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THE WHITE HOUSE

WASHINGTON

October 14, 1976 ^{1976 OCT 15} AM 8 12

MEMORANDUM FOR: JIM CANNON
FROM: STEVE McCONAHEY *SGM*
SUBJECT: NACo Newsletter for
the President

Attached is a recent copy of the NACo Newsletter in which a tribute is made to the President for his role in the passage of General Revenue Sharing.

I think that the President should see a copy of this and have included a draft memo for your signature.

Attachments



type info. in upper corner

12-9

THE WHITE HOUSE

INFORMATION

WASHINGTON

October 18, 1976

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JAMES CANNON

SUBJECT:

Newsletter of the
National Association
of Counties

Attached is a recent copy of the newsletter of the National Association of Counties. From their articles and tribute to you on the final page, they clearly recognize your role in the passage of General Revenue Sharing.

Attachment





ADVISORY
COMMISSION ON INTERGOVERNMENTAL RELATIONS
WASHINGTON, D.C. 20575

October 18, 1976

176 OCT 20 1976 23

*later -
Int.*

MEMORANDUM

TO: ALL COMMISSION MEMBERS

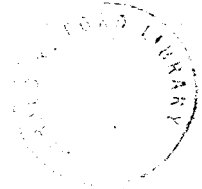
FROM: Wayne F. Anderson
Executive Director *WFA*

SUBJECT: Confirmation of Date for Next ACIR Meeting

Chairman Merriam has now approved holding the next ACIR meeting on December 16 and 17, in Washington, D.C. Docket books and other materials will, of course, follow as usual, and we will be checking with you well in advance concerning attendance and related matters.

OK

Merriam



October 19, 1976

1976 OCT 19 PM 6 32

JG
f.

TO: JIM CANNON
FROM: STEVE MCCONAHEY
SUBJECT: Payments in Lieu of Taxes

I want to restate my strong belief that it would be politically unwise for the President to veto the "Payment in Lieu of Taxes Bill".

I am convinced that upon their return, Congress would take action to pass this legislation over his objection. Moreover, this bill has extraordinary support from state and local officials in key western states. A veto of the bill could well undercut the positive benefits gained from general revenue sharing action.



102023

THE WHITE HOUSE

f.
ACTION

WASHINGTON

October 19, 1976

1 8 05

MEMORANDUM FOR: JIM CANNON
FROM: STEVE McCONAHEY *SGM*
SUBJECT: D.C. Commuter Tax

Several days ago we received a letter from Chairman Herrity of Fairfax County asking for a statement of the President's position on a commuter tax for Maryland and Virginia residents working in the District of Columbia (Attachment A). After checking with OMB and others, it was concluded that our position should be neutral and that we should indicate it is being watched and studied, noting that final Congressional action has not taken place. However, I received a call from Max Friedersdorf's office indicating that this question does have political overtones given the fact that the President stated his opposition to a Maryland delegate during the primary campaign. In his statement (see Attachment B), the President indicated that under ^{current} circumstances he would not favor the bill and ~~would~~ veto it. This statement was also reported in the press.

It is my understanding that this comment by the President has not been formalized into an Administration position. However, more inquiries are arriving from Northern Virginia and it appears that we will have to take a clear position.

This issue has not been studied to a great extent by OMB or by anyone else on the White House staff. Therefore, it would be difficult at this time to give a detailed analysis, and my hunch is that it would still come down to a political level, particularly given our stand of remaining neutral to most District of Columbia related issues.

Friedersdorf has asked that I draft a letter from the President to Chairman Herrity stating our opposition to the tax. (Attachment C) I have attached a draft letter for your review. I need your guidance on this issue and letter. Please note Herrity has written to Carter asking for his position (see Attachment D).

APPROVE _____

DISAPPROVE _____

Attachments

QUERN RECOMMENDS APPROVAL

READING

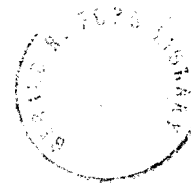


ADVISORY
COMMISSION ON INTERGOVERNMENTAL RELATIONS

WASHINGTON, D.C. 20575

October 20, 1976

1976 OCT 23 AM 9 13



MEMORANDUM

To: Members of the Advisory Commission on Intergovernmental Relations

From: Wayne F. Anderson, Executive Director

Re: Recent ACIR Press Coverage

WFA

Enclosed are sample clippings of ACIR press coverage in recent months. Dominating this collection are stories based on ACIR's "best sellers," Significant Features in Fiscal Federalism and 1976 Changing Public Attitudes on Governments and Taxes.

Significant Features was quoted in news stories and editorials in 16 newspapers in 11 states including the Miami Herald, Toledo Blade, Philadelphia Bulletin, and the Baltimore Sun. It was also cited in syndicated columns by M. Stanton Evans and William Randolph Hearst Jr.

ACIR's 1976 poll was quoted in a story syndicated by Gannett News Service, in the Chicago Daily News, Philadelphia Inquirer, Money Manager, Human Events, and in at least five small newspapers.

Other news clippings attached deal with ACIR's indexation recommendations, military taxation study, and State Actions 1975.

Also included in this packet are articles featuring two Commission members: an Alan Otten column in the Wall Street Journal on Governor Evans and a New York Times story on F. Clifton White.

