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GENERAL DOMESTIC

CALIFORNIA - HOW IMPORTANT

Q. Mr. President, do you believe that you can win in Kansas City if you lose the California primary?

A. If I lose California, it will be a horse race for the nomination.

One thing I do know. California Republicans can give me a first ballot victory in Kansas City and thereby assure the strongest possible ticket against our Democratic opponents in November.

There is no question that in Governor Reagan's home State I am waging an uphill fight. I need the help of all Republicans in California to win.

Rarely does one State primary make such a difference in selecting a President. There is no question that the voters of California can ensure that I will be representing our Party in November.



M. D.
5/20/76

OUT of DATE

B-1 BOMBER

Q. Mr. President what do you think of the Senate voting to delay the start of production on the B-1 Bomber.

A. I think that is a bad decision. The House defeated a similar amendment and I hope that the Congressional Conference will accept the House position on this matter and reject the Senate position. Incidentally, 20% of the Senate was absent when that vote was taken and I think it is too important an issue to be decided with that many Senators absent.

Man bombers are an important part of defense forces; they make up more than one-half of our nuclear capability. The bomber we have now, the B-52 is aging and needs to be replaced. I don't think the American people will allow a mistake to be made in such a crucial area affecting our strategic nuclear balance.

The B-1 tests are continuing in a satisfactory manner. This airplane has undergone more tests than any other plane in the history of military aircraft. The tests are now 90% complete.

Three Presidents and seven Defense Secretaries and every Congress since 1970 has considered the B-1 bomber and has decided to go on with the tests and with the preparation for production.

A final decision on whether to go ahead with production will be made on November 1 pending the outcome of the remaining tests. The money the Senate wants to hold back would be spent only if and when the tests are completed in a satisfactory way and only if I have made the decision to go ahead with production. So, I say again, I hope the Congressional Conferees will go along with the House version of the bill and release this money to be spent for the B-1.

5/21/76
RN



MEXICO JOINING OPEC

Question

What will be the effect on the U.S. of Mexico's recent decision to join OPEC?

Answer

We have known for some time that Mexico was considering joining OPEC. The effect of such a move over the long term is, of course, speculative. But, because of the fact that Mexico has kept its export prices in line with those of OPEC for some time now, I expect no appreciable changes in the prices of Mexican crude oil imported into the U.S.



GRS
5/20/76

PACKER BONDING

Q: Are you still opposed to packer bonding legislation?

A: No. I have reviewed this situation and have indicated to Secretary Butz that I would support a bill which extends bonding protection to cover sales of livestock to packers. I think that the packer bonding legislation which recently passed the House will provide producers with protection and I support that bill.

BACKGROUND:

May 6 the House passed H.R. 8410, which amends the Packers and Stockyards Act of 1921. This bill grew out of payment defaults on amounts owed by packers to livestock producers -- packers such as American Beef Packers in Omaha and others.

Major provisions of H.R. 8410:

- Expand the authority of the Secretary of Agriculture to require bonds for packers producing more than \$500,000 of livestock each year;
- Require packers to deliver the full purchase price of livestock at the point of transfer by the close of business the next day unless otherwise agreed to in writing;
- Provide that the bonding and prompt payment provisions would preempt state laws on the same subject; and
- Amendments concerning poultry products were eliminated from all sections.
- Requires that certain assets held by the packer shall be held in trust for the benefit of all unpaid cash sellers of livestock until full payment has been received by the unpaid sellers.

The Senate has completed hearings on the legislation and is expected to act on it by mid-summer.

PCL
5/20/76

FOOD PRICES

Q. Can we look forward to an easing of the increase in food prices that we've had in recent years?

A. Yes, you can. Secretary Butz has estimated food prices will increase 3 to 4 percent this year. As you know, food prices last year increased about 8 1/2 percent -- which was down from the 14 1/2 percent increases in 1973 and 1974. Over the last two years, about three-fourths of the increase in consumer food costs came after food left the farm. Our big job is to stop the inflation that caused those cost increases. This is one of the reasons why everyone has a stake in controlling inflation and government spending.

5/17/76 (update) D.T.

NEW RUSSIAN GRAIN PURCHASES

Q. The Soviets have purchased large quantities of grain from the 1975 crop. Do you expect them to buy more?

A. In late April and early May the Russians did buy more grain.

These latest sales bring total sales of grain to the Soviet Union from 1975 U.S. crops to 16.5 million metric tons of feed grains. In addition there have been sales to the USSR of 219,000 metric tons of soybeans and 63,000 tons of rice from 1975 crops.

It is too early to tell how much damage has been done to the 1976 Russian crop. There has been some winter damage to the fall-planted wheat, but most wheat in Russia is planted in the spring. The critical time for these crops will be May and June.

The Russians have indicated an interest in more purchases -- and we have made it clear we are prepared to sell them more.

RB/5-18-76
(update)

LONG RUN GOALS OF FARM POLICY

Q. Just what are the goals of your Administration's farm policies?

A. Farmers today are operating at a unique point in history, a time when the world has gone from worrying about crop surpluses to a time when we are beginning to wonder about potential food shortages. My Administration's goals are to help farmers be free to meet any future food needs that might arise.

In the years ahead, I see a world population that will grow from 4 billion people at present to between 6.5 and 7.0 billion by the year 2000. Within the next three decades alone, man must learn how to feed as many people as we have learned to feed since the dawn of history.

American farmers will play a large part in meeting that challenge. Already, they supply almost 50 percent of the world wheat exports, 55 percent of the feed grains, 50 percent of the oilseeds, almost 25 percent of the cotton, and 27 percent of the rice.

If the world is to be kept free from famine in the years ahead, the American farmer must be free to produce, free to utilize his land and management skills in the most efficient way possible and world markets will have to provide incentive prices that will cover his cost of production and allow him a reasonable profit as well.

On the other side of the coin, the goal of my Administration's farm policies is to assure American consumers of a plentiful supply of efficiently produced, reasonably priced food. Food produced at the lowest cost of production will only come from full production. Centralized government management of farms through rigid farm policies doesn't work. This nation's past programs structured along such lines, and the Russians' difficulties with such a system, proves this point dramatically.

OIL COMPANY DIVESTITURE

Question

There seems to be more and more talk in Congress about breaking up the major oil companies. You have said elsewhere, I believe, that you oppose the divestiture proposal. Why? And will you veto a divestiture bill if one comes to you from Congress?

Answer

I am very concerned about the thrust of the divestiture bill recently approved by Senator Bayh's Subcommittee.

It assumes that, by breaking up a major segment of the oil industry, we can lower prices and increase secure supplies.

I have not seen any evidence to indicate that these results would occur.

If it could be positively shown that divestiture would improve the delivery of secure volumes of oil at lower prices to the American people, I would favor it.

The advocates of the bill reported by the subcommittee have not made that case. There is a good chance that the bill would retard rather than expand domestic production and actually increase our dependence on high priced foreign oil and our vulnerability to disruption from an embargo.

Until it can be demonstrated that divestiture legislation would improve rather than worsen our energy situation, I must oppose such proposals.

GRS
5/8/76

SIGNING OF THE ENERGY BILL (EPCA)

Question

Ronald Reagan has said that one of your biggest political mistakes was signing the Energy Policy and Conservation Act (EPCA) which not only rolls crude oil prices back but keeps this country under price and allocation controls for at least three more years. Do you agree that you made a mistake in signing that bill?

Answer

Absolutely not. I deliberated long and hard last December with my advisers as to whether I should sign that bill. I felt strongly and still do that it was the very best energy bill that we could get from the Congress upon entering an election year.

I agree that the bill is by no means perfect, but it does provide for a strategic petroleum storage program and some very important conservation programs. Moreover, the oil pricing provisions do permit phasing out crude oil controls over the next three years and allows for an orderly dismantling of all Federal controls on oil.

I also stated when I signed the bill that I intended to utilize fully the authorities granted to me to implement the pricing provisions in a way that would stimulate added production, and to get the Government out of the price control business at the earliest possible time. This is being done now.

The bill provided a step in the right direction, but not as far as I would like. We still have a long way to go.

GRS
5/20/76

REMOVING CONTROLS FROM PETROLEUM PRODUCTS

Question

When you signed the energy bill on December 22, 1975, you indicated that you were going to dismantle the controls on petroleum products. Why hasn't this been done?

Answer

We are proceeding to remove price and allocation controls on petroleum products. The process takes longer than would be desirable but we are making progress.

In the case of each class of petroleum product, we must first determine the impact of decontrol and come to a conclusion that it is an acceptable course of action. Then we must submit a decontrol plan to Congress and allow the Congress 15 days in which to disapprove the plan.

The plan for decontrol of residual oil was submitted to Congress in April and the Congress did not disapprove. Residual oil will be decontrolled effective June 1.

FEA is well along on the steps necessary to remove controls from the so-called "middle distillates" (i.e., kerosene, diesel fuel, and fuel oil). I hope that this second decontrol plan can be submitted to Congress soon.

GRS
5/20/76

GASOLINE SUPPLIES AND PRICES

Question

Will there be a shortage of gasoline this summer and are prices expected to go up again?

Answer

Supplies of gasoline should be adequate to fulfill our needs throughout the summer months.

The price of gasoline has declined over the past few months principally because supplies are ample and competition good. However, the recent decline in gasoline prices will be reversed because of several factors:

- . First, as we move into the summer months, gasoline prices probably will rise as they normally do during this time of year.
- . Second, we are becoming more and more dependent upon higher priced foreign sources of crude oil.
- . Third, the Energy Policy and Conservation Act which became law last December will automatically increase domestic crude oil prices by about 75 cents per barrel in the coming year.

In total, gasoline prices may go up about 5 cents per gallon over the next few months and then decline somewhat during the winter months. ||



GRS
5/8/76

NATURAL GAS DEREGULATION

QUESTION

Senators Pearson, Hollings, Stevenson, Fannin and Bellman have introduced a new natural gas deregulation bill, S.3422. Is the Administration going to support it?

ANSWER

I am aware that such a bill was introduced on May 12. However, we have not had adequate time to study it. I have asked Frank Zarb, Administrator of the Federal Energy Administration to undertake such an analysis over the next few days to determine the supply and price impacts of the bill. But, until such an analysis is completed, I cannot comment on its acceptability to the Administration.

5/20/76

ALASKAN NATURAL GAS

Question

Which route do you favor in bringing natural gas from Alaska to the lower 48 states -- the pipeline across Canada or the pipeline across Alaska with shipment of the gas by tanker to the West Coast?

Answer

The agencies (principally FPC and Interior) now responsible for making this decision are considering alternative routes but they have not reached a conclusion.

