The original documents are located in Box 24, "2/23/76 - Remarks at National Governors' Conference Winter Meeting" of the President's Speeches and Statements: Reading Copies at the Gerald R. Ford Presidential Library.

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THE PRESIDENT HAS SEEN

PRESIDENTIAL REMARKS:

NATIONAL GOVERNORS' CONFERENCE

FEBRUARY 23, 1976

ACKNOWLEDGEMENTS

NATIONAL GOVERNORS' CONFERENCE WINTER MEETING

THANK YOU, GOVERNOR RAY.

GOVERNORS

GUESTS

LADIES AND GENTLEMEN

Bethy to Demind.

DISTINGUISHED GOVERNORS AND ESTEEMED FELLOW

CANDIDATES:

Belly + 2 - Denner.

I AM DELIGHTED TO GREET YOU ALL AT THIS HISTORIC

BICENTENNIAL WINTER MEETING OF THE NATIONAL GOVERNORS'

CONFERENCE

THIS IS A MEMORABLE YEAR IN WHICH TO GIVE NEW BALANCE AND

MEANING TO RELATIONS BETWEEN THE FEDERAL AND STATE GOVERNMENTS.

I EAGERLY ANTICIPATE WORKING WITH YOU TO ACHIEVE BETTER

GOVERNMENT, AT ALL LEVELS, FOR ALL OF OUR PEOPLE.

IT HAS BEEN SAID BY SOME THAT FEDERAL-STATE RELATIONS

ARE THE MOST DEADLY BORING OF ALL POLITICAL ISSUES.

I DO NOT AGREE. I FEEL A SENSE OF EXCITEMENT AND EAGER

ANTICIPATION AT THE PROGRESS WE ARE MAKING TO RESTORE TO YOU

AND TO YOUR STATES MORE SAY ON DECISIONS AFFECTING THE

DAILY LIVES OF ALL CITIZENS.

THIS PROCESS DOES NOT BORE ME. IT REALLY

TURNS ME ON -- ESPECIALLY THE PROSPECT OF WORKING MORE

CLOSELY WITH ALL 50 STATES TO RESTORE DURING THIS

NATIONAL BICENTENNIAL, THE BALANCE AMONG US THAT WAS

FIRST CONCEIVED BY OUR FOUNDING FATHERS 200 YEARS AGO.

GEORGE WASHINGTON WARNED AGAINST THE DANGER

OF THE MONOLITHIC, CENTRALIZED POWER OF THE FEDERAL

GOVERNMENT. IN RECENT YEARS, STATE AND LOCAL AUTHORITY

HAS ERODED AS THE FEDERAL ESTABLISHMENT HAS GROWN.

THIS TREND -- OF CATEGORICAL GRANTS AND DECISION-MAKING

BY THE BUREAUS AND AGENCIES OF THE FEDERAL GOVERNMENT -
HAS NOT MADE LIFE EASIER FOR THE BENEFICIARY, NOR HAS IT

MADE GOVERNMENT MORE RESPONSIVE.

THE FEDERAL GOVERNMENT NOW EMPLOYS

MORE PEOPLE THAN THE ENTIRE COMBINED POPULATION

OF THE THIRTEEN ORIGINAL STATES WHEN OUR FOUNDERS

RESERVED TO STATE GOVERNMENTS AND TO THE PEOPLE

ALL POWER NOT BESTOWED UPON THE NATIONAL GOVERNMENT.

WHEN YOUR STATE CONSTITUTIONS WERE ADOPTED,

GREAT CARE WAS TAKEN TO PRESERVE THE BASIC PRINCIPLES OF

SELF-GOVERNMENT.

AMERICANS HAVE ALWAYS WANTED THE DECISIONS

AFFECTING THEIR DAILY LIVES MADE AT HOME -- IN THEIR LOCAL

COMMUNITIES AND THEIR OWN STATES.

BUT FREEDOM IS NOW MISINTER PRETED BY TOO MANY

INDIVIDUALS TO MEAN FREEDOM FROM PERSONAL RESPONSIBILITY

AND INSTANT GRATIFICATION OF ALL DESIRES BY THE RICH

UNCLE SAM IN WASHINGTON. IN PURSUIT OF THAT QUEST }-

AND THAT FANTASY - THE FEDERAL BUREAUCRACY HAS

GROWN AND GROWN.

