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CONFERENCE OF LIEUTENANT GOVERNORS

SANTA FE, NEW MEXICO

JULY 12, 1974

*Mr. Chairman
Distinguished
in Washington after 25 yrs
It's nice to be in
a Senate Chamber*

AS A VICE PRESIDENT, I FEEL VERY MUCH AT HOME AT

THIS MEETING OF LIEUTENANT GOVERNORS. THE NUMBER TWO MEN HAVE A

LOT IN COMMON. WE TRY HARDER. ^{yet,} ~~AND~~ WE FACE THE SAME FRUSTRATIONS

AND THE SAME CHALLENGES.



*after 25 yrs trying to be
Speaker of the House, I ended
up as Presiding Officer of the
Senate, where I found I
could not speak.*

*So it is nice to be in a
Senate*

I WILL GIVE YOU THE SAME ADVICE I GET. BE YOUR OWN
MAN. REMEMBER THE IMPORTANCE OF YOUR POSITION --- NOT ITS
LIMITATIONS --- IN TERMS OF PUBLIC TRUST.



I HAVE ALSO BEEN GIVEN ADVICE THAT I SHOULD REMAIN IN WASHINGTON AND WORK ON NATIONAL PROBLEMS INSTEAD OF TRAVELING TO SANTA FE AND ELSEWHERE TO MAKE SO MANY APPEARANCES. BUT THE PROBLEMS ARE IN NEW MEXICO AND THROUGHOUT OUR NATION. I HAVE LEARNED MORE BY TRAVELING--OVER 100,000 MILES SINCE DECEMBER--
THAN I WOULD HAVE BY READING 100,000 PAGES OF BUREAUCRATIC JARGON IN WASHINGTON. SO, WHEN PEOPLE ADVISE ME TO STAY IN WASHINGTON AND DO MY HOMEWORK, I HAVE AN ANSWER. THIS IS MY HOMEWORK.



I HAVE COME TO SANTA FE NOT SO MUCH TO MAKE A SPEECH BUT TO LEARN
FROM YOU LIEUTENANT GOVERNORS ABOUT THE PROBLEMS OF YOUR STATES,
ABOUT THE ISSUE OF FEDERAL-STATE RELATIONSHIPS, AND ABOUT THE
PERCEPTIONS OF THE PEOPLE YOU REPRESENT. IT WOULD BE A MISTAKE
FOR FEDERAL OFFICIALS IN WASHINGTON TO ISOLATE THEMSELVES FROM
throughout our nation
THOSE WHO PAY THEIR SALARIES.



*Montoya
Domínguez* *Yujin
Ramírez*

I AM EXTREMELY PLEASED TO BE IN NEW MEXICO. THIS IS
A STATE THAT DEMONSTRATES THE DIVERSITY OF CULTURES THAT MAKE
UP AMERICA. IT IS A STATE OF SPANISH-SPEAKING PEOPLE, AMERICAN
INDIANS, AND THE SO-CALLED ANGLO COMMUNITY. IT IS ALSO A STATE
WHERE THERE IS UNITY IN DIVERSITY. NEW MEXICO CAN BE A SHOWCASE
FOR OUR ENTIRE NATION.



NO COUNTRY AS DIVERSE AS THE UNITED STATES CAN BE EFFECTIVELY GOVERNED WITH A RIGID SAMENESS OF CATEGORICAL STANDARDS IMPOSED FROM WASHINGTON. AMERICANS MUST NEVER BE REDUCED TO COMPUTERIZED ROBOTS BY A SINGLE CENTER OF POWER. LET US LOOK INSTEAD TO A PARTNERSHIP OF DECENTRALIZATION IN WHICH THE CONCEPT OF NEW FEDERALISM HAS BEEN SO IMPORTANT. LET US LOOK NOT ONLY AT NATIONAL GOALS BUT AT LOCAL OPTIONS---WHETHER ON EDUCATION, CRIME CONTROL, OR OTHER POWERS RESERVED TO THE STATES. LET US LOOK TO LOCAL INNOVATION AND INDIVIDUAL RESPONSIBILITY.



THE POWER OF THE FEDERAL GOVERNMENT HAS BEEN GROWING IN
INVERSE PROPORTION TO THE DECLINING AUTHORITY OF THE STATE CAPITOLS.
THIS RAPIDLY GROWING HEGEMONY OF FEDERAL POWER REACHED ITS APEX IN THE
MID-1960'S. THEN THE PROLIFERATION OF FEDERAL CATEGORICAL GRANT-IN-
AID PROGRAMS THREATENED TO TURN STATE CAPITOLS INTO REGIONAL OFFICES
OF THE FEDERAL EXECUTIVE BRANCH'S MUSHROOMING DEPARTMENTS AND AGENCIES.



WE HAVE DONE MUCH IN THE LAST FIVE YEARS TO TURN THAT TREND

This was achieved with the tremendous help of Gov. W. Gov., State

AROUND. WE HAVE TRIED TO REVERSE THE DIRECTION OF THE POWER

1

FLOW FROM WASHINGTON BACK TO STATE AND LOCAL AUTHORITIES, BUT

*Legislators
+ locally
elected
Officials.*

ACHIEVEMENTS HAVE BEEN OBSCURED BY UNRELATED CONTROVERSIES IN

WASHINGTON THAT HAVE OCCUPIED NATIONAL ATTENTION.



AS WE APPROACH OUR NATIONAL BICENTENNIAL LET US
RECALL THE CONSTITUTIONAL MOTIVATION EXPLICIT IN THE PREAMBLE
CLAUSE OF THE CONSTITUTION. THE PURPOSES OF THE RELATIONSHIP
OF THE STATES SPECIFICALLY INCLUDED THE INTENTION "TO FORM A
MORE PERFECT UNION."



THE UNION EXISTS BECAUSE OF THE STATES AND FOR THE
STATES. IT IS FROM THE STATES THAT THE UNION RECEIVES AND
RETAINS ITS POWER. IT IS UPON THE STATES THAT THE UNION CONFERS
ITS STRENGTH AND BESTOWS ITS BENEFITS. THIS IS AN HISTORIC
TRUTH THAT MUST BE RESTORED TO FOCUS. IT IS A NEED DEMONSTRATED
BY THE EXCESSES OF FEDERAL PROBLEM SOLVING --- AND PROBLEM-CREATING ---
OF THE LAST FEW DECADES.