It is in the best interest of the country to have this decision as soon as possible after a thorough evaluation of the alternatives has been completed. To expedite this process and to assure that all relevant factors are considered, I proposed legislation to the Congress in February that would establish a special, expedited decision-making process. This process would allow agencies a reasonable amount of time to complete their work but would assure a decision by mid-1977. I hope the Congress will pass this legislation soon.

Background Only

The FPC is currently considering two applications: the Arctic Gas proposal to build a pipeline across Alaska and the El Paso proposal to build a gas pipeline paralleling the trans-Alaskan oil pipeline.

Recently, the Northwest Pipeline Corporation of Salt Lake City announced a proposal to build a pipeline from Prudhoe Bay on the north slope of Alaska to the Alcan Highway in Canada linking up with existing Canadian pipelines. The company has not yet applied formally to the FPC for authorization and certification to build such a pipeline.

GRS
5/20/76

SOLAR ENERGY AND THE
SOLAR ENERGY RESEARCH INSTITUTE (SERI)

Question

Why has ERDA scaled back its plans for the Solar Energy Research Institute (SERI)? Is this another signal that the Administration is going to slow down the development of solar energy -- while it continues to push nuclear?

Answer

First, let me point out that we are greatly increasing the Federal effort on solar energy. My 1977 Budget requests \$142 million for solar energy R&D -- an increase of 28 percent over 1976, and some 3-1/2 times over 1975.

Second, with respect to the proposed solar institute, ERDA did a thorough study to determine the best way to proceed. ERDA concluded that the Institute should begin with those functions that can now be specified as essential to the solar energy program. The Institute would then be expanded as the needs of the program dictate and the performance of the institute warrants.

Follow-on Question

We would like to have the new SERI located in our State. What are our chances?

Answer

On March 15, 1976, ERDA issued a request for proposals covering the establishment of the proposed Institute. Any responsible organization is qualified to respond to the request.

Proposals are due to ERDA in July, and I understand ERDA is expected to receive a large number. ERDA will evaluate these and make a selection sometime in December. I would urge you to get your proposal in to ERDA so that you will be in the competition.

GRS
5/20/76

SUPPORT OF PRE-COLLEGE CURRICULUM DEVELOPMENT

Question

Why is the National Science Foundation (NSF) spending taxpayer's money to develop and promote pre-college course material which many people feel undermine American family and religious beliefs and local school autonomy?

Answer

The National Science Foundation has taken steps to make certain that it does not, through its curriculum development activities, infringe upon values and rights of parents and local school authorities.

The NSF program to support the development of improved science course materials for pre-college levels was a response to widespread concerns following the launching of Sputnik that science was not getting adequate attention in the schools. I understand that course materials dealing with physics, chemistry and mathematics were developed and have been well received. However, materials dealing with biological and social sciences have raised questions involving beliefs and values.

NSF now makes sure that all pre-college materials are made available for inspection by parents, teachers and the public before possible adoption. The decision as to whether or not to adopt this material must and does remain with the local communities.

Background Only

Strong criticism has been voiced concerning NSF involvement in a pre-college social science course called MACOS (Man: A Course of Study) and a pre-college biology course materials based on evolutionary theories. NSF may have provided financial support to organizations promoting the use of this material, but that has been stopped.

In general, the strongest criticism has come from groups that have strong fundamentalist religious views and conservative political philosophies, particularly with respect to local school autonomy.

WHAT HAPPENS TO OIL CONTROLS IF FEA IS DISBANDED ON JUNE 30

Question

Will the phased decontrol of crude oil and petroleum products continue if the Federal Energy Administration is disbanded on June 30?

Answer

First of all, I fully expect that FEA will be extended beyond the current statutory deadline of June 30 of this year. The FEA already had a number of important responsibilities (e.g., petroleum price and allocation controls) and more were added by the Energy Policy and Conservation Act in December of 1975 (e.g., strategic petroleum storage, energy conservation).

Legislation to extend the FEA is now before the Congress and I expect it to be favorably considered. In the unlikely event that FEA were not extended, its price and allocation programs would have to be carried out by another agency.

GRS
5/5/76

OPEC OIL PRICE INCREASES

Question

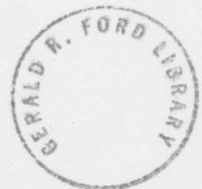
Do you think OPEC will raise the price of world oil again when the oil ministers meet in late May?

Answer

Market conditions would certainly not warrant any further increase in oil prices. There is a little volume of unused production capacity in the OPEC countries and world demand for OPEC oil is still below the level of 1973. Moreover, there is some evidence that many of the OPEC countries are increasingly aware of their new responsibilities for the well being of the world economy and understand that any increase in oil prices would both jeopardize world recovery from recession and risk renewed world inflation. These considerations have been examined in the dialogue between oil consuming countries and oil producers in the Conference on International Economic Cooperation.

I hope that the OPEC nations will take account of all these factors and recognize that any increase in price would not be appropriate.

GRS
5/5/76



GROWTH IN THE SIZE AND ROLE OF FEA

Question

How can you claim to be for reducing Government regulations and the size of the Federal bureaucracy when you are letting the new Federal Energy Administration (FEA) muchroom in size?

Answer

Questions about the size and role of the Federal Government and its numerous agencies are a welcome sign. I hope the people that are paying the bills will continue to ask these questions.

The FEA was created in direct response to the Nation's demands for answers to our serious energy problems -- a problem that few recognized until the 1973 Arab Oil embargo.

The FEA has done a good job. The real test will be how well we control the growth of FEA and reduce the regulatory role in the months ahead.

The growth of FEA is dependent upon two key factors:

- First, the allocation and price controls which were forced upon us by the 1973 Arab Oil Embargo.
- Second, demands for the Federal Government to start new programs to promote energy conservation and encourage domestic energy production.

In the case of regulatory programs, we have learned once again that it's easier to start them than it is to end them. Despite my attempts to end controls that were started during the embargo, the Congress has insisted that we keep crude oil price controls for another 40 months and that we remove other controls very gradually. Last December, I promised to remove controls as fast as possible and we will do so. FEA is moving ahead aggressively on this job.

In other areas, FEA has been designated to carry out a number of entirely new programs which are designed to reduce the Nation's dependency on imported oil. These include the strategic petroleum storage program, coal conversion program, appliance energy labelling program and others required by the recent Energy Policy and Conservation Act.

In these areas, we will hold FEA employment to the levels that are necessary to carry out the new assignments.

GRS
3/11/76



ENERGY INDEPENDENCE AUTHORITY (EIA)

Question

Whatever happened to the Energy Independence Authority? Do you still support it? And why is it better than letting private enterprise tackle the job?

Answer

The EIA which I proposed last October offers the potential for revitalizing our declining domestic energy production activities and thus helping us achieve our goals for energy self-sufficiency.

Most energy projects should and will be financed from conventional private sources, but other projects -- in selected areas such as synthetic fuels and electric utilities -- will require some direct Federal financing stimulus if we are to get the facilities built to increase domestic energy production.

Uncertainties -- such as long lead times before production, new technologies, and the future price of world oil -- make the private investor reluctant to commit capital to many such projects.

The EIA, as I proposed it, would support financially only those projects which would contribute directly and significantly to energy independence and which would not otherwise be financed by the private sector.

I support this proposal strongly and I am pleased that the Congress has begun hearings on it.

GRS
5/8/76

NATIONAL HEALTH INSURANCE

- Q. Mr. President, why are you not recommending a national health insurance plan or supporting one of the many plans now before the Congress?
- A. Financial deficits now facing the nation preclude my recommending the passage of a national health insurance program at this time. However, I have recommended to the Congress a catastrophic health insurance program for the aged who now must live in fear that a serious illness could wipe out their limited financial resources.

BACKGROUND

The President has decided that financial deficits now facing the nation do not permit inclusion of a national health insurance program at this time. However, the President has recommended to Congress passage of his measure to provide insurance against catastrophic illness. No national health insurance program has been put forward by HEW at this time juncture. The entire matter, however, remains under periodic review by the government.

SCJ
5/20/76

SENATOR TUNNEY

Q. Which of the Republican candidates do you feel has the best chance of defeating Senator John Tunney?

A. I have made it a practice never to become involved in conjecture regarding Republican candidates involved in primary campaigns. I think that we are very fortunate to have four candidates for the Republican Senatorial nomination. I have worked personally with both Al Bell and Bob Finch and have the highest respect and admiration for them both. I think that the Republican voters will decide with their ballots who they believe is best equipped to oppose Senator Tunney in November.

NOTE: The other Republican candidates are S. I. Hayakawa, former President of San Francisco State and syndicated columnists; and John Harmer, former Lt. Governor of California.

5/21/76

GOV. BROWN'S PRIMARY CANDIDACY

- Q. Governor Brown has decided to enter the California Democratic Presidential primary. What effect will this have on your campaign here, and what are your impressions of him?
- A. Governor Brown's entering the Democratic primary should substantially affect the Democratic outcome because of his widespread popularity in the state. I do not believe it will have any effect on the Republican primary.

(Note: You have met with Governor Brown twice. Once was at the Governor's Conference in San Francisco. The second was in Sacramento in September of last year. At that time you discussed general issues as well as the crime message you were about to give to the California Assembly.)

Recent ratings of Gov. Brown's job performance showed that a great majority of Californians believe he is doing an excellent job.

5/21/76

ILLEGAL ALIENS

Q. What should be done about illegal aliens?
Do you support the Rodino bill?

A. We have anywhere from 6,000,000 to 8,000,000 illegal aliens in this country, which is, roughly, the total number of unemployed in this country. This is a very serious matter, but let me tell you what we are trying to do about it.

Number one, we are working very closely in a new program with the Mexican Government. There has been a tremendous increase in the flow of illegal aliens from Mexico. The cooperation that we are developing with the Mexican Government will, I think, produce some results in stopping that flow.

When I was in Mexico about nineteen months ago, I personally talked to President Echeverris about this.

Number two, in my budget I have recommended additional employees for the Immigration and Naturalization Service so it can do a better job of finding illegal aliens and seek to deport them.

There is one other thing we are trying to do. I have favored legislation that passed the House, last year as I recall, that makes it mandatory for an employer to ask whether a prospective employee is an illegal alien. That would be helpful.

5/21/76

PUBLIC EMPLOYEE STRIKE

Q. Do you think public employees should have the right to strike?

A. I think the answer to that question is one which State and local governments should be free to decide for themselves. There is no Federal legislation dealing with public sector bargaining now, and I believe it is not necessary to act now to impose a uniform solution from Washington.

I support free collective bargaining, but in the public sector we need to find an alternative to the strike. It is best to let people at the local level decide how they want to handle such matters. Different local governments have pursued different approaches and that should be their prerogative.

Background

At the Federal level, labor-management relations are governed by an Executive Order under which a number of matters are subject to collective bargaining. Experience under the Executive Order is still limited and we believe that more experience and not legislation is what is needed.

