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THE WHITE HOUSE WASHINGTON

June 1, 1976

'ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

JIM CANNON

FROM:

JIM CONNOR

SUBJECT:

Intergovernmental Coordination

The President reviewed your memorandum of May 19 on the above subject and made the following notation:

"Talk with me.

Wonder if we can undertake this until after Kansas City?"

Please follow-up with appropriate action.

cc: Dick Cheney

THE WHITE HOUSE WASHINGTON

July with me.

Worder of war and

undertake this puttle of the

K.L?

JIM -

You want to discuss this with Dick Cheney.

Trudy

THE WHITE HOUSE

WASHINGTON

May 19, 1976

MEMORANDUM FOR THE PRESIDENT

FROM:

JIM CANNO

SUBJECT:

Intergover mental Coordination

In February, you reviewed the Vice President's memorandum on intergovernmental coordination and asked for our views on what action should be taken. This memorandum is in response to that request.

In January of this year, you appointed Stephen G. McConahey as Special Assistant to the President for Intergovernmental Affairs, and we expanded the Intergovernmental staff from three to four.

As part of his assignment, Steve undertook an analysis of the White House intergovernmental function in order to identify ways in which it could be strengthened. He also met with other members of the White House staff, previous White House intergovernmental staff members, governors, mayors, and county officials, as well as their public interest groups. He also held discussions with outside observers such as the ACIR, Brookings Institute and others.

As part of this analysis, he also reviewed the Vice President's memorandum on this subject. The Vice President's memorandum outlined very thoroughly the range of problems and issues relating to the intergovernmental area. The recommendations represented a massive restructuring of our intergovernmental strategy and organization. In fact, it touched upon the whole range of domestic issues and regulations and went so far as to recommend a White House "ombudsman role" for state and local officials.

The Vice President's memorandum has been very helpful in providing me and Steve McConahey with valuable background information in focusing our efforts. But we do not have either the staff or the authority to carry out the Vice President's recommendations. Consequently, we have structured our intergovernmental effort in a much less

expansive way. We have recognized the need to involve existing agencies, OMB and others in the intergovernmental process. And we have recognized the need to focus our activities on fewer items to ensure a thorough performance given the staffing realities that we presently face.

The result of our effort is reflected in the attached memorandum from Steve McConahey which outlines the major objectives and directions of the Office of Intergovernmental Affairs. In my judgment, the activities outlined in the attached memorandum represent a significant upgrading and improvement in our ability to monitor and respond to important intergovernmental matters.

If there is one critical theme that runs throughout the recommendations of the Vice President, our discussions with state and local leaders, and my own observations as a participant in state government, it is that the most important ingredient to a successful intergovernmental function within the White House is Presidential interest and support. You have clearly expressed and demonstrated your interest and support. With what I believe to be a capable staff, I feel that we can maintain effective communication and relationships with state, county and local officials and contribute substantively to the quality of decisionmaking in the White House.

As you suggested, I believe that Steve and I should meet with you to discuss this intergovernmental effort and respond to questions and recommendations that you might have. I will submit a schedule request for an appointment.



THE WHITE HOUSE

WASHINGTON
May 4, 1976

MEMORANDUM FOR:

JIM CANNON

FROM:

STEVE McCONAHEY

SUBJECT:

Intergovernmental Coordination

This memorandum outlines an organizational and activity plan for an expanded Office of Intergovernmental Affairs within the White House. This plan reflects the conclusions I reached after conducting numerous interviews, reviewing previous analyses of the intergovernmental needs and in reviewing the Vice President's memorandum on this subject. As a result, I believe this plan will help guide us toward an effective and responsive intergovernmental posture within the Administration.