Presidents'

IT HAS BEEN THE ~~ADMINISTRATION'S~~ GENERAL PHILOSOPHY

IN DEVELOPING NEW FEDERALISM TO CONCENTRATE ON THE APPROPRIATENESS

OF A GIVEN LEVEL OF GOVERNMENT TO PERFORM A GIVEN TASK AND MEET

A GIVEN NEED. WE HAVE LEARNED SOME LESSONS THE HARD WAY. THIS HAS

BEEN
~~BEN~~

ESPECIALLY TRUE OF SOCIAL PROBLEMS. ANSWERS DID NOT COME

FROM THE DUMPING OF TAX DOLLARS ON TOP OF THE PROBLEM. NOR DID WE

SOLVE PROBLEMS BY MOBILIZING ARMIES OF BUREAUCRATS, COMMISSIONED

TO SMOTHER THE ISSUE UNDER A DELUGE OF PROCESSED PAPER.



THE RESULTS OF SUCH APPROACHES IS TOO OFTEN SEEN
IN THE INFLATION OF THE ECONOMY AND COST OF GOVERNMENT. WE HAVE
NOT EXPERIENCED A DEFLATION OF THE PROBLEMS AND DIFFICULTIES,
BUT WE HAVE LEARNED HOW TO DO THINGS BETTER.



AN EXAMPLE IS THE FEDERAL ASSISTANCE REVIEW PLAN.

IT WAS DESIGNED TO IMPROVE THE OPERATION OF THE FEDERAL GRANT SYSTEM. THE ROAD TO FEDERAL AID HAD BECOME AN OBSTACLE COURSE, NEGOTIABLE ONLY BY A NEW CLASS OF PROFESSIONAL ATHLETES KNOWN AS GRANTSMEN. THEY SPEAK THE SPECIAL JARGON OF GRANT NARRATIVES, GUIDELINES, PROGRAM EVALUATIONS, AND MATCHING SHARES. THE FLOW OF FEDERAL AID LOSES MUCH ENERGY WHEN IT HITS THE DAM OF SALARIES, FEES, CONTINGENCIES, COROLLARIES, AND SUPPORT COSTS.



THE FEDERAL ASSISTANCE REVIEW PROGRAM IMPROVED

FEDERAL PROGRAMS. STATE AND LOCAL GOVERNMENTS WERE ABLE TO DO
A BETTER JOB. REVIEW PROCEDURES FOR GRANT APPLICATIONS WERE
SIMPLIFIED. REGIONAL BOUNDARIES WERE STANDARDIZED. OTHER
IMPROVED PROCEDURES WERE INSTITUTED.



THE FEDERAL GOVERNMENT SHOULD NOT EXPECT ITS STATE
AND LOCAL COUNTERPARTS TO HELP IT DO ITS WORK WITHOUT ALSO HELPING
THEM TO PUT THEIR OWN ADMINISTRATIVE HOUSES IN ORDER.

THE PRESIDENT HAS CONTINUED TO PRESS FOR CONGRESSIONAL
APPROVAL OF A MORE EFFECTIVE AND SIMPLIFIED REVENUE SHARING PROGRAM,
BUT THE CONGRESS ^{thus far} HAS FAILED TO ACT AFFIRMATIVELY ON LEGISLATION
THAT WOULD HAVE ADDRESSED STATE AND URBAN PROBLEMS, INCLUDING THE
TARGET AREAS OF EDUCATION AND COMMUNITY DEVELOPMENT.



A PRIME MOTIVATION BEHIND GENERAL REVENUE SHARING WAS
THE FISCAL CRISIS OF STATE GOVERNMENTS. THE REMEDY WORKED. A
RECENT SURVEY DISCLOSED THAT 49 OF THE 50 STATES --- EVERY STATE
BUT MASSACHUSETTS --- ENDED FISCAL YEAR 1974 WITH A BUDGET SURPLUS,
IT ALSO APPEARS THAT EVERY STATE EXCEPT MASSACHUSETTS WILL BE
ABLE TO AVOID IMPOSING ANY NEW OR HIGHER TAXES IN FISCAL YEAR 1975
TO MEET FISCAL NEEDS.



WE CAN ONLY SPECULATE ON THE FURTHER GOOD EFFECTS
THAT COULD HAVE BEEN ACHIEVED IF ADMINISTRATION PLANS FOR SPECIAL
REVENUE SHARING HAD BEEN ADOPTED.



THE OVERALL PROGRESS OF NEW FEDERALISM GRATIFIES ME

I was on the forefront.

BECAUSE OF MY PERSONAL CONCERN WITH INTERGOVERNMENTAL RELATIONS.

IN 1967 -- WHEN THESE IDEAS FIRST EMERGED IN THE CONGRESS --

I FELT THAT THE DISPERSAL OF POWER AND SHARING OF RESPONSIBILITY

WOULD RESULT NOT ONLY IN DESIRABLE DECENTRALIZATION OF GOVERNMENT

BUT ALSO IN BETTER MANAGEMENT.



THE STATES NOW AWAIT THE FULL DAWN OF THIS NEW AGE

OF CREATIVE FEDERALISM. IT IS CERTAIN TO COME, WE DO NOT KNOW *relationships*
 WHAT CHANGES IT MAY PRODUCE IN THE INSTITUTIONAL STRUCTURE OF *where federal*
 THE FEDERAL AND STATE GOVERNMENTS, BUT I CERTAINLY HOPE THEY *bureaucrats*
 NEVER DO AWAY WITH VICE PRESIDENTS AND LIEUTENANT GOVERNORS. *new all the answers on thought they did.*

of course

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REMARKS OF VICE PRESIDENT GERALD R. FORD
CONFERENCE OF LIEUTENANT GOVERNORS
SANTA FE, NEW MEXICO
JULY 12, 1974

FOR RELEASE AT 2:00 P.M. FRIDAY, ROCKY MOUNTAIN TIME

As a Vice President, I feel very much at home at this meeting of Lieutenant Governors. The Number Two men have a lot in common. We try harder. And we face the same frustrations and the same challenges.

