976

MEMORANDUM FOR: JIM CANNON

FROM: STEVE McCONAHEY

SUBJECT: Announcement of Intergovernmental  
Relations Appointment at Cabinet  
Meeting

An important step in the development of our intergovernmental relations operation is gaining the attention and support of the Cabinet and agency heads. To this end, I recommend that the President devote a few minutes at the next Cabinet meeting to:

- (1) Announce my recent appointment as Special Assistant to the President for Intergovernmental Affairs, and introduce me to the Cabinet.
- (2) Make a few comments regarding the upgrading of the Intergovernmental Affairs Office, with emphasis on expansion into substantive, programmatic and policy areas. Special mention of the block grant coordination effort with the Public Interest Groups could be mentioned.
- (3) Emphasize the need for improved coordination of intergovernmental relations' efforts throughout the Executive Branch. The President should specifically ask each Cabinet officer and agency head to submit the names of their Intergovernmental Relations' officials, with the request that these officials work closely with my office.

As a follow-up to this meeting, I suggest you send a memorandum to all departmental and agency heads, requesting the names of their Intergovernmental Relations official. A draft of this memorandum is attached.

Upon your approval of this proposal, I will prepare the proper talking points for the President.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR: MEMBERS OF THE CABINET  
FROM: JIM CANNON  
SUBJECT: Intergovernmental Affairs

The President has recently announced the appointment of Stephen G. McConahey as Special Assistant to the President for Intergovernmental Affairs. This appointment reflects the President's continuing interest in the area of intergovernmental affairs and his desire to increase the consideration of intergovernmental issues in policy and program matters. Critical to this effort will be a close working relationship between White House and agency intergovernmental activities.

To this end, I would appreciate your informing me of your intergovernmental relations structure and the key staff members responsible for this activity. I would appreciate receiving this information from you as soon as possible.





THE WHITE HOUSE  
WASHINGTON

MEMORANDUM FOR:

~~MEMBERS OF THE CABINET~~

FROM:

JIM CANNON

SUBJECT:

Intergovernmental Affairs

The President has recently announced the appointment of Stephen G. McConahey as Special Assistant to the President for Intergovernmental Affairs. This appointment reflects the President's continuing and growing interest in the area of intergovernmental affairs and his desire to expand this function into more substantive matters. To assist Steve in working most effectively with your agency, I would appreciate your informing me of your intergovernmental relations structure and the key staff members responsible for this activity. I would appreciate receiving this information from you as soon as possible.



67

Steve - Let's discuss -  
Then on a  
couple of additional  
points I would like  
to make, e.g., the  
coordination of all  
intergovernmental activities,  
etc.

*critical to this effort and be a close working relationship between White House & agency intergovernmental activities.*

*concerns the coordination of intergovernmental relations. issues in policy & program matters.*

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

*Interior*  
1037  
*Guam*

~~CONFIDENTIAL~~ GDS

February 23, 1976

MEMORANDUM FOR JAMES CANNON

FROM: BRENT SCOWCROFT *BS*

SUBJECT: Background Information on Guam and the Trust  
Territory of the Pacific Islands

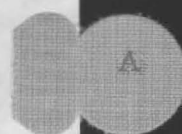
For your information, there is attached at Tab A a brief fact sheet on the history of our relations and negotiations with Guam and Micronesia (Trust Territory of the Pacific Islands).



~~CONFIDENTIAL~~ GDS

*WHA 5/15/00*

*101 FEB 53 6M 2 22*



16/4

~~CONFIDENTIAL~~ GDS

### Status of Guam

The United States took over Guam from Spain after the Spanish-American War. From 1898 until 1950, the U. S. Navy administered Guam. In 1950 an organic act of the U. S. Congress made Guam an "organized" territory under the responsibility of the Department of Interior. The act also identified the territory as "unincorporated" since the U. S. Constitution does not fully extend to Guam. The President appointed the governor until amendment of the Organic Act in 1968 made the position elective. Guam's legislature kept an elected representative in Washington after 1964, but he lacked official recognition until 1972 when an act of Congress provided that Guam and the Virgin Islands should both have elected non-voting delegates in the House of Representatives.

A Guam constitutional convention that the Guam legislature called for in 1968, and held in 1970, proposed extensive amendment to the Organic Act, including the changing of its name to "Constitution of the Territory of Guam." The U. S. Congress did not act on them. In 1975 the House of Representatives passed a bill authorizing Guam to hold a constitutional convention. The bill is pending in the Senate. The Guam Legislature has created a Special Commission on Future Status and the head of the Commission as well as the Governor have asked the President to appoint a special representative to open talks on Guam's future status. We have prepared a draft reply letter for your office informing the Guamanians that the issue is currently under active consideration within the Administration, and that we hope to begin talks with them sometime this spring.

Following the completion in August 1974 of an NSC Under Secretaries Committee Study on Guam, the NSC issued a Presidential directive in February 1975 setting out broad objectives in negotiating a new status for Guam. The directive authorized the offer to Guam of a commonwealth arrangement no less favorable than that afforded the Northern Marianas. The directive tasked Interior with coming up with recommendations on positions and on the organization of a consultative team. Interior delayed doing anything until recently, partly because of bureaucratic reasons and partly because it felt that we should not engage in serious talks with the Guamanians until after the passage of the Northern Marianas Commonwealth Covenant.

~~CONFIDENTIAL~~ GDS

W4M 5/15/00



~~CONFIDENTIAL~~

Northern Marianas Commonwealth Covenant

2

Under the Northern Marianas Commonwealth Covenant, the people of the islands have American citizenship and the U. S. enjoys full sovereignty. The Covenant provides for the extension to the Northern Marianas of federal programs and services now available to other American territories. Proceeds from numerous federal taxes, duties, and fees will remain with the local government in the same manner as they remain with the Territory of Guam. The Covenant also provides for the authorization of payment to the Northern Marianas of a \$14 million annual grant in constant 1975 dollars for the first seven years. The Covenant also authorizes the single appropriation of \$19,520,600 to be paid for lease of eighteen thousand acres for possible defense use to cover two terms of 50 years each.

