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THE WHITE HOUSE

PRESS CONFERENCE

OF

STANLEY M. SMOOT

COMMISSIONER, DAVIS COUNTY, UTAH

AND

RALPH G. CASO

COUNTY EXECUTIVE, NASSAU COUNTY, NEW YORK

AND

ALFRED B. DEL BELLO

COUNTY EXECUTIVE, WESTCHESTER COUNTY, NEW YORK

THE BRIEFING ROOM

12:15 P.M. EDT

MR. ROBERTS: The President met with the leaders of the National Association of County Officials for approximately one hour this morning, and three persons from that association are here to brief you on that meeting. In order, from right to left, Commissioner Stanley Smoot of Davis County, Utah, who is President of the Association; County Executive Ralph Caso, of Nassau County in New York; and Mr. Alfred Del Bello, Chairman of the Urban Affairs Committee of the National Association, and County Executive, Westchester County, New York.

Mr. Smoot, will you take over? I assume you will take questions.

MR. SMOOT: Ladies and gentlemen, on behalf of 200 million people that the counties of NACO represent, it is a real privilege to be invited by the President to sit with him and discuss and hear his analogies and his concerns of those problems out in those some 3,100 counties across the Nation.

Needless to say, we were impressed with the invitation but we were more impressed with what he said in the answers that he gave. He did not give us yes to all of the concerns; he did not give us the panacea of all the county problems across the Nation.

We talked about some specifics. County government, city government and State government are concerned with the extension of general revenue sharing. A national campaign to help our Congressmen has been launched by the National Association of Counties to help them understand really what general revenue sharing is doing out in the counties of America. The President indicated his support of a continuation of general revenue sharing.

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We feel that it is the first time in the history of America that part of the Federal income tax has been given back to counties, cities and States for the caring of Government problems. We are, in most of our counties across the Nation, on a property tax. It is a regressive kind of tax.

The only way we can cope with inflation in our counties is to take a political act of raising property tax. It has no normal increase, as does sales tax and income tax, but it takes a political act, and it is most difficult to make those acts annually to try and cope with the problem.

We are pleased with the President's position and his recommendations and his position concerning general revenue sharing. We have been invited as the new coalition. I am a member of that coalition. There will be three Governors, three mayors and three county commissioners and three legislators, and we will meet on the 10th and 11th with the staff and with our officials here to discuss the Federal budget before it is enacted.

The President has lent his support to this concept because we say many of the laws that are passed, local governments are the creators of those laws, and we feel that there would be better Federal legislation and State legislation if the officials who have to administer the law were involved in the writing of the law, at least to give guidance to our policy in legislative bodies.

These other fine representatives of county government will discuss, I am sure, other aspects of the discussion with the President, but in behalf of 200 million people, representatives of those counties who belong to NACO, we think that the door has been opened for improved and increased communication between the Federal bodies and local officials.

Remember that county government is the closest government to all of the people for every citizen in America, with the exception of one or two States, that listens and has policy decisions made at a county level, and we are appreciative of this invitation to Washington and to be a part in formulating the new concepts of this Administration.

MR. CASO: Ladies and gentlemen, I would like to just underscore what the President of the National Association of County Officials has said. We were very pleased with the reaction that we received from President Ford, his recognition of county government, where he indicated that they are an extremely important element in the structure of government, and that the counties have a vital role to play.

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He indicated that there would be an open door policy relative to counties working through Ken Cole of the Domestic Council, and I recall that he said if Ken Cole is not responsive, then you can see me, and this is the President speaking.

He did indicate his support for revenue sharing. He said it was landmark legislation. We are halfway through the program, but he did stress that there was a movement underway to scuttle Federal revenue sharing as we know it today, and he indicated that we ought to get our troops in order and not wait until the last minute because we believe that we must have a continuation of the general revenue sharing program, which has been literally, in most instances, the survival of local county government.

I was particularly interested, being from New York, about a mass transit bill which is presently, as you know, being considered by the House, and I asked the President what he foresaw as its chances of passage and what would happen to it when it gets to the Senate side, and what might happen to a bill when it lands on his desk.

I think he said without hesitation that the present plan for a \$20 billion allocation of money under a mass transit bill which would provide for operating subsidies would be vetoed by him if it passed both Houses and got to his desk in that form.

He feels it is much too much money. He indicated that he feels the problems of inflation are such that this would be contra to trying to hold the line on inflation if such a bill were to pass both Houses. He indicated that we should lobby on the Hill for a compromise, which certainly is what I would intend to do, and hope that we can make some accommodation relative to the amount of money that would be made available.

I would stress again that we in New York are in extremist when it comes to a question of money for mass transit. I know Mayor Beame has addressed himself to this problem, when he was with the President yesterday, and I am just as vitally concerned with it because in Nassau County we have the Long Island Railroad, we have a bus system which I have taken over, and the Government is now operating through MTA and a subsidiary of MTA, and we simply must have money for operating subsidies if the mass transit system is to grow and develop in Nassau County together with the buses and the subways that make up the whole network of mass transit in the region which I represent.

There are no easy answers relative to this, and we recognize that we will have to try to make our case as best we can on the Hill, and I would certainly hope that whatever the House does today with it that the Senate would move with dispatch in order that we might hopefully get a bill through the Congress by the end of this year and certainly before that, if it is at all physically and feasibly possible.

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So, I think those were the points that were stressed, as I recall them. I made a few notes. He indicated that the Better Communities Act, which is something that the Congress is considering now, would be a giant step forward and would give flexibility to municipalities, which is so important because under the terms of the Better Communities Act, New York, which has differing needs from Utah, let us say -- using the example of the President of the association, who is from Salt Lake City, and myself and Mr. DelBello, who are from New York -- that this would be a very important breakthrough in getting everything into a single pot where flexibility would prevail as to how you could decide to use the money that would be made available under the Better Communities Act.