DHL/5/21/76

AMTRAK

Question

Mr. President, your budget decisions for next year (FY '77) mean that Amtrak will have to close down half of the passenger line service in this country. Are you going to permit this to happen?

Answer

For Fiscal Year '77, I have proposed a nearly \$50 million increase in Amtrak's operating subsidies. Moreover, over the past 4 years, Amtrak has received over \$2 billion in Federal funds to continue rail passenger service in this country. I voted for Amtrak when I was in Congress and I continue to support the need for rail passenger service in many areas throughout the country.

Under recent legislation, Amtrak has the power to decide which lines will be dropped. I am well aware of the fact that Amtrak's President has stated that 19 lines will be discontinued. However, before any such decision becomes final, Amtrak must conduct a careful formal review of all of the facts involved.

This Administration has consistently argued that Amtrak could maintain most lines for less money if there was more efficient management and a better structured fare system. Then, only the pure pork barrel cases, in which passenger service is totally unjustified, would need to be eliminated. I am gratified to see that Amtrak has recently begun an attempt to create a better fare system to help narrow the deficit gap. This is in my judgement a step in the right direction.

2nd Question

But, Mr. President, if Amtrak does proceed with its plans to eliminate these lines, will you take any action?

Answer

The decision under the law is Amtrak's. I would urge them not to eliminate service anywhere until every possible step has been taken to improve the efficiency, management and fare structure of the lines which are losing money. If at that point the present government subsidy is still not adequate to cover losses, then service curtailments would have to be considered.

FOREIGN AFFAIRS/DEFENSE



LIMITED OFFICIAL USE

FACT SHEET ON U.S. DEEP SEABED OCEAN MINING LEGISLATION

Senate

S. 713 -- Reported out of Senate Interior Committee, referred to Armed Services, Commerce and Foreign Relations until June 2. Commerce is to hold hearings May 17 and 19 to which the Secretaries of State, Defense, Interior, Commerce, and Treasury have been invited.

Major Provisions

- Authorizes the Secretary of Interior to license U.S. seabed industry to mine certain sites for 15 years.
- Establishes the basis for a reciprocal regime with other countries which could take the place of the regime envisioned under a Law of the Sea Treaty.
- Creates an investment guaranty fund which would compensate seabed miners for losses they might suffer due to an unfavorable treaty.
- Creates an insurance program which insures against any damages suffered through the impairment of investment or removal of minerals by another party from the insured claim.
- Would terminate licensing authority upon ratification of an LOS treaty.

House

H.R. 11879 -- Jointly referred to Merchant Marine & Fisheries, and Interior & Insular Affairs Committee. This bill has been marked up but not reported out of the Committee on Merchant Marine and Fisheries.

Major Provisions

- Gives Commerce lead management responsibility.
- Adds diplomatic and probable military protection for U.S. seabed mining.

-- Otherwise provides similar provisions as the Senate version.

Outlook

Senate floor action and House action could occur as early as June. However, House support is weak and the bill can probably be kept in committee for this legislative session.

Talking Points

Policy Objections

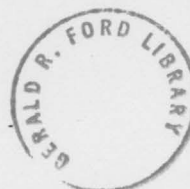


1. The development of a widely acceptable legal framework to govern the mining of the mineral resources of the ocean floor is one of the principal unresolved tasks in the UN Law of the Sea Conference.
2. In the Law of the Sea negotiations, we are advancing and safeguarding the wide range of interests the United States has in the oceans -- national security objectives, including navigation rights for our naval and commercial ships and aircraft, reservation of the resources of the 200-mile economic zone off the United States for US use, scientific research, pollution control, peaceful dispute settlement, and the regime for the deep seabed, principally the right of US operators to mine for hard minerals on the ocean floor under reasonable legal conditions.
3. One of the central premises underlying the ongoing UN Law of the Sea negotiations is that the resources of the deep seabed beyond national jurisdiction (principally, manganese nodules) -- i. e., beyond 200 miles -- should be developed for the benefit not only of individual states and their nationals but also for the international community as a whole -- for the "benefit of all mankind."
4. The U.S. position in the Law of the Sea Conference protects the rights of U.S. deepsea mining companies to mine the deepsea floor -- it is a position which provides for non-discriminatory access by U.S. firms to deep seabed minerals under reasonable conditions coupled with security of tenure and with a fair and reasonable profit or rate of return.

5. If international treaty efforts fail, other coastal nations will lay claim to 200-miles off-shore jurisdiction. This will damage not only ocean mining but important U.S. interests as well:
 - our right to transit international straits such as the Strait of Gibraltar in surface ships, submarines and aircraft will be open to challenge;
 - our Navy and Air Force will have their mobility and their high seas freedom of maneuver greatly limited if they must seek permission to enter within 200 miles of other nations' coasts;
 - coastal states claiming 200 -miles jurisdiction can create arbitrary standards for the operations of commercial ships in their waters. U.S. tankers and other cargo carriers will become subject to arbitrary inspections and taxes in waters which will remain preferred international sea routes under the Law of the Sea Treaty;
 - coastal states will make it increasingly difficult for U.S. institutions and organizations to perform scientific research within 200 miles of their coast.
6. In order to avoid unnecessarily jeopardizing progress in the LOS Conference, action by the Congress to protect unilaterally U.S. interests in deep seabed mining should be deferred at least until after the August/September negotiating session.
7. Based on developments in the Conference this summer, the Administration will continue to consult closely with the Congress on ways to best protect U.S. ocean mining interests. Secretaries Richardson and Kleppe indicated this in their testimony before Congressional committees.

Technical Objections

1. Insurance against claim jumping on the high seas is inconsistent with international law.



2. Draft legislation contains virtually open-ended commitments to pay for any damages up to the total amount invested by a company. If only four companies invest, liabilities could run as high as \$2 billion.
3. The risks involved in the insurance program are unknown and in the atmosphere following an unsuccessful LOS conference they could be great.
4. Insurance premiums based on market rates would be prohibitively high so the government would have to subsidize premium payments.
5. The compensation provisions are in effect insurance against future actions to be taken by the U.S. negotiators, and represent a sort of adjustment prior to the initial investment. No premiums are required; in the view of many, this would constitute a "raid" on the Treasury.
6. A persuasive case has not been made that government subsidization of insurance premiums is necessary to stabilize the investment climate.

Other Considerations

1. The proposed U.S. ocean mining legislation cannot be compared with the recently enacted 200-mile fisheries bill in terms of urgency and need. The latter measure was enacted to meet an immediate threat -- the foreign overfishing of our vital coastal fish stocks. The minerals of the deep seabed are not similarly threatened.
2. The United States holds the preeminent position in ocean mining now and in the foreseeable future. One of our principal objectives in the Law of the Sea negotiations is to create a legal framework for the exploration and exploitation of deep seabed minerals which avoids potential international difficulty. U.S. unilateral legislation in this area would serve to complicate rather than facilitate the attainment of this objective.



5/21/76

U. S. AFRICAN POLICY

Q: Mr. President, the Secretary indicated in his Lusaka speech that the Administration would urge the Congress to repeal the Byrd Amendment. Will you use your political influence to get Congress to repeal that legislation?

A: Since the very first days of my Administration I have expressed my opposition to the Byrd Amendment. Congress has thus far not put the United States back in compliance with its international obligations, and we will continue to urge Congress -- and to work with it -- to press for repeal.



May 21, 1976

U. S. AFRICAN POLICY

Q: Mr. President, the Administration seems firmly in support of majority rule in Rhodesia, but it is unclear what this may involve for the white minority. What is the United States attitude toward the future of whites in Southern Africa?

A: It is the American tradition as part of our life and our history to support self-determination. Support for majority rule in Southern Africa has been the consistent policy of Republican and Democratic administration alike. This policy has had strong bi-partisan support. At the same time, our support of majority rule carries with it insistence on full protection of minority rights, and we will not endorse any development in Southern Africa that does not provide for such rights.



RHODESIAN CHROME

Q. Won't repeal of the Byrd Amendment cut off an important source of chrome and make the U. S. even more dependent on the Soviet Union for this vital material?

A. No, for the short term, the substantial inventory of chromite and ferrochrome held by US manufacturers, supplemented by imports from non-Rhodesian sources, will provide for our civilian and defense needs. Repeal of the Byrd Amendment would not mean increased dependency on the USSR for our chrome needs, however, even in the longer term. For high-grade chrome ore, there are several other major suppliers. For ferrochrome, our most significant chrome import from Rhodesia, we have 14 other supplies, not including the Soviet Union.

Further it should be noted that Rhodesia is not exactly a reliable source of chromium. Mozambique closed its border to Rhodesia in March, thus restricting its access to the sea. Rhodesia's remaining export transportation routes to South Africa are also insecure. If the Rhodesian chrome mines should be shut down or abandoned, it could require years to bring them back into service. By making every effort to

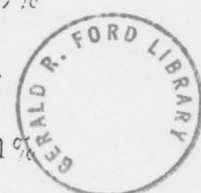


encourage the Smith regime to negotiate a settlement with the country's majority, we are, in fact, safeguarding our long-term access to Rhodesian chrome.

One further factor should be noted. By our failure to repeal the Byrd Amendment, we may risk our relationships with African states to the north of Rhodesia, with which we have substantial trade and investment ties. These countries are important sources of supply for us not only for petroleum, but also for such strategic materials as uranium, manganese, cobalt, tin, tungsten, and diamonds -- as well as for foodstuffs such as coffee and cocoa.

US Imports of Chromium, 1975
(Bureau of Mines, Interior Dept.)

	<u>Total Chrome Ore</u>	<u>High Grade Chrome Ore</u>	<u>Ferrochrome</u>
South Africa	24%	11%	29%
USSR	31%	52%	-
Turkey	14%	14%	1%
Philippines	13%	2%	-
Rhodesia	12% (7% in 1974)	17% (13% in 1974)	28% (21% in 1974)
India	1%	2%	1%
Iran	1%	2%	-
Finland	1%	-	2%
Brazil	-	-	5%
Other	3%	-	34%

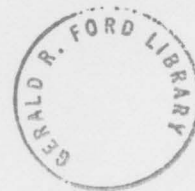


5/21/76

ANGOLA

Q: Mr. President, it has been reported that recently Angola sought admission to the United Nations but that the American Government threatened to veto that membership in the Security Council. Would you care to comment on what current U. S. policy is with regard to recognition of Angola?

A: I have said repeatedly that we are not against the MPLA per se, but we continue to be concerned by the continued presence of a large Cuban force in Angola. We are willing in principle to begin discussions with Angola with a view toward normalizing our relations, but first we want to know Angola's intention with respect to the presence of foreign forces on its soil.



