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NEWS CONFERENCE

#338

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:35 A.M. EDT

OCTOBER 6, 1975

MONDAY

MR. NESSEN: There are some announcements that didn't get out at 10 o'clock, but they are either now in the bins or will be there by the end of the briefing so I will just run through them.

The President is announcing that he intends to nominate Ethel Bent Walsh of Washington, D. C., for reappointment to the Equal Employment Opportunity Commission for a term that expires on July 1, 1980. Miss Walsh has been a member of the Commission since January of 1971.

The President also is transmitting to Congress the Annual Report on Traffic Safety. The message is already in the bins, and the full report is available in the Press Office, if you would like it.

The President has signed an Executive Order on the membership of the Energy Research and Development Agency on River Basin Commissions. Copies of the Executive Order are in the bins. John Carlson can explain to you what it means. (Laughter)

Also, there are a couple of minor bill signings which are in the bins.

The President also has asked me to announce that he intends to announce Ben B. Blackburn of Decatur, Georgia, as a member of the Federal Home Loan Bank Board. I think you may know that Mr. Blackburn served --

Q Do you have a release on that, too?

MR. NESSEN: Yes, it is already in the bins, or will be shortly.

-- in the House from the 4th District of Georgia from 1966 until 1974. He is filling out the remainder of a term that expires June 30, 1978 -- the term of Thomas Bomar, who has resigned.

MORE

#338

Upon confirmation by the Senate, the President will designate Mr. Blackburn as Chairman of the Home Loan Bank Board.

The President also is announcing the appointment of 14 persons to be members of the National Commission on Electronic Fund Transfers. The purpose of this Commission is to conduct a thorough study and recommend appropriate action and legislation, if necessary, to further the possible development of public or private electronic fund transfer systems.

Q What is that?

MR. NESSEN: That is where they put your paycheck in the bank for you, electronically, and pay your bills for you and you never see the money. (Laughter)

Q We already have that, don't we? (Laughter)

MR. NESSEN: That is not the system we have now, is it? (Laughter)

Q Seriously, what is it?

MR. NESSEN: There is an interim report due from this Commission in a year and a final report in two years, and the release will give you the other details.

Q Somebody asked who the Chairman was.

MR. NESSEN: It is all there in the release.

Let me give you the details on the trip tomorrow to Knoxville. We will have the bible out quite late today, or possibly the first thing in the morning. I will run through the plans.

There are still some final details being put together, so we won't have the bible until quite late today and I would think probably tomorrow morning.

The check-in time at Andrews is 10:45 tomorrow morning. So I guess we will not have time for a briefing tomorrow. There won't be any press bus going from here to Andrews.

The press plane departs at 11:15 and arrives at McGhee-Tyson Air National Guard Base in Knoxville at 12:30. That is the press plane.

The President will leave the South Lawn by helicopter by 11:40 and will depart from Andrews at noon and gets to McGhee-Tyson at 1:05 p.m.

Q That is what time difference?

MR. NESSEN: They are on the same time that we are.

The Mayor of Knoxville, a gentleman named Kyle Testerman, and also the Base Commander will be there to greet the President.

I think you know that the President goes and does this TV interview first at the Hyatt Regency Hotel.

Q Will that be for later broadcast?

MR. NESSEN: It is for release at 5:30, but we are going to have it piped into the press room, with an embargo of 5:30 on it.

Q With whom?

MR. NESSEN: It is anchormen from the three local TV stations and a reporter from each of the local newspapers, for a total of five people.

Q Is this Eastern Time?

MR. NESSEN: Yes.

It is a five-member panel.

Q What time is it?

MR. NESSEN: It is taped, beginning at 1:35 for broadcast at 5:30.

After that, the President will go to the White House Conference, and after that the President will have a meeting with Governors of the Appalachian Regional Commission.