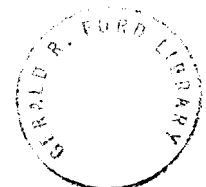
Negotiations with the Micronesians

The U. S. Government opened formal discussions with the Micronesians in October 1969, with the initial objective of extending full American sovereignty over the islands. In 1970 the Micronesian Political Status Delegation rejected an organic act that the U. S. offered and which would have made Micronesia an incorporated U. S. territory. At the second round of discussions in Saipan in May 1970, the U. S. presented a commonwealth proposal to the Micronesian Political Status Delegation. The proposal provided for internal Micronesian self-government under a constitution devised locally and with a carefully circumscribed right of eminent domain -- a particular Micronesian concern. The Congress of Micronesia rejected the commonwealth proposal, and instead propounded a self-governing state of Micronesia in free association with the U. S. through a "compact of free association" revocable unilaterally by either party.

The Marianas District, however, indicated that it desired a closer relationship with the United States, and we opened separate talks with the Northern Marianas in December 1972. The resultant covenant establishing the commonwealth received unanimous approval in the Marianas' local legislative bodies, including the Marianas District Legislature. A plebiscite held last June in the Northern Marianas under United Nations observation confirmed this choice by an overwhelming majority.

Meanwhile, negotiations with the Congress of Micronesia's negotiating body, now called the Joint Commission on Future Status, produced a final draft "compact of free association" in October 1974. The Congress

~~CONFIDENTIAL~~



of Micronesia later rejected the draft compact on grounds that the level of U. S. future financial assistance was inadequate. In November 1975 the Micronesians held a constitutional convention and agreed on a draft constitution for the proposed "Federated States of Micronesia." The new constitution provides the proposed Federated States with all the aspects of a sovereign independent state. The Micronesians have also held that all parts of the draft "compact of free association" which are in conflict with the constitution must be renegotiated to come into agreement with the constitution.

An NSC directive of January 20, 1976 instructed the NSC Under Secretaries Committee to undertake a review of U. S. policy toward the future status of Micronesia in light of developments including the new draft constitution. An inter-agency working group is currently preparing a report for the Under Secretaries Committee.

There are three broad options open to us:

- Seek to persuade the Micronesians to amend their draft constitution to be consistent with the draft compact.
- Agree to amend the compact to fit the draft constitution, thus ending up with free association in name but independence in fact.
- Negotiate independence with some sort of U. S. -Micronesia defense agreement that would achieve our objective of denial, and assure our continued use of Kawjalien.



Intgovtl

THE WHITE HOUSE

WASHINGTON

February 24, 1976

OFFICERS OF THE NATIONAL LEAGUE OF CITIES

Wednesday, February 25, 1976  
Cabinet Room  
12:00 (30 minutes)

From: Jim Cannon



I. PURPOSE

To continue discussions with State and local officials on the reenactment of General Revenue Sharing.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background

This organization has supported the reenactment of General Revenue Sharing. The Executive Committee, which includes Mayor Tom Moody (R-Columbus), has requested this meeting. You have also been invited to address the Congressional City Conference of the National League of Cities/U.S. Conference of Mayors in March.

Mayor Hans Tanzler (D-Jacksonville) is the president of the League of Cities for 1976 and attended your budget briefing last month for Governors and Mayors. Mayor Tanzler was also present earlier this week at a joint meeting of the Democratic leadership, at which time the reenactment of General Revenue Sharing was discussed.

For the first time a cross-section of State and local leaders put the pressure on the leadership and extracted a promise from Tip O'Neill that there would be House action prior to May 15. The leadership indicated that the markup in the House Subcommittee had been postponed until next week.

The Officers of the League of Cities indicated that if the delay means a countercyclical title as part of General Revenue Sharing, they would then oppose such an approach. This is a clear opportunity for the

Administration to press for the reenactment now without any countercyclical tie-on.

Some of the participants had expressed a desire to discuss the short-term implications of various Man Power Programs. We, however, have sought to discourage extended conversation on this subject to be able to emphasize General Revenue Sharing.

B. Participants: See Tab A.

C. Press Plan: To be announced.

### III. TALKING POINTS

1. I understand that one of the items on today's agenda is the reenactment of General Revenue Sharing. I am sure you are all aware of my position. Mayor Tanzler, why don't you tell me some of the results of your recent efforts with members of Congress.
2. After which you might defer to Paul Myer for any specific recommendations in terms of the timing of renewal.
3. I know Jim Cannon and Steve McConahey had a meeting just last week with a group of Councilmen from Los Angeles on CETA problems and are now looking into it.
4. Mayors, it is only with and through your efforts as mayors and as officials of the National League of Cities that we have any hope of renewal. Keep the pressure on!





THE WHITE HOUSE

WASHINGTON

February 27, 1976

MEETING WITH GOVERNOR ASKEW (D-FLORIDA)

Sunday Evening  
February 29, 1976  
Tampa, Florida

From: Jim Cannon

*Cancelled*



I. PURPOSE

To respond to the Governor's request to discuss a number of substantive issues.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background:

You last met with Governor Askew at the dinner you hosted Monday for the Governors and their wives.

We understand that the Governor is concerned about five major issues:

(1) Dade County Beach Erosion

In the 1976 budget there was a Presidential "no new construction starts" policy which initially applied across the board except for energy or economy-related programs.