POWER IS DRAINED AWAY FROM YOUR STATES, YOUR COUNTIES,

YOUR CITIES, AND YOUR TOWNS TO AN INCREASINGLY CENTRALIZED

NATIONAL GOVERNMENT - ALWAYS BIGGER, ALWAYS MORE

MEDDLESOME - BUT NOT ALWAYS MORE EFFICIENT NOR MORE

RESPONSIVE TO LOCAL NEEDS.

THIS PROCESS HAS UNDERMINED INDIVIDUAL PRIDE AND

RESOURCEFULNESS. IT THREATENS OUR ECONOMIC PROSPERITY

AND DIMS OUR VISION OF A FUTURE IN WHICH EVERY CITIZEN

CAN HELP DETERMINE HIS OR HER FATE.

YOU AND I MUST MAKE SOME HARD DECISIONS

THIS YEAR.

IT IS ALL TOO EASY TO OFFER UNREALISTIC

SUGGESTIONS IN THE HEAT OF AN ELECTION YEAR.

BUT A PRESIDENT, OR A GOVERNOR IN OFFICE,

HAS TO PROVIDE ACCOUNTABLE AND REALISTIC

LEADERSHIP WITH HONEST ANSWERS TO ALL

CONSTITUENTS.

I WILL NEVER IRRESPONSIBLY TRANSFER

SERIOUS PROBLEMS FROM THE FEDERAL GOVERNMENT

TO STATE GOVERNMENTS WITHOUT REGARD FOR HUMAN

NEEDS AND FISCAL REALITIES. I AM DETERMINED TO

PRESERVE A CONSTRUCTIVE PARTNERSHIP WITH THE

STATES ON ALL MUTUAL CONCERNS THROUGH COOPERATION

-- AND NOT THROUGH: TREATMENT THAT IS WORSE

THAN THE DISEASE.

LET US COOPERATE TO MOVE THE DECISION-MAKING

PROCESS BACK TO THE STATES AND TO THE PEOPLE.

LET US WORK TO ASSURE THAT WE REALLY HELP THE NEEDY

+

NOT THE GREEDY.

WE MUST CLARIFY AND SIMPLIFY THE COMPLEX, FRUSTRATING,

AND INEFFICIENT REGULATIONS AND CATEGORICAL GRANT RIGIDITY

THAT INVITE ABUSES AND RIP-OFFS. THOSE SWORN TO PROTECT

THE PUBLIC INTEREST MUST ASSURE THAT EVERY TAX DOLLAR IS U.SED

HONESTLY AND EFFECTIVELY.

IN THE CAMPAIGN FOR GENERAL REVENUE SHARING,

I HAVE WORKED LONGER AND HARDER FOR THAT LEGISLATION

THAN ANY OTHER.

YOU ARE AWARE OF HOW THIS

30.2 BILLION DOLLAR, FIVE-YEAR PROGRAM IS NOW ADMINISTERED

AT A COST OF A TWELFTH OF A PENNY FOR EVERY DOLLAR SPENT.

YOU KNOW HOW OUR STATES ARE NOW MAKING STATE DECISIONS

ON THE LOCAL USE OF THEIR FEDERAL TAXES.

I AM NOW

SEEKING TO EXTEND THIS EXCELLENT PROGRAM FOR FIVE AND

THREE-QUARTER ADDITIONAL YEARS.

IT WAS LAST APRIL - ALMOST A YEAR AGO -

WHEN I ASKED THE CONGRESS TO RENEW REVENUE SHARING SO

THAT YOU COULD MAKE TIMELY PLANS FOR YOUR FISCAL 1977

STATE BUDGETS. Reportably,
THE CONGRESS DID NOT SHARE MY SENSE

OF URGENCY.

IT HAS FAILED TO ACT.

THE NATION NEEDS

YOUR HELP AND I AM PLEASED BY YOUR RESPONSE.

I HAVE SEEN YOUR WARNING OF HIGHER TAXES OR

DRASTIC CURTAILMENT OF PUBLIC SERVICES IF FEDERAL REVENUE

SHARING IS DISCONTINUED.

