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OFFICE OF THE WHITE HOUSE PRESS SECRETARY

### THE WHITE HOUSE

## EXCHANGE OF TOASTS BETWEEN THE PRESIDENT AND GOVERNOR CALVIN L. RAMPTON OF UTAH CHAIRMAN OF THE NATIONAL GOVERNORS CONFERENCE

#### THE STATE FLOOR

9:45 P.M. EST

THE PRESIDENT: Our distinguished Governors, your lovely wives and our other very distinguished guests, it is obviously a very great privilege and pleasure for Betty and myself to have you here with us this evening.

May I propose a toast to our honored guests, the distinguished Americans, who are here tonight, who provide the dedication, the imagination, the motivation and the firm direction that all good government requires, and may I also propose a second toast to your husbands as well. (Laughter.) We have got one exception, though. (Laughter)

Betty and I do wish to welcome you in our home. Well, we really don't own it. Let's say we have a rather uncertain lease, and while there has been a great deal of speculation as to when it might become vacant, I have to tell you one thing: Betty hates to move. (Laughter)

We do appreciate the honor of your visit, and as a small souvenir, my understanding is, Betty would like the ladies to have this first edition of a very special scarf she has designed with Frankie Welch over in Alexandria. I believe you found them on your chairs as you came in. Betty and I hope that even in the chilliest days ahead they will prove, or provide you, I should say, with the warm memories of this evening.

This is our first formal dinner for all the Governors, and I hope it symbolizes the new two-way street that I am trying to build between our State houses across America and the White House in Washington.

We are particularly happy that so many of the wives joined us this evening. Betty and I welcome you and your husbands as friends, as co-workers in a very great cause and as First Ladies and Chief Executives of your States, the Commonwealth of Puerto Rico and our Commonwealths. During the past few weeks, I have had a very wonderful and, I think, beneficial opportunity to exchange views with many of you who are here this evening. I have listened closely to your suggestions for programs. I think that has been helpful to me, and I trust, as well, to you. And I have explained to those that I have had an opportunity to, our views and our proposals. I believe we have achieved -- even though we may have disagreed -- a greater degree of understanding, which we can build on in the years and months ahead.

Tonight we have a former Governor with us, my good friend, Nelson Rockefeller of New York. As you know, I have designated Nelson as Vice Chairman of my Domestic Council, since he had such a very distinguished career and record as a Governor, which will be invaluable to him in this new role. I am counting on him to bring to the Domestic Council not only his wide experience as a Governor at the State level, but also the concerns and the ideas that he can get from you who have had the practical experience along with him in this very important responsibility.

One area where Nelson is already hard at work is the congressionally mandated maze of hundreds of categorical grantin-aid programs. When we are confronted, as we are now, with severe economic difficulty, it becomes even more imperative, in my judgment, that we begin to disassemble this maze of categorical grant programs.

I am extremely aware of the difficult problems facing you in the State houses and our friends in local units of government. Revenues have not kept pace with the demand for services and the increases in cost. Because of fiscal problems at the Federal level, aid to State and local units of government cannot continue the increase of the past few years. It is, therefore, in my judgment, of the highest importance that we remove some of these restrictions on Federal grants. I strongly favor -- I am sure you know by now -- block grants over categorical programs.

I am asking the Congress to reduce some of the overwhelming complexity of the maze and give State and local units of government the greater flexibility in this area of need, where fewer Federal grants can go further than where you have the categorical approach. These funds, if properly handled -and I have great faith that they will be -- it is my judgment, with less money and greater flexibility, a better job can be done with less and less bureaucracy.

As you know, we expect to submit legislation to give the States far greater discretion, far greater authority under a simplified system of transportation grants, but this is only one of the many, many steps that we hope to take in a concerted effort to eliminate categorical grants and to expand the block grant approach.

MORE

## Judging from my talks with many of you individually, as well as collectively, I know that I can count on you not to be shy about making your views well-known. I respect you, and I welcome you for that frankness and that candor. And I appreciate your vigor -- just spread it around a little bit in Washington, if you will, please.

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With your help, I look to the Domestic Council to reflect in its policy advice to me and in assessing national needs a truly representative national viewpoint of understanding and cooperation. Let this partnership, as I see it, include, especially, the views of all officials of State and local units of government in showing the initiative and the responsibilities as embodied in the concepts of general revenue sharing.

Let me tell you, I know where the money comes from. The source is the taxpayer back home, not the Federal Government. We are only in Washington the conduit so the funds can return home for local use by local authorities for their State and community programs.

Now that I have restated as emphatically as I possibly can my philosophy and the working relationship that I hope to achieve in which you have been very kind and receptive, it seems to me that another toast is in order.

Let us drink to our friendship, to our partnership and to the closer ties that we seek among us.

Ladies and gentlemen, to the United States.

GOVERNOR RAMPTON: Mr. President, Mrs. Ford, this is a diverse and complex Nation. We have people of many backgrounds and many interests, but all Americans. We have 50 States, each with a Chief Executive, but we are all part of the Republic.

As you approach the common problems that we have -greater probably than we faced in this country in more than a generation -- you have our respect, our support, our love and our prayers.

END

To the President and Mrs. Ford.

(AT 9:56 P.M. EST)

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