I will give you the same advice I get. Be your own man. Remember the importance of your position — not its limitations — in terms of public trust.

I have also been given advice that I should remain in Washington and work on national problems instead of traveling to Santa Fe and elsewhere to make so many appearances. But the problems are in New Mexico and throughout our Nation. I have learned more by traveling — over 100,000 miles since December — than I would have by reading 100,000 pages of bureaucratic jargon in Washington. So, when people advise me to stay in Washington and do my homework, I have an answer. This is my homework. I have come to Santa Fe not so much to make a speech but to learn from you lieutenant governors about the problems of your States, about the issue of Federal-State relationships, and about the perceptions of the people you represent. It would be a mistake for Federal officials in Washington to isolate themselves from those who pay their salaries.

I am extremely pleased to be in New Mexico. This is a State that demonstrates the diversity of cultures that make up America. It is a State of Spanish-speaking people, American Indians, and the so-called Anglo community. It is also a State where there is unity in diversity. New Mexico can be a showcase for our entire Nation.

No country as diverse as the United States can be effectively governed with a rigid sameness of categorical standards imposed from Washington. Americans must never be reduced to computerized robots by a single center of power. Let us look instead to a partnership of decentralization in which the concept of New Federalism has been so important. Let us look not only at national goals but at local options — whether on education, crime control, or other powers reserved to the States. Let us look to local innovation and individual responsibility.

The power of the Federal government has been growing in inverse proportion

to the declining authority of the state capitols. This rapidly growing hegemony of Federal power reached its apex in the mid-1960's. Then the proliferation of Federal categorical grant-in-aid programs threatened to turn State capitols into regional offices of the Federal Executive Branch's mushrooming departments and agencies. We have done much in the last five years to turn that trend around. We have tried to reverse the direction of the power flow from Washington back to State and local authorities. But achievements have been obscured by unrelated controversies in Washington that have occupied national attention.

As we approach our National Bicentennial let us recall the Constitutional motivation explicit in the preamble clause of the Constitution. The purposes of the relationship of the States specifically included the intention "to form a more perfect union."

The Union exists because of the States and for the States. It is from the States that the Union receives and retains its power. It is upon the States that the Union confers its strength and bestows its benefits. This is an historical truth that must be restored to focus. It is a need demonstrated by the excesses of Federal problem solving -- and problem-creating -- of the last few decades.

It has been the Administration's general philosophy in developing New Federalism to concentrate on the appropriateness of a given level of government to perform a given task and meet a given need. We have learned some lessons the hard way. This has been especially true of social problems. Answers did not come from the dumping of tax dollars on top of the problem. Nor did we solve problems by mobilizing armies of bureaucrats, commissioned to smother the issue under a deluge of processed paper.

The result of such approaches is too often seen in the inflation of the economy and cost of government. We have not experienced a deflation of the problems and difficulties. But we have learned how to do things better.

An example is the Federal Assistance Review plan. It was designed to improve the operation of the Federal grant system. The road to Federal aid had become an obstacle course, negotiable only by a new class of professional athletes known as grantsmen. They speak the special jargon of grant narratives, guidelines, program evaluations, and matching shares. The flow of Federal aid loses much energy when it hits the dam of salaries, fees, contingencies, corollaries, and support costs.

The Federal Assistance Review program improved Federal programs. State and local governments were able to do a better job. Review procedures for grant applications were simplified. Regional boundaries were standardized. Other improved procedures were instituted.

The Federal government should not expect its State and local counterparts to help it do its work without also helping them to put their own administrative houses in order.

The President has continued to press for Congressional approval of a more effective and simplified revenue sharing program. But the Congress has failed to act affirmatively on legislation that would have addressed State and urban problems including the target areas of education and community development.

A prime motivation behind general revenue sharing was the fiscal crisis of State governments. The remedy worked. A recent survey disclosed that 49 of the 50 States -- every State but Massachusetts -- ended fiscal year 1974 with a budget surplus. It also appears that every State except Massachusetts will be able to avoid imposing any new or higher taxes in fiscal year 1975 to meet fiscal needs.

We can only speculate on the further good effects that could have been achieved if Administration plans for special revenue sharing had been adopted.

The overall progress of New Federalism gratifies me because of my personal concern with intergovernmental relations. In 1967 -- when these ideas first emerged in the Congress -- I felt that the dispersal of power and sharing of responsibility would result not only in desirable decentralization of government but also in better management.

The States now await the full dawn of this new age of creative Federalism. It is certain to come. We do not know what changes it may produce in the institutional structure of the Federal and State governments. But I certainly hope they never do away with Vice Presidents -- and Lieutenant Governors.

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REMARKS OF VICE PRESIDENT GERALD R. FORD
 CONFERENCE OF LIEUTENANT[#] GOVERNORS
 SANTA FE, NEW MEXICO

JULY 12, 1974

FRIDAY
FOR RELEASE AT 2 P.M. ROCKY MOUNTAIN TIME

As a Vice President, I feel very much at home at this meeting of Lieutenant Governors. The Number Two men have a lot in common. We try harder. And we face the same frustrations and the same challenges.

I will give you the same advice ^{I got.} ~~they give me.~~ Be your own man. Remember the importance of your position --- not its limitations --- in terms of public trust. And think of the advantages. If there are problems facing your administration, you can pass the buck to the Number One man. If there are achievements, you can proudly refer to the administration which you serve.

I have also been given advice
~~It has been said~~ that I should remain in Washington and work on national problems instead of traveling to Santa Fe and elsewhere to make so many appearances. But the problems are in New Mexico and throughout our Nation. I have learned more by traveling ^{miles} over 100,000 since December than I would have by reading 100,000 pages of bureaucratic jargon in Washington. So, when ^{people} ~~they~~ advise me to stay in Washington and do my homework, I have an answer. This is my homework. I have come to Santa Fe not so much to make a speech but to ^{learn from you} ~~learn from you~~ ^{lieutenant governors} about the problems of your States, about the issue of ~~the~~ Federal-State relationships, and about the perceptions of ^{the} ~~people~~ of people you represent. It would be a mistake for Federal officials in Washington to isolate themselves from those who pay their salaries.