Other than that, I think we had a very productive, very fine session with the President, and I am pleased with the open evidence of his support for county government, which I think bodes well for the future because the future of our country, I believe, lies in the county government which, as you have heard already stated, is very close to the people of this State, of New York and other States and across the Nation.

We will be glad to answer any questions you may have later.

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MR. DEL BELLO: My colleagues have covered most of the subjects which were discussed, so I will be brief. I think we were all extremely pleased to find the President is an extremely good listener, but more importantly, he is very understandable of the problems of the local governments.

In fact, in his opening remarks, he touched just about every major subject that we had thought of bringing to his attention and he did it with a great deal of sensitivity and knowledge. We were concerned, obviously, with the inflation, as he was, and he called the inflation "Enemy Number One" and asked for the cooperation of local government in our fight against inflationary spiral.

He has obviously dug his heels in on this issue and hopes that we will do the same. My interest being in the urban affairs, in the urban counties of this country, I was curious as to whether the President understood the role that we could play as the regional government closest to the people in providing efficiency in the delivery of service on many Federal programs, and I find that the President is extremely sensitive to that, and recognizes the roles that counties have played in the past and can play in the future in the deliverance of many of the Federal programming in a fair and broad-based fashion.

The Better Communities Act, the one that we are interested in, he commented on and called it a giant step forward, so along with revenue sharing and the communities bill, we see ourselves in local government moving aggressively forward with President Ford even though there will be some very tight restrictions on the level of funds that are spent this year.

He indicated to us that he had to stay within the \$305 billion. We still think that there will be sufficient flexibility and mobility to provide the kind of support locally that is needed to upgrade the service in our towns, villages, cities and counties.

Q Mr. Caso, did the President suggest a compromise figure on the mass transit that he would support?

MR. CASO: He didn't give an exact figure but I would have interpreted it as meaning somewhere between the \$10 billion which is the Administration figure, and the \$20 billion which is being considered by the House now. That is not to say you just chop it in half and say \$15 billion. I really don't know. But I would think that there could be an accommodation somewhere within that range relative to the House bill that is being debated today and will then go to the Senate.

Q Did he state a position on the operating fund issue?

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MR. CASO: My recollection is that he said there should be an option and that if a State or municipality wants to use money that is available through a mass transit bill for operating subsidy that they should have a right to do so, using their option and their discretion relative to the bill.

Q Did he talk about tapping the highway trust fund?

MR. CASO: No, we didn't get into the highway trust fund at all.

Q Who is trying to cut revenue sharing?

MR. CASO: There were no specific names mentioned. I think that indications are that those Congressmen who voted against it when it was first presented are still against it, and they may very well be the ones who are now leading the opposition, but no one was pinpointed on it other than the indications are that there may be difficulty with the continuation of Federal revenue sharing as we know it. In that sense it is so vital and important to us as counties that we ought to marshal our forces and work now in anticipation of that to prevent that from happening.

Q Was there no mention of OMB in that regard?

MR. CASO: No.

Q What about OEO, sir? Did any of you speak for it or did the President mention it?

MR. CASO: The question of OEO did not come up.

Q Was there any discussion of a new Vice President at all?

MR. CASO: No.

Q Was there a discussion of the problem caused to you and the economy by high interest rates and any indication that the President would make an effort in that direction?

MR. CASO: I think the President made reference, and of course my colleagues here are free to comment on this as well--I don't mean to monopolize this conference--but he did say that he has been reading very lengthy and heavy documents relative to the economy from economists who, as he put it, as I recall it, don't agree with each other what should be done, but he feels that inflation is something that must be attacked head on and that the way to do it primarily is to stay within the budget of \$305 billion which has already been referred to and to start now to cut back on programs that may jeopardize that figure, and

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he talked specifically about vetoing a couple of bills. While he indicated -- I think he said it was peanuts -- he felt he had to use these as examples of holding the line where he vetoed a couple of bills; I think the marshals' bill which was a pittance when it comes to what it would have done relative to salary increases for marshals and another bill which was in the Department of Agriculture for some \$23 million which he vetoed as well.

But I think his thinking is that relative to inflation there is going to have to be a hold-the-line attitude and that you may not be able to do everything that you want to do at this particular time. But it was not discussed specifically other than to be included in the overall handling of the problem of inflation.

Q What other bills did he indicate he might veto?

MR. CASO: I don't recall any other bills being mentioned other than the one specifically I was interested in, and that was the mass transit bill.

Q Was there any discussion of prior consultation before budget cuts were instituted such as he promised the mayors yesterday?

MR. CASO: Yes, I would say that was inherent in what he said, that this new coalition, particularly which President Smoot has referred to, would be working with OMB relative to how these items will be handled in the future and there will be an input from counties which is important to us and we are very pleased that we are being recognized now to be a part of this coalition.

Q Is it envisioned that this coalition is going to be able to comment on the entire budget or just the domestic part?

MR. CASO: I don't know the answer. I would think specifically on the domestic part of it, but if it does impact county government, I think they would have a wide range within which they could comment.

Q Could I ask each of you to give us your personal preference for Vice President? Who is your choice or favorite? Who would be the best man?

MR. CASO: My preference for Vice President would be Nelson Rockefeller.

Q And the gentleman from Utah?

MR. SMOOT: I don't know a lot of this applicants as

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well as some of these gentlemen back east, but I favor Elliot Richardson.

MR. DEL BELLO: I don't think I have taken a position on that. They haven't mentioned the Democrats yet that I would be favoring. I would rather not comment on it at this time.

THE PRESS: Thank you, gentlemen.

(END at 12:36 P.M. EDT)