Tentatively, the President is scheduled to leave Knoxville at 7:15, getting back to the White House at 8:40. It is possible that the meeting with the Governors could run a little longer than that. I anticipate that we would have the Governors come down, or some of them anyhow, and brief after the meeting with the President and then I guess everybody would want to stay behind and file after that, so that the departure time of the press plane is a little bit unsure.

Q Can you give us some times on the Conference, when he speaks and other things?

MR. NESSEN: I don't have those details here.

Q Those are critical.

MR. NESSEN: Yes, I know they are.

Q All in the same hotel?

MR. NESSEN. Yes, all in the Hyatt Regency.

Bob, the White House Conference starts at 4:00, the President's role starts at 4:00, and those usually last about an hour to an hour and 15 minutes, and the Governors are 5:20 to, tentatively, 7:00.

Q Q & A in there, like before?

MR. NESSEN: Yes.

The time in between the end of the TV interview, which is a little after 2:00, and the beginning of the White House Conference participation at 4:00, he would be working up in his suite on paperwork and with members of the staff.

Let me correct the number of people on that TV interview. It is four TV anchormen, the three TV stations, plus PBS, and the two local reporters.

As far as Governors, those who are expected to attend and have so far indicated they will are Governors Blanton of Tennessee, Busbee of Georgia, Carroll of Kentucky, Holshouser of North Carolina, Moore of West Virginia, Rhodes of Ohio and Waller of Mississippi. The Governors who have not yet made their intentions known are Mandel and Wallace. (Laughter) The Governors who have indicated that they have prior commitments include Shapp, who is testifying tomorrow, Goodwin of Virginia, who has a prior commitment, Governor Edwards of South Carolina, who is in Europe, and Governor Carey of New York, who indicates that he has pressing State matters.

On Friday the President will be going to Michigan to address a Republican Fund Raiser in the evening. I would look for maybe a couple of other events in Michigan that have not yet been finalized.

Q Will it be a one-day trip?

MR. NESSEN: Yes, it will be out and back on Friday.

Q Is that Detroit?

MR. NESSEN: Yes.

Q Is he leaving in the afternoon, before the fund-raiser?

MR. NESSEN: Yes.

Q Where is the fund-raiser? Is that in Detroit?

MR. NESSEN: Yes, it is in Detroit.

Q On the subject of travel, if you have finished, I would like to ask a question. I was wondering if you would be helpful now. I know what your new announcement travel policy is, but I understand the Secret Service announced a trip to Hartford, Connecticut next week on Tuesday, the 14th, for a Republican fund-raiser.. Will you confirm a Secret Service story?

MR. NESSEN: I would be very surprised if the Secret Service announced any such trip.

Q It is all on the wire.

MR. NESSEN: I don't have any such trip to announce.

Q What about a story in the New York Times that the President intends to go to Europe in mid-November for a conference with heads of State, heads of Government, on an economic conference?

MR. NESSEN: I don't have anything on that today.

Q Is that economic conference being seriously considered?

MR. NESSEN: I think you know, if you followed the stories in the papers, that there have been some talks among diplomats attending the United Nations session on international economy, but these are general kinds of exploratory talks.

Q The story says that the President has accepted to go.

MR. NESSEN: We just don't have anything on that today.

Q When do you think you will have it?

MR. NESSEN: If and when a trip is arranged.

Q Ron, speaking of the United Nations, Mr. Moynihan has reportedly said that he consulted highest authority in making his speech in San Francisco. Does the President agree with Mr. Moynihan's description of Field Marshal Amin as a racist murderer?

MR. NESSEN: I would prefer to look at Professor Moynihan's remarks and see what it is he said before commenting on it.

Q It has been in the headlines all weekend, Ron. Does the President agree or not, or are you not commenting?

MR. NESSEN: I think I said, Les, that I would like to read what it was that Professor Moynihan said before I comment on it.

Q Ron, do you have anything on a decision on the tax cut today or tomorrow?

