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NEWS CONFERENCE

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:46 A.M. EST

JANUARY 5, 1977

WEDNESDAY

Q I will ask one housekeeping question. Is the Washington Post story accurate in disclosing that the Reverend John McLaughlin, once a White House spokesman, is competing with you for a local television job? If so, what is your reaction to such caliber of competition?

MR. NESSEN: I think you will have to ask WTTG what they have in mind for that show, Les.

Q You and he are being considered, is this true?

MR. NESSEN: You will have to ask WTTG. I have no idea.

Q You don't know whether you are being considered for this job or not?

MR. NESSEN: That is correct.

Q Ron, how did it happen your head was the only one that would go all the way around?

MR. NESSEN: I have been practicing that, trying to -- what is it he said that does, it reverses the aging process?

Q What do you mean? You are paying your tax money to support that guy.

MR. NESSEN: Okay, now to the serious business of the day. As you know, the President is having lunch today with Vice President Rockefeller, Governor Connally, and Governor Reagan. The press plan at the moment is that they will just go on over and have their lunch at one o'clock and they will discuss among themselves as one of the matters they discuss at the lunch actually what, if anything, they want to say afterwards. So we will just have to sort of play it by ear.

I think maybe we will put a lid on here until, say, two o'clock. That will be plenty of time to get back if they decide to say anything after the lunch.

Q Ron, if they do decide, will you put it in here?

MR. NESSEN: Rather than putting them out in the snow?

Q Yes.

MR. NESSEN: Then you can write that we dragged politics into the White House briefing room.

Q It doesn't matter anymore.

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MR. NESSEN: No, nothing matters anymore. If the Press Secretary can jump rope without a rope, we can bring them in here, right.

The President and Mrs. Ford are going to be the guests of honor tonight at a dinner dance given by the Cabinet at the F Street Club. We will have a travel pool that will follow along in a motorcade leaving the White House at 8:15. You should gather here at eight o'clock if you are designated to go in the travel pool.

There will be dinner and then there will be music and dancing after dinner; and it is black tie. It is hard to tell what time, how late the Fords will stay. Tentatively, they are scheduled to stay until about midnight.

Just so it doesn't catch you by surprise when it happens, on Saturday the President will be going out to Bethesda, in the morning, for his annual physical checkup. The President will leave the White House at 7:30 or so -- again we will have a travel pool -- go out there in a motorcade. The examination will be completed at about 11:30.

If I recall how it was done last year, those folks who had an interest in seeing or filming the President after his checkup, there is a little area outside the entrance there, and I wouldn't be surprised if he would stop and answer your questions. Then we will come back down here in the motorcade.

After Dr. Lukash has had an opportunity to reduce his findings to writing, which I would think wouldn't take all that long -- the President is due back here at noon -- I would think we might have a report ready for you within an hour or so. We would put it out in written form and then, as always, Dr. Lukash would be available in his office to answer any further questions you might have.

Q Ron, is there any coverage of this dinner dance tonight?

MR. NESSEN: Nothing other than the protective pool that goes.

Q On the arrival, right?

MR. NESSEN: Right.

Just by way of background, the President's annual physical is always scheduled for this first week or so of each year. He has had a shorter physical done at the time of his birthday, which is in July, which comes out to about six months later. So he has a really twice-a-year physical. This is the larger annual physical. That is really all I have today.

Q Ron, if Mr. Nixon arrives two or three days early in order to accept his invitation to the Inauguration, will he stay at the White House or the Blair House?

MR. NESSEN: I don't have any idea, Les, whether he is coming or where he would stay if he did.

Q I see. Would you take the question, Ron, and find out?

MR. NESSEN: I think we will probably wait and see whether he accepts Mr. Carter's invitation to attend and then we will go on from there and determine where he will stay if he is to stay.

Q Has the President communicated with Mr. Nixon since Christmas?

MR. NESSEN: Not to my knowledge; no.