I am extremely pleased to be in New Mexico . This is a State that demonstrates the diversity of cultures that make up America . It is a State of ~~diverse cultures~~ Spanish-speaking people, American Indians, and the so-called Anglo community . It is also a State where there is unity in diversity. New Mexico can be a showcase for our entire Nation .

No country as diverse as the United States can be effectively governed with a rigid sameness ~~imposed~~ ^{of} categorical standards imposed from Washington . Americans ^{NEVER} must ~~not~~ be reduced to computerized robots by a single center of power . Let us look instead to a partnership of decentralization in which the concept of New Federalism has been so important . Let us look not only at national goals but ^{not} local options ---whether on education, crime control, or other powers reserved to the States . Let us look to local innovation and individual responsibility .

The power of ^{the} Federal government has been growing in inverse proportion to the declining authority of the state capitols . There have, of course, been changes in ~~our national life of a magnitude that rendered/previous arrangements for power distribution~~ ^{unrealistic} .

This rapidly growing hegemony of Federal power reached its apex in the mid-1960's . Then the proliferation of Federal categorical grant ⁱⁿ⁻aid programs threatened to turn State capitols into regional offices of the Federal Executive Branch's mushrooming departments and agencies . We have done much in the last five years to turn that trend around . We have tried to reverse the direction of the power flow from Washington back to ~~the~~ State and local authorities . But achievements have been obscured by unrelated controversies in Washington that have occupied national attention.

Step

As we approach our National Bicentennial, let us recall the Constitutional motivation explicit in the preamble clause ^{of the Constitution} The purposes of the relationship of the States specifically included the intention "to form a more perfect union".

Let us recall that our Federal

The Union exists because of the States and for the States. It is from the States that the Union receives and retains its power. It is upon the States that the Union confers its strength and bestows its benefits. This is an historical truth that must be restored to focus. ^{It is} a need demonstrated by the excesses of Federal problem solving --- and problem-creating --- of the last few decades.

~~There are appropriate areas for exclusive federal action. There are other sectors where Federal leadership is a condition precedent to targeted and coordinated State action. And there are ^{still} other fields of governmental participation where authorities closer to the people afford the best promise of acceptable direction and discernible results. Awareness of these principles led to the development by this Administration of the concept of New Federalism.~~

PL It has been the Administration's general philosophy in developing New Federalism to ^econcentrate on the appropriateness of a given level of government to perform a given task and meet a given need. We have learned some lessons the hard way. This has been especially true of social problems. Answers did not come from the dumping of tax dollars on top ^{OF} the problem. Nor did we solve problems by mobilizing armies of bureaucrats, commissioned to smother the issue ^{under} in a deluge of processed paper.



The results of such approaches is too often seen in the inflation of the economy and cost of government. We have not experienced a deflation of the problems and difficulties . But we have learned how to do things better .

An example is the Federal Assistance Review plan . It was designed to improve the operation of the Federal grant system. The road to Federal aid had become an obstacle course, negotiable only by a new class of professional athletes known as grantsmen. They speak the special jargon of grant narratives, guidelines, program evaluations, and matching shares. The flow of Federal aid loses much energy when it hits the dam of salaries, fees, contingencies, corollaries, and support costs .

The Federal Assistance Review program improved Federal programs. State and local governments were able to do a better job . Review procedures for grant applications were simplified. Regional boundaries were standardized. Other improved procedures were instituted .

The Federal government should not expect State and local counterparts to help it do work without also helping them to put their own administrative houses in order .

The President has continued to press for Congressional approval of a more effective and simplified revenue sharing program . But the Congress has failed to act affirmatively on legislation that would have addressed state and urban problems including the target areas of education, law enforcement, manpower training, and community development .



A prime motivation behind general revenue sharing ^{was} ~~is~~ the fiscal crisis ^{of} ~~is~~ State governments. The remedy worked. A recent survey disclosed that 49 of the 50 States --- every State but Massachusetts --- ended ~~the~~ fiscal year 1974 with a budget surplus. It also appears that every State except Massachusetts will be able to avoid imposing any new or higher taxes in fiscal year 1975 ~~in order~~ to meet fiscal needs.

We can only ~~contemplate~~ ^{speculate on} the further good effects that could have been achieved if ~~the~~ Administration plan ^{for} special revenue sharing had been adopted. ~~Many wasteful and inefficient programs of categorical aid would have gradually been supplanted by the block grant approach.~~

The overall ~~progress~~ ^{progress} of New Federalism gratifies me because of my personal concern with intergovernmental relations. In 1967 --when these ideas first emerged in the Congress --- I felt that the dispersal of power and sharing of responsibility would result not only in desirable decentralization of government but also in better management.

The States now await the full dawn of ~~this~~ this new age of creative Federalism. It is certain to come. We do not know what changes it may produce in the institutional structure of the Federal and State governments. But I certainly hope they never do away with Vice [#] Presidents — and Lieutenant [#] Governors .

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REMARKS BY VICE PRESIDENT FORD TO THE
CONFERENCE OF LIEUTENANT GOVERNORS
SANTA FE, NEW MEXICO
JULY 12, 1974

Thank you very much Governor King, Lieutenant Governors, my former colleagues in the House of Representatives, Manual Lujan and Harold Runnels, distinguished guests, ladies and gentlemen. I spent 25 years trying to be Speaker of the House, and I ended up as presiding officer of the U. S. Senate, where I found after I arrived that I couldn't speak. So it's nice to be in a Senate chamber where I can speak. And, it's particularly pleasant and enjoyable for me to be in the state of New Mexico and to be warmly welcomed by the Governor and the members of the Lieutenant Governors' Conference. I am particularly pleased to have an opportunity to say a few words to those of you like myself who occupy a position half in and half out of the Executive and Legislative branches. I might say in passing that the Number Two men have a lot in common. We try harder. And yet we face the same frustrations and the same challenges.

And I'll give you the same advice that I get. Be your own man. Remember the importance of your position -- not its limitations -- in terms of the public trust. Each and everyone of us, whether we're in a State Capitol or in the National Capitol, have a very high public trust.