MR. NESSEN: I would say that the President is going to be spending a good deal of time today with his economic advisers, his staff people who work in that area. As I understand it, the Ways and Means Committee plans to do a mark-up tomorrow. I would think that the President will indicate to the Ways and Means Committee by then what his view is on extending the tax cut.

Q So, at least there will be staff here tomorrow in spite of the trip?

MR. NESSEN: I would think we would make it known by the time they get --

Q Are you ruling out this afternoon?

MR. NESSEN: I just don't have anything further on it.

Q How will it be conveyed? Will it be announced here?

MR. NESSEN: I will assure you that you will know. Seriously, I seriously will.

Q Do you think there might be something today on that?

MR. NESSEN: Bob, I just would rather leave it at that for the moment.

Q Would you advise us to be around after this three o'clock meeting breaks up?

MR. NESSEN: The three o'clock meeting has really gotten sort of merged into a whole series of meetings with staff people most of the day, and I don't think as such that there will be a three o'clock meeting.

The meetings have really been going on since about 11:30 and will go through most of the afternoon, so the three o'clock meeting as such is simply expanded into an all-afternoon series of meetings, and the President also spent time on Sunday and Saturday on this subject.

Q Can you give us a rundown on who he is talking with today?

MR. NESSEN: Virtually all the staff members who are involved in the economy.

Q Seidman? Simon?

MR. NESSEN: Seidman, Simon, Lynn, Greenspan and others.

Q What else is on the agenda?

Q Is he considering a permanent tax cut?

Q When will you know, Ron, if you will have something today?

Q Answer the question.

MR. NESSEN: Yes, I didn't answer Helen's question. I think I just prefer to leave it that by tomorrow, when the Ways and Means Committee marks up the bill, the President will have made known his views on extending the tax cut.

Q When will you know this afternoon, Ron, if you will have some kind of announcement today?

MR. NESSEN: I think if we put on a lunch lid until three --

Q This is not the sort of thing that will cause him to go on the tube?

MR. NESSEN: I just don't have anything else at the moment, Frank.

Q Ron, you say, "I assure you, you will know." You know we will know if they announce it on the Hill. Will you assure us that the White House press will be informed simultaneously with the word going up to the Hill or immediately after, if not before?

MR. NESSEN: Yes, I assure you. I will.

Q Ron, can you tell us about the energy proposals? Are they going to go up, too?

MR. NESSEN: The EIA? I anticipate they will be going up shortly and perhaps this week.

Q What about that smaller energy program that has been announced over the weekend? When is that legislation due to go to the Hill? Do you have any plans on that?

MR. NESSEN: Well, which one are you talking about?

Q The synthetic fuels.

MR. NESSEN: I think that was somewhat confused in the telling. The fact is that the Senate wrote into the ERDA authorization bill a provision for \$6 billion in research on synthetic fuels. This was not an Administration proposal, and it was not in the House bill, as a matter of fact, but it was written in by the Senate up there last week that there were various -- well, Frank Zarb for one and Bob Fry, the Assistant Administrator of ERDA, testified then that we would support that provision written in by the Senate.

So, I think it was not quite the way it came out, but anyhow, that is where it stands.

Q Ron, can you give us any kind of rough guidance as to when the President's message to the Ways and Means will be available? I am not asking for a pinpointed time, but I mean shortly after three or along about six or what?

MR. NESSEN: I would just simply check back at the time that the lunch lid is off.

Q Is that due tomorrow?

MR. NESSEN: Today. I said check back after the lunch lid. I don't anticipate making an announcement at three o'clock of his decision.

Q But you do expect him to make a decision today?

MR. NESSEN: I would say that the result of all of these meetings that are going on since 11:30 will be a decision today.

Q Ron, on Friday you said there was absolutely no change in the Administration's position on Federal aid to New York City.

MR. NESSEN: Correct.