Q No New Year's greeting or anything like that?

MR. NESSEN: Not that I know of.

Q Can you check?

MR. NESSEN: I certainly will.

Q Ron, Mondale, Vance and a whole pack of the Carter people went over to the EOB this morning. What is that all about?

MR. NESSEN: I understand they are having a meeting at the EOB. They are all Carter people and you will have to ask them what it is all about.

Q It is nothing in conjunction with Ford going out?

MR. NESSEN: No. There were no Ford people involved in the meeting.

Q How about the National Security Council?

MR. NESSEN: I don't know. I know they are there. And I know there are no Ford people in the meeting. That is all I really know.

Q Ron, can you tell us now the status of the gasoline decontrol? Is the President putting it off permanently or is it just a temporary delay or what is it?

MR. NESSEN: I would say that the best way to describe it is what I think John told some of you yesterday when you inquired. Number one, what the President said in Vail last week remains unchanged and I think to paraphrase what he said, briefly it was that he is likely to propose decontrol of gasoline before he leaves office.

So that remains unchanged. Secondly, the timing of it is still a matter of discussion between the President and the staff.

Q Can you give us any guidance on it?

MR. NESSEN: I can't.

Q Ron, I don't recall his saying likely. I recall his saying that he will submit decontrol legislation.

MR. SHUMAN: Highly likely was the phrase.

MR. NESSEN: I think I left Vail at that point. But Jim, who was there, tells me the expression was highly likely and that remains unchanged.

Q Ron, has the President made up his mind yet about his recommendation on the salary hike for the Federal officials?

MR. NESSEN: He has not made a decision.

Q And how about amnesty?

MR. NESSEN: He has not made the decision on that either. Well, let me put it this way. That really remains where it was, which is he told Mrs. Hart he will look into it. He still is looking into it and hasn't responded to Mrs. Hart yet.

Q Ron, what about Puerto Rico? Is he backing down on that?

MR. NESSEN: No. I want -- as Les always urges me to -- to confess once again today that I think, due to the fact that it was Christmas week, that the Press Office was kind of spread out, and so forth, we didn't do a very good job of providing background on the President's proposal of statehood for Puerto Rico. Therefore, I think, without our providing the adequate background -- it seemed to come as a stunning surprise without any preparation and that has affected I think how the proposal has been viewed and reported. And I apologize for that.

As I say, the Christmas week and the fact that we were spread out, but the whole matter -- or at least the current discussion of Puerto Rico's status -- I would say really dates all the way back to 1964 at which time under the Johnson Administration there was what is called a "Status Commission" established to look into and examine the status of Puerto Rico and any need for change.

That basically did not produce a definitive recommendation. What did happen was in July of 1973, by Joint Resolution of Congress, a group called the Ad Hoc Advisory Committee on Puerto Rico was set up. It consisted of members of Congress --

Q Is it ad hoc?

MR. NESSEN: Ad Hoc Advisory Committee on Puerto Rico. It consisted of Members of Congress; the co-chairmen were Senator Cook and Munoz Marin, who I believe at that time was Governor of Puerto Rico.

It had members of both the Senate and the House. It had members of the Puerto Rico Legislature and other political members of Puerto Rico.

In October of 1975 this Ad Hoc Committee did make a firm recommendation. The recommendation was that Puerto Rico have its status changed to what was referred to as a Compact, and through the Compact be turned into what was known as a free associated state.

This was a category of relationship to which there were no other precedents in America's relations and it had some of the characteristics of statehood. It also had some of the characteristics of independence.

I don't have much more of a description of the so-called compact status. What happened was that when this Ad Hoc Committee made this recommendation on October 9, 1975 it then sent this recommendation to the White House and asked that -- or directed that, really -- the President take one year to study that recommendation and at the end of the year send to Congress his recommendation of what should be done about it; either to go ahead with the compact status, to leave the status the way it was, or statehood, independence, whatever the choices were.