I have also been given advice that I should remain in Washington and work on national problems instead of traveling to Santa Fe and elsewhere to make so many appearances. But the problems are in New Mexico and in Michigan and in California and in New York and the other 46 states; in everyone of the 50 states of our great Union. And quite frankly, I've learned a great deal

more by traveling -- some 105,000 miles since December 6 -- I've learned a great deal more than I would have by reading 100,000 pages of bureaucratic jargon reports in the Nation's capitol. As a matter of fact, I think I do my homework by traveling. I have an answer. My homework is out in the 50 states. I have come to Santa Fe today not so much to make a speech but to learn from you as lieutenant governors about the respective problems of your states, about the issues of Federal-State relationships, and about the perceptions of the people that you have the honor to represent. It would be a mistake for Federal officials in Washington, at least in my judgment, to isolate themselves from those throughout our nation who pay their salaries.

And, I am extremely pleased, Governor, to be in New Mexico. I had the opportunity this morning to spend most of the morning down in Los Alamos along with the two Congressmen, Manual Lujan and Harold Runnels, and fortunate, too, to have the friendship of your two fine Senators, Bill Montoya with whom I served in the House, and Senator Pete Domenici whom I've known in politics over the years even before he came to the nation's capitol as your Senator. Your state demonstrates the diversity of cultures that make up our America. It is a State of Spanish-speaking people, American Indians, and the so-called Anglo community. It is also a State where there is unity in diversity. New Mexico, as a consequence, could become a showcase for our entire Nation.

No country as diverse as the United States can be effectively governed with the very rigid sameness of categorical standards imposed from Washington, D. C. I feel very strongly Americans must never be reduced to computerized robots by a single center of power. Let us look instead to a partnership of decentralization. Let us have faith in the concept of New Federalism, which I think most of us recognize is important and is working. Let us not only look at national goals but at local options

whether on education, crime control, or other powers reserved to the States by the Constitution. Let us look to local innovation and individual responsibility.

The power of the Federal government has been growing in inverse proportion to the declining authority of the state capitols. This rapidly growing hegemony of Federal power reached its apex in the 1960's. Then the proliferation of Federal categorical grant-in-aid programs threatened to turn State capitols into regional offices of the Federal Executive Branch's mushrooming departments and agencies. We've done much in the last five years to turn that trend around. It was done through the action by the Congress in enacting Federal Revenue Sharing--what we call General Revenue Sharing. Recommended by the President in '69 and in '70, but gotten through the House and Senate in Washington through the total cooperation of State Governors, Lieutenant Governors, State Legislators, locally elected public officials. It was one of the best coordinated efforts I've ever seen. Considering the roadblock that was in the way, the power structure in Washington in the multitude of bureaus didn't want it and for good reason. And so it took a grass roots effort across the full political spectrum to achieve what the President proposed in '69 and '70. But the net result has been a reversal of this flow of power. We have reversed the direction of that power flow from Washington back to state and local units of government. But, unfortunately, the achievements have been obscured by unrelated controversies in Washington that have occupied national attention. Now that we are about at the midpoint in the five-year span of General Revenue Sharing, we -- and I include you as Lieutenant Governors, Governors, Governor King and locally elected officials-- we in the broadest sense must be alert right now to a behind-the-scenes effort that is being made by those who didn't want General Revenue Sharing in the

first place, people who are beginning a campaign now to kill it at the end of the five-year term...if not kill it then to so badly cripple it that it will in effect end up another categorical grant program.

As we approach the National Bicentennial let us recall the Constitutional motivation explicit in the preamble of the Constitution. The purposes of that relationship of the States specifically included the intention "to form a more perfect union".

The union actually exists because of the States, BECAUSE of the states, and for the States. It is from the states actually that the Union receives and retains its power. It is upon the states that the Union confers its strengths and bestows its benefits. I think this is an historic truth that must be restored to focus. It is a need demonstrated by the excesses of Federal problem solving -- and in fact I say problem-creating -- of the last few decades.

It has been the President's general philosophy in developing New Federalism to concentrate on the appropriateness of a given level of government to perform a given task and to meet a given need. The record shows we have learned some hard lessons. This has been especially true of some of our social problems. Answers didn't come from the dumping of tax dollars on top of the problem, as some have advocated. Nor did we solve problems by mobilizing armies of Federal bureaucrats, commissioned to smother the issue under a deluge of processed bureaucratic paper.

The results of such approaches is too often seen in the inflation of the economy and cost of government. We have not experienced a deflation of the problems nor the difficulties. But we have learned with General Revenue Sharing how to do things better.

One example is the Federal Assistance Review plan. It was designed to improve the operation of the Federal grant system. The road to Federal

aid, most of us would agree, had become an obstacle course, negotiable only by a new class of professional athletes known as grantsmen. They speak a very special jargon of grant narratives, guidelines, program evaluations, and matching shares. The flow of Federal aid loses much energy and effectiveness when it hits the dam of salaries, fees, contingencies, corollaries, and support data.

The Federal Assistance Review program improved Federal programs. It improved not only the programs but the manner of implementation. State and local governments were able to do a better job. Review procedures for grant applications were greatly simplified. Regional boundaries were standardized. Other improved procedures were instituted.

It's been my privilege on three occasions now to meet with regional councils, the individuals who represent the various federal agencies in a particular geographical area, to listen to their report on the progress they've tried to make in their contacts with Governors, state legislators and local officials. And it's my judgment that these regional councils can be helpful to you. I hope and trust they are, and if they're not I hope you will feel free to let me know.

The President in supplementing this overall effort has continued to press for additional approval of a more effective and simplified revenue sharing program. It's now better known in Washington jargon as special revenue sharing, or block grants. But the Congress thus far has failed to act affirmatively on this legislation in the areas of education and community development. I hope and trust the Congress will pass it in both cases because it is extremely important to have a simplification of categorical grant programs in both instances. It looks like we have a fair opportunity to achieve success in both cases.

A prime motivation behind general revenue sharing was a fiscal crisis in a number of States. The remedy worked. A recent survey disclosed that 49 of the 50 states -- every state but Massachusetts -- ended fiscal year 1974 with a budget surplus. It also appears that every state except one will be able to avoid imposing any new or higher taxes in fiscal year 1975 to meet fiscal needs. I think general revenue sharing was a contributing factor. It certainly was helpful.