MORE

Q How does that square with Secretary Simon's three-point plan, one point which includes the possible take-over of welfare payments by the Federal Government?

MR. NESSEN: Oh, boy. Where did you get that idea?

Q New York Times.

MR. NESSEN: I don't think you even got that idea out of the New York Times.

Let me start off --

Q Ron does not read the New York Times, do you, Ron?

MR. NESSEN: I manage to read the comic pages of the Times, Les, but I never get through much of the rest of it.

Q But you missed it on Moynihan, didn't you?

MR. NESSEN: Let me say, first, that there has been no change in the President's position on New York City being able to solve its own financial problems. Bill Simon was referring to a broad overall study of the Federal role in municipal and State welfare payments across the board and across the country. I talked to him this morning and he had no intention of indicating that there was a specific study directed at picking up New York City's welfare payments because there is no such idea.

Q Ron, on another matter I am a little confused. I read a story in the New York Times a few days ago about how Mr. Ford had blunted the conservatives and yesterday I read a New York Times story which indicated that he might be afraid of Reagan's candidacy. Can you characterize his feeling? Is he afraid of Ronald Reagan running?

MR. NESSEN: Bill, I think the President has been asked almost that specific question on a number of occasions and I think his answer is always the same, which is that he welcomes competition and has all of his political life, and he expects to be the nominee, and I really think that probably his words are the best answer to that.

Q Was he upset over what appears to be a lack of organization in the President Ford Committee?

MR. NESSEN: He does not feel that there is any lack of organization in the President Ford Committee.

Q Is there a change at the top, and why?

MR. NESSEN: Fran, I frankly don't keep up with the organizational details of the President Ford Committee and I think Bo could answer your questions on that rather than from here.

Q How does the President feel about his son smoking pot?

Q What is the question?

MR. NESSEN: The question was how does the President feel about his son smoking pot.

Q If I could just add to that the inquiry about the Bianca --

Q Let him answer the question.

MR. NESSEN: Without accepting the premise that he does smoke pot --

Q Well, he said he did.

MR. NESSEN: Well, then maybe the question ought to be how does the President feel about his son saying that he smoked pot.

I don't want a story saying Nessen confirms Jack Ford's --

Q Why not?

MR. NESSEN: Because I don't want a story saying that Nessen confirms that Jack Ford smokes pot.

Q He said he did.

MR. NESSEN: Well, okay. Then you don't need me to confirm that.

The President feels --

Q Feels or believes? (Laughter)

MR. NESSEN: Let me start again.

The Ford family believes in being totally honest and the President feels that his son was expressing a personal view and giving a frank answer.

Q That is called a jackpot, isn't it?

Q Was he surprised at the admission?

MR. NESSEN: Other than having said that I think this is a question that goes to things like his own personal reaction to the story, and I really think, given the fact that the President makes himself available for questions quite often, that I would prefer that the President himself answer further questions about that.

Q Did he say anything about Bianca Jagger?

MR. NESSEN: At the next news conference, Les, I think it would probably be proper to ask the President for his reaction since I don't feel that on a matter involving personal reactions to members of his family, that I need to say anything more on it.

Q Ron, just to go back to an earlier subject, Vice President Rockefeller has said that if New York gets into hock any further, he feels that the Federal Government should supply some temporary help to New York City. Is this at variance with the President's position?

MR. NESSEN: No, and I am not really sure that that is the view that Vice President Rockefeller was expressing. I think what he was really doing was saying, in other words, what the Administration position is; which is that there is, at the moment, no authority for the White House to do anything for New York City other than what it is already doing and that if there is any desire by Congress to help out New York City that the legislation would have to come from there because there is no authority here to do it.

Q Let me follow up then, Ron. Would President Ford then consider supporting congressional legislation?

MR. NESSEN: I just think that is too iffy. I have not seen any sign that there is any --

Q There are several bills introduced already. The Senate Banking Committee is holding hearings this week on the legislation. There have been bills introduced already.

