

October 1, 1975

POOL REPORTOn the President's Meeting with the Mayors.

We have a pool report on this meeting with the mayors this morning. It was in a ballroom down in the basement. The meeting was in the main ballroom down in the basement of the hotel. Ford arrived at 9:34. There were 33 mayors there. Thirty-four had been invited and one regretted.

They were sitting around a square table. The White House aides who were there were James Cannon and Jim Falk.-- Cannon is Director of the Domestic Council and Jim Falk is a member of the Domestic Council.-- Bob Hartmann, Don Rumsfeld and Ron Nessen.

The President came in at 9:34, and he walked around the table and shook hands with each of the mayors. Then he sat down between Mayor Lyman Parks of Grand Rapids and Mayor Ryan from Arlington Heights, Illinois, James Ryan.

Ford made some brief remarks at the beginning, which were mainly devoted to his concern about general revenue sharing, which he wanted to be renewed. He also spoke about his travels, that he has met all 50 Governors, over 100 mayors and how important these meetings have been for him.

He said over 100 mayors, but I think that was before today. Then he talked about general revenue sharing, saying that \$20 billion had been distributed already to 39,000 units of State and local Government, and another \$1.6 billion will be distributed within the next few days.

He said the law expires December 31, 1976, and that he has recommended that it be extended in its present form for another five years and also that it be increased by an amount each year related to the cost of living increase.

Then he complained briefly about those in Congress who have not gone along with his request for an extension. He said there has been some delay, that some flatly opposed the program and others want to change it in one way or another. Then he said, "We have to be very alert to the possibility that either through delay or substantial change, or other reasons, this legislation might not be extended."

He urged the mayors to lobby their Members of Congress to get revenue sharing extended. He urged them to take "action" meaning lobbying. He said, "Don't be complacent, get organized. We cannot afford to get caught napping." He said the consequences of the failure to have revenue sharing extended would be "catastrophic."

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Ford said it would be catastrophic if we can't get the legislation through Congress or if the legislation were mutilated. Mutilated was his word, too. He spoke about five minutes in all, and then the give and take with the mayors began, with Lyman Parks beginning first, and at this point we departed.

Mayor Parks wanted to know what was going to happen to the CETA program, Title 6 of the CETA program. That stands for Comprehensive Employment Training Act. Title 6 would be the public employment section, and Mayor Parks said that Title 6 expires next February, and he observed that it would be catastrophic for unemployed people if the program ended abruptly, and he wanted to know whether the Administration would support the idea of phasing this program out instead of having it end suddenly.

The President began answering the question by introducing Parks as his home-town mayor and addressing him by his first name, but before he really answered the question, Paul O'Neill, the Deputy Director of OMB, began answering the question for him, and he observed that the mayors were covered until -- my notes say, "You are covered until July of next year."

Then he said that recommendations were coming in to OMB for next year's budget and that no decisions had been made on whether to recommend continuing Title 6 or not. He said that the amounts so far coming in from the departments come to -- what I got him saying was \$400 billion. Billion is what I heard. Somebody else that was there might correct me.

He said that there would still be a shortfall in the revenues and the result of that was that OMB was deciding what kinds of things should be recommended to the President and what kind shouldn't be. He said, "We will have to see what happens to the unemployment rate and to other factors before a recommendation is decided on.

He said, "I have heartfelt sympathy" for the plight of mayors. This was the kind of program about which budget decisions would have to be made. This is O'Neill talking. That is Paul, and he is Deputy Director of the Office of Management and Budget.

Then the President took over and said certainly the "regular CETA program Titles 1 and 2 will get very favorable consideration" from the Administration. He said special legislation -- which is this Title 6 special public employment program -- we will address before next February.

O'Neill, I should add, had said that 320,000 jobs in the Title 6 program cost an annual rate of \$2.5 billion, in addition to \$1.4 billion for the manpower training portions of the CETA Act. That is about it.

--Mort Kondrake, Chicago Sun Times  
Dean Fischer, Time  
Fred Barnes, Washington Star