5/21/76

KOREA

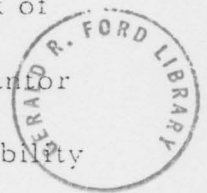
Q: Why should we continue to support the government of South Korea when it continues to pursue repressive policies in blatant disregard for the rights of its citizens?

A: The United States Government is concerned about the human rights issues throughout the world. We have unequivocally made known our views to the Korean Government, both in public and through diplomatic channels. At the same time, we have a basic security relationship with the Republic of Korea that is not an issue between President Park and his domestic critics.

Since the Korean War, our policy has been to prevent the renewal of hostilities on the Korean Peninsula, through our security ties and our presence there. Within the framework of our Mutual Defense Treaty, we have been the ultimate guarantor of the security of the Republic of Korea and of peace and stability in Northeast Asia.

Peace in this area is of concern not only to the United States, but also to Japan, China, and the USSR. Any US failure to live up to its treaty commitment in Korea would have enormous consequences.

Therefore, we intend to do nothing to destabilize the situation or to mislead North Korea about the strength of our commitment. At the same time, we seek to encourage a peaceful and political resolution of the Korean issue.



Q: Do you agree with Governor Reagan's statement that the US Government has "yielded" to the People's Republic of China in reducing its military presence on Taiwan?

A: It is totally without foundation to say that the US has "yielded" to "demands" by leaders of the People's Republic of China to reduce our military presence on Taiwan. Our China policy is designed to meet the realities of a complex and changing world, but our military withdrawals from Taiwan are not subject to negotiation. They are a reflection of our best judgment of the most effective way to deploy America's military might given the current international situation.

We remain highly concerned about the security of long-time friends and allies; our own security concerns will never be enhanced by compromising the security of others.



U. S. POLICY ON NORMALIZING RELATIONS WITH VIETNAM

Q: You have been quoted as saying that under no circumstances will the U.S. recognize Vietnam. On the other hand, in December you said the United States is prepared to look to the future, implying that you would consider normalizing relations. Just what is your policy?

A: My policy has not changed. As I stated in my Pacific Doctrine speech, I am prepared to look to the future and not the past in dealing with Vietnam. But I also added that our policy will be largely dictated by Vietnam's actions toward us and toward its neighbors. Despite its clear and unequivocal obligation to do so, Hanoi has refused to provide an accounting for our men who never returned from Indochina. Without this accounting, there can be no real improvement in our relations.



VIETNAM

Q: Senator Kennedy has suggested that we permit Vietnam to join the UN and that we appoint a special envoy to explore normalization of relations with the Vietnamese Government. Wouldn't such actions be a good way to put the Vietnam war behind us once and for all?

A: I have stated that we will look to the future rather than the past in dealing with Vietnam. At this time our primary concern in dealing with Vietnam is an accounting for our missing in action and the return of the remains of our dead. The Vietnamese must meet this concern before there can be any real progress toward normalization, and we have adequate channels for communicating with the Vietnamese on this matter.

As for their UN membership, we vetoed the two Vietnam's applications for UN membership last fall because the Security Council refused to consider South Korea's application for UN membership submitted at the same time. If and when Hanoi applies again, we will base our decision on the considerations at the time.



SITUATION IN LEBANON

Q: Are you concerned about the further deteriorating situation in Lebanon? What can the US do about it? What about an outside security force for Lebanon?

A: Our efforts in Lebanon have been and continue to be diplomatic and humanitarian. Since the very outset of the crisis, we have been active in trying to help end the fighting and encourage a political solution. We have been in close touch with the Lebanese government, the UN and other interested governments to seek practical solutions and render all appropriate assistance.

To that end, I have asked Congress for \$20 million in relief and reconstruction aid to help alleviate the human suffering which has occurred, in addition to the \$1.5 billion in emergency assistance already provided.



OPEC OIL PRICE INCREASES *

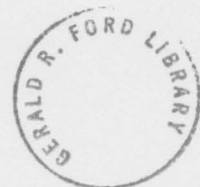
Q: What would you do if OPEC nations raised the price of oil again when the oil ministers meet in late May?

A: Market conditions certainly do not warrant any further increase in the price of oil. There remains considerable unused productive capacity in the OPEC countries, and world demand for OPEC oil is below the level of 1973, when prices were only a quarter of the current level.

I see increasing evidence that many OPEC countries feel it is not in their interest to take actions which threaten the economic recovery of the industrialized nations or add further to the burdens of the non-oil producing developing countries, who have been hardest hit by higher prices. We are continuing to discuss these broad producer/consumer issues with the OPEC nations, partly in the interest of preventing the possibility you suggest.

FYI: We are discussing these problems in the dialogue between oil consuming countries and oil producers in the Conference on International Economic Cooperation as well as at the UNCTAD meeting in Nairobi.

* to be used in conjunction with a domestic energy policy Q & A.



ISRAELI ACTIVITIES IN THE OCCUPIED TERRITORIES

Q: Are you opposed to Israeli settlements in the Occupied Territories and to new Israeli oil activities in the Occupied Sinai as obstacles to peace? What about the Palestinian demonstrations and Israeli repressive actions in the Occupied Territories?

A: Our policy is that the status of the Occupied Territories should be resolved by negotiations among the parties and that international law as it applies to activities in Occupied Territories be followed. These laws apply to both the new settlements and the oil-drilling activities.

We deplore violence in the Occupied Territories from whatever source and regret all loss of life, Arab or Israeli.



US SUPPORT FOR ISRAEL

Q: Is US support for Israel waning as some have charged?

A: My support for Israel's security and survival is unchanged and unflinching. My public and private statements here and abroad, my Administration's positions at the United Nations, and my request for \$4 billion for Israel for fiscal years 76 and 77 are evidence of the extent of our commitment.

Q: Do you blame Israel for lack of progress on a Middle East settlement because of domestic pressures in the US during an election year?

A: The achievement of a just and durable peace in the Middle East is a long and difficult process. All the parties share a responsibility in it; all recognize what is at stake. Our policies in that troubled region are not dictated by short term political considerations; at the same time our policy has never been to impose a settlement or to seek one sided concessions. We are presently continuing our consultations with the interested parties on practical ways of furthering progress toward peace.



May 20, 1976

POSSIBLE JORDANIAN PURCHASE OF SOVIET
AIR DEFENSE SYSTEM

Q: Why has the U.S. allowed Jordan to drift towards the Soviets, including for an air defense system and what do you intend to do about it? What are your concerns about the implications of a Jordanian-Soviet rapprochement, and what would such an arms deal portend for a Soviet role in the Middle East peace efforts?

A: It remains to be seen what the results of the meetings between Jordan and the Soviet Union will be, but ultimately it is up to Jordan to decide where its own interests lie. We are willing to provide an air defense system for Jordan providing the necessary financing arrangements can be concluded. I would not want to prejudge the outcome of U.S. -Jordanian or Jordanian-Soviet negotiations, but I see no reason to expect any change in Jordan's basic policies of moderation in the Middle East or friendship for the United States.

Regarding the Soviet role in the Middle East, the Soviet Union shares with us the co-chairmanship of the Geneva Conference. We have said on many occasions that the Soviet Union must be involved in any final settlement in the Middle East. For our part, we are determined to pursue efforts to bring about further progress in the peace process and we will work closely with the parties to this end.



ARAB BOYCOTT

Q: What is your position on the Stevenson-Williams bill opposing the Arab boycott?

A: Last November 20, after an intensive Cabinet-level review of U.S. policy and practices in this field, I announced a series of measures for dealing with this complex problem in a manner consistent with our basic moral principles, our laws and our economic and foreign policy interests. These measures which are beginning to take effect will put an end to the possibility of foreign-inspired discrimination against Americans on the basis of race, religion, sex or national origin.

We are also continuing to work with interested foreign governments and American companies to see what more can be done about aspects of the boycott issue per se, which is not easily soluble through unilateral Congressional or Executive Branch actions. Until there has been more time to assess the results of the substantial actions already taken, we must be very careful about taking additional steps, particularly since the effect might be more harmful than helpful to our objectives of freer and greater trade.



May 18, 1976

QUESTIONABLE FOREIGN PAYMENTS

Q: You have set up a high-level Task Force under Secretary Richardson to study the problem of bribes paid to foreign government officials and middlemen by U.S. corporations operating abroad. Do you expect to be able to cure this problem, or is this just a whitewash?

A: This Administration obviously will presecute vigorously any violation of U.S. law by U.S. firms operating in this country or abroad. We assume other countries will enforce their laws also. As in the case of Japan, we are willing to discuss cooperation on this problem with other countries.

As you noted, I have created a Cabinet-level task force under Secretary Richardson to study the problem. The Task Force is undertaking a complete review of this issue and will recommend any additional steps it believes are warranted. Full scale investigations to determine whether U.S. laws have been violated are currently underway in the SEC, IRS, and elsewhere.

Before we condemn American firms and American citizens out of hand, however, we must recongize that some of these questionable payments may have involved extortion by foreign interests, and that non-American firms may also have been involved. For this reason, I believe the solution to the problem lies in a multilateral agreement, coupled with strict enforcement of domestic law. We have begun international consultations which we hope will lead to such an agreement.



CANADA ENDS NUCLEAR COOPERATION WITH INDIA

Q: In light of Canada's action to terminate nuclear cooperation with India, where do we stand?

A: The U.S. has not and will not supply any assistance to India's nuclear explosive program. We remain opposed to nuclear proliferation plus all the adverse impact it has on global stability. We have given some assistance to strictly peaceful aspects of the Indian nuclear program, especially in the field of nuclear power. Since 1969 we have been exporting enriched uranium under a long-term contract to the Tarapur atomic power station which it built with AID funding in the 1960's. That facility, and all shipments of U.S. materials, are fully safeguarded under international control. Following the 1974 Indian test, we held up shipments until we received satisfactory reassurance that U.S. material would not be used in the Indian testing program.

BACKGROUND: An unsafeguarded Canadian reactor was used to produce the plutonium for the 1974 Indian nuclear explosion. Canada halted further nuclear assistance until India agreed not to use any Canadian technology, past or future, for nuclear explosions. Two years of negotiations failed to produce that agreement and Canada has now made its ban on nuclear cooperation permanent.



May 20, 1976

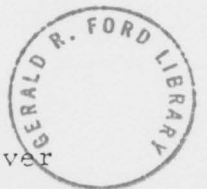
A NEW PANAMA CANAL TREATY

Q: Mr. President, why do we need a new Panama Canal Treaty?

A: Because the Canal is of such importance to us, I have concluded, as did my four immediate predecessors, that the present agreement cannot adequately protect our long-term interests there. We need a new agreement which will assure us control over the defense and operation of the Canal during a treaty's lifetime and its neutrality and freedom of access after that. The issue involves not just the United States and Panama, but Latin America and trading nations the world over, all of which are unanimous in support of a new treaty. As President, I must make policy decisions on the basis of all the information available to me and I must look at the broad international picture and assess our position realistically. My position on the need for a new treaty is the best course and the most responsible course to protect the long-term interests of the United States.