MR. NESSEN: Well, I don't have a Presidential view on each of those pieces of legislation.

Q The President says the Federal Government should not "bail out" New York City, doesn't he?

MR. NESSEN: The President believes that New York City has the ability to solve its financial problems without outside help. Also, I think it would be fair to say that the President's advisers believe that holding out the prospect of the Federal Government coming in may lead New York City to avoid the hard decision it needs to make to solve its own financial problems in the belief that the Federal Government will come to its rescue.

Q Wait a while, Ron, if you please. Mayor Landrieu of New Orleans, who is the President of the United States Conference of Mayors, says that New York City and one other city -- I believe he said Denver, although I am not sure about that -- New York City is the only city, aside from this other city, that is forced to contribute to support its own welfare funds, forced to contribute welfare funds whereas other cities don't have to do it.

He broke it down this way: New York City puts up \$1 billion, the State puts up \$1 billion and \$2 billion comes from the Federal Government. He said even though \$2 billion comes from the Federal Government, that it is unfair for New York City to be forced to contribute \$1 billion and State welfare where Chicago and New Orleans and Jacksonville, Florida, all get --

MR. NESSEN: That is a question that really needs to be directed to Albany. That is not a Federal requirement of any kind. It is something that New York City and New York State have as an arrangement between them. It is not anything that the Federal Government has done, and that is the kind of relationship that the President feels --

Q Does the President see any injustice in New York City being almost alone among U.S. cities having to put up \$1 billion out of \$4 billion for welfare?

MR. NESSEN: That should be directed to Albany.

Q Ron, I want to get some of this straight in my mind. The President believes that New York City has the ability to solve its own problems but is not giving any judgment on bills now in Congress?

MR. NESSEN: Look, the President has expressed many times his understanding of and sympathy for the problems faced by New York City and its people. Just to sort of keep the record straight a little bit, plus what I mentioned last week, which is that the Federal Government pays 25 percent of New York City's budget as it is, so it is not a question of the Federal Government heartlessly turning its back on New York City.

The President has sympathy for the people there and the Federal Government -- which is to say taxpayers everywhere -- already pay \$3.5 billion to New York City.

For the immediate financial problems, the President does feel that New York has within its means the ability to solve its problem.

Q And he does not mind if it goes bankrupt? I mean, he still thinks this is not a situation that would boomerang throughout the country?

MR. NESSEN: Where would you get that from, Myra?

Q Having to default. This is what they are faced with, isn't it?

MR. NESSEN: As I say, the President feels that they have within their means the ability to solve their own financial problems without default.

Q Is the President on record as opposing a Federal guarantee of loans to New York or of New York bonds?

MR. NESSEN: There are two answers to that; one, that it cannot be done by the Executive Branch of the Government; secondly, the President feels that that kind of thing, as I said last week, that first of all breaks down the traditional organization of the Government between Federal, State and local responsibility and, in addition, is simply not fair to ask the people of Maryland, Virginia, Ohio, California, whatever, to pay off New York's debts. They have enough debts of their own to pay off.

Q They want to guarantee the market for the bonds, Ron. They don't want him to give them actually cash. This is what Abe Beame has been talking about. We do guarantee bonds for new community development. We guarantee bonds issued by the Federal Highway Administration.

What New York is seeking is a guarantee of a market in which they can sell \$3 billion worth of bonds. Why is that different from any other Branch of the Government?

MR. NESSEN: I don't think I ought to take the position here as a salesman or advocate, but I think I really should simply tell you what the President's position is.

Q Ron, may I ask a question here that I am a little concerned about? You are saying that the President said he does not want to bail out. You are more or less on record as saying he is opposed to Federal loan guarantees for New York City, but what is to prevent this situation from turning into the similar situations we have had here where you are telling us this now and let's say 45 days down the road, after a default, we come out and suddenly there is a change of mind back there?