The 1977 budget did not include such an across-the-board policy on new starts. However, there was a total ban on new construction starts on water resource projects. This policy was applied because of the general need for fiscal restraint, and to the water resource area in particular because of the large backlog of construction already underway. The Dade County Project would have been new construction, and thus was not funded in the 1977 budget. (There are many deserving projects that we simply don't have the money to fund.)

The House and Senate reports on 1976 appropriations for Public Works endorsed the acceptance by the Corps of Engineers of \$250,000 from Dade County to start construction of the project, provided that the acceptance of such funds would not constitute an obligation to appropriate or reimburse funds for the project. These funds have not been accepted by the Corps because the amount of local funds would be too small to perform any useful work, and no follow-on Federal funds can be anticipated by the Corps in view of the 'no obligation to appropriate' language also included in the committee reports.



The 1976 budget included \$2.3 million to reimburse local interests for work done on a segment of the project. This was not a new start, because the work had already been completed.

The remaining portion of the Dade County project is estimated to cost \$67 million: \$38 million Federal and \$29 million local.

(2) Big Cypress

This year you again approved full funding of the Land and Water Conservation Fund for FY 77 at the \$300 million level. This level of funding will reaffirm the Administration's commitment to the State of Florida for land acquisition within the Big Cypress National Watershed to protect the Everglades and South Florida's fresh water supply. It is considered especially important to continue this commitment to the State of Florida, which has made available \$40 million of the total amount of \$156 million needed to acquire this valuable natural area.

The land acquisition budget request which you just recommended to the Congress for FY 77 includes \$15 million of Federal funds for Big Cypress as well as \$3 million for Canaveral National Seashore and \$1 million to complete Everglades National Park. Thus our total Federal funding for the National Park Service Land acquisition program in the State of Florida for FY 77 is \$19 million.

It is expected that the Big Cypress acquisition will substantially be completed within the six-year timeframe set by Congress.

(3) Route I-75

A proposal to improve the Florida highway system involves extending Interstate Highway I-75 from Tampa south along the west coast to the Fort Myers area, and then eventually east across to Miami.

The Federal Highway Bill, which you proposed, gives priority to completion of inter-city links in the Inter-State system. If this bill is enacted, it will help Florida because completion of inter-city links such as I-75 is one of Florida's high priority highway needs.

Within the amounts of Federal highway assistance apportioned to a State, the State has the responsibility for assigning construction priorities to the different projects it has under consideration.



In December of 1975, Florida acquired an additional \$102 million of unobligated highway funds, bringing its total of these funds to \$124 million.

(4) Reconstruction of Bridges Connecting the Florida Keys

Project supporters, such as Senators Stone and Chiles, maintain that special Federal funding should be provided because the highway is used in supplying military facilities on the Keys and regular formula highway assistance is not sufficient to fund this project.

No additional funding for construction was requested in the 1977 budget. Decision on funding this project is being deferred until completion of a Department of Transportation study. Your Administration has generally opposed special categorical funding for particular projects, but is reviewing the special circumstances surrounding this project.

Note: There are indications that construction can be stretched out over a longer period, and at least a substantial part of the reconstruction financed through tolls.

(5) Miami Jet Port

In approximately 1969, the Dade County Port Authority began construction on a large jet airport in the

Big Cypress county of Florida. When only one 12,000 foot runway had been completed, a coalition of state officials and environmentalists stopped construction. Subsequently, Secretaries Hickel and Volpe, together with then-Governor Kirk and Dade County officials entered into a four-point agreement:

1. The site would not be developed into a jet port, but would be used for a training field only.
2. The site could not be expanded.
3. A study would be conducted to turn the whole Big Cypress area into a national park.
4. Another site would be found for the jet port.

In 1972, the Big Cypress bill passed, and the U.S. Park Service, in conjunction with the State of Florida, is now acquiring Big Cypress.

Several new sites have been proposed, including "site 14" north of Miami. An Environmental Impact Statement has now been prepared, and a proposed airport master plan has been prepared and distributed.

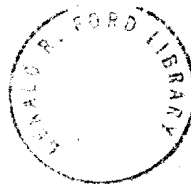
The issue is controversial, but local at this time: The present Miami airport is thought to be adequate for at least the next 15 years. Location of a new jet port at site 14 may pose some problems for Miami's water supply, as the site is on porous limestone.

The Chamber of Commerce and local T.V. stations support the new jet port; the positions of the two U.S. Senators and of Governor Askew are unknown; Congressman Lehman is opposed; the Florida delegation is probably supportive.

B. Participants

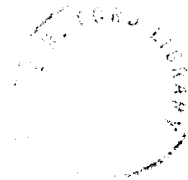
Governor Askew, and, if appropriate, others will be included.

C. Press Plan: To be announced.



III. TALKING POINTS

1. It was a pleasure to have both you and your wife at the White House last Monday evening. Betty and I hope you enjoyed yourselves as much as we did.
2. With all the activities going on today--the Virginia Slims Tournament and all the rest--it is too bad we did not have an opportunity to play a set of tennis. We will have to do that the next time I get down.
3. As you know, I have approved the full funding of the Land and Water Conservation Fund for FY 77 at the \$300 million level. This will mean \$15 million of Federal funds for the Big Cypress, \$3 million for Canaveral National Seashore, and \$1 million to complete Everglades National Park, for a total of \$19 million.



THE WHITE HOUSE

WASHINGTON

February 27, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

JAMES M. CANNON

FROM:

JAMES E. CONNOR *JC*

SUBJECT:

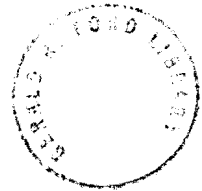
Executive Office of Inter-  
governmental Coordination

The President has reviewed the Vice President's memorandum on the above subject and made the following notation to you:

"Jim Cannon

Ray Shafer gave me this. Well done -- what do we do with it. Talk with me."