102805

10-14-76

- 2 -

THE WALL STREET JOURNAL

Politics & People

By ALAN L. OTTEN

Job Well Done

OLYMPIA. One of the nation's chief

In a long list of accomplishments as governor, often extracted patiently from a grudging Democratic legislature, Mr. Evans is proudest of a far-reaching package of environmental laws. "Environmental protection," he asserts, "is something we in Washington did well and early. Now we're at a point where we can confidently say that our air is cleaner, our water is purer, our shoreline and land base are protected—and all are improving rather than deteriorating."

Another boast: 12 years of scandal-free administration. In fact, he says, "that's probably worth more than anything else, to set a standard for government and hope it will carry on." Politicians and

A special Republican opportunity, he suggests, may lie in trying to bring into the political process those men and women who have never participated or have dropped out. "So many people," he says, "believe their views don't matter any more, so why get involved. Get people back to believing in the political process, and taking part in it, and we Republicans will get more than our fair share of them."

In his home state, he's pushed a variety of actions to involve the public in government. One of the most innovative. Altern-

Frederick Clifton White

By JAMES T. WOOTEN
Special to The New York Times



little or no chance of winning
his party's nomination over

Taxes Taking More Of This Country's National Product

**Report Discloses
A Smaller Share
Going To Defense**

By FRANK KANE

Where did most of the increase in federal domestic spending come? In Social Security, which went from 1 per cent of the gross national product in 1954 to 5.8 per cent in 1976. And in federal aid to state and local governments, which rose from 0.8 per cent of GNP in 1954 to 3.5 per cent today.

ST. JOSEPH, MO.
GAZETTE
D. 44,500

SEP 21 1976

Handwritten mark

PAGE ONE

What's middle income? Candidates continue the debate

By The Associated Press

on issues, repeated later that the people, the Census Bureau has another described the average family as having an

Herald Advertiser

9-19-76

Editor's Report

PAGE ONE

By *William Randolph Hearst*

The costs of government

ADVISORY COMM.

NEW YORK — The

Today, with the deliberate intention of making

LIMA, OHIO

NEWS

W. 3:30 P.M. 15.6/4

SEP 2 1976

By Keller

Where your money goes



By M. Stanton Evans

The Sunday Bulletin
PHILADELPHIA, PA.
SUN. 701,743

AUG 22 1976

Bulletin



Louis
Rukeyser

**Federal
Gov't.—
A Piker?**

EDITORIALS

When It Comes to Taxes, Local Government's No Help

ALL HAIL, Suh, the resolution of the only because "somebody has to take

The Miami Herald

MIAMI, FLA.

D. 384,824 SUN. 486.568

SEP 5 1976

B.K.

THE SUN

BALTIMORE, MD.

(MORNING)

D. 183,549 SUN. 351,849

AUG 7 1976

By Keller

Taxpayers' Revolt

San Antonio Express

SAN ANTONIO, TEXAS

D. 78,032

AUG 6 1976 *By Radio*

Tax load increases hit low group first

PENSACOLA, FLA.
NEWS
D. 23,000

AUG 11 1976

Byfall

Healthy Trend

THE MORNING NEWS

PATERSON, N. J.

DAILY 28,698

- 14 -

AUG 25 1976

S. K. L.
106

Look Who's Spending!

PORT ARTHUR, TEXAS

NEWS

D. 27,500

AUG 26 1976 *B.K.L.*

Look who's doing the spending

MACOMB, ILL.
JOURNAL
D. 11.500

AUG 24 1976

B.K.H.

Government Spending

Our Sources Of Income

Where does the federal government get its income? The answer is given in a recent report made by a group known as the Advisory

Because the average wage earner has moved into a higher bracket (\$5,000 to

ORANGEBURG, S. C.
TIMES AND
DEMOCRAT
D. 10.500 S. 11.000

SEP 2 1976



HAZLETON, PA.
STANDARD-SPEAKER
D. 22,500

SEP 17 1976

Bjllh

It's your taxes they're spending

HUMAN EVENTS
WASHINGTON, D.C.
W. 78,250

SEP 4 1976

B. Conable

Tax Perspectives

By REP. BARBER B. CONABLE (R.-N.Y.)

Advisory Com.

Hold the Applause

Actress Rita Hayworth, with her disgust scarcely disguised, said of her ex-husband Orson Welles that the portly gentleman expected her to applaud when he stepped out of the shower.

Permit us to make the same observation of Jim Tait, who advises Florida Governor Reubin Askew on



A Sun Editorial

THE EVENING SUN

BALTIMORE, MD.

D. 201,190

AUG 10 1976

B. K. Miller

Taxes Have Gone Up in Maryland

THE EVENING SUN

BALTIMORE, MD.

D. 201,190

AUG 10 1976

Baltimore

Md. Taxes 9th Highest In U.S.

MORNING ADVOCATE

BATON ROUGE, LA.