I mean, is he unalterably opposed to this or are we going to get you walking out some day and saying well, I have been told something I didn't know yesterday and, you know --

MR. NESSEN: Well, Walt --

Q Could it be next Thursday when Simon testifies?

Q I mean that has happened here before so it is a plausible question.

MR. NESSEN: It is a plausible question but it seems to me the plausible answer is that the President believes that New York City can solve its own financial problems and is opposed to Federal aid for legal reasons--the fact that there is no power at the moment for the Executive Branch to do anything, that it is not fair to ask people elsewhere in the country to put up their money to pay for New York City's fiscal mismanagement -- for all those reasons, he is opposed to it.

Q But the loophole here, if you will let me follow up --

MR. NESSEN: And for the reason that holding out the prospect of Federal aid in itself some of the advisers here feel could entice New York into feeling that they can let up on their efforts because the Federal Government will bail them out.

Q Fine, but let me finish. You said you believe the President feels New York City can solve its own problems. My question is, isn't it entirely possible that 45 days from now or a week from now he could then be convinced that New York City could no longer solve its own problems and do a 180 degree flip-flop on this issue?

MR. NESSEN: I just don't think I can speculate on that, Walt.

Q Ron, the President went to Elkins, West Virginia, got out of the car three times and worked the crowds along the road. Can you tell us what difference there was in terms of his personal security in doing that and when he worked the crowd in Sacramento?

MR. NESSEN: Well, I don't think I ought to discuss specific security arrangements, but I think it would be fair for me to say that if the Secret Service disagreed with his decision to get out of the car, he would have gone alone with their recommendation.

Q Ron, is that the difference?

MR. NESSEN: What?

Q Is that the difference that he would have in Elkins but not in Sacramento? Is that what you are saying?

MR. NESSEN: The President has always, as I said here a long time ago -- in fact right after, I guess, the Sacramento episode -- when the Secret Service has advised him not to do something, except on the one occasion of flying with Rockefeller in the helicopter -- he has always taken that advice.

Q Ron, the Secret Service has set the restricted air zone, according to the FAA and the Secret Service, at K Street. That is three-tenths of a mile, and at 180 miles an hour a plane could hit the White House in five seconds. They say that when the zone is intruded, their procedure is to warn the plane. I am just wondering, has the President considered the possibility of extending this restricted zone further away than five seconds arrival time?

MR. NESSEN: I have not heard him talk about it, Les.

Q Ron, I asked the question earlier when we were on the subject of pot and didn't get through all the questions. Four brief questions. Number one, has the President ever smoked pot? Two, has Mrs. Ford ever smoked pot? Three, has Jack ever smoked it here in the White House? And, four, does does the President feel about his son breaking the law?

Q And do his economic advisers smoke pot? (Laughter)

Q Do you smoke pot?

MR. NESSEN: I think, Phil, after talking to the President this morning that because it does involve his personal reactions to things and especially to his family, that he would be happy to answer all those questions plus the others himself at the next opportunity.

Q When will that be, Ron?

MR. NESSEN: Tomorrow is an opportunity both for reporters and people at the White House Conference to ask him questions.

MORE

Q There was kind of a related "Jack story" this weekend and pictures of Jack and Bianca Jagger. It said that the President was somewhat upset about that whole episode. Can you give us anything on that?

MR. NESSEN: I think that is another one I would like you to take up with him.

Q Ron, one more question on the municipal bonds. Has the President ever given any thought to a suggestion that was brought in by the Republican mayors that he set up a Federal insurance corporation to insure municipal bonds like the FDIC?

MR. NESSEN: Do you mean all municipal bonds?

Q For any city that is involved.

MR. NESSEN: I have not heard that proposal discussed here. If it has been, I don't know what the President's view on it has been.

Q When the mayors were in here.

MR. NESSEN: I don't recall that it was. I would have to look at my notes, but I don't recall that it was.