YOU ARE RIGHT IN SAYING THAT OUR PRESENT

ECONOMIC RECOVERY WOULD BE ENDANGERED IF THE CONGRESS

WERE TO END REVENUE SHARING. IT COULD FORCE

THE STATES TO FIRE WORKERS, TO INCREASE STATE TAXES,

AND EVEN TO INSTITUTE NEW TAXATION.

YOU KNOW AND I KNOW THAT WE MUST

JOIN FORCES TO KEEP REVENUE SHARING ALIVE.

OF YOUR STATES, TO JOIN ME IN MOVING THE MOUNTAIN

WHICH WE KNOW AS CAPITOL HILL. THE WHOLE CONCEPT

OF BALANCED FEDERAL-STATE RELATIONS IS AT STAKE.

YOU ARE MORE AWARE THAN ANYONE OF THE NEW REALITIES

IN YOUR STATES. IF WE FAIL THIS YEAR TO ASSURE CONTINUED

MOVEMENT TOWARD GENERAL REVENUE SHARING, THERE WILL BE

A NEW ESCALATION IN THE CATEGORICAL PROGRAMS OF AN

INCREASINGLY CENTRALIZED GOVERNMENT.

I AM DETERMINED TO SHAKE-UP AND SHAPE-UP, WITH YOUR HELP, THE WORTHWHILE AND PROVEN PROGRAMS WE NOW HAVE RATHER THAN PERMIT A PROLIFERATION OF NEW AND

UNTRIED PROGRAMS. CATEGORICAL GRANTS AND CATEGORICAL

EXPECTATIONS HAVE CREATED MORE PROBLEMS THAN THEY HAVE SOLVED.

WHILE I EXPECTED SOME CRITICISM OF MY STATE OF THE UNION AND

BUDGET MESSAGES, I REGRET THE REVIVAL OF THE OLD KNEE-JERK

RESPONSE - THAT I FAILED TO PROPOSE ENOUGH NEW

FEDERAL PROGRAMS.

WE ALREADY HAVE MORE THAN ENOUGH PROGRAMS -

WHAT WE NEED IS QUALITY, NOT QUANTITY. MY MESSAGES

CONTAIN PROPOSALS THAT NOT ONLY IMPROVE QUALITY --

BUT ALSO REDUCE QUANTITY.

MESS CHARTS

I AM ENCOURAGED BY THE WAY STATES AND LOCALITIES

ARE RESPONDING TO THE CHALLENGE OF BALANCED FEDERALISM.

BEHIND THE BLOCK GRANT CONCEPT IS THE CONVICTION THAT YOU CAN

DO A BETTER JOB IN MANY WAYS THAN THE FEDERAL GOVERNMENT.

YOUR PERFORMANCE GIVES ME NEW FAITH. BUT WE HAVE TO

DO EVEN MORE. THE STATES AND LOCALITIES CAN LEAD THE WAY.

THESE BLOCK GRANTS PROVIDE A DRAMATIC AND EFFECTIVE WAY

TO SERVE LOCAL PRIORITIES.

UNDER ONE SUCH BLOCK GRANT, THE COMMUNITY
Inactual in 1974 after long or contraversal strupple. **DEVELOPMENT PROGRAM:**

--- FEDERAL REGULATIONS WHICH A COMMUNITY MUST

FOLLOW HAVE DECREASED FROM 2,600 PAGES UNDER THE CATEGORICAL PROGRAMS TO 25 PAGES FOR THE BLOCK GRANT PROGRAM.

--- A COMMUNITY NEED ONLY FILE ONE APPLICATION,

CONSISTING OF 50 PAGES, RATHER THAN THE PREVIOUS AVERAGE

OF FIVE APPLICATIONS CONSISTING OF 1,400 PAGES.

--- PROCESSING AND APPROVAL OF A COMMUNITY

DEVELOPMENT BLOCK GRANT APPLICATION AVERAGED 49 DAYS,

ALTHOUGH UNDER THE CATEGORICAL URBAN RENEWAL PROGRAM,

PROCESSING TOOK OVER 2 YEARS.

DUE TO THE SUCCESS WE HAVE HAD IN SIMPLIFYING

THE COMMUNITY DEVELOPMENT PROGRAM, I AM RECOMMENDING

THAT WE USE THIS APPROACH IN OTHER FEDERAL PROGRAMS

INVOLVING SOCIAL SERVICES, HEALTH EDUCATION AND

CHILD NUTRITION.