D. 61,690 SUN. 97,167

AUG 30 1976

By Holt

Now, Just Look Who's Spending

By Hoyt Gimlin

Editorial Research Reports

Anyone who has been the least bit

1976 fiscal year amounted to 11 per cent of the national economy's entire output — its goods and services, or GNP. That figure

many of them — because federal revenue sharing expires Dec. 31 unless extended by Congress. The prospect is bright for

MARTINSVILLE, IND.
REPORTER
D. 5.000

AUG 1 8 1976

**Let's
Talk
Politics
with Al Spiers**

A Truth to Note

New tax legislation called 'absurd'

By CHARLES BREECHER

the Advisory Commission on Intergovernmental Relations, the average American family earned \$5,000 in 1953 and paid 1 per cent thereof in federal, state and local taxes. By 1975, the average gross family income had jumped to \$14,000, mostly as a consequence of inflation. On that, the tax bite had gone to 23 per cent almost twice the 1953 percentage.

Families four times as rich did better. If 1953 incomer was \$20,000, total tax payments took 20 per cent. That's a lesser percentage than what our \$14,000 family paid in 1975. And in 1975, if family income was four times as large at \$56,000, taxes took 29.5 per cent only.

Few people would want to argue that this end result of our tax legislation looks very fair or economically

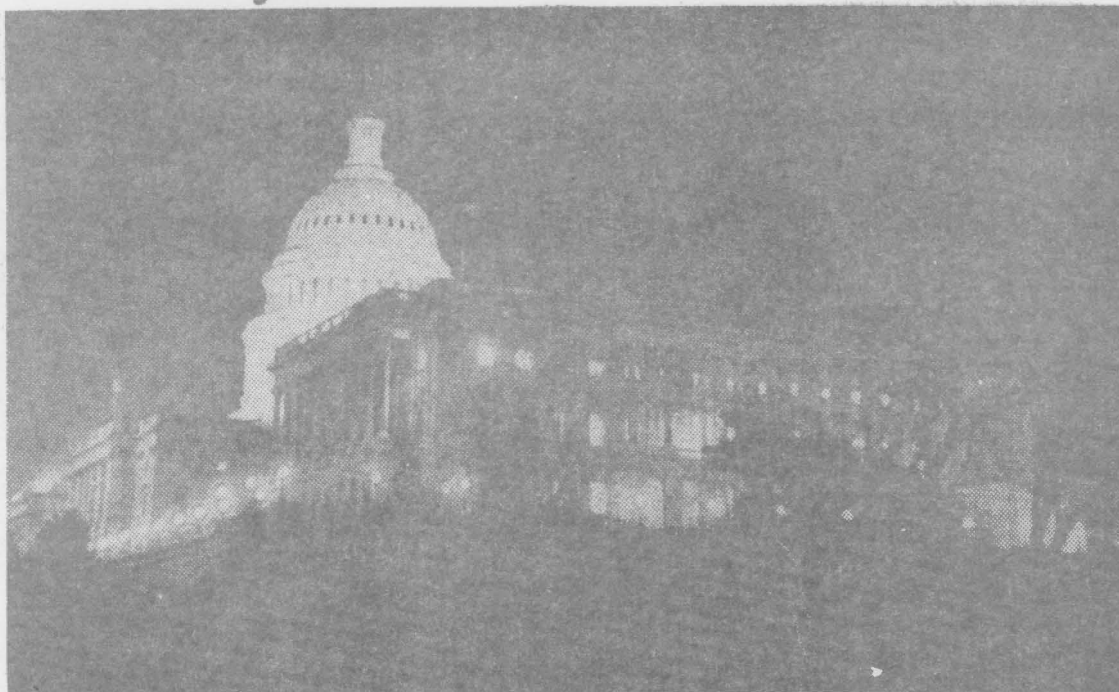
REHOBOTH, DEL.
DELAWARE COAST PRESS
WEEKLY

AUG 26 1976 *Byfaller*

I say "reportedly", because I have not read the bill. Neither I believe

AUG 11 1976

Byfaller



Washington, most Americans believe, gives us the best buy for our tax dollars. (AP)

Uncle Sam rates tops for tax dollar return

Philadelphia Inquirer
PHILADELPHIA, PA.
D. 463,503 SUN. 267,810

AUG 6, 1976

By Heller

48 percent of Americans favor federal aid to hard-pressed cities.

Forty percent opposed federal help for cities in financial trouble, according to a nationwide survey commissioned by the federal Advisory Commission on Intergovernmental Relations. The survey was based on interviews with 2,127 adults conducted between March 10 and April 2 by Opinion Research Corp. of Princeton, N.J. The survey also found that most persons would prefer higher sales taxes to either higher income or property taxes.

Long Island Press

JAMAICA, N. Y.

D. 441,961 SUN. 423,790

AUG 18 1976

By Sullivan

**A surprise winner
in popularity test**

HUMAN EVENTS
WASHINGTON, D.C.
W. 78,250

SEP 11 1976 *Byll*

The much-maligned Washington bureaucracy has done surprisingly well in a poll of public attitudes toward value received from government jurisdictions by the Advisory Commission for Intergovernmental Relations. Asked, "From which level of government do you get the most for your money?", 36 per cent of those responding cited Washington.

The Observer-Dispatch

UTICA, N. Y.

D. 45,005 SUN. 58,143

AUG 29 1976 *Byline*



The Albany Angle

Gannett News Service

JOHN OMICINSKI

BROWNSVILLE, TEXAS
HERALD
D. 7,500

AUG 13 1976 *B. Keller*

***Federal Government
'Best Buy' In Taxes?***

SALISBURY, MD.
TIMES
D. 28,500

AUG 15 1976

Engelstein

Poll Indicates People's View On Government

By **JUDY BURKE**
Times Washington Bureau

want to decrease services &
taxes, while 51 per cent want
keep them as they are.