Q: Does that mean you are giving up United States sovereignty over the Canal Zone?

A: We have long recognized Panamanian "titular sovereignty" in the Canal Zone but this subject is complex legally because the United States was granted in perpetuity the rights that go with sovereignty by the 1903 Treaty. We have a continuing relationship with the



Government of Panama regarding the Canal Zone, and we pay Panama annually for rights we exercise there.

The sovereignty question, however, is not central to the real issue of why we need a new treaty to best protect our national interest in access to the canal over the long term.



May 21, 1976

DURATION OF A PANAMA CANAL TREATY

Q: How can you speak of a 40-50 year term for a new treaty taking us well into the next century when the treaty negotiated with the Panamanians in 1967 provided for termination at the end of this century (25 years) and the Panamanians have publicly stated that any treaty extending beyond the end of the century would be totally unacceptable to them.

A: The duration of the treaty is one of the issues on which talks are continuing in the effort to reach agreement. It should be possible to find a formula that will be mutually acceptable and that will protect our interest in the operation and defense of the Canal as well as the basic interests of the Panamanian Government in the Canal. I have absolutely no intention of approving or recommending to the Senate any treaty which does not protect our long-term interests in the Canal.

* * * * *

~~SECRET~~

FYI: According to your instructions, our negotiators have now offered the Panamanians a treaty duration of twenty years for operations and forty years for defense. That would take us to 1996 and 2016 respectively. This proposal has been rejected by the Panamanians. The negotiations remain fluid and the greater flexibility we can preserve for ourselves the better.

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 11/24/98, State Dept. Guidelines
By WHA, NARA, Date 11/22/00

~~SECRET~~

"USABLE LIFE" OF THE PANAMA CANAL

OK

Q: You have referred to the "usable life" of the Panama Canal as being about 30 or 40 years. What do you mean by that? Do you mean to say that by the time the Panamanians assume full control of the Canal it will no longer be usable?

A: Of course the Canal will be of continuing importance and I do not mean to say that the Canal will no longer be in operation in thirty or forty or even fifty years. The economic and military importance of the Canal changes over time. The Canal is not as crucial to us as it was earlier in this Century. Advances in technology have expanded greatly the number of alternative modes of transportation and routes available to world trade. This has been one factor in the decline in traffic transiting the Canal. Many ships, both commercial and military, now are too large to transit the Canal and use other routes. Continuing advances will result in further broadening the number of economically competitive alternatives available. It is to this fact that I have referred in my comments on the subject.

(FYI: There is no indication that the usable life of the Canal will not extend well beyond the term of any treaty we might be able to sign with Panama.)



5/21/76

RECENT INCREASE IN CIA ESTIMATE
OF SOVIET DEFENSE SPENDING

Q: The CIA has recently released a study showing that actual Soviet defense spending is about twice what we had previously thought it to be, and that the Soviets are spending some 11-13% of their GNP on defense rather than our earlier estimate of 6-8%. Doesn't this bear out some of the things your opponent has been saying about our having failed to recognize the real Soviet military threat?

A: The CIA report dealt with what the Soviet defense establishment costs in rubles. There is no change whatever in our estimates of the size of those forces.

Basically, it tells us that the Russians are less efficient than we gave them credit for and that it costs them more in resources to build weapons than we had thought.

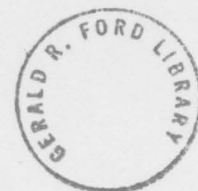


SOVIET GRAIN SALES

Q: Why is a grain deal with the Soviets in our interest?

A: The US-Soviet grain agreement commits the Soviet Union to purchase 6 million tons of US grain a year for five years, and it gives them an option to buy an additional 2 million per year without consultation. Should they require more, we would, of course, be willing to discuss this with them. This arrangement brings assured income to American farmers and the enormously productive U.S. agriculture sector, it protects US consumers from fluctuations in grain prices which have been caused by the Soviet Union's erratic behavior in the international grain market, and it earns foreign exchange for our economy.

FYI: Some of the recent Soviet grain purchases are for grain to be delivered after October 1, and therefore fall under the new agreement. Most of the recent purchases, however, are for grain from the current crop year. Under the terms of an understanding reached at the time the new agreement was negotiated last fall, the Soviets agreed that their purchases of grain from this crop year would not be sufficient to disrupt the US grain market. The recent purchases are consistent with the understanding.



May 11, 1976

LAW OF THE SEA CONFERENCE

Q: Mr. President, the third substantive session of the Third UN Conference on the Law of the Sea has just concluded with no formal agreement reached. Do you think it will still be possible to reach agreement this year?

A: I strongly support the work of the UN Conference aimed at producing a timely, comprehensive and widely acceptable law of the sea treaty. The establishment of an orderly legal regime for the oceans is of importance to the oceans interests of the United States, our defense interests, our fisheries interests -- and our interest generally in the effective conservation, development and utilization of the resources of the sea.

The United States will continue to work earnestly in the Conference to reach early agreement on an international oceans treaty. I made this point in signing into law on April 13 the "Fisheries Management and Conservation Act of 1976." Much has been accomplished in the past three negotiating sessions; much work remains to be completed. We are hopeful this can be done this year.



May 11, 1976

200-MILE FISHERIES LEGISLATION

Mr. President, on April 13 you signed into law H. R. 200 -- the "Fisheries Conservation and Management Act of 1976" -- extending the exclusive fisheries jurisdiction of the United States to 200 miles off our coasts. How will this unilateral U. S. action affect the negotiations going on in the UN Law of the Sea Conference, and won't it lead to unwanted confrontation with nations fishing off our coasts such as the Soviet Union and Japan?

A: In signing H. R. 200, I pointed to the importance the United States attaches to the Law of the Sea Conference, but noted that the relatively slow pace of the negotiations mandated action by us to protect the dwindling fish stocks off our coasts from foreign overfishing. Additionally, the legislation has a delayed implementation date of March 1, 1977, thus allowing the Law of Sea Conference additional time to reach agreement on the great number of oceans policy issues before it, including fisheries management and conservation. We are working hard at the Conference to obtain an early, satisfactory treaty which will obviate the need for the unilateral U. S. measures. In the meantime, we will be working with the many nations who fish off our coasts to transition to this new legislation and to the agreements we foresee coming from successful negotiations in the Law of the Sea Conference.



May 19, 1976

COMMUNIST PARTICIPATION IN WESTERN GOVERNMENTS

Q: Why does the United States oppose the participation of Communists in NATO Governments?

A: A Communist government or coalition government including Communists would raise serious questions about that country's role in NATO. Communist participation in NATO governments would change the character of the Alliance. Past actions and statements by European communists demonstrate that their influence in Allied Governments would seriously hamper Western defense efforts essential to Europe's freedom and to international stability. Additionally, the commitment of the American people to defend European freedom would be deprived of the moral basis on which it has stood for 30 years.

Q: Does this policy represent intervention in the domestic political affairs of our allies?

A: Decisions on domestic political affairs must be made by the voters of the countries concerned. The members of the Alliance, however, cannot close their eyes to the impact on NATO and the fact that Communists in Western Europe have long advocated programs and values detrimental to NATO and to our mutual defense. It is the inevitable impact of such developments on the North Atlantic Alliance which is of concern to us.



5/21/76

CYPRUS



Q: Mr. President, the Cyprus situation is currently being reviewed at the NATO meeting in Oslo. Have you seen any movement toward a Cyprus settlement in recent months?

A: In my third report to the Congress on April 8 on Cyprus, I reviewed the most recent developments in the efforts by Greece, Turkey and the two Cypriot communities to work toward a Cyprus settlement.

In the talks on Cyprus, the gap between the parties' positions has narrowed somewhat in recent months. The issues are now being discussed in a single framework. The mid-February talks between the representatives of the two Cypriot communities have been constructive and have resulted in procedural understandings which should permit a continuing dialogue and further work toward an agreement in principle. In my meeting on March 24 with the Turkish Foreign Minister and on April 15 with the Greek Foreign Minister, I stressed the need for early, visible progress toward a negotiated settlement of the Cyprus problem and, in this context, urged flexibility and accommodation by all the parties to the dispute.

On June 5, I will be sending my fourth periodic report to the Congress on Cyprus. In the meantime, at my request, the Secretary of State will be meeting individually with the Greek and Turkish Foreign Ministers while at the NATO Ministerial meeting in Oslo May 20-21 to discuss the Cyprus issue.

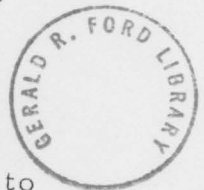
May 19, 1976

ITALIAN EARTHQUAKE

Q: Mr. President, on Thursday, May 6, the northeastern portion of Italy was struck by an earthquake causing widespread damage to property, together with a considerable loss of life and personal injury. What disaster relief assistance has the United States provided Italy?

A: I was very much concerned to hear the earthquake reports from Italy. In the message I sent to President Leone following news of the disaster, I expressed sympathy for those who are suffering so much from the devastation and indicated that the United States stands ready to provide assistance. In this connection, we have provided well over \$500,000 in initial relief assistance (medical evacuation helicopters, medical teams, emergency generators, tents, blankets, etc.) from resources at three of our bases in Italy. But, more is needed. In this connection, I have asked the Congress to provide Italy \$25 million in disaster relief to help the survivors to rebuild their lives and to help the Italian nation recover from this tragedy. I am pleased by the positive action taken to date by the Congress to meet this request.

Additionally, on Monday, May 17, I met with the Vice President to receive the report of his first-hand survey of the Italian disaster area. I can assure you the United States will continue to assist the Italian authorities in meeting the needs of the earthquake victims.



84

POLITICAL SITUATION IN SPAIN

Q: Mr. President, the Spanish Prime Minister recently announced a plan and timetable for political reform in Spain, including free parliamentary elections and a referendum on the future of the monarchy. In your opinion, does this program go far enough and fast enough to liberalize and democratize Spain in the post-Franco era?

A: Our hope is that the Spanish nation and people will enjoy peace and prosperity under the conditions of freedom and justice that bind together the Western community of nations. In this regard, I view the program announced by the Spanish Prime Minister as a positive step toward that goal. We have seen a further positive step with the Spanish Government's announcement of May 7 of a proposal for the establishment of an elected two-house Parliament. The extent and pace of change, however, are matters for the Spanish people and nation to decide and cannot be dictated from outside. In this evolutionary period, Spain will continue to have the understanding of the United States and the American people.

US-Spanish ties of friendship and cooperation are strong and longstanding. This is reflected in the recently concluded "Treaty of Friendship and Cooperation" between our two countries and will be further underscored by King Juan Carlos' State Visit to the United States this June.