Q Ron, just to pin down something that Ted asked you earlier about the general proposition of legislation to Federally guarantee State and municipal bonds, I am still not clear. Does the President generally oppose that approach?

MR. NESSEN: I just told, Howard, that if you are asking in general some sort of insurance scheme for all State and municipal bonds, I have not heard that discussed here, and I don't know what the President's position is.

Q Will the Administration, through Mr. Simon or others, be taking a position on this legislation soon?

MR. NESSEN: Do you mean on Thursday or whenever?

Q Yes.

MR. NESSEN: I am not aware that there is that proposal around here.

Q Ron, there was a story yesterday suggesting that the President has decided that New York is going to be a campaign issue in the 1976 elections. Has he ever expressed that view to you?

MR. NESSEN: Somebody asked me that question on Friday, and I said I had never even heard it thought of in those terms.

Q Ron, the President discusses the tax cut with his advisers. Is he also getting political advice from some of his advisers on what the effect will be on his election year chances?

MR. NESSEN: All the meetings I have sat in on, John, so far have been strictly considering it in economic terms.

THE PRESS: Thank you, Ron.

END (AT 12:14 P.M. EDT)

AT THE WHITE HOUSE

WITH RON NESSEN

AT 3:18 P.M. EDT

OCTOBER 6, 1975

MONDAY

MR. NESSEN: Somebody asked me earlier what the President thought of any proposal to give a kind of Government insurance to municipal bonds, and the question, as I understand it, was unconnected with New York City bonds specifically, but it was a more general question about a system for guaranteeing all municipal bonds.

The President is opposed to that. He believes that it is not right to have taxpayers all over the country promise municipal bond holders that the taxpayers all over the country will assume the risks for whatever might happen in local Government affairs.

I think when the question was asked in terms of why couldn't you have something like the Federal Deposit Insurance Corporation. Well, the deposits which are guaranteed by the Federal Deposit Insurance Corporation are very closely regulated by the Federal Government and the banks in which the deposits are held are licensed and under close review by the Federal Government, but to assume a guarantee responsibility for Federal insurance of municipal bonds would require extremely tight regulation of local city affairs and the President feels that that would be stepping unduly and excessively into the management of local Governments.

So that is the answer to that.

Now, tonight the President has requested time from the television networks and has been granted the time to go on the air from the Oval Office at 8:00 to announce his decision on whether he will recommend extension of the income tax cut which expires on December 31.

That will be from the Oval Office at 8:00. I anticipate at this moment that the speech will run more or less 20 minutes, although I don't have a precise time yet.

At 5:30 in Room 450 of the EOB there will be an embargoed briefing by Alan Greenspan, Jim Lynn and Secretary Simon at which the President's decision will be explained. That briefing will be embargoed for the conclusion of the President's speech and it will be open for whatever kind of --

Q At the conclusion?

MR. NESSEN: At the conclusion of the President's speech.

Q So we have to monitor his speech and write one --

MR. NESSEN: My hope is, Frank, that at the time of the 5:30 briefing you would have both a text of the speech and a fact sheet to support it at 5:30, also embargoed. The speech will be embargoed for release upon delivery.

Q Is that for the wire movement, too?

MR. NESSEN: I have not even considered wire movement. I think probably not, Helen. I guess we can go ahead and have wire movement of it.

Q I assume we would want to run the full text.

MR. NESSEN: I think we should not have an embargo for wire movement.

Q But we are still going to have to monitor it off the tube then to hear what he is saying before that embargo comes up. It is a matter of 20 minutes.

MR. NESSEN: Well, you can write from the text at 5:30 or after the 5:30 briefing embargoed and then you can --

Q Oh, I see.

Q The full text will be ready at the briefing?

Q We can write it at 5:30 as soon as we get the text and we can go.

MR. NESSEN: If you don't want to hear the briefing. Okay.