MONEY MANAGER
NEW YORK, N. Y.
W. CIRC. N. AVAIL

- 34 -

AUG 30 1976 *Byfella*

Payment of Tax Money to U.S. Government Preferred Over States, Cities, Poll Shows

LANCASTER, OHIO
EAGLE-GAZETTE
D. 18,000

AUG 18 1976

Aug 18 1976

Wrong Inference

9-8-76

BRIEFS: The Advisory Commission on Intergovernmental Relations, made up of officials from federal, state and local governments, urges Congress to "index" federal income taxes. Tax brackets, exemptions and other provisions set at fixed amounts would automatically be adjusted in keeping with general price-level changes. . . . One company's petition to the Tax Court was dismissed as filed too late even though it was postmarked before the deadline. For a postmark to count, tax law says it must be a U.S. postmark, and this petition was mailed from Canada.

DELAWARE, OHIO
GAZETTE
D. 7,000

SEP 9 1976

Bill

TAFT FAVORS
END TO EFFECTS
ON INFLATION ON TAX TAKE

Taft favors end to effects on inflation on tax take

ATHENS, TEXAS
REVIEW
D. 4,000

AUG 20 1976

Rfk

Inflation's Hidden Bite

MIDLAND, TEXAS
REPORTER-
TELEGRAM
D. 19,000



AUG 25 1976 *B.H.*

A sound solution

Many of the nation's families, enjoying annual pay raises pegged to the cost-of-living or beneficiaries of automatic cost-of-living hikes, are dumbfounded to discover that they still can't cope with inflation.

The problem is that taxes also are subject to inflation. But they don't show up in consumer price indexes.

Wage boosts often bring with them a leap to a higher tax bracket, increased Social Security assessments and alterations in allowable credits and deductions.

The Advisory Commission on Intergovernmental Relations, a permanent, bipartisan group of federal and local officials, is considering a recommendation to Congress this fall to "index" all segments of federal and state tax structures.

But government's expenses are bloated by inflation, too, and deficits resulting from lost revenue feed further inflation.

One solution might be for the governments to take a good, hard look at questionable programs with the goal of cutting spending proportionately.

Servicemen Avoiding Taxes, Study Shows

United Press International

A significant number of career servicemen shop around for "home states" where they don't have to pay state income taxes, according to Pentagon statistics made public yesterday.

The figures show a disproportionate number of higher-paid servicemen claimed 10 states, which do not have a broad-based personal income taxes, as their homes for tax purposes in 1974.

Rep. Les Aspin (D-Wis.) made public the figures supplied by the Defense Department to the Advisory Commission on Intergovernmental Relations.

"We should not condemn the men taking advantage of this loophole when big business enjoys its tax havens, too," Aspin said. "But we should plug the loophole."

According to Pentagon figures of all Army personnel, 44 per cent claimed one of the 10 non-tax states as home for tax purposes, although only 19 per cent of the U.S. population lived in those 10.

Similarly high figures were found for the other services, he said, when servicemen making less than \$10,000 were eliminated to confine the statistics largely to career personnel. The Air Force found a claim rate 33 per cent higher than would be proportionate, the Navy 24 per cent higher and Marines 21 per cent higher. The Army had no careerist figures.

The commission said the "data suggest strongly . . . that significant numbers take advantage of the opportunity to avoid state income taxes through domicile selection."

The 10 states that did not have a broad-based personal income tax in 1974 were Connecticut, Florida, Nevada, New Hampshire, New Jersey, South Dakota, Tennessee, Texas, Washington and Wyoming, Aspin said.

San Antonio Express

SAN ANTONIO, TEXAS

D. 78.032

SEP 15 1976

B. K. L.

\$4.5 million spent for bases' tobacco

By DAVID McLEMORE

products to unauthorized buyers has become a signi-

change
Schultz said.

purchases."

be the reason for the large volume of sales for tobacco products.

Advisory Commission discusses taxes, inflation

Taxes and the effect of inflation upon taxes occupied the Advisory Commission on Intergovernmental Relations in Rapid City Monday.

The ACIR was established by Congress in 1959 and charged with monitoring the federal system of government and making recommendations for improvement.

The commission is composed of 26 members representing executive and legislative branches of all three levels of government. By law, the commission is made up of three U.S. senators, three congressmen, three Cabinet officials, four governors, four mayors, three state legislators, three county officials and three private citizens.

Monday's meeting was handicapped by the lack of a quorum. None of the senators or congressmen was present, and only one representative of a Cabinet official attended.

Commission staff members explained current income tax system gains "windfall" profits from inflation, but putting a dollar amount on deductions — \$750 per person — that lose value during inflationary times. Also, the staff explained, incomes increase during an inflationary period, pushing

taxpayers into higher tax brackets.

The ACIR recommended to the Congress that tax rates be adjusted annually to allow for inflation. Thus a person whose income just keeps with inflation will not lose purchasing power because he is forced to pay a higher percentage of his income in taxes.

The ACIR's stand calls for no increase in effective tax rates without overt congressional action — to allow debate by the public.

The ACIR also recommended similar steps be taken by states with income taxes.