POLITICAL SITUATION IN ITALY

Q: Mr. President, national elections are scheduled to be held in Italy on June 20. Some observers give the Communists a better than even chance of doing well enough at the polls to be invited to join the Italian cabinet. If this occurs, what will be the reaction of the US Government, given your strong statements in the past opposing Communist participation in the Italian government?

A: Decisions on domestic political affairs must ultimately be made by the Italian electorate. I would say, however, as I have said in the past, that a Communist government or coalition government including Communists in any NATO member state would raise serious questions about that country's role in the Atlantic Alliance. Communist participation in NATO governments would change the character of the Alliance. Past actions and statements by European Communists demonstrate that their influence in Allied Governments would seriously hamper Western defense efforts essential to Europe's freedom and to international stability. Communists in Western Europe have long advocated programs and values detrimental to NATO and to our mutual defense. It is the inevitable impact of such developments on the North Atlantic Alliance which is of concern to us.

Additionally, the commitment of the American people to defend European freedom would be deprived of the moral basis on which it has stood for 30 years.



5/21/76

SALT

Q: The SALT talks in Geneva have been recessed until June. Is this an indication that the talks are stalemated?

A: No, periodic recesses in the negotiations are normal. We are continuing to work toward conclusion of a new SALT agreement. Our recent exchange of views has provided further insight into the positions of both sides on the unresolved issues. We are continuing our efforts to get a SALT agreement beneficial to our national interest without regard for any imagined or arbitrary timetable.



CONCORDE

Q: Mr. President, many, many Americans are opposed to flights by the Concorde supersonic aircraft into the United States. The aircraft is not needed. The aircraft will cause major damage to the environment. Why are you standing by and not taking a more forceful position against entry of the Concorde?

A: The question of supersonic flights to the United States produces strongly held views both pro and con, and it is a matter which we have given careful attention.

After an extensive review of all the factors involved, the Secretary of Transportation took the decision -- and I am in agreement with the decision -- that the Concorde aircraft should be permitted to conduct a limited number of flights for a limited period of time to two U.S. airports (JFK and Dulles). The information gained from these flights will permit us to take longer range decisions with regard to the operation of such aircraft in the United States -- decisions based on fact rather than conjecture on such important issues as the aircraft's effect on the environment.



5/21/76

TTB/PNE

Q: When do you expect the PNE Treaty to be signed?

A: The PNE Treaty was initialed in Moscow last week and plans for signing are going forward. There are several significant provisions in the agreement, but the most far-reaching is its precedent-setting provisions for on-site inspection under certain conditions. This agreement reaffirms the determination of our two governments to continue to work for sound and balanced agreements controlling nuclear power and reducing the risk of nuclear war. I consider the conclusion of this agreement an important achievement of my Administration and tangible proof that the course I have set upon -- a course of peace through strength -- is correct and prudent, and in the interest of the United States.



5/21/76

Senate Committee Action on the Shipbuilding Supplemental

Q: The Senate Armed Services Committee in its recent mark-up of the Defense Authorization Bill decided to reject almost all of the items included in the shipbuilding supplemental submitted by Secretary Rumsfeld some two weeks ago. Does the Administration still intend to press for the supplemental shipbuilding funds?

A: As you know, I directed a study of our future shipbuilding requirements some time ago. The study will provide a thorough analysis of the role of naval forces in our overall strategy and a definition of the kinds of naval forces that will be required to carry out that role. Soon after the study began it was clear that we would require increases in certain types of ships and it was based upon that unanimous judgment that I sent the budget amendment to the Congress. It is my view that the basic shipbuilding budget submitted in January and the recent supplemental request together provide a sound shipbuilding program for Fiscal Year 1977 and are worthy of the full support of the whole Congress.



NUCLEAR TESTING

Q: Governor Carter has called for a five-year voluntary moratorium on nuclear testing as well as a broad general program to limit the use of nuclear power as an energy alternative. How do you feel about the benefits of such action? Are they realistic?

A: I am committed to the objective of preventing the spread of nuclear weapons and to nuclear export policies that support that objective. The US wants to share the benefits of the peaceful use of nuclear energy while at the same time ensuring against the threat of nuclear proliferation.

As you know, we have just completed negotiation of a new treaty governing peaceful nuclear explosions. I believe that this agreement, together with the Threshold Test Ban Treaty represents real and realistic progress -- progress based on a carefully worked out scheme of verification to ensure compliance.

Nuclear energy is a vital element of our national security and of our domestic economic needs for the future. While I would want to see more details about Governor Carter's program before commenting further, my general impression is that it is neither realistic nor does it serve our national interests.



REVENUE SHARING

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

March 23, 1976

MEMORANDUM FOR

JIM SHUMAN

FROM

PAUL MYER *Paul Myer*

Per your request, attached is the supplemental material for the President's trip to California.

Attachment

Tab A -- GRS Payment Data

Tab B -- Actual Uses

Tab C -- GRS Payment Data
for State of California
and all local jurisdictions

TAB A



GENERAL REVENUE SHARING PAYMENTS -- CALIFORNIA
(in millions)



	Total State & All Local Governments	State Gov't.	Counties	Municipalities	Indian Tribes
Actual Payments to Date as of 1/5/76	\$ 2,504.1	\$ 834.7	\$ 999.8	\$ 669.0	\$.5
Estimated Payments Under Existing Pro- gram--thru 12/31/76	\$ 3,178.7	\$1,059.5	\$1,257.2	\$ 861.2	\$.7
Projected Payments Under President's Proposal (1/77-9/82)	\$ 4,125.8	\$1,375.3	\$1,575.4	\$1,174.0	\$1.1



GENERAL REVENUE SHARING PAYMENTS

CALIFORNIA

<u>Jurisdiction</u>	<u>Payment to Date</u>	<u>Total (Existing Program thru 12/31/76)</u>	<u>Projected Under President's Legislation</u>
Fresno County	\$ 31,181,521	\$ 39,095,853	\$ 48,216,992
Fresno City	\$ 12,984,376	\$ 16,519,139	\$ 21,555,480
--			
San Francisco	\$ 74,986,878	\$ 93,948,787	\$ 115,524,126
--			
Los Angeles County	\$ 364,261,987	\$ 453,355,450	\$ 542,080,020
Los Angeles City	\$ 143,180,896	\$ 185,875,910	\$ 260,122,070

TAB B



Actual Uses of General Revenue Sharing Payments
(July 1974-June 1975)



<u>Jurisdiction</u>	<u>Actual Uses</u>
Fresno County	\$ 8,227,000 for health 2,476,000 for public safety 767,000 for public transportation
Fresno City	\$ 1,236,000 for environmental protection 658,000 for recreation 442,000 for general government
San Francisco	\$ 9,054,000 for public transportation 6,251,000 for social services to the poor and aged 2,686,000 for public safety
Los Angeles County	\$31,143,000 for public safety 25,214,000 for public transportation 25,397,000 for recreation
Los Angeles City	\$19,547,000 for environmental protection 6,000,000 for recreation 3,097,000 for public transportation