Please follow-up appropriately.



cc: Dick Cheney

Governor of NY  
Our receipt

---

Income Assistance Dr =

RETRACT ( Copy of Memo. )

Executor

---

Art: Administrative Reforms  
in Welfare



THE VICE PRESIDENT  
WASHINGTON

January 8, 1976

MEMORANDUM FOR THE PRESIDENT

FROM : THE VICE PRESIDENT *h*

SUBJECT : Executive Office of Intergovernmental  
Coordination

The condition of current intergovernmental relations is not good. Poor communication between and among the levels of government, administrative separatism at all levels, ineffective coordination, along with the profusion of programs involving more than one level have given rise to a state of chronic disarray in Federal-State-local relationships. As the major participant in our federal system, the National Government has a basic responsibility to bring greater order to those relationships in which it is a partner.

Over the past few months, and at my suggestion, Governor Shafer made a thorough survey, analysis and report on current Federal-State-local relations. The problems as well as the opportunities presented by the present state of these relationships were probed. The views of various experts and interested parties were solicited, studied, and synthesized. The resulting report to me is attached to this memorandum.

Every State and local official, Federal cabinet task force or study group, the Advisory Commission on Intergovernmental Relations, the General Accounting Office, public interest group, and authoritative student on the subject unanimously agreed that the prime problem was poor communications and inadequate consultative arrangements among the governments. Moreover, every one recommended as the number one priority the establishment of some form of executive office for intergovernmental relations, directly under the President.





On the basis of this study and my personal experience and observations, I strongly recommend that you establish by executive order an Executive Office for Intergovernmental Coordination. This Office would be administered by a Counselor to the President with cabinet rank, as was done by Presidents Eisenhower, Johnson, and Nixon. Status is absolutely essential in order to deal effectively with various department and agency heads as well as with top elected officials throughout the country. This Office would be responsible for:

- 1) ascertaining for the President through established channels the impact on State and local governments of proposed major Federal policy initiatives;
- 2) identifying chronic difficulties arising from the management of Federal assistance programs which may necessitate administrative or policy changes; and
- 3) demonstrating the commitment of the National Government to the improved operation of its own intergovernment programs, while overseeing a faithful follow-up to this commitment.

This proposal will not increase the budget, as the Office could be staffed with personnel already available.

In this critical year and at this important time, I am convinced that the establishment of this Office would be an excellent move for you personally.

- 1) Governors, State legislators, county officials, and mayors repeatedly have urged this step. To them, it would indicate a genuine willingness to communicate more regularly and more closely, to receive their views more openly and more eagerly, and to follow through on their legitimate complaints more expeditiously and effectively.

- 2) It would give you a personal representative dealing daily with the problems at the State and local level.

- 3) It would be a positive demonstration of your personal commitment.



Openness and access are basic themes of your Administration and this move would underscore them further in the eyes not only of elected officials everywhere but also the total electorate.




FYI

WHITE HOUSE COMMUNICATIONS AGENCY  
THE WHITE HOUSE  
WASHINGTON, D.C. 20500

DCOU-A

AUG 13 1976

MEMORANDUM FOR: WHITE HOUSE STAFF  
FROM: COLONEL RILEY   
SUBJECT: Video Composite Playback

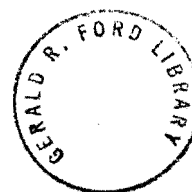
The White House Communications Agency's video tape recording facility has been replaying at 9:30 each weekday morning a composite of the previous evening's news. This composite consists of selected segments of the ABC, CBS, and NBC news programs and generally requires approximately fifteen minutes to view.

To better accommodate the replay into staff schedules, as well as to satisfy requests for an expanded composite, effective 23 August 1976 a more inclusive replay will be shown each weekday morning at 10:30 A.M.

In addition to selections from the previous evening's news programs, this new composite will include selected segments of the morning shows. These shows are the CBS Morning News, AM America, and The Today Show.

This expanded playback can be viewed on Channel 6 of the OEOB and White House television system. Playback normally will require thirty minutes to view, except for the Monday playback which will require forty-five minutes since it includes segments from the Friday, Saturday, and Sunday programs.

As with the previous composite playback program, this service will neither lessen WHCA's present capability nor its desire to satisfy individual requests for taping or replay.



FOR IMMEDIATE RELEASE

MARCH 6, 1976

OFFICE OF THE WHITE HOUSE PRESS SECRETARY  
(Marion, Illinois)

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THE WHITE HOUSE

REMARKS OF THE PRESIDENT  
AND  
QUESTION AND ANSWER QUESTION

JOHN A. LOGAN COMMUNITY COLLEGE

6:05 P.M. CST

THE PRESIDENT: Thank you very, very much, Dr. Tarvin, President Able, President Klaus, Senator Percy, Congressman Findley, Congressman Simon, student faculty and guests of the three great educational institutions:

It is a very great privilege and a very high honor for me to be here in Williamson County with all of you this afternoon. It is very, very good to be in the heartland of America where the people are great and I thank you very much for the very warm welcome.

The purpose of my visit can be summed up in just a very few words. As much as I believe in a strong and prosperous American automobile industry, I am here to say that this year there is absolutely no reason whatsoever to trade in your Ford for a new model. (Laughter) Especially one that has not even been road-tested. (Laughter)

I look forward to answering your questions, but first let me make a very few brief remarks. I am delighted to see the growth and the progress you have made here in this part of Illinois. As you know, not so long ago the economic picture here was not all that bright and some people had lost faith in this great area of the land of Lincoln. Well, it is obvious that those doomsayers were wrong. Your future is bright.

It is as full of strength and hope as you are. The signs of economic growth are here in Marion, for instance, where you have a growing population, a growing tourist industry, a new bank, a new supermarket and I am told even a new movie theater.