We can only speculate, however, on the further good effects that could have been achieved if Administration plans for special revenue sharing had been adopted last year or earlier this year.

Since I'm an optimist, I hope that action will be taken on special revenue sharing in the next month or two in both education and community development. It would be my hope that you could have the benefits in fiscal 1975.

The overall progress of New Federalism on a very personal basis gratifies me very greatly because I, along with a number on our side of the aisle and others on the other side of the aisle, started in the late 60's promoting the idea of General Revenue Sharing. Most of the people who were in opposition at that time almost ridiculed us because they never thought it would come to pass. We as a group felt then that the dispersal of power and the sharing of responsibility would result not only in desirable decentralization of government but also in better management. And I think the facts speak for themselves since the enactment of general revenue sharing.

The various states now await the full dawn of the new age of creative Federalism. I think it's certain to come unless we retreat to the old discredited relationship where federal bureaucrats knew all the answers, or at least thought they did.

We can avoid that retreat if we stand united in the future as we did in the past. I certainly wish you well in your responsibilities, and as we proceed to study state and local and federal government -- whatever changes take place in the institutional structure of the state and federal governments -- I hope they don't do away with Vice Presidents and, of course, Lieutenant Governors. Thank you very much.

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Jill

CONFERENCE OF LIEUTENANT GOVERNORS
SANTA FE, NEW MEXICO
JULY 12, 1974



Thank you very much Governor King, Lieutenant Governors, my former colleagues in the House of Representatives, Manual Lujan and Harold Runnels, distinguished guests, ladies and gentlemen. I spent 25 years trying to be Speaker of the House, and I ended up as presiding officer of the U. S. Senate, where I found after I arrived that I couldn't speak. So it's nice to be in a Senate chamber where I can speak. And, it's particularly pleasant and enjoyable for me to be in the state of New Mexico and to be warmly welcomed by the Governor and the members of the Lieutenant Governor's Conference. I am particularly pleased to have an opportunity to say a few words to those of you like myself who occupy a position half in and half out of the Executive and Legislative branches. I might say in passing that the Number Two men have a lot in common. We try harder. And yet, we face the same frustrations and the same challenges.

And, I'll give you the same advice that I get. Be your own man. Remember the importance of your position -- not its limitations -- in ~~the~~ terms of ^{the} public trust, ~~and~~ each and everyone of us, whether we're in a State Capitol or in the National Capitol, have a very high public trust.

I have also been given advice that I should remain in Washington and work on national problems instead of traveling to Santa Fe and elsewhere to make so many appearances. But the problems are in New Mexico and in Michigan and in California and in New York and the other 46 states; in everyone of the 50 states of our great Union. ^{Frankly} I ~~have~~ learned a great deal more by

and quite frankly I have

traveling -- some 105,000 miles since December 6 -- I've learned a great deal more than I would have by reading 100,000 pages of bureaucratic jargon reports in the Nation's capitol. As a matter of fact, I think I do my homework by traveling. I have an answer. My homework is out in the 50 states. I have come to Santa Fe today not so much to make a speech but to learn from you as lieutenant governors about the respective problems of your States, about the issues of Federal-State relationships, and about the perceptions of the people that you have the honor to represent. It would be a mistake for Federal officials in Washington, at least in my judgment, to isolate themselves from those throughout our nation who pay their salaries.

And, I am extremely pleased, Governor, to be in New Mexico. I had the opportunity this morning to spend most of the morning down in Los Alamos along with the two Congressmen, Manual Lujan and Harold Runnels, and fortunate, too, to have the friendship of your two fine Senators, Bill Montoya with whom I served in the House, and Senator Pete Domenici who I've known in politics over the years even before he came to the nation's capitol as your Senator. Your state ~~represents, or really~~ demonstrates ~~in my judgment~~ the diversity of cultures that make up our America. It is a State of Spanish-speaking ~~people~~ people, American Indians, and the so-called Anglo community. It is also a State where there is unity in diversity. New Mexico, as a consequence, could become a showcase for our entire Nation.

No country as diverse as the United States can be effectively governed with the very rigid sameness of categorical standards imposed from Washington, D. C. I feel very strongly Americans must never be reduced to computerized robots by a single center of power. Let us look instead to a partnership of decentralization. Let us have ~~a~~ faith ~~as a consequence~~ in the concept of New Federalism, which I think most of us recognize ~~as~~ important and is working. Let us not only look at national goals but at local options



==whether on education, crime control, or other powers reserved to the States by the Constitution. Let us look ~~to~~ to local innovation and individual responsibility.

The power of the Federal government has been growing in inverse ~~proportion~~ proportion to the ~~declining~~ declining authority of the state capitols. This rapidly growing hegemony of Federal power reached its ~~apex~~ apex in the 1960's. Then the proliferation of Federal ~~categorical~~ categorical grant-in-aid programs threatened, I think most of us admit this, threatened to turn State capitols into regional offices of the Federal Executive Branch's mushrooming departments and ~~various~~ various agencies. Now we've done much in the last five years to turn that trend around. It was done through the action by the Congress in enacting Federal Revenue Sharing. ~~What~~ What we call General Revenue Sharing.

Recommended

~~Regarded~~ by the President in '69 and in '70 but gotten through the House and the Senate in Washington through the total cooperation of State Governors, Lieutenant Governors, State Legislators, locally elected public officials.

It was one of the best coordinated efforts I've ever seen. ~~Considering~~ Considering the roadblock that was in the way, the power structure in Washington in the multitude of bureaus ~~didn't~~ didn't want it and for good reason. And so it took a grass roots effort across the full political spectrum to achieve what the President proposed in '69 and '70. But the net result has been a reversal of this flow of power. We have reversed the direction of that power flow from Washington back to state and local units of government. But, unfortunately, the achievements have been obscured by unrelated controversies in

Washington that have occupie^d national attention. ~~It's my judgment that if we~~

Now that

~~as~~ we are about at the midpoint ⁱⁿ of the five-year ~~span~~ *life span* of General Revenue Sharing, ~~that~~ we, I include you as Lieutenant Governo^rs, Governo^rs, Governo^r King and

locally elected officials, we in the broadest sense must be alert right now to



a behind-the-scenes effort that is being made by those who didn't want General Revenue Sharing in the first place, ^{people} who are beginning a campaign now to kill it at the end of the five-year term... ^{then} If not kill it, ^{that} to so badly cripple it, it will in effect end up another categorical grant program.