TAB C

OFFICE OF REVENUE SHARING

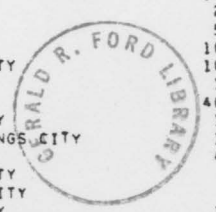
REVENUE SHARING DISBURSEMENTS

COUNTY CODE	NAME	QUARTERLY PAYMENT	ALL PAYMENTS TO DATE	COUNTY CODE	NAME	QUARTERLY PAYMENT	ALL PAYMENTS TO DATE
5	STATE OF CALIFORNIA	54,934,544	834,690,872		GRINDSTONE INDIAN RANCHERIA	REPORT	960
001	ALAMEDA COUNTY	2,704,179	43,016,351		* COUNTY TOTAL *	136,110	2,055,819
	ALAMFDA CITY	114,309	1,709,440	012	HUMBOLDT COUNTY	386,886	6,864,187
	ALBANY CITY	43,396	498,837		ARCATA CITY	36,195	431,220
	BERKELEY CITY	307,695	4,864,227		BLUE LAKE CITY	1,287	22,527
	EMERYVILLE TOWN	26,555	335,280		EUREKA CITY	94,206	1,479,874
	FREMONT CITY	213,264	3,090,157		FERNDALE CITY	3,394	51,003
	HAYWARD CITY	296,647	4,284,719		FORTUNA CITY	11,128	169,196
	LIVERMORE CITY	68,250	970,386		TRINIDAD CITY	846	11,181
	NEWARK CITY	70,478	1,095,037		RIO DELL CITY	5,744	73,856
	OAKLAND CITY	1,365,397	20,127,453		MOOPA VALLEY BUSINESS COUNC	5,938	100,680
	PIEDMONT CITY	11,320	181,123		CHER-AE HFIGHTS COMMUNITY	286	2,407
	PLEASANTON CITY	44,882	616,566		* COUNTY TOTAL *	545,914	9,206,126
	SAN LEANDRO CITY	165,297	2,514,583	013	IMPERIAL COUNTY	379,227	5,907,388
	UNION CITY	64,526	961,089		RAWLEY CITY	41,094	612,569
	* COUNTY TOTAL *	5,496,195	84,272,243		CALEXICO CITY	78,932	1,104,071
002	ALPINE COUNTY	4,488	51,284		CALIPATRIA CITY	8,605	135,449
	WASHOE TRIBAL COUNCIL	REPORT	8,630		EL CENTRO CITY	61,892	861,548
	* COUNTY TOTAL *	4,488	59,914		MOLTVILLE CITY	8,937	146,338
003	AMADOR COUNTY	60,146	947,326		IMPERIAL CITY	9,468	126,877
	AMADOR CITY	188	2,640		WESTMORLAND CITY	3,138	46,384
	IONE CITY	6,546	96,224		QUECHAN TRIBAL COUNCIL	6,056	94,204
	JACKSON CITY	6,149	78,800	014	INYO COUNTY	65,277	1,018,654
	PLYMOUTH CITY	1,200	17,641		BISHOP CITY	13,998	203,054
	SUTTER CREEK CITY	4,001	52,910		FORT INDEPENDENCE GENERAL C	231	3,591
	* COUNTY TOTAL *	78,230	1,190,541		BIG PINE TRIRAL COUNCIL	892	4,529
004	BUTTE COUNTY	459,785	7,399,682		BISHOP TRIBAL COUNCIL	4,089	62,743
	BIGGS CITY	1,569	22,278		LONE PINE RESERVATION	805	9,978
	CHICO CITY	104,385	1,509,857		* COUNTY TOTAL *	85,292	1,302,549
	GRIDLEY CITY	17,288	203,844	015	KERN COUNTY	1,984,638	31,361,361
	OROVILLE CITY	45,876	658,114		BAKERSFIELD CITY	409,759	6,022,267
	* COUNTY TOTAL *	628,903	9,793,775		DELANO CITY	66,969	914,637
005	CALAVERAS COUNTY	96,003	1,522,048		MARICOPA CITY	1,365	22,737
	ANGELS CITY	5,689	58,376		SHAFTER CITY	10,432	211,226
	* COUNTY TOTAL *	101,692	1,580,424		TAFT CITY	10,148	158,271
006	COLUSA COUNTY	77,609	1,211,539		TEMACHAPI CITY	12,577	133,744
	COLUSA CITY	12,197	171,926		WASCO CITY	22,657	289,280
	WILLIAMS CITY	3,626	53,768		MCFARLAND CITY	8,497	133,918
	COLUSA INDIAN COMMUNITY COU	REPORT	755		ARVIN CITY	14,635	172,329
	CORTINA RANCHERIA	REPORT	72		RIDGECREST CITY	23,048	239,094
	* COUNTY TOTAL *	93,432	1,438,060		CALIFORNIA CITY	16,757	171,283
007	CONTRA COSTA COUNTY	1,489,896	24,023,034		* COUNTY TOTAL *	2,581,482	39,830,147
	ANTIOCH CITY	59,178	854,709	016	KINGS COUNTY	407,887	6,359,304
	RRENTWOOD CITY	7,523	81,128		CORCORAN CITY	31,057	361,537
	CONCORD CITY	141,648	2,027,218		HANFORD CITY	75,783	1,157,087
	EL CERRITO CITY	26,020	417,724		LEMOORE CITY	15,273	197,080
	HERCULES TOWN	975	14,203		SANTA ROSA GENERAL COUNCIL	REPORT	5,993
	MARTINEZ CITY	28,890	436,875		* COUNTY TOTAL *	530,000	8,081,001
	PINOLE CITY	15,649	231,394	017	LAKE COUNTY	157,758	2,173,498
	PITTSBURG CITY	66,825	932,677		LAKEPORT CITY	18,422	224,987
	RICHMOND CITY	329,044	5,149,205		EL-EM INDIAN COLONY	794	7,868
	SAN PARLO CITY	32,228	487,685		MIDDLETOWN GENERAL COUNCIL	REPORT	1,626
	WALNUT CREEK CITY	48,697	683,843		* COUNTY TOTAL *	176,974	2,407,979
	CLAYTON CITY	1,969	26,025	018	LASSEN COUNTY	73,755	1,022,554
	PLEASANT HILL CITY	29,720	416,703		SUSANVILLE CITY	19,661	303,644
	LAFAYETTE CITY	22,341	342,047		SUSANVILLE INDIAN RANCHERIA	351	5,129
	* COUNTY TOTAL *	2,300,603	36,121,470		* COUNTY TOTAL *	93,767	1,331,327
008	DEL NORTE COUNTY	80,406	1,269,022	019	LOS ANGELES COUNTY	21,787,493	364,261,987
	CRESCENT CITY CITY	20,161	303,097		ALHAMBRA CITY	104,456	1,545,792
	RESIGHINI BUSINESS COUNCIL	134	850		ARCADIA CITY	48,154	751,573
	* COUNTY TOTAL *	100,701	1,572,969		AVALON CITY	7,753	127,127
009	EL DORADO COUNTY	271,566	3,640,375		AZUSA CITY	74,182	1,172,853
	PLACERVILLE CITY	23,964	340,709		BALDWIN PARK CITY	121,824	1,341,531
	SOUTH LAKE TAHOE CITY	105,054	1,353,338		BELL CITY	27,697	520,513
	* COUNTY TOTAL *	400,584	5,334,422		BEVERLY HILLS CITY	35,835	556,768
010	FRESNO COUNTY	1,933,196	31,181,521		BURBANK CITY	216,322	3,182,419
	CLOVIS CITY	46,317	665,127		CLAREMONT CITY	32,818	465,761
	COALINGA CITY	10,493	161,229		COMPTON CITY	357,554	5,178,406
	FIRERAUGH CITY	22,947	258,182		COVINA CITY	87,643	1,316,985
	FOWLER TOWN	7,892	125,385		CULVER CITY CITY	111,785	1,590,636
	FRESNO CITY	862,561	12,984,376		CERRITOS CITY	85,784	706,268
	HURON CITY	22,194	134,021		EL MONTE CITY	211,913	2,847,043
	KERMAN CITY	10,997	169,185		EL SEGUNDO CITY	111,660	1,232,556
	KINGSBURG CITY	7,404	128,343		GARDENA CITY	106,441	1,459,234
	MENDOTA CITY	15,629	197,905		GLENDALE CITY	191,395	2,975,922
	ORANGE COVE CITY	18,082	234,412		GLENDORA CITY	54,203	794,484
	PARLIER CITY	11,828	130,997		HAWTHORNE CITY	81,877	1,202,032
	REEDLEY CITY	21,807	297,462		HERMOSA BEACH CITY	23,302	349,822
	SANGER CITY	81,986	559,311		HUNTINGTON PARK CITY	88,773	1,177,888
	SAN JOAQUIN CITY	10,175	101,174		INGLEWOOD CITY	247,177	3,227,776
	SELMA CITY	54,358	398,249		LAKELAND CITY	95,578	1,396,427
	SYCAMORE VALLEY ASSOCIATION	REPORT	4,120		LA PUENTE CITY	63,943	650,990
	* COUNTY TOTAL *	3,137,866	47,727,999		LA VERNE CITY	25,013	384,647
011	GLENN COUNTY	102,044	1,597,114		LONG BEACH CITY	816,753	14,311,318
	ORLAND CITY	13,286	195,829		LOS ANGELES CITY	10,415,561	143,180,896
	WILLOWS CITY	20,780	261,916		LYNWOOD CITY	74,441	947,758
					MANHATTAN REACH CITY	36,609	586,422
					MAYWOOD CITY	20,733	330,745



REVENUE SHARING DISBURSEMENTS

COUNTY CODE	NAME	QUARTERLY PAYMENT	ALL PAYMENTS TO DATE	COUNTY CODE	NAME	QUARTERLY PAYMENT	ALL PAYMENTS TO DATE
	MONROVIA CITY	70,594	1,104,545				
	MONTEBELLO CITY	99,983	1,374,887				
	MONTEREY PARK CITY	68,102	1,090,581				
	PALOS VERDES ESTATES CTY	14,260	224,401	026	MONO COUNTY	46,905	516,484
	PASADENA CITY	286,191	4,129,205		* COUNTY TOTAL *	46,905	516,484
	POMONA CITY	391,058	5,790,936	027	MONTEREY COUNTY	741,697	12,461,657
	REDONDO BEACH CITY	163,436	2,473,386		CAPMEL BY THE SEA CITY	11,854	190,434
	SAN FERNANDO CITY	99,527	975,069		DEL REY OAKS CITY	4,090	65,431
	SAN GABRIEL CITY	46,931	712,691		GONZALES CITY	6,937	109,134
	SAN MARINO CITY	14,940	235,686		GREENFIELD CITY	7,623	105,914
	SANTA MONICA CITY	164,631	2,552,597		KING CITY CITY	25,789	340,625
	SIERRA MADRE CITY	12,616	201,468		MONTEREY CITY	114,417	1,735,899
	SIGNAL HILL CITY	32,850	427,232		PACIFIC GROVE CITY	34,734	468,794
	SOUTH GATE CITY	112,095	1,484,177		SALINAS CITY	228,018	3,255,734
	SOUTH PASADENA CITY	24,048	381,680		SEASIDE CITY	77,976	1,126,153
	TORRANCE CITY	280,294	4,211,239		SOLEDAD CITY	18,040	254,554
	VERNON CITY	1,936	31,340		SAND CITY	1,766	25,444
	WEST COVINA CITY	113,518	1,582,498		* COUNTY TOTAL *	1,272,945	20,140,570
	WHITTIER CITY	103,813	1,470,530	028	NAPA COUNTY	288,833	4,213,383
	DOWNY CITY	110,260	1,706,060		CALISTOGA CITY	8,460	122,267
	BELLFLOWER CITY	53,286	866,304		NAPA CITY	98,656	1,258,095
	BRADURRY CITY	870	13,905		ST HELENA CITY	11,081	139,200
	DUARTE CITY	10,970	359,488		YOUNTVILLE CITY	13,167	159,077
	INDUSTRY CITY	5,408	85,752		* COUNTY TOTAL *	420,197	5,892,022
	IRWINDALE CITY	5,785	94,084	029	NEVADA COUNTY	157,913	2,054,484
	NORWALK CITY	131,245	1,571,396		GRASS VALLEY CITY	24,203	318,680
	PAPAMOUNT CITY	96,634	887,144		NEVADA CITY CITY	6,413	105,428
	PICO RIVERA CITY	117,222	1,136,647		* COUNTY TOTAL *	188,529	2,478,594
	ROLLING HILLS EST CTY	8,340	114,452	030	ORANGE COUNTY	2,795,723	42,415,363
	SANTA FE SPRINGS CITY	116,754	1,785,915		ANAHEIM CITY	403,971	5,434,701
	SOUTH EL MONTE CITY	76,938	869,768		BREA CITY	51,758	517,897
	WALNUT CITY	10,587	108,160		BUENA PARK CITY	136,581	2,111,738
	ARTESIA CITY	30,638	314,812		COSTA MESA CITY	222,040	2,937,374
	COMMERCE CITY	79,337	1,277,987		LA PALMA CITY	14,486	191,698
	LAWDALE CITY	41,199	442,782		FULLERTON CITY	146,553	1,973,745
	ROLLING HILLS CITY	2,061	33,883		GARDEN GROVE CITY	197,353	2,647,941
	BELL GARDENS CITY	71,755	699,980		HUNTINGTON BEACH CITY	281,083	3,806,392
	CUDAHY CITY	26,024	298,808		LAGUNA BEACH CITY	28,612	425,742
	LA MIRADA CITY	45,104	537,446		LA HABRA CITY	162,090	1,087,819
	SAN DIMAS CITY	34,946	350,413		NEWPORT BEACH CITY	70,859	913,872
	TEMPLE CITY	32,124	514,768		ORANGE CITY	195,469	2,531,684
	ROSEMEAD CITY	88,627	774,390		PLACENTIA CITY	55,454	633,648
	HAWAIIAN GARDENS	39,088	375,224		SAN CLEMENTE CITY	43,295	546,649
	HIDDEN HILLS CITY	1,597	25,391		SANTA ANA CITY	483,773	6,804,202
	LOMITA CITY	20,158	327,521		SEAL BEACH CITY	30,596	446,705
	PALMDALE CITY	29,123	234,527		STANTON CITY	28,166	458,506
	CARSON CITY	223,018	1,685,750		TUSTIN CITY	42,040	418,280
	RANCHO PALOS VERDES CITY	37,436	218,786		FOUNTAIN VALLEY CITY	69,145	904,091
	* COUNTY TOTAL *	39,412,029	607,959,508		CYPRESS CITY	41,521	589,553
020	MADEIRA COUNTY	267,764	4,174,942		LOS ALAMITOS CITY	25,604	356,866
	CHOWCHILLA CITY	14,030	153,039		WFSTMINSTER CITY	121,954	1,535,278
	MADERA CITY	54,056	711,507		SAN JUAN CAPISTRANO CITY	25,472	211,991
	* COUNTY TOTAL *	335,850	5,041,488		VILLA PARK CITY	4,830	49,190
021	MARIN COUNTY	347,062	5,308,788		YORBA LINDA CITY	20,634	213,383
	BELVEDERE CITY	2,757	43,244		IRVINE CITY	49,407	339,715
	CORTE MADERA TOWN	15,800	208,552		* COUNTY TOTAL *	5,748,469	80,504,334
	FAIRFAX TOWN	11,731	158,951	031	PLACER COUNTY	352,013	5,232,067
	LARKSPUR CITY	12,952	178,144		AUBURN CITY	21,010	294,364
	HILL VALLEY CITY	20,427	321,236		COLFAX CITY	5,490	68,343
	ROSS TOWN	2,996	45,797		LINCOLN CITY	9,543	154,644
	SAN ANSELMO TOWN	23,284	330,111		ROCKLIN CITY	7,932	80,560
	SAN RAFAEL CITY	67,433	927,025		ROSEVILLE CITY	61,429	793,442
	SAUSALITO CITY	7,338	104,071		* COUNTY TOTAL *	457,417	6,623,973
	NOVATO CITY	44,346	655,009	032	PLUMAS COUNTY	76,884	1,230,072
	TIBURON CITY	7,164	104,464		PORTOLA CITY	3,613	45,769
	* COUNTY TOTAL *	563,290	8,388,392		* COUNTY TOTAL *	80,497	1,275,841
022	MARIPOSA COUNTY	53,094	733,549	033	RIVERSIDE COUNTY	1,873,985	30,173,313
	* COUNTY TOTAL *	53,094	733,549		BANNING CITY	36,683	630,307
023	MENDOCINO COUNTY	337,781	4,760,161		BEAUMONT CITY	22,785	336,667
	FORT BRAGG CITY	20,930	305,741		BLYTHE CITY	40,202	528,817
	POINT ARENA CITY	1,262	16,402		COACHELLA CITY	61,150	826,033
	UKIAH CITY	34,923	466,737		CORONA CITY	107,871	1,648,665
	WILLITS CITY	17,783	218,805		ELSINORE CITY	21,268	339,788
	COVELO INDIAN COMMUNITY COU	2,467	35,570		HEMET CITY	55,363	890,750
	MANCHESTER COMMUNITY COUNCI	1,248	7,589		INDIO CITY	105,779	1,455,442
	LAYTONVILLE EXECUTIVE COMMI	786	7,913		PALM SPRINGS CITY	102,889	1,431,552
	* COUNTY TOTAL *	417,180	5,818,918		PERRIS CITY	19,981	293,182
024	MERCED COUNTY	637,760	9,663,763		RIVERSIDE CITY	409,544	5,543,602
	ATWATER CITY	29,645	421,345		SAN JACINTO CITY	10,595	174,578
	DOS PALOS CITY	9,874	102,445		DESERT HOT SPRINGS CITY	10,521	180,900
	GUSTINE CITY	6,272	103,058		NORCO CITY	42,462	511,981
	LIVINGSTON CITY	12,226	192,997		INDIAN WELLS CITY	1,256	14,410
	LOS HANDS CITY	35,266	472,494		RANCHO MIRAGE CITY	6,492	24,944
	MERCED CITY	128,862	1,775,690		PALM DESERT CITY	10,003	52,914
	* COUNTY TOTAL *	859,905	12,731,792		COLORADO RIVER TRIBAL COUNCIL	REPORT	2,354
025	MODOC COUNTY	50,770	782,834		AGUA CALIFNTE TRIBAL COUNCIL	REPORT	0
	ALTURAS CITY	7,618	113,419		MORONGO GENERAL COUNCIL	REPORT	22,125
	FORT BIDWELL GENERAL	REPORT	2,513		PECHANGA GENERAL COUNCIL	REPORT	2,579
	ALTURAS RANCHERIA GEN COUNC	123	1,298		SANTA ROSA BUSINESS COMMITT	REPORT	418
	X-L RANCH ROAD OF DIRECTOR	223	3,498		SORORA GENERAL COUNCIL	REPORT	18,277
	* COUNTY TOTAL *	58,734	903,562		CAHUILLA GENERAL COUNCIL	REPORT	0
					TOPRES-MARTINEZ BUSINESS CO	REPORT	0