Q I am sorry. Is this the decision on whether or not to extend the tax exemption?

MR. NESSEN: Yes, tax cut.

Q After the briefing at 5:30 the wires can put it out with no hold?

MR. NESSEN: With an embargo on it.

Q What is the purpose of delaying the contents of the briefing until after the speech? We could not put any of it --

Q Is it all one story, Ron; that is what I was wondering?

MR. NESSEN: I am sorry. The speech and the briefing will be embargoed for the same time, and let me find out what the time is.

Q So, in other words, when we come out of the briefing --

MR. NESSEN: You can file on an embargoed basis.

Q Ron, do you know that Senator Muskie is having a news conference at this hour to have his reaction to the speech?

MR. NESSEN: Somebody told me that. (Laughter) Somebody told me. I guess he will have to sit around a while.

Q They are observing the embargo, aren't they?

MR. NESSEN: The President has made his decision.

Q Has he been told what the decision is?

MR. NESSEN: I think if you wait exactly two hours and nine minutes you will get the answer.

Q Ron, have people on the Hill been told what the decision is?

MR. NESSEN: There has been some discussion with a few key Members of Congress.

Q Is the President's speech going to go beyond just the issue of the tax cut? Is he going to make some more comprehensive remarks about the state of the economy itself and some changes he might propose other than the tax cut?

MR. NESSEN: Walt, to tell you the truth, I think it is too late in the day and too close to the briefing time for me to speak. I mean, you are going to have the President's text in your hands.

Q I didn't ask for specifics, I just meant yes or no. It is going to be major changes in the economy, isn't it?

MR. NESSEN: I think I would just prefer for you to wait and see the text.

Q What are the ground rules for the briefing, sound on film?

MR. NESSEN: Yes. The briefing, while embargoed, may be covered by whatever means you wish.

Q Can we get a mult down here or do we need the mult just up there?

MR. NESSEN: You mean you would like to stay here and listen to the briefing in here?

Q It does not make any difference, it is just a matter of whether we would bring equipment over.

MR. ROBERTS: The nets would have to buy a line to get over here from the mult over there.

Q One minor but rather annoying point. Often when we have briefings up there, the guards don't let us walk down the steps but make us take the elevator which takes a lot of time.

MR. NESSEN: Judy O'Neill has been put in charge of clearing people in and out and seeing to the ease of their getting to and from the briefing.

Q Thank you.

Q I think she had this role in the past and they still would not let us in.

MR. NESSEN: And it didn't work?

MR. HUSHEN: We have cleared it up.

MR. NESSEN: We have had an exchange with the EPS over there and I think it is cleared up.

Q Will this speech be a detailed set of proposals or will it be more one major decision with an explanation for it?

MR. NESSEN: I think at this late hour, Dick, I would prefer to let you wait and see the speech before too long.

Q It is just that it is a late hour for all the early editions and you have said he made a decision.

MR. NESSEN: He has made the decision and he will explain his reasons for the decision.

Q He said that he would base his decision on the economy, right?

MR. NESSEN: That is right.

Q And is that what the speech is on, the outlook in the economy?

MR. NESSEN: That was certainly one of the major factors.

Q Ron, if he has made this decision, then why can't it be communicated now? Does he feel he has to have prime time to give an unedited version to the American public?

MR. NESSEN: I think it is probably going to be handled in the way most Presidential speeches are handled, Phil, and I don't think that anybody can force anybody to write or broadcast whatever they don't feel like writing or broadcasting.

Q Is the Economic Board meeting as scheduled?

MR. NESSEN: I said this morning that the meeting that was scheduled for 3 o'clock has really been extended into more or less of an afternoon long series of meetings.

Q You said that the economic situation was one of the major factors. What other factors were taken into account?

MR. NESSEN: I think the President will spell out for you tonight what the other factors were.

THE PRESS: Thank you, Ron.

END

(AT 3:28 P.M. EDT)