Applying State and Local Sales Taxes To Military Post Sales Urged by ACIR



WASHINGTON — The decades-old tradition and law of exempting sales transacted on military bases from state and local taxes is a "fringe" benefit to one class of Federal employees that should be discontinued,

Citing the precedent-setting *McCulloch v. Maryland* Supreme Court ruling, Vice Admiral John G. Fineran, a Deputy Assistant Secretary of Defense, told the ACIR, "The position of the Department of Defense is that

MONEY MANAGER
NEW YORK, N. Y.
W. CIRC. N. AVAIL.

SEP 20 1976

Handwritten signature or initials in black ink, located at the bottom right of the page.

MONEY MANAGER
NEW YORK, N. Y.
W. CIRC. N. AVAIL.

AUG 23 1976 *Byfall*

States Seen Strengthening Role As Equal Partner in Government

WASHINGTON

Christian Science
Monitor 8-26

Thursday, August 26, 1971

10

financial

Inflation hard on state finances

By John D. Moorhead

Business and financial writer of
The Christian Science Monitor

Spending by federal, state and

The Shreveport Times

SHREVEPORT, LA.

D. 91,438 SUN. 121,049

AUG 26 1976

By Keller

***Illegal Cigarette
Sale Woes Cited***

United States Senate

WASHINGTON, D.C. 20510

October 20, 1976

TO: JOE JENCKES
FROM: DICK BRYAN (SENATOR HELMS)
RE: "OPERATION HEATWAVE" (GASTON COUNTY, NORTH CAROLINA)

As you requested, pursuant to our phone conversation today, here is a summary of the "Operation Heatwave" matter.

"Operation Heatwave" is a program of the Gaston Community Action, part of the Community Services Administration. Last year Heatwave spent 98% of its funds on administrative overhead (\$20,500 out of \$21,000). Despite much criticism, adverse publicity and half-hearted investigations by the Atlanta office of the CSA, GCA submitted a new budget for this year calling for 94% of the money to be spent on administrative overhead.

Sam Martinez is the head of CSA, "Sonny" Walker is in charge of the Atlanta office, and Ms. Diane Easter is Acting Director of the Gaston Community Action. All have been unconcerned and uncooperative.

The citizens of Gaston County are outraged, and rightly so, at this situation and can't understand why the Administration doesn't do something about it. Obviously, somebody needs to be kicked in the rump.

Heatwave has not only received press coverage in Gastonia, but also in adjacent Charlotte. A corrective move at this time could be politically advantageous for the campaign; besides, it's the right thing to do. If the Administration could take definitive action NOW, I could leak it to a friendly Gastonia reporter who would give it press coverage. This way it would not appear politically orchestrated.

Incidentally, the Gaston County area was a strong Reagan area during the primary largely because Reagan addressed himself to the Heatwave issue while campaigning in Charlotte and Gastonia. Thus, Action here could do nothing but help the President in Gaston County and all of North Carolina.

cc to Jack Marsh - 10/20

THE WHITE HOUSE

WASHINGTON

October 21, 1976 ¹⁰⁷⁶ OCT 21 PM 5 15

MEMORANDUM FOR: JIM CANNON
FROM: STEVE McCONAHEY
SUBJECT: Governor Longley

*Kathy Conahan
ed for*

Attached is the Longley statement and a suggested memorandum from you to the President.

Attachments

*Steve
Tranter*



THE WHITE HOUSE
WASHINGTON

Original was taken by Dr.
Cavanaugh 10/21, past 6PM.

SJ.



15

THE WHITE HOUSE

WASHINGTON

October 21, 1976

MEMORANDUM FOR: THE PRESIDENT

FROM: JIM CANNON

SUBJECT: Governor Longley's
Endorsement

As you may already know from your talk with Governor Longley of Maine last evening, he has publicly endorsed your candidacy. Attached is the text of the statement which was released to state-wide media, API and UPI at approximately 3:00 p.m. today.

I recommend that you call the Governor thanking him for his endorsement, and I recommend that PFC release a statement of appreciation and recognition of the Governors' sound management in the State of Maine.



STATEMENT BY GOVERNOR JAMES B. LONGLEY

OCTOBER 21, 1976

I have been asked on several occasions by the news media and with increasingly frequency by interested and concerned citizens how I intend to vote in the Presidential election on November 2.

I have been reluctant to publicly state my choice and preference for President because:



1. I seriously question the significance of most political endorsements.
2. As a former Democrat, now Independent, I have no desire to be a king-maker or a spoiler or to ever impliedly give the appearance of speaking for or attempting to influence the Independent voters or present or former Democrats.

2. President Ford is a known quantity. I do not feel this is the time to change a known for an unknown.
3. I believe President Ford has the best chance of continuing the peace for America.
4. I believe Americans are overburdened and over taxed due to excessive Government bureaucracy and programs that encourage welfare and unemployment that savors those who can work but who will not work. President Ford, I feel, has the best chance of turning this around and protecting the paychecks of the working men and women of America.
5. Finally, I feel there is a parallel between Harry Truman and Gerald Ford. They both succeeded to the Presidency under very difficult conditions and both performed superbly. America gave Harry Truman a chance on his own. I hope America will also give President Ford a chance on his own as he has also earned that right.