MAJOR OBJECTIVES

In carrying out the President's mandate to establish an effective intergovernmental function within the White House, I have outlined the following objectives for an Office of Intergovernmental Affairs:

- 1. Comment on Program and Policy Decisions: From our analysis it is clear that decisions on policy and legislation are often brought to the President's attention and to the attention of others within the White House staff without an adequate assessment of what impact such decisions would have on states and localities. Under these circumstances, unplanned burdens and restrictions can be placed on state and local governments without our clear knowledge. By placing the Office of Intergovernmental Affairs in the review and comment process, we hope to overcome this shortcoming and alert the President to the opinions of state and local officials on specific issues.
- 2. Maintain an Effective Consultation Process with

 State, County and Local Officials on Major Issues
 and Proposals: In response to the President's
 desire that we have the benefit of state and local
 officials experience in our policy deliberations,
 we are developing a process whereby Governors,

Mayors and other officials can assess policy proposals as well as suggest new initiatives. Beginning with the briefings on the FY77 budget and continuing through the development of block grant legislation, we in concert with OMB have emphasized participation with representatives of states and localities. We have continued the process through a series of meetings with these officials on a variety of subjects and issues. Based on the responses we have received, I believe we have developed a sense of cooperation with these groups.

- Improve Executive Branch Support of Intergovernmental Activities: To insure that the attention
 to intergovernmental matters extends beyond the
 White House into the executive branch, we have
 initiated a series of meetings with intergovernmental representatives of each agency and department. We will be assembling a series of recommendations for ways in which the performance and
 coordination of intergovernmental functions can be
 improved. I recommend that at an appropriate time
 this topic be placed on the agenda for a Cabinet
 meeting with an opportunity for us to brief the
 Cabinet on our efforts and for the President to
 stress the importance of their cooperation.
- 4. Undertake Substantive Analyses of Specific Intergovernmental Issues: There are several domestic issues that do not clearly fit into one functional Such issues as public employee bargaining, dedicated computer requirements and, to some extent, state and local financial problems are examples of these issues. In addition there is the range of domestic agency regulations that continue to trouble state and local officials. The Office of Intergovernmental Affairs will oversee many of these items. In doing so, we will work closely with ACIR and other intergovernmental analytic groups. I believe that questions surrounding the relationships of different levels of Government in domestic programs are becoming increasingly important and bear directly on the effectiveness of many domestic policies. fore, we need to give more attention to these issues as we refine and develop our domestic policy.

Sometime and Improve Staff Support for the President and the Day-to-Day Communications with State and Local Officials: As part of the ongoing responsibility of this office, we will continue to respond to particular requests and communications received from state and local officials, to participate in the scheduled meetings of the major public interest groups, to provide briefing material, and to arrange for specific meetings with the President and other White House staff as appropriate. We also are taking steps to improve our communications process and, thereby, insure that each and every request has an adequate and timely response.

The achievement of our objectives will require a high degree of interaction with external groups as well as executive branch agencies. Some of the approaches we plan to use are listed below:

- 1. Regular and special purpose meetings with state and local officials and their organizations for the development of initiatives and comment on administrative proposals.
- 2. Agency committees or task forces to monitor and assess specific problems.
- Working relationships with substantive intergovernmental organizations, e.g. NCOP, ACIR, Brookings.
- 4. Special forums and meetings to discuss and assess specific issues.
- 5. Routine contact with OMB, Domestic Council and other White House staff groups.

The success of our intergovernmental office will depend in part on the perception people have of its Presidential mandate. A key element of this perception is the organizational placement within the White House. I am recommending that we identify an Office of Intergovernmental Affairs reporting to you as Assistant to the President for Domestic Affairs. Placing this function on the White House staff and under your direction will help to:

- a) Ensure that Governors, Mayors, and other state and local officials perceive the activity as a White House priority, and
- b) Position this function to gain necessary White House staff and executive branch cooperation.

In addition, these steps would ensure that the intergovernmental function would be free from the Hatch Act provisions that would restrict our ability to discuss, legitimately, political issues with state and local officials.