I am as confident, if not more so, that your growth will continue, your confidence, your drive, your initiative, your faith and progress will make it happen.

MORE



In this great Nation as a whole we can also see a far, far brighter future ahead because we have steered a very steady, a very firm and a very good course.

There were those who had lost faith in our country. They were doomsayers, cynics, skeptics. They did not believe in America, they had lost faith in this great country, in its economic system. But, they were dead wrong. There were those who said gas would be a dollar a gallon by now. They were wrong. There were those who said the only way to meet unemployment was to have Government supplied jobs one on top of another and they were wrong.

It was not a time for panic but it was time to take strong, affirmative action. This Administration was confident that we could defeat the recession without surrendering to inflation and we are doing it.

All the jobs lost to the recession have now been recovered. We got a report just yesterday from the Bureau of Labor statistics that we had 86 million 300 thousand gainfully employed. It matched the all-time number of people employed in this great country.

Inflation has been cut in half. The wholesale price index fell a half of one percent in February. That is the biggest monthly decline in nearly a year. It is just another indication that we are bringing under control the frightening inflation of 12-1/2 to 13 percent about 17 or 18 months ago. Consumer confidence and a host of other economic indicators are up and we are going to keep them up.

We are going to make sure, we are going to be positive that there are enough real jobs created by the economy, not by Government, so that all of you, some 2 million of you, who come from our schools can use the skills you have learned in these three colleges and live a rich, rewarding life in this great country where we all are so proud.

You and I and every other thinking American can or wants long-term, sustainable growth that won't be undermined by inflation. To keep the cost of living down, I intend to keep the cost of Government down. We darn well better do it.

MORE

We have already made some very real progress. My budget cuts in half the rate of growth in Federal spending we have seen over the last decade, and my 46 vetoes of legislation sent to me by the Congress in the last 19 months -- 39 of them have been sustained, and as a result of those vetoes -- and the Congress has supported the sustaining of those vetoes -- we have saved the taxpayer \$13 billion, and we will veto more of them.

By continuing the common sense approach that I have been taking, we can have a balanced budget by 1979, and that means a further major tax cut will be possible, putting more money back into the American taxpayers pocket; that is, into your pocket.

You have as many good uses for that money as the Government does, perhaps more. Another way we can hold down the cost of Government is by using Federal dollars in the most effective way possible, not by junking good programs along with bad ones, not by dumping them into the laps of State and local units of Government, not by sensibly improving the ones that do work and getting rid of those programs that don't work.

Revenue sharing is an excellent example of a Federal program that has worked. It combines the efficiency of the Federal revenue raising system with the effectiveness of local decision-making. Under the current five-year program, which ends December 31 of 1976, State and local units of Government in Illinois will have received \$1.5 billion in general revenue sharing funds from the Federal Government. That is not just an abstract figure. Those dollars have helped educate your children.

In Marion they have helped build sewers and water lines; in Williamson County they have played a very crucial role in keeping you and your family safe from crime. That is the kind of responsive Federal program we need more of, not less.

So, I intend, hopefully with the help of Congress, to put a little pressure on Paul Findley and Paul Simon over here -- tell them to get that legislation out of the Committee on Government Operations and on the floor of the House and passed.

It has been there far too long. It ought to be passed by the Congress, not resting in no action in the Committee on Government Operations.

MORE

I think Congress will finally pass it, but you have to really get the law enacted for the next five and three-quarters years so we can continue the general revenue sharing program. It will substantially increase the amount of money flowing back to your State and local units of Government.

Revenue sharing has proved its value in any realistic appraisal of the Federal Government's role -- and realism is what I believe in, not rhetoric. Part of what I think is a very realistic program, we have to take a hard look at our country's long-term problems. Energy is high on that list. The long lines at the gasoline stations may have faded from the memories of many Americans, but I have not forgotten them and I hope you will not. They taught us a lesson to remember that we are far, far too dependent on other countries for our energy needs, and since those gasoline lines of some 24 months ago the production of American oil and gas has gone down and we have become day by day more dependent on foreign oil sources, and that is not good for America.

Let me say, to deal with this urgent problem I have submitted a score of major legislative proposals aimed at helping the United States to achieve energy independence. Unfortunately, we have only had four out of those 13 major proposals passed by the Congress. These other proposals are absolutely essential if America by 1985 is going to be independent of the impact of foreign oil energy sources.

Our rich supplies of coal which many of you in this area helped bring to the marketplace play a very important role in making us energy independent. Under the national energy policy that I have recommended this means a vital and essential, important role for the great State of Illinois which has bigger bituminous coal reserves than any other State in the Union.

You are so lucky, you are so fortunate, and so are we. Coal is our Nation's most abundant energy resource. Production now -- it is hard to believe, but it is true -- is about the same as it was a half century ago, roughly 600 million tons a year.

I have urged a comprehensive coal policy to assure that our coal production will top one million tons in 1985. My policy includes measures aimed at improving coal production, transportation, and its use.

In the 1977 budget that I submitted to the Congress in January, I included a 28 percent increase in the funding for coal research and development so we can make the best possible use of our vast energy resource and you have thousands and thousands and thousands of tons of that right here in this area.

MORE



We also have to make sure that we can get our energy to where it is needed. This demands a strong and efficient railroad system to make sure energy is available to fuel America's industry. The Rail Revitalization Act of 1976, which Congress passed and I signed into law about a month ago, will help insure the strong transportation industry that we need to achieve our goal of energy independence.

The Act authorizes over \$6 billion in appropriations and loan guarantees. Over \$2 billion of that money will go to support a new rail system, Conrail, and enable it to upgrade its tracks and the quality of its service.

This includes line stretching across Illinois eastward from St. Louis and also south into this region, right through Williamson County, improving transportation of coal. That is just one way the Federal Government can play a positive, constructive part in an area like this rich and productive future.