3. As the only Independent Governor in the nation I recognize, to the extent that an endorsement is important, that it could mean much more than were I a Republican or a Democrat and automatically expected to endorse the party candidate. However, I would not want my endorsement of the given candidate for President to negate any feelings I have for the importance of being an Independent and voting independently or even possibly being involved in an organized Independent movement or even a third party effort in the future.

However, primarily because of the sincere and convincing requests of President Ford and others whom I also admire and respect and in particular, President Ford's convincing me that I would be fulfilling my responsibilities as an American who has deep feelings about America; I am announcing today my intentions to vote for Gerald R. Ford for President on November 2nd.

I plan to vote for President Ford because:

1. I believe President Ford is honest and straightforward....two qualities all Americans want and need in their President today.

THE WHITE HOUSE
WASHINGTON

October 26, 1976

976 OCT 26 PM 1 47

Art Quinn
FY!
Jim

MEMORANDUM TO: DICK CHENEY

FROM: JACK MARSH

Congressman Phil Ruppe of Michigan called today to advise that AP is carrying a release published in Michigan papers indicating that Carter has made a statement that, if elected, he will not permit the Navy to build the Seafarer operation in Michigan, against the wishes of local citizens.

Ruppe considers this to be a very damaging statement, not only to his own campaign, but also to the Presidential campaign in Michigan, inasmuch as Carter has taken the popular side of the issue, which is opposition to Seafarer.

Ruppe feels that Carter's position on Seafarer, coupled with pending Administration announcements of major base closures in Michigan could have a substantial impact especially if Carter were to make some statement that he would reverse the base closing announcement.

The Congressman further advises that Secretary Clements has, in effect, given the Governor of Michigan a veto of Seafarer by apparently agreeing to obtain his concurrence before actual implementation. The Congressman believes that is inadequate in the face of the Carter statement, and is strongly requesting more supportive action by the President to hold up on this controversial program.

cc: MFriedersdorf
JCannon ✓
JCavanaugh

102614

THE WHITE HOUSE
WASHINGTON

10/28/76

Jack Welch -
you should
be aware of
this.

Jimi



8:00 folder

THE WHITE HOUSE
WASHINGTON

October 27, 1976

MEMORANDUM FOR: JIM CANNON
FROM: STEVE McCONAHEY *SM*
SUBJECT: Governor Longley's
Endorsement

As I indicated to you on the phone, Governor Longley appears to be concerned about the fact that very little has been done to acknowledge his endorsement of the President. Reading between the lines, I sense that he expected a telephone call from the President and some type of national news release in an effort to help persuade Independent voters. In talking with Jim Cavanaugh today, I learned that the President has signed a personal letter to Governor Longley, but at this point has not called him personally since the endorsement occurred. Moreover, PFC has not made any formal release of Longley's action. I have spoken with Jim Baker's office about this and they are considering some action as a result.



1-67

THE WHITE HOUSE
WASHINGTON

October 28, 1976

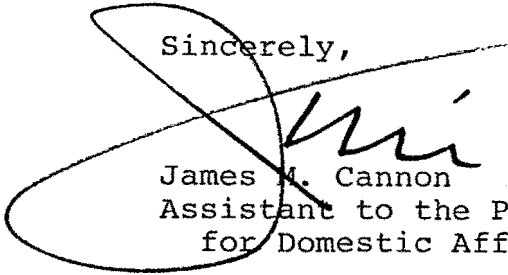
Dear Jan:

Thanks so much for your letter of October 11 enclosing information about Mayor Olson of Des Moines. His interest and willingness to help the President is appreciated. I will see what I can do.

With the election less than a week away, we are very confident of the outcome.


Best regards.

Sincerely,



James M. Cannon
Assistant to the President
for Domestic Affairs

Ms. Jan van Note
Administrative Assistant
Office of the Governor
State Capitol
Des Moines, Iowa 50319





ROBERT D. RAY
GOVERNOR

Office of the Governor

STATE CAPITOL
DES MOINES, IOWA 50319

575 OCT 23 11 3 08 JANET VAN NOTE
ADMINISTRATIVE ASSISTANT

October 11, 1976

AKK
WJ Thawley

Mr. James Cannon
Assistant to the President
The White House
Washington, D. C.

Dear Jim:

Pursuant to our conversation, I am enclosing some information about Mayor Richard Olson of Des Moines.

As I indicated to you, he is most anxious to be of any help and would like very much to serve the President on some board or commission.

As you probably aware, our Iowa poll showed the President leading Carter. (was in the paper yesterday) This is good news and I hope a trend everywhere!

Best wishes.....

Jan
jan van note



RESUME - RICHARD E. OLSON

Born: August 3, 1929 - Aurora, Illinois

High School: West Aurora High School, graduated 1947.

College: Attended University of Illinois 1948
Graduated Drake University 1951
President, Alpha Tau Omega

Marital Status: Married Cleojean Meredith, March 28, 1951
Four children: Meredith 23, Dave 21, Dana 20, Brad 17.

Employment: Was associated with Minnesota Mining as a salesman for three years.

1960 became Agency Manager for the Bankers Life Company Des Moines Agency. Under his leadership the Agency production has increased from \$5,000,000 to \$75,000,000 and manpower has increased from 7 to 52. He has lead the Bankers Life Company in production for 14 years and now has over \$300,000,000 of insurance in force.

Talked throughout the United States for the Life Underwriters Association and General Agents and Managers Association on private enterprise fighting to keep the government out of a portion of private enterprise.