THEREFORE, TODAY I AM ASKING THE CONGRESS

TO APPROVE THE COMMUNITY SERVICES ACT. IT WILL

SIGNIFICANTLY INCREASE THE FLEXIBILITY OF STATES

IN DELIVERING SOCIAL SERVICES TO LOW INCOME FAMILIES.

I REFER TO SUCH PROGRAMS AS DAY-CARE, FOSTER CARE

AND HOME-MAKER SERVICES.

MANY OF THE RESPONSIBILITIES NOW PLACED

BY LAW IN THE HANDS OF FEDERAL BUREAUCRATS WILL BE

PASSED BACK TO ELECTED OFFICIALS.

THE BASIC RESPONSIBILITY ON HOW TO BEST MEET THE NEEDS

OF A STATE'S LOW INCOME FAMILIES WILL BE RETURNED TO EACH STATE.

THIS DETERMINATION CAN BEST BE MADE THROUGH AN OPEN PROCESS

OF LOCAL PLANNING THAT DIRECTLY INVOLVES ITS CITIZENS.

CONSOLIDATING MEDICAID AND 15 OTHER CATEGORICAL HEALTH

PROGRAMS INTO A SINGLE 10 BILLION DOLLAR BLOCK GRANT.

WITH IT IS A COMMITMENT TO EACH OF YOU THAT YOUR STATE

WILL RECEIVE MORE FEDERAL FUNDS FROM THIS SINGLE NEW

PROGRAM IN FY 1977, THAN YOUR STATE RECEIVED IN 1976

FROM THE 16 EXISTING PROGRAMS.

THE HARD CHOICES OF HOW BEST TO MEET THE

HEALTH NEEDS OF YOUR STATE WILL NO LONGER BE DEFINED

BY A COMPLICATED AND CATEGORICAL TANGLE OF FEDERAL

REGULATIONS. THEY WILL BE FOR YOU AND YOUR CITIZENS

TO DETERMINE IN AN OPEN AND LOCALLY RESPONSIVE PROCESS.

I WILL VERY SOON SUBMIT TO THE CONGRESS

AN EDUCATION BLOCK GRANT PROPOSAL RECOGNIZING

NATIONAL CONCERNS THAT CALL FOR SPECIAL EMPHASIS.

IT WILL GIVE STATES MAXIMUM FLEXIBILITY IN USING

FEDERAL DOLLARS TO MEET EDUCATIONAL NEEDS.

OF SUCH ISSUES AS SCHOOL FINANCE REFORM AND THE EDUCATION

OF THE HANDICAPPED. IN THE LAST DECADE, YOU HAVE

DEMONSTRATED THE ABILITY AND THE WILLINGNESS TO TACKLE

EDUCATION PROBLEMS. THERE IS NO REASON WHATSOEVER

FOR THE FEDERAL GOVERNMENT TO TREAT YOU AS IF WE DOUBTED

YOUR COMMITMENT TO GOALS SHARED BY ALL AMERICANS.

MY PROPOSALS WILL REDUCE THE ADMINISTRATIVE

BURDENS ON STATE AND LOCAL GOVERNMENTS WHILE ASSURING

A FEDERAL COMMITMENT TO ELEMENTARY AND SECONDARY

EDUCATION. NO STATE WILL RECEIVE LESS FEDERAL MONEY

UNDER MY PROPOSAL THAN IT DID IN FISCAL YEAR 1976

UNDER ALL THE PROGRAMS TO BE CONSOLIDATED.

IN OFFERING THESE PROPOSALS, I DO NOT SUGGEST

A RETREAT FROM NATIONAL CONCERNS NOR THE WHOLESALE

ELIMINATION OF FEDERAL FUNDING.

I INTEND TO MAKE

FEDERAL DOLLARS AVAILABLE TO YOU FOR YOUR STATES.

BUT I WILL ALSO MINIMIZE OR ELIMINATE

THE REQUIREMENT THAT STATE FINANCIAL RESOURCES BE USED

TO QUALIFY FOR FEDERAL MATCHING FUNDS.