I intend to continue making Government more responsive to your needs and the needs of all Americans, not by tilting the Federal Government on its ear, but by giving it a new balance, a balanced fiscal policy a new balance of power between the Federal, State and local authorities, a new balance between those who pay taxes and those who benefit from them.

The word balance may not sound very dramatic, but I don't believe Government should be theatrical, just effective.

Now I will be glad to answer your questions.

MORE



QUESTION: Mr. President, if Mr. Carter is elected President, would it economically be feasible for him to consolidate all Government agencies into just a few?

THE PRESIDENT: Let me see if I understand the question. If Mr. Carter is elected President, would it be feasible for him to consolidate all Federal Government agencies into just a few. Is that your question?

QUESTION: That is right.

THE PRESIDENT: I don't think it is practical. I happen to believe that the basic structure of the Federal Government is good. I think there must be some realignment, but I don't think we have to tear it asunder and throw a lot of different departments into one or more that don't have any relationship to one another.

It may be desirable -- let me put it this way -- it may be desirable to establish what was done in 1947 or 1948 with what they call the Hoover Commission. The Hoover Commission was a group of outside, primarily, experts with a few Members of the Congress, and they studied about two years the overall organizational set up of the Federal Government.

They made some recommendations. Congress approved roughly 75 percent of them. It may be desirable to take a look, but just to say you can have a quick fix, as some people have suggested, I don't think is very practical.

QUESTION: Mr. President, according to the national student lobby and the Association of Illinois Student Governments, the basic educational opportunity grant has devastated billions of dollars. This has hurt students throughout the State in Illinois because with the Illinois State Scholarship Commission, students are now being billed to pay back 14 percent of these funds.

We would like to know if a bill passed -- a supplemental bill for the basic educational opportunity grant through Congress or Senate -- if you did sign it or not sign it. We would like to know if you would veto it.

Also, we would like to know what the chances are or what you would propose to change the bill from being for where students would have to pay the money back?

MORE

THE PRESIDENT: As I recollect, in the budget for fiscal 1977 I recommended about \$1 billion in basic educational opportunity grant funding, which is a substantial increase over the present. Now, we have a wide variety of programs.

In addition to the basic opportunity grant program, we have the loan guarantee, we have the work incentive program. There are three or four others. I can't remember their names, but it seems to me that if the Government loans something to somebody, whether it is for business or an education or anything else, and the person signs to borrow that money on those terms, there is an obligation to repay it.

Now, the terms of repayment, as I think you know, are very generous.

QUESTION: I was understanding that, but mine was according to the grants that students receive. They receive so much money and this is not a pay-back situation. The question is students who are not financially able to go to college can receive basic educational opportunity grants.

These are not paid back monies. The colleges receive the money, and they are disbursed to the students. These students, will they have to pay back this money in a percentage? Like the Illinois State Scholarship, they must pay back 14 percent because they overimbursed people.

THE PRESIDENT: As I understand the grant program, it is literally a grant. Now what the schools or the States do -- I think they match 10 percent, do they not -- 20 -- it is 20 percent. I don't know what requirements the States have or the schools have for the repayment or the granting of the 20 percent.

But, if it is a Federal grant, it is a grant, but on the other hand we have loan programs and where there is an obligation to repay, under the generous terms, low interest and deferred payment, I think a student or anybody else, when you sign a contract, you ought to uphold it.

But, the grants, I think, are to be considered as such. I submitted about \$1 billion in basic opportunity grants for the next fiscal year, which is a substantial increase over the present fiscal year funding.

MORE

QUESTION: Mr. President, I was wondering what the recent wheat failure, what kind of effect it would have on our foreign trade with Russia?

THE PRESIDENT: The question is, as I understand it, what the projected wheat failure in Oklahoma, Western Kansas and that area would have on our trading with the Soviet Union.

As I understand it, from the Secretary of Agriculture, there is a potential 25 percent loss in that area of our wheat production, primarily a winter wheat area. I also am told that that potential 25 percent loss in that area, serious as it is to those farmers, is not a significant loss in our overall winter wheat production.

Number two, we had a record crop of two billion bushels in 1975, an all-time record for the United States. So, we have ample supplies from the carryover and the unfortunate drought in that area, lack of rain, lack of snow cover, even if it stays where it is will not have a severely adverse impact on our wheat supplies in 1976, and therefore would have, I think, no significant impact on our grain sales to the Soviet Union.

MORE



QUESTION: Mr. President, with your recent victories in New England and a possible win in Florida, would you consider that a big win here in Illinois would be a knock-out blow to Ronald Reagan's campaign? (Laughter)

THE PRESIDENT: Well, we won in New Hampshire, we won in Vermont, we won in Massachusetts. It is a close race but I think we are going to win in Florida and I have been impressed with the warm welcome here in the great State of Illinois, and after you win five in a row, I would be very encouraged.

But I think you would have to ask my opponent what he will do. That is his decision, certainly not mine.

QUESTION: I just would like to start by saying I am honored to have an audience and that I do love you, President Ford, and I love America. I was concerned -- I read recently in the news that Secretary of State Henry Kissinger had accused Otis Pike of a brand of McCarthyism and this kind of dissent going on between the Executive Branch and the Congress is something very serious, especially when it concerns our intelligence community. I would like to know how you feel about Henry Kissinger's accusation if you feel that was just, and I also have another related question.

I was recently speaking to a United States Attorney and I am very concerned about what is happening in the United States and in the world. He stated that the President is not really running this country and neither is the Congress, but the bureaucrats are, and certainly I have been watching your Administration very closely in trying to grasp what is happening and it seems to me that the balance of power is tipping in favor of the bureaucracy and I, as a citizen, feel that there is need in our Government to balance this type of change.