~~Now~~ ^I as we approach the National Bicentennial let us recall, ~~I~~ think it's helpful, the Constitutional motivation explicit in the preamble of the Constitution. The purposes of that relationship of the States specifically included the intention "to form a more perfect union".

The union actually exists because of the States, BECAUSE of the states, and for the States. It is from the ~~S~~ates actually that the Union receives and retains its power. It is upon the States that the Union confer^s its strengths and bestows its benefits. I think this is an historic truth that must be restored to focus. It is a need demonstrated by the excesses of ~~the~~ Federal problem solving -- and in fact I say problem-creating -- of the last few decades.

It has been the President's general philosophy in developing New Federalism to concentrate on the appropriateness of a given level of government to perform a given task and to meet a given need. The record shows we ^{have} learned some hard lessons, ~~we've learned them the hard way.~~ And, ~~This~~ has been especially true of some of our social problems. Answers didn't come from, ~~I think~~ ~~the record also shows,~~ from the dumping of tax dollars on top of the problem, as some have advocated. Nor did we solve problems by mobilizing armies of Federal bureaucrats, commissioned to smother the issue under a deluge of processed bureaucratic paper.

The results of such approaches is too often seen in the inflation of the economy and cost of government. We have not experienced ^{a deluge} a deluge of the problems nor the difficulties. But we have learned ~~I think~~ ^{I think} with General Revenue sharing how to do things better.



One example is the Federal Assistance Review plan. It was designed to improve the operation of the Federal grant system. The road to Federal aid, ~~actually~~ most of us would agree, had become an obstacle course, negotiable only by a new class of professional athletes known as grantsmen. They speak a very special jargon of grant narratives, guidelines, program evaluations, and matching shares. The flow of Federal aid loses much energy and effectiveness when it hits the dam of salaries, fees, contingencies, corollaries, and support data.

The Federal Assistance Review program improved Federal programs. It improved not only the programs but the manner of implementation. State and local governments were able to do a better job. Review procedures for grant applications were greatly simplified. Regional boundaries were standardized. Other improved procedures were instituted.

It's been my privilege on three occasions now to meet with regional councils, the individuals who represent the various federal agencies in a particular geographical area, to listen to ~~and~~ ^{their} report on the progress ~~that~~ they've tried to make in ~~their~~ their contacts with Governors, state legislators and local officials. And it's my judgment that this ^{regional} ~~federal~~ council ^{in these regional areas} can be helpful to you, ~~and~~ I hope ~~that~~ and trust they are, and if they're not, I hope you will feel free to let me know.

The President in supplementing this overall effort has continued to press for additional approval of a more effective and simplified revenue sharing program. It's now better ~~known~~ known in Washington jargon as special revenue sharing, or block grants ~~is you will~~. But the Congress thus far ~~and I emphasize thus far~~, has failed to act affirmatively ^{this} on legislation in the ~~proposals~~ ^{areas} of education and community development. I hope and trust

The various states now await the full dawn of the new age of creative Federalism. ~~xxx~~ I think ~~it's~~ certain to come unless we retreat and ~~I undermine~~ ~~underline retreat~~ to the old discredited relationship where federal bureaucrats knew all the answers, or at least thought they did.

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QUESTION AND ANSWER
FOLLOWING THE VICE PRESIDENT'S SPEECH TO
THE CONFERENCE OF LIEUTENANT GOVERNORS

Q---Mr. Vice President, I've heard the rumblings in Washington of a mounting conspiracy to do away with General Revenue Sharing, but from where we are in the state capitols, it's still a dim rumble, an occasional column by Dave Broder or something like that. Can you specify what precisely is going on, who's doing it and how they're trying to do it?

A---Well Governor Lee, I've read in Washington area papers the same stories that you've read. I talked to members of the Congress, primarily those in this instance who were our opponents, who didn't want General Revenue Sharing, and on a confidential basis they tell me of certain lobbying groups, some of the federal government employee organizations for one, because they had a built-in justification for the continuation of a growing federal bureaucracy, and they want to help recapture that money and authority so that they can continue the power buildup in Washington. There are I'm sure a number of the trade associations that justified jobs in Washington, and thereby justified their own jobs in Washington, who wanted to have the broad guidelines for any of these programs determined in Washington because it was their job or their office. If you decentralize some of these burgeoning trade associations in Washington, they are going to lose their claim to power, because the decision-making goes out to Annapolis, or Lansing, or here in Santa Fe. So it's sort of a quiet, but I happen to think, sinister effort that's being made. And what I fear is that it will surface too late so that the governors, lieutenant governors, state legislators and others will be caught unawares.

I'd rather be prepared for the battle than to get caught napping. And that's why wherever I go, whether it's with mayors, or county supervisors, or township officials, I talk about the danger that they better be alerted to.

Q----Mr. Vice President, assuming the House Judiciary Committee votes to impeach the President, from your vantage point, do you have any idea how long it will be before the country's over the Watergate syndrome?

A----I don't know whether others heard the question or not, but the best guess I have as to when the House Judiciary Committee will conclude and vote either up or down a resolution of impeachment is probably the first week or ten days in August. Now that may be delayed if the Committee gets through the Supreme Court decision additional tapes. If they get that order and they get the tapes and if they then proceed to analyze those tapes, I'm sure that would delay it at least a month. But on the assumption that either they won't get the tapes or they won't study the tapes if they do get them, but on the time schedule that I gave you first, the first week or ten days of August it would be my judgment that if the resolution is approved by the Committee, it would come to the House sometime the third week in August. And they're anticipating a full week's debate in the House of Representatives. So on that time schedule, I would say the House action would be concluded around Labor Day.