I believe the intergovernmental function holds enormous potential, particularly given the President's theme of achieving a better balance of power and authority among Federal, state and local governments. The President referred to this theme in his State of the Union when he said: "We must strike a new balance in our system of Federalism - a balance that favors greater responsibility and freedom for the leaders of our State and local governments."

Particularly important in carrying out this theme will be our ability to provide a point for substantive input by state and local officials on policy and programmatic issues, and to provide the White House with an intergovernmental perspective in its policy and program deliberations.

Jim

You want to discuss with

ROGERS MORTON -

Monday - March 9

Trudy

The copy of the letter from the Vice President and the President's handwriting was given to Dick Cheney by Jim Connor ---

Jim said this should not have gone to Jim Cannon but he did not want it recalled (the original went to Cannon).

Trudy Fry 3/2/76

0.

THE WHITE HOUSE

WASHINGTON

February 27, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

JAMES M. CANNON

FROM:

JAMES E. CONNOR

SUBJECT:

Executive Office of Intergovernmental Coordination

The President has reviewed the Vice President's memorandum on the above subject and made the following notation to you:

"Jim Cannon

Ray Shafer gave me this. Well done -- what do we do with it. Talk with me."

Please follow-up appropriately.

cc: Dick Cheney

THE WHITE HOUSE WASHINGTON (Lin Lannon) Ray Sheft part me the gull done with Talk from // (Call run No Pir but



THE VICE PRESIDENT

WASHINGTON

January 8, 1976

MEMORANDUM FOR THE PRESIDENT

FROM : THE VICE PRESIDENT

SUBJECT : Executive Office of Intergovernmental

Coordination

The condition of current intergovernmental relations is not good. Poor communication between and among the levels of government, administrative separatism at all levels, ineffective coordination, along. with the profusion of programs involving more than one level have given rise to a state of chronic disarray in Federal-State-local relationships. As the major participant in our federal system, the National Government has a basic responsibility to bring greater order to those relationships in which it is a partner.

Over the past few months, and at my suggestion, Governor Shafer made a thorough survey, analysis and report on current Federal-State-local relations. The problems as well as the opportunities presented by the present state of these relationships were probed. The views of various experts and interested parties were solicited, studied, and synthesized. The resulting report to me is attached to this memorandum.

Every State and local official, Federal cabinet task force or study group, the Advisory Commission on Intergovernmental Relations, the General Accounting Office, public interest group, and authoritative student on the subject unanimously agreed that the prime problem was poor communications and inadequate consultative arrangements among the governments. Moreover, every one recommended as the number one priority the establishment of some form of executive office for intergovernmental relations, directly under the President.

On the basis of this study and my personal experience and observations, I strongly recommend that you establish by executive order an Executive Office for Intergovernmental Coordination. This Office would be administered by a Counselor to the President with cabinet rank, as was done by Presidents Eisenhower, Johnson, and Nixon. Status is absolutely essential in order to deal effectively with various department and agency heads as well as with top elected officials throughout the country. This Office would be responsible for:

- 1) ascertaining for the President through established channels the impact on State and local governments of proposed major Federal policy initiatives;
- 2) identifying chronic difficulties arising from the management of Federal assistance programs which may necessitate administrative or policy changes; and
- 3) demonstrating the commitment of the National Government to the improved operation of its own intergovernment programs, while overseeing a faithful follow-up to this commitment.

This proposal will \underline{not} increase the budget, as the Office could be staffed with personnel already available.

In this critical year and at this important time, I am convinced that the establishment of this Office would be an excellent move for you personally.

- 1) Governors, State legislators, county officials, and mayors repeatedly have urged this step. To them, it would indicate a genuine willingness to communicate more regularly and more closely, to receive their views more openly and more eagerly, and to follow through on their legitimate complaints more expeditiously and effectively.
- 2) It would give you a personal representative dealing daily with the problems at the State and local level.
- 3) It would be a positive demonstration of your personal commitment.

Openness and access are basic themes of your Administration and this move would underscore them further in the eyes not only of elected officials everywhere but also the total electorate.