MORE



THE PRESIDENT: Let me answer the first question in this way: The Pike Committee of the House of Representatives was given the job to investigate allegations concerning the Central Intelligence Agency and other intelligence gathering agencies to determine whether those agencies or individuals in those agencies had violated the law or the rights of American citizens.

That committee came to the Executive Branch of the Government and asked for literally thousands and thousands of files and information. Probably 99 percent of it was either top secret, secret or confidential.

I issued an order that I would give to that committee or ordered people under my jurisdiction to give to that committee all of the material they wanted -- all of it -- with the understanding that if they were to write a report and include any of the secret or top secret information in it, before they would print the report publicly, and if people in the Executive Branch said it would be injurious or harmful to the United States of America, they would give me the opportunity of reviewing that report.

The committee did not follow through with that procedure. Somebody either on the committee staff or a Member of the committee -- and I don't know which -- released that report to the public without giving me the opportunity of reviewing whether vital secrets of this country were to be made available to the enemy.

Now, I think whoever released that report -- whether it was a Member of the committee or a member of the staff -- did a great disservice to this country, and there was material in that report that was never approved, as I recollect, by all of the Members of that committee.

To release that report with those secrets and those comments concerning the Secretary of State and others, I think was a disservice to this country, and the Secretary of State used the language that he did because he was distraught by the revelation of the classified material and the implications that were alleged against him.

I think it was a very unfortunate action by somebody on the committee or the staff of that committee and I condemn it. I think it was a disservice to this country.

Now, the second question. I don't think the bureaucrats run this Government. The policies of this Administration, and I think the policies of previous Administrations, are made by the President, the Cabinet members and the other top officials.

MORE

I must confess sometimes the orders that are issued in the White House or in the Department of Agriculture at the top are not always carried out precisely as they are directed but, basically, this country is run by those either who have been elected or those who have been appointed, and I don't think we should lose faith in this Government. Some bureaucrats probably don't do it the way we would like it but the system is good. All we have to do is correct it and we are working at it.

QUESTION: Mr. President, what are your feelings about Mr. Nixon's recent trip to Red China, and do you feel that hurt your campaign?

THE PRESIDENT: The question, as I understand it, was: How do I feel about Mr. Nixon's trip to China and has it had an adverse impact on my campaign?

I have said -- and I think I should repeat -- that Mr. Nixon was invited by the People's Republic of China. He went there as a private citizen. He did not go there to carry out any foreign policy directives that I would issue as President of the United States. He went as a private citizen, as their guest.

I do feel that the timing of the trip probably had some adverse impact in the New Hampshire primary, not enough, fortunately, but at least it may have had some. But overall we have not been able to come to any concrete conclusion as to whether it was good or bad. I am glad he is back safely and we are just going on with our program in the Government and in the campaign because we have a lot of things to do.

QUESTION: Mr. President, as long as we are talking about former President Nixon, do you think it is right that the United States Government spent \$250,000 while he was over there?

THE PRESIDENT: Let me repeat the question so everybody knows it. The question is, was it right for the Federal Government to pay \$250,000 for Mr. Nixon to go to the People's Republic of China? Is that the question?

The Federal Government did not pay one penny for his transportation, for his lodging, for his food, the cost of whatever it was -- and I don't know whether it was \$250,000 or not -- but by law, by law, it is mandatory that all former Presidents and all widows of former Presidents are given Secret Service protection. That is what the law says. So whatever the cost was it was required by law. I don't think it was that much, but whatever the cost was it was a matter of law, and I happen to think we ought to obey the law.

MORE

QUESTION: Mr. President, my question is on the new liberalization of the Black Lung Act or law. Being a coal miner I am concerned about this and about your stance, and also Senator Percy and maybe some of the other men up there, what their opinion is on the new liberalization of the Black Lung Act?

THE PRESIDENT: As I understand the legislation that passed the House a week or so ago by a vote of some 240 to 183 against it, what it would do is say that if a person worked in a coal mine for 30 years he is guaranteed a black lung pension or retirement, whatever it is. Whether he ended up with black lung or not, the presumption is he does have it and he would be paid. Now, that is as I understand the legislation passed by the House of Representatives.

When I was in the Congress about five, six years ago when the first black lung legislation was enacted, I voted for it. It provided that if it was determined that a miner who was working or a miner who was retired had black lung, if it was determined by a medical examination, then that individual would qualify for black lung benefits, and it costs about a billion dollars a year at the present time to take care of that problem.

But this is a significant change because it does not require a medical examination. It simply says if you worked that long it is automatic.

Now I have not made up my mind because it has only passed one-half of the Congress, but those are the facts as I understand it. If and when the legislation gets down to the White House I will take a good look at it, but it is a very significant change in existing law, and the Senate, I am sure, will give it careful consideration before it gets to the White House.

QUESTION: May I make one comment, please, on that? How will this be funded, the new Act? Will it be a direct tax on coal or will it be a tax on the people? I think this is very important. I think most people want to know this.

Also, I don't know if you ever worked or have seen the inside of a coal mine where a man has to work in an area where at times he is very fortunate to see from me to you very clearly and the dust is so thick. Of course, it is better now than it has been in the past five years due to the new Acts that Congress has passed. But if you would see and realize what 30 years of underground experience would do to a man's health -- I have a father and many of you men here have fathers and relatives -- you see what it does to them, and I think this is very important. I think you need to really understand what this does to people.

MORE

THE PRESIDENT: I fully support the present legislation which says if a person has, by medical examination, acquired black lung he ought to be paid.

Now, in the House legislation it is my understanding that the payments under the new law, if it becomes law, would come out of the Treasury, not out of industry. I could be wrong, but that is my best recollection.

I think it is a question the Senate ought to look into as to whether the industry ought to bear the burden or whether the general taxpayers should. I expect that the United States Senate will ask the experts in these areas for some opinions in that regard.