The President had a year from October 9, 1975 to send his recommendation to Congress. During that year the OMB and the Domestic Council studied the recommendation thoroughly and had meetings and discussions with the President about it and did not send the recommendation to Congress in October 1976, the reason being that Congress was not in session at that time.

So it took two or three months longer than the one year. But the President finally did fulfill his obligation under this recommendation by sending his recommendation to Congress, or announcing his recommendation at least and shortly will send it up or at least announce what he wants Congress to do in this area.

So that is the background and that is what we should have had available for you last week which we did not, for which I apologize.

I guess the only other factor is that there is a feeling here -- I think those of you who have looked into this beyond the White House or the Interior Department, where the legislation is being drafted, know that statehood has a number of steps to go through and of course it requires approval of Congress. It also would require in the view of this Administration the approval of the people of Puerto Rico.

In the view of this Administration the people of Puerto Rico have at least dealt in a peripheral way with the issue, if not a head-on referendum at least, in their November election when the Statehood Party won 48.3 percent of the vote.

The party, or the candidate I should say, which supported the compact idea won 45.4 percent of the vote and the candidate who favored independence for Puerto Rico received 5.6 percent of the vote, which is a very, very long way of

answering your question.

My main purpose in doing this was to apologize for not having this available last week and to say that the President's recommendation of last week was the end product of this very long process that has gone on for several years. He reached his conclusion as a result of over a year of study by the OBM and the Domestic Council.

He does hope that Congress will carry out his recommendation, which is to enact legislation providing for statehood for Puerto Rico.

Q Why did he overrule the Ad Hoc Committee's recommendation?

MR. NESSEN: As a result of the study by the Domestic Council, it was concluded by this Administration that the so-called compact status or free association status would confer upon Puerto Rico many or most of the advantages of statehood without the responsibilities of statehood.

The President felt that, in return for the advantages of statehood, Puerto Rico also should assume the responsibilities of statehood.

Q Okay. That explains his timing. What is he going to do about it?

MR. NESSEN: So that is basically exactly the same as where it has been, which is that the Interior Department is drafting the legislation.

Q Can't they just remove Alaska or Hawaii and substitute Puerto Rico?

MR. NESSEN: I don't know if you have had an opportunity to talk to Secretary Austin over there.

MR. SHUMAN: Greg Austin.

MR. NESSEN: What you suggest is indeed a part of the legislation, a very simple few legal questions. But there are many other parts of the statehood relationship which have to be dealt with in legislation which are not that simple.

Q I talked to Mr. Austin and he indicated this came as a stunning surprise, without adequate preparation, that they learned of it Thursday night before the Friday announcement.

There is no hope at all to draft any legislation or to move this beyond this preliminary discussion?

MR. NESSEN: Well, when the President made his decision, they were notified of it and told to draft the legislation. I understand that Secretary Austin says that he is hopeful that the legislation will be done in time to introduce it before January 20th.

Q As the Domestic Council talked with the President about this and they got down to the decision

point did anybody in this Administration in fact contact any political leaders in Puerto Rico and discuss it with them?

MR. NESSEN: I don't know what degree of discussion there was.

Q How does the President feel about statehood for the District of Columbia as proposed by a bill I understand that proposed it?

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

Q Ron, does the compact status mean that they would not pay Federal income taxes?

MR. NESSEN: To tell you frankly I have given you a very, very generalized description of compact status and I don't know much more about it beyond that.

Q Is it different from the present commonwealth status, that you know of?

MR. NESSEN: It would be, yes. But I can't spell out in very much detail for you what the legal differences are.

Q Ron, since the Vail announcement, has the President been in touch, directly in touch, with present Governor Barcelo?

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

Q Do you know whether the President was urged at all by the present Governor of Puerto Rico to take this action before he took it? There was some speculation that he was.

MR. NESSEN: I don't know.

Q Is the President distressed that the Interior Department won't complete the legislation by the time he leaves office so that he won't be able to present it himself to the Congress?