MY ADMINISTRATION WILL NOT DISMANTLE PROGRAMS

THAT REALLY WORK -- THAT REACH THE PEOPLE AND MEET

THEIR NEEDS. I WILL NOT RETREAT FROM MY COMMITMENT

TO WISE FEDERAL SPENDING TO MEET LOCAL NEEDS. BUT WE

INTEND TO IMPROVE THESE PROGRAMS AND, WHERE VER

APPROPRIATE, TO RETURN DECISION-MAKING POWER TO THE

STATE AND LOCAL LEVEL.

MY ACTIONS HAVE SHOWN MY WILLINGNESS

TO WORK WITH YOU. INDEED, I HAVE MADE IT A POINT

TO CONFER PERSONALLY WITH EVERY ONE OF THE 50 GOVERNORS

SINCE I ASSUMED THE PRESIDENCY.

AS A CONGRESSMAN, I LISTENED TO THE WARNINGS

OF PRESIDENT EISENHOWER. HE SAID THAT UNLESS

WE PRESERVE THE TRADITIONAL POWER AND BASIC RESPONSIBILITIES

OF STATE GOVERNMENT, WE WOULD NOT RETAIN THE KIND OF

AMERICA PREVIOUSLY KNOWN. WE WOULD HAVE, INSTEAD,

QUITE ANOTHER KIND OF AMERICA.

THE PENDULUM HAS SWUNG VERY FAR IN THE

DIRECTION THAT PRESIDENT EISENHOWER FEARED.

BUT I AM

CONFIDENT THAT THE WILL OF THE PEOPLE, VOICED ALL ACROSS

AMERICA, IS BEGINNING TO BRING THE PENDULUM OF POWER

BACK TO A BALANCED CENTER.

THE PRESERVATION OF THE 50 STATES AS VIGOROUS

UNITS OF GOVERNMENT IS VITAL. WE MUST MAKE SURE

THAT EACH LEVEL OF GOVERNMENT PERFORMS ITS PROPER

FUNCTION - NO MORE AND NO LESS. WE MUST DO THIS

TO PRESERVE OUR SYSTEM AND TO DRAW NEW ENERGY FROM

THE SOURCE OF ALL GOVERNMENT POWER -- THE PEOPLE.

I BELIEVE IN THE VITALITY OF AMERICA.

I REAFFIRM MY FAITH IN THE UNIQUE VALUE OF A

GOVERNMENTAL SYSTEM OF SHARED RESPONSIBILITY. I BELIEVE

IN OUR CAPACITY TO FOSTER DIVERSITY WITHIN UNITY,

TO ENCOURAGE INNOVATION AND CREATIVITY, BOTH PRIVATELY

AS WELL AS PUBLICLY, AND TO ACHIEVE A PROPER BALANCE BETWEEN

GOVERNMENT AND THE GOVERNED.

THE VISION OF 200 YEARS AGO REMAINS VALID.

THE UNITED STATES \| WHERE THE GOVERNMENT SERVES

AND THE PEOPLE RULE.

IT IS A CHALLENGE TO THOSE OF US ENTRUSTED

WITH THE HIGH HONOR OF GOVERNING. IT IS A CHALLENGE

THAT WILL BE MET.

THANK YOU VERY MUCH.

END OF TEXT

BUT IN A TIME OF CAREFUL BUDGETING AT ALL LEVELS OF

COVERNMENT, WE MUST ASSIST THOSE WHO NEED IT MOST-

I WILL NOT DICTATE THE USE OF STATE RESOURCES TO MEET

MATCHING REQUIREMENTS.

OF A STATES LOW INCOME FAMILIES WILL BE RETURNED

TO EACH STATE, THIS DETERMINATION CAN BEST BE

MADE THROUGH AN OPEN PROCESS OF LOCAL PLANNING

THAT DIRECTLY INVOLVES ITS CITIZENS.

THE FEDERAL GOVERNMENT NOW EMPLOYS MORE THAN

THREE MILLION PEOPLE. THIS IS MORE THAN THE ENTIRE

COMBINED POPULATION OF THE 13 ORIGINAL STATES WHEN OUR

FOUNDERS RESERVED TO STATE GOVERNMENTS AND TO THE PEOPLE

ALL POWER NOT BESTOWED UPON/THE NATIONAL GOVERNMENT.