QUESTION: Will you veto it?

THE PRESIDENT: It is only half-way through the Congress. I don't indicate publicly until I see the black and white, until I see the language in the law or proposed law, as to whether I am going to veto it or not.

We will do one here, and then I have a young man over here I want to get a question from.

QUESTION: Mr. President, although the environment is not a major campaign issue this year it remains an important issue in the minds of many Americans. As President for four additional years, what initiatives will you take to insure that environmental quality is improved especially in consideration of a report linking 80 to 90 percent of cancer to pollution of our air and water?

THE PRESIDENT: I think that the environment ought to be discussed in this campaign. I think it is a matter that should not be cast aside. It is a vitally important problem in this country. We kind of woke up to the dangers of the environment, the damage that has been done to our air and water about six years ago, and Congress passed some legislation to try and clean up the air and the water. Some substantial progress has been made.

The Federal Government has spent about \$18 billion to help local cities and communities clean up their water and sewage problems. The Environmental Protection Agency has issued very strict regulations about industry and its efforts to clean up its discharge and to clean up what they do as far as the air is concerned.

Now, I think we have shifted a little bit from an all-out effort to clean up the air and water in five years, after we destroyed it for about 100, so that we are going to probably stretch out some of these programs because you just can't overcome 100 years of neglect in a period of five years.

MORE



But I can assure you from this Administration's point of view we are going to continue to have a sound, constructive, broad gauge environmental program and I can assure you there will be maybe some stretching out for a minimum period of time, but we are not going to neglect the environment, period.

QUESTION: Thank you, Mr. President.

QUESTION: Mr. President, when you were little, did you ever think some day you would be President of the United States? (Laughter)

THE PRESIDENT: Believe me, we did not get together ahead of time, did we.

Let me say I suspect, like all young Americans living in a great country like we live in, I might have had a wild dream one time that it would be great to be President. That is one of the blessings we have in America. There might be somebody in this audience, somebody in this audience, it might even be you, who some day could, under our system, be President of the United States.

QUESTION: Thank you, Mr. President.

END (AT 6:50 P.M. CST)




THE WHITE HOUSE

WASHINGTON

SIGNATURE

March 10, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: JIM CANNON   
SUBJECT: Letter to Robert E. Merriam

Attached for your signature is a letter to Robert E. Merriam, chairman of the Advisory Commission on Intergovernmental Relations, which is meeting in Washington this week.

The letter has been reviewed and approved by Robert T. Hartmann and Paul O'Neill.

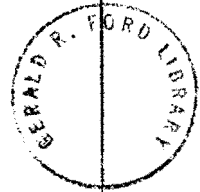
RECOMMENDATION

That you sign the attached letter.



THE WHITE HOUSE  
WASHINGTON

March 10, 1976



Dear Bob:

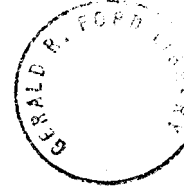
Knowing that the Advisory Commission on Intergovernmental Relations is meeting in Washington this week, I take this occasion to express my appreciation for the contribution which the Commission continues to make as we seek to improve the workings of our federal system. As was reflected in my recent State of the Union Message, I place a very high priority on dealing with the problems of intergovernmental relations. Efficient accountable government at any level depends on the effective relations among all levels. We need to simplify and clarify the federal aid system. We need to deal with the growth in the public sector and the resultant dollar and regulatory burden of government on the American people.

ACIR's current work in each of these crucial areas will surely contribute to the efforts to understand and overcome these problems. I look forward to the publication of your findings and recommendations on how to improve the federal delivery system and on how to strengthen the block grant mechanism. Similarly, your analysis of the factors affecting the growth in the public sector and the impact of that growth is most timely and much needed.

Finally, I want to acknowledge the value of ACIR's report and recommendations urging reenactment of general revenue sharing, which, as you know, I have made a priority objective.

As this Administration and the Congress wrestle with these and other complex intergovernmental issues--issues which are at the heart of all government--I will welcome and look forward to ACIR's continuing service. I thank you and the other members of ACIR for your devoted service.

Sincerely,



Mr. Robert E. Merriam  
Chairman  
Advisory Commission on  
Intergovernmental Relations  
726 Jackson Place, N.W.  
Washington, D. C. 20575

THE WHITE HOUSE

WASHINGTON

March 9, 1976

MEMORANDUM FOR:

ROBERT T. HARTMANN  
PAUL O'NEILL  
PHIL BUCHEN

FROM:

JIM CANNON

SUBJECT:

Presidential Letter to Robert E. Merriam

Would you please review the attached letter and return it with your comments by noon Tuesday, March 10.

Thank you very much.

Attachment



THE WHITE HOUSE  
WASHINGTON

March 10, 1976

Dear Bob:

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Sincerely,



Mr. Robert E. Merriam  
Chairman  
Advisory Commission on  
Intergovernmental Relations  
726 Jackson Place, N.W.  
Washington, D. C. 20575

THE WHITE HOUSE

WASHINGTON

March 9, 1976

MEMORANDUM FOR:

✓ ROBERT T. HARTMANN

✓ PAUL O'NEILL

PHIL BUCHEN

*reminded OK from Doug Smith (he'll show it to Hartmann later)*  
*has been sent to us*  
*reminded*

FROM:

JIM CANNON

SUBJECT:

Presidential Letter to Robert E. Merriam

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Thank you very much.

Attachment





THE WHITE HOUSE  
WASHINGTON

March 9, 1976

MEMORANDUM FOR: JIM CANNON  
FROM: STEVE McCONAHEY *SBM*  
SUBJECT: Presidential Letter to ACIR

Attached is a draft letter for the President to send Bob Merriam of ACIR, to be read at the meeting convening this Thursday.



Attachment