MR. NESSEN: As I say, Secretary Austin's statements, which I read in the Times I guess and on one of the wires, was that he was hopeful of finishing it by January 20th.

Q Ron, on decontrol, is it fair to speculate that one of the reasons the President is not sending up the decontrol legislation as expected is because it might be vetoed and he does not want to face a defeat in his last days in office?

MR. NESSEN: I think again when we talked about Puerto Rico and I mentioned to you that there were a number of things that the President wants to propose before he leaves office, largely out of deep personal conviction, certainly the decontrol of gasoline would fall into that category. He believes that it is an important step in removing our dependence on foreign countries for our supply of oil and for control over the price of our oil.

That has been his position since January of 1975, two years ago when he proposed his energy program, and he believes in that now.

The assumption that Congress cannot think in terms of long-term benefit to the nation, I think, is a discourtesy to Congress, the automatic assumption that they are going to reject this. It is for the long-term benefit of the country, so that as a step toward getting back control over our own supply and price of oil -- and the President says that he is very likely to propose it for that reason -- and any automatic assumption about what Congress is going to do about it, I think, would be wrong at this stage.

Q Ron, aren't we getting into -- the timing, isn't it getting rather critical? If he doesn't do it, with a 15-day holdback period on the part of Congress, if he doesn't go ahead and do it, he will no longer be President, and can they not in effect just ignore it? Doesn't he have to hurry up and do it if he is going to do it?

MR. NESSEN: No. I think probably you need to look at that procedure further. The President technically could do it anytime up until 11:59 on the morning of January 20th. It would then go to Congress and it would be before Congress for 15 days and at the end of 15 days, if Congress did not veto it, it would then take effect. So the 15 days does not have to run out before January 20th, in other words, and the proposal does not die after January 20th. It remains alive for the 15-day period.

Q But in order for it to be a serious proposal, if you will --

MR. NESSEN: I can assure you it is a serious proposal, and I don't quite understand the suggestion that it is not a serious proposal. It was serious in January 1975. It is serious in January 1977, he believes, since the country needs it for its own good. He believed it then. He believes it two years later.

Q But why not go ahead and do it then?

MR. NESSEN: Well, the timing of it is being considered.

Q Ron, on another subject, since you have more than once revealed to us that the President favors the death penalty, I was wondering how does he feel about Judge William Taylor of Dallas ruling yesterday that TV newsmen have as much right to film an execution and print newsmen to write about an execution?

MR. NESSEN: I don't have any presidential reaction for you, Les.

Q Just let me follow this up, Ron. You mean to say -- this has been on the wires; it was carried in both daily newspapers, and you say that the President is an avid reader. Undoubtedly, he must have seen this.

MR. NESSEN: Undoubtedly.

Q Then, Ron, are you suggesting that the President has not comment about this?



MR. NESSEN: I am not suggesting; I am saying it.

Q In other words, he didn't say anything to you, is that right?

MR. NESSEN: That is absolutely right.

Q Ron, what was the President's reaction to Senator Baker's victory yesterday?

MR. NESSEN: I think the organization of the Congress is an internal congressional matter that the White House should not comment on.

Q He had no reaction?

MR. NESSEN: That is correct.

Q He did telephone him, didn't he?

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MR. NESSEN: I have to check the phone logs and see, I guess.

Q We were told yesterday that he telephoned him.

MR. NESSEN: If you are asking what is his reaction to the election of Baker as opposed to the election of Griffin, and so forth ---

Q Did he take it personally?

MR. NESSEN: I just don't think it is proper for the White House to comment on Congressional organization.

Q Has the President had a chance to look at the reports and the Code of Ethics that the Carter Administration will insist upon for its top officials? And does he have any reaction or any opinion on that?

MR. NESSEN: Ted, I think I am going to stick to the rule that I mentioned to you right after the election, which is during this period this White House is not going to comment on statements or proposals of the Carter Administration.