Member of Inner Circle and Manager's Achievement Round Table for superior agency management, every year since 1967. He is the only manager in the company to qualify for MART each year since then. These are the highest awards a manager can win.

Past Chairman of Bankers Life Manager's Advisory Marketing Council.

Is a qualifying member of Million Dollar Round Table.

General Agents and Managers Conference National Management Award - 1974, 1975 and 1976.

Elected Ward 3 City Councilman in November 1967 for a two-year term.

Re-elected Ward 3 City Councilman in November 1969 for a four-year term.

Resigned as Ward 3 Councilman in the fall of 1971 to run for Mayor. Elected Mayor in November 1971 for a four-year term.

Re-elected Mayor for a second term in 1975.



During terms as elected official:

- leading force on Council in Acquisition of Gray's Lake.
- leading force in setting up and funding the Metropolitan Narcotics Squad - first of its kind in Iowa.
- Member, Executive Committee, League of Iowa Municipalities 1975-76.
- Member, National League of Cities Committee on Effective Government 1976.
- Member, United States Conference of Mayors Criminal and Social Justice Committee 1976-77.
- Member of National Conference of Mayors.
- Formed Citizens Committee to reorganize city government which amounted to one-quarter million dollars in savings by bringing in private sector to work on Mayor's task force.
- Presently has all the life insurance companies, banks, savings and loans and unions working on urban task force, all privately funded, no federal or state government involvement. City furnishing such things as water, sewer, streets, short-term and long-term rehabilitation financing to be furnished by the private sector.
- Currently leading Iowa League of Municipalities to 5% motel/hotel tax to be used to reduce property tax.
- Was able to get Iowa League of Municipalities to endorse a 1% sales tax, excluding food and drugs and farm machinery to be used to reduce property tax in cities and towns in Iowa.
- Spearheaded the drive for 9.3 million in contributions for Des Moines Civic Center.
- One of three Mayors - Mayor Murphy of Tucson, Mayor Greco of Tampa and Mayor Gibson of Newark, made a movie for Housing and Urban Development on revenue sharing which is used as a training film for HUD now.
- Served as Mayor Pro Tem and Mayor for model city planned variations, special revenue sharing and revenue sharing.
- Boss of the Year Award - Jaycees - 1974.
- State Kiwanis Award for saving the lives of two girls during flood - 1974.
- Past President - Drake Booster Club.
- Received Drake Service Award for outstanding leadership.

If references are needed for either my political position or my business position the following are listed:

Harold Allen
Chairman of the Board
The Bankers Life
711 High Street
Des Moines, Iowa 50307

John R. Taylor
Executive Vice-President
The Bankers Life
711 High Street
Des Moines, Iowa 50307

John Ruan
Chairman of the Board and
Owner of Ruan Companies
3200 Ruan Center
Des Moines, Iowa 50309

Robert D. Ray, Governor
State of Iowa
Des Moines, Iowa 50319

John Fitzgibbons
President and Chairman of the Board
Iowa-Des Moines National Bank
Seventh and Walnut
Des Moines, Iowa 50309

Richard Lugar
Former Mayor of Indianapolis
Now running for Senate from Indiana

Robert Allen
President, Iowa Manufacturers Assn.
and Owner of Airline Textile Company
1212 Des Moines Bldg.
Des Moines, Iowa 50309

Mayor Richard Carver
Peoria, Illinois

Neal Smith
United States Congress
Fifth Congressional District, Iowa

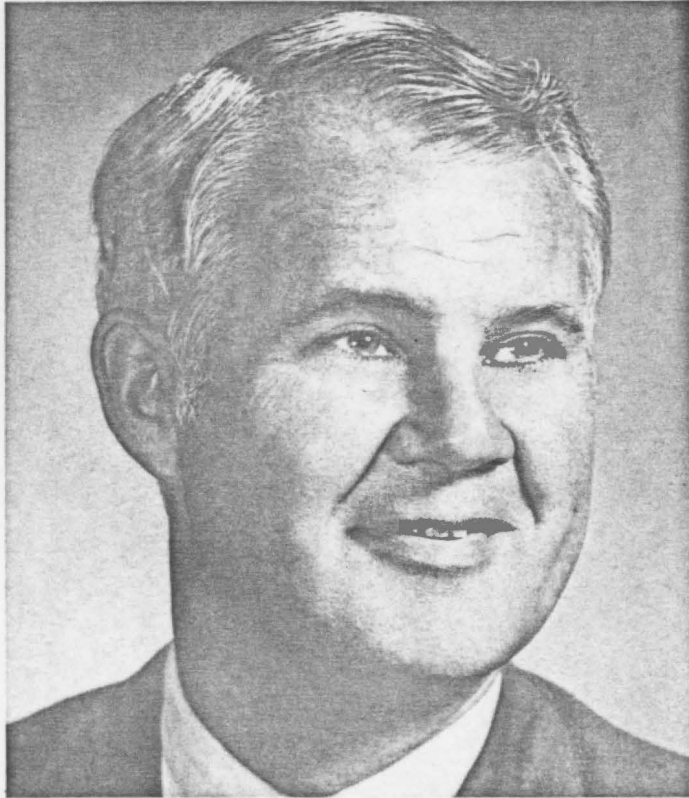


Richard May
Vice-President
Minnesota Mining and Manufacturing Company
St. Paul, Minnesota

Jack Pester
President and Owner of Pester-Derby Oil Company
Currently President of United States Independent
Oil Jobbers Association
3317 McKinley
Des Moines, Iowa 50321

David Murdock
Owner and Chairman of the Board
Murdock Development Company
Beverly Hills, California





Mayor Richard Olson

Downtown

Among all the things which the City of Des Moines, as a whole, needs for its continued growth and prosperity, none is so great as maintaining a growing and rejuvenated "downtown" area. The "downtown" area is the life blood not only of the central city, but also of the suburban areas which surround it.