Q----I think it's fair to say, coming from our state, the greatest problem in America today is inflation. We want to be helpful, try to do something about it. Can you share with us some of the elements of the Administration's plan to try to combat inflation and particularly suggest to us some things we might do in our various states to help in that effort?

A----I spent most of the day yesterday with the President and the leaders in the Congress and with the Cabinet on the question that you raised because factually I think our biggest problem today in the country is inflation. Our every poll indicates that's the matter of gravest and greatest concern among the American people. And we have to do something about it. And even though the facts are the United States is doing better than every other major industrial country, that isn't enough. And I can assure you it doesn't satisfy our constituents that we're doing better than Britian and Spain and France and the rest of the countries. We are, but it's not good enough. So we have to come up with something that will be reassuring and will indicate to the American people that there is a plan. Now the President's going to, I think in the next week or so, set forth the specifics and I don't mean to pre-empt him here and I don't think I am. These are to a large extent my own views. I believe, No. 1, we have to recognize that inflation is our major problem. We have to recognize that the federal government can do some things, but it can't do all of the things. It will require a great deal of sacrifice by government, by labor, by management, by everybody. It's a total effort that is required. Now, the government can do some of these things. The federal reserve board, which controls more or less the supply of money and rates of interest, has a tough policy now. I hope they don't have too tough a policy too long. It may be necessary on the short haul, but I hope it's not too tough too long. From the point of view of fiscal policy, it's my judgment that the Congress and the Executive Branch will not reimpose wage and price controls. The Congress and the Executive Branch, I think, got a good lesson in economics where wage and price controls are not the way to solve the problem. That combination probably accentuates the problem in this society in which we operate. Number 2: I believe that the federal government, in the environment we're in today, has to make a maximum

effort to balance our federal budget. And this means some sacrifices in many federal agencies, and it will mean some sacrifice at state level. It will mean some sacrifice at the local level. It will not mean a cutback in General Revenue Sharing. That's a formula disbursement. But on some of the other programs, if Uncle Sam is going to tighten his budget and balance it, which I think is mandatory, it means that there could be and will be less money distributed in some of these grant-in-aid programs from the federal government to state governments and to local units of government. We can't balance the federal budget if we're going to distribute more money to state and local units of government. It just can't work mathematically, whether it's old or new mathematics. So as we make our effort and I can assure you we will, you'll have to be cooperative and join us in tightening some of your belts if we're going to call upon this country across the board. Labor cannot ask for too much, or management not give too much. And if you're going to ask people to join in the battle of inflation, government has to do it too, whether it's at the Federal or the state or the local level. I think we can continue to be better off inflation-wise than any other government and a lot better off than we are today. One other thing. There have been some rumors that one approach to solving inflation was a tax increase. There isn't going to be any tax increase. I might add the corollary, there isn't going to be any tax reduction either. (Laughter) So all we have to do is show a little restraint, a little self-sacrifice, and that means government and everybody, and if we do we can win this battle which is essential and necessary.

Q----Lieutenant Governors were fortunate enough, I think, to get the jump on many on the energy problem. Can you tell us whether we're on course with independent studies?

A----I noticed with pleasure that the Lieutenant Governors were active early and I commend you for it in trying to do something in the energy field. I just swore in the new energy czar, yesterday I guess it was. He has the major problem at the federal level to get our programs going. He's been acting. He's been working, but he hadn't been sworn in yet. I think you are on the right track. And in this area if we do as well in the months ahead as the American people have done in the last six months, we're going to lick the energy crisis. The American people responded unbelievably well. They conserved about 12% in gasoline beyond or below the anticipated use. Industry and people as a whole in the heating oil area and the industrial oil area did a great job. What we have to do now is to press in the fields of energy production. We have to find a way to expand our own exploration for oil and gas. We have to expand our utilization of coal, make it cleaner so it's acceptable under reasonable environment standards. We have to expand our research development in geothermal efforts. I was down in Los Alamos this morning and saw some projects there that are extremely interesting. We have to do more in my judgment in nuclear power development. In the long run, the most certain extra supply of energy, electrical energy primarily, is in nuclear power development. And some great strides have been made down in Los Alamos and other AEC installations. And let me say, I know I may be treading on some tender feet here, but don't handicap nuclear power development by categorically saying that a nuclear power plant can't come into your state. That would be, I think, unwise for your state and not helpful in the overall. There are safe and there will be safer nuclear power plant developments. And that is the most certain extra dividend as far as electrical energy is concerned. These are in broad terms the things we have to do. I know that the Lieutenant Governors have done things within these broad guidelines and I urge you to continue.

Q----Going back to budgetary problems for a moment, with your 23 years in Congress, could you give us how you think this new Congressional budget legislation will work and what effect it will have?

A----The question is how will the new budget bill work --- the bill the President signed this morning or at least he was going to as of 5:30 yesterday and I'm sure he did. This is a new approach to budgeting. A new approach to expenditures appropriations by the Congress. It has great promise and great expectations, and believe me, I hope it works. I served on the Committee on Appropriations for 14 years before I became Minority Leader. I saw during that 23-year period a slipping away of the capability of the Congress to be a partner in handling federal funds. In this new approach -- which is a joint committee of 24 members, half in the House, half in the Senate -- in my judgment, if the right people are appointed, and I'm optimistic that they will be, and if they do their job, which I'm optimistic that I think they will, this could be a great boon to the more effective, efficient, economical utilization of federal tax dollars. Now, some of this new budgeting procedure as far as the House and Senate are concerned does not come into effect until fiscal '77. But there are some provisions that come into effect immediately with the signing of this bill by the President. And there are some interesting provisions there. As all of you know, we had a big battle about impoundments in law suits. And the courts have made decisions, and an interesting part of this new legislation provides a procedure whereby the Congress, if there is any impoundment can either approve or disapprove. Now there are several varieties of impoundments. One is deferrals. And there's a particular procedure if the President says he is deferring the obligation or the money or the expenditure of the appropriation. Then the Congress has a method for rejecting that deferral. If it is a

rescission by the President, then there is another procedure. But this legislation for the first time in the history of the United States, I believe, in effect gives a President a line-item veto because he can either defer or rescind and he can impound in the process. Now this, some people may not like, but this is what it does. And I happen to think that overall it's good.

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