Q What is President Ford meeting with the head of the SBA for today?

MR. NESSEN: I believe it is one in a series of farewell calls to my knowledge.

Q The same with the EPA?

MR. NESSEN: Yes.

Q Ron, I believe I recall your saying earlier, a few days ago, that the decision on amnesty would come this week. Is that correct? And do you still anticipate that?

MR. NESSEN: I still anticipate that the President will respond to Mrs. Hart's request that he take another look at it.

Q This week?

MR. NESSEN: I anticipate that, yes, but don't hold me to it if it is a day or so into next week.

Just to quickly give you the guest list for tonight's Cabinet dinner-dance for the President: The Kissingers, the Richardsons, the Levis, the Rumsfelds, the Hills, the Simons, the Rockefellers, the Mathews, the Kleppes, Secretary Usery, the Colemans, the Knebels, the Buchens, the Lynns, the Marshes, the Hartmanns, Fred Dent and his wife, and Ambassador Scranton and his wife.

As you know, Buchen, Lynn, Marsh, Hartmann, Dent and Scranton all have Cabinet status.

Q Ron, one other question so far as the suggestion of amnesty: If the President is considering Mrs. Hart's request---

MR. NESSEN: Looking into Mrs. Hart's request I think is what he said at Vail.

Q Looking into it, alright. Fine. Is there any possibility that the President might consider extending amnesty or pardon to those FBI agents who did blackbag jobs under Patrick Gray, under the direction of Nixon, the Nixon Administration?

MR. NESSEN: I think, Les ---

Q Just say yes.

Q I mean I appreciate your humor, but I am sure you are not suggesting it is a humorous suggestion at all.

MR. NESSEN: In no way, Les. I would never treat any of your subjects as humorous.

Q You have already been asked many times about Haldeman and Ehrlichman and so forth. I am not suggesting this. I want to know about the average run of the mill FBI person that was involved in these blackbag jobs and so forth. Is the President thinking or looking into extending amnesty to the deserters and draft evaders? Would he also consider these men that apparently carried out orders?

MR. NESSEN: Well, Mrs. Hart asked the President as an honor to her late husband's memory to take another look at the question of amnesty for Vietnam draft resisters and deserters and that is what he is doing.

Q But there is no consideration of the FBI men?

MR. NESSEN: He is doing what Mrs. Hart requested he do.

Q By that you are saying you are ruling out any consideration of the FBI men?

MR. NESSEN: Mrs. Hart asked him to take another look at this in her husband's memory. In the case of Vietnam ---

Q I realize that. Can we interpret your answer to mean there is no consideration of similar amnesty to the FBI men?

MR. NESSEN: Les, I am going to tell you what the President is doing.

Q I know what he is doing.

MR. NESSEN: Okay.

Q You told us.

MR. NESSEN: Okay. That is the answer to the question then.

Q Do you expect a press conference by the President this week?

MR. NESSEN: This week, I don't.

Q Will he be briefing on the budget as he did last year?

MR. NESSEN: I don't anticipate that he will.

Q No?

MR. NESSEN: No.

Q Who will handle the general kind of ---

MR. NESSEN: I would think Director Lynn would do that.

Q Why isn't President Ford doing it this year?

MR. NESSEN: No special reason.

Q Ron, is the President considering another pardon list coming from the Justice Department?

MR. NESSEN: Whatever the routine shipment of names over here is.

Q Does he have it here in his hand at this point?

MR. NESSEN: I don't know whether -- I am told that there are routine pardon matters coming down the pike from the Justice Department and if and when they get here and he acts on them we will announce them.

Q Who is on that routine list, Ron?

MR. NESSEN: You can check the pardon attorney, Les, and ask him.

Q Will the President have another press conference?

MR. NESSEN: I don't know, Jack. It is beginning to look dim to me.

THE PRESS: Thank you, Ron.

END

(AT 12:14 P.M. EST)

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