Although there are many which could be cited, a couple of facts illustrate the importance and need of having a strong "downtown". One is, the "downtown" is by far the largest employment center of the city and metropolitan area with over 40,000 persons coming to work daily in this area. Another is, it has the largest concentration of financial and business services and general and professional offices. Another is the amount of private and public investment in this area, private being estimated at about 250 million dollars, and public about $\frac{1}{3}$ of this, or 65 million dollars. Construction of two new office buildings is adding about 48 million dollars.

Because of the key importance of "downtown" Des Moines, it is absolutely vital that new growth and re-building both public and private, be guided by an overall plan. In my opinion, as Mayor, this is a must.

Such an overall plan must also be developed and worked on in as close a joint effort as can be put together between private enterprise and the public bodies involved. I cannot emphasize too strongly the need for an overall plan based on joint planning and joint implementation. Based on the initial planning to date, the following are some of the major reasons why the City must give high priority to re-developing the "downtown", and why private enterprise must become committed and directly involved.

1. The current population and employment projections prepared by Real Estate Research Corporation indicate a moderate growth rate for the City. The success of the downtown businesses will be dependent upon a joint effort to attract as much of this growth as possible to the "downtown" area.
2. The economic study indicated that this area does not yet have a major civic and cultural center such as those of Kansas City and Minneapolis. With the increased leisure time the City needs to vigorously pursue the role of becoming an effective cultural center for the state. The "downtown" area should be the focal point of all major cultural facilities.
3. To provide a maximum return of the tax dollars spent in the area of utilities, circulation systems, etc., it necessitates a unity in public and private development. This inter-relationship of private uses provides a basis for public investment which will reinforce and stimulate additional private investment.
4. The growing problems of traffic congestion and parking need to be supplemented by a new transit system that can function as an integral part of the downtown area.

Lastly, in my opinion, it is important to keep in mind that the "concept" prepared by the City Planning Department which has been discussed over the past few months is not a **plan**, but was merely to start the ideas flowing. What we need now is to have all ideas brought forth and to have Greater Des Moines, Inc., plus other groups, plus technical persons help mold the best ideas into an accepted overall plan which can guide and direct the future development of "downtown" Des Moines.

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The White House
Washington

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THE WHITE HOUSE
WASHINGTON, D. C. 20500



RE: CSA GRANT (601-41-F-76-02)
ZAVALA COUNTY ECONOMIC DEVELOPMENT
CORPORATION WITHOUT A-95 REVIEW

FURTHER TO MY TELEGRAM OF AUGUST 17, LETTER OF SEPTEMBER 1,
AND SUBSEQUENT CORRESPONDENCE FROM JAMES LYNN OF OMB AND JAMES
CANNON OF THE DOMESTIC COUNCIL, PLEASE BE ADVISED THAT POSITIVE

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RESPONSE FOR FREEZING AND RECOVERING OF FUNDS PENDING A-95 REVIEW WAS NOT FORTHCOMING. CONSEQUENTLY, TEMPORARY RESTRAINING ORDER HAS BEEN OBTAINED IN FEDERAL COURT BY THE STATE OF TEXAS, WITH HEARING ON INJUNCTION TO FOLLOW. CORRESPONDENCE RECEIVED ON OCTOBER 8 FROM LOUIS RAMIREZ, ASSOCIATE DIRECTOR, CSA FAILS TO FOLLOW REQUIRED PROCEDURES OF OMB CIRCULAR A-95 AND OFFERS NO MEANINGFUL SOLUTION TO YOUR ADMINISTRATION'S VIOLATION OF FEDERAL LAWS.

AS STATED TO MR. CANNON OF YOUR OFFICE IN MY LETTER OF OCTOBER 7, TEXAS DESIRES SPEEDY RESOLUTION OF PROBLEM CREATED BY FAILURE OF CSA TO FOLLOW FEDERAL LAW, REGULATIONS AND GUIDELINES IN THIS MATTER. HOWEVER, NEXT ACTION BY TEXAS MUST AWAIT OUTCOME OF LITIGATION REFERENCED ABOVE UNLESS YOU ORDER FREEZING AND RECOVERY OF FUNDS AWARDED AND ADVANCED PURSUANT

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TO THE ABOVE REFERENCED ILLEGAL GRANT AND RESTORATION OF
SITUATION PRIOR TO TIME GRANT WAS MADE, FOLLOWED BY BONA
FIDE A-95 REVIEW.

DOLPH BRISCOE
GOVERNOR OF TEXAS

COPY TO THE HONORABLE JAMES T. LYNN
THE HONORABLE JAMES M. CANNON
THE HONORABLE LOUIS RAMIREZ

NNNN



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