REVENUE SHARING DISBURSEMENTS

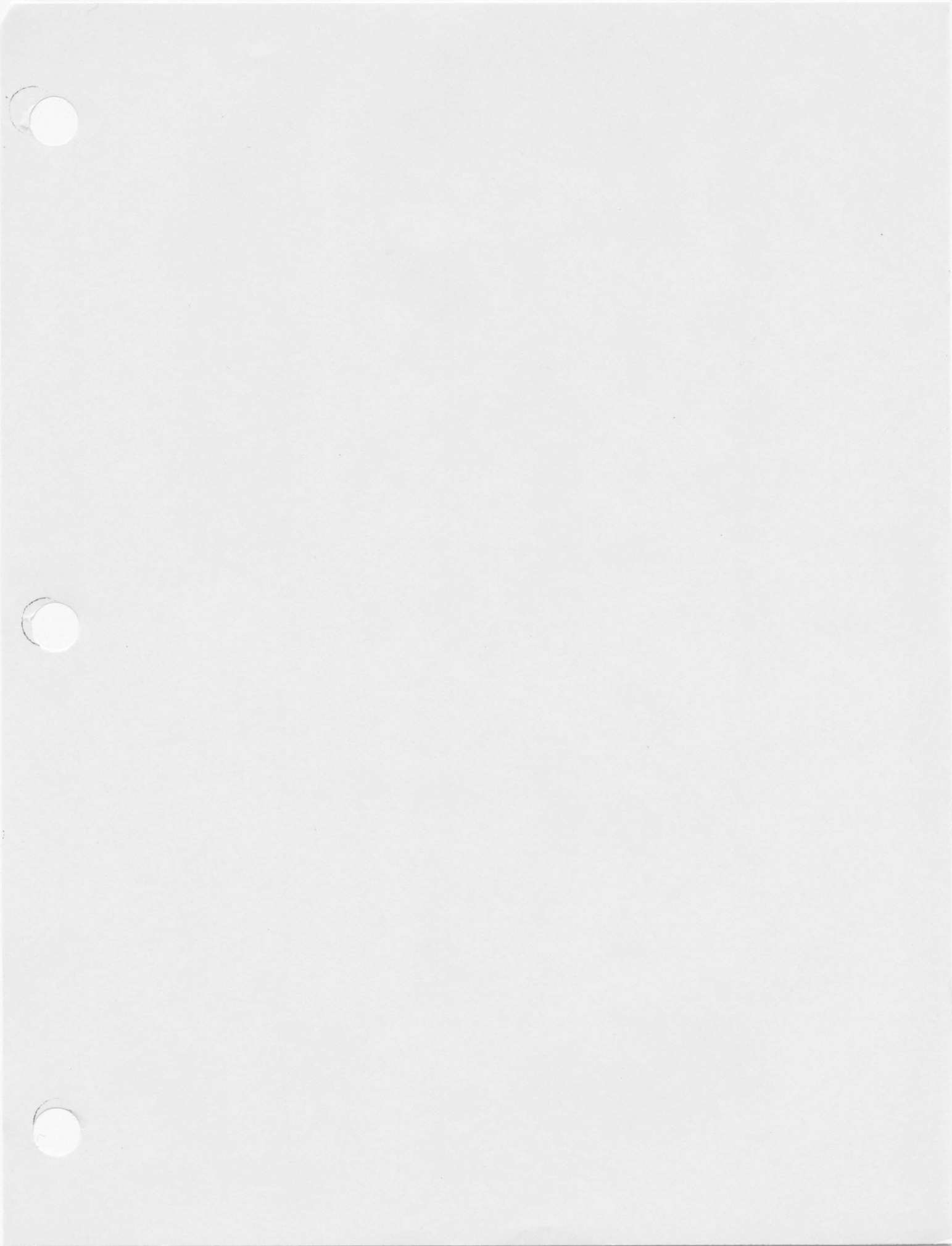
COUNTY CODE	NAME	QUARTERLY PAYMENT	ALL PAYMENTS TO DATE	COUNTY CODE	NAME	QUARTERLY PAYMENT	ALL PAYMENTS TO DATE
	* COUNTY TOTAL *	2,940,912	45,105,651				
034	SACRAMENTO COUNTY	2,562,184	37,932,760		SAN MATEO CITY	135,055	2,172,890
	FOLSOM CITY	20,613	315,147		SO SAN FRANCISCO CITY	132,901	1,859,341
	GALT CITY	7,739	118,860		PACIFICA CITY	55,959	831,444
	ISLETON CITY	4,255	60,403		WOODSIDE TOWN	5,069	78,901
	SACRAMENTO CITY	933,623	14,342,600		HALF MOON BAY CITY	8,207	137,914
	* COUNTY TOTAL *	3,528,414	52,769,770		BRISBANE CITY	11,824	180,178
					PORTOLA VALLEY TOWN	5,366	83,258
					FOSTER CITY CITY *	70,093	1,088,258
					* COUNTY TOTAL *	1,735,520	26,670,759
035	SAN RENITO COUNTY	74,626	1,085,552	042	SANTA BARRARA COUNTY	873,466	14,961,955
	HOLLISTER CITY	27,796	368,234		GUADALUPE CITY	7,493	110,744
	SAN JUAN BAUTISTA CITY	2,462	44,411		LAMPOC CITY	53,601	794,454
	* COUNTY TOTAL *	104,884	1,498,197		SANTA BARRARA CITY	206,724	2,962,343
036	SAN BERNARDINO COUNTY	2,944,844	44,748,042		SANTA MARIA CITY	102,781	1,428,524
	BARSTOW CITY	45,635	714,092		CARPINTERIA CITY	28,908	311,249
	CHINO CITY	72,943	904,431		SANTA YNEZ BUSINESS COUNCIL	308	5,186
	COLTON CITY	76,762	1,169,883		* COUNTY TOTAL *	1,273,281	20,574,455
	FONTANA CITY	49,246	674,955	043	SANTA CLARA COUNTY	2,516,033	36,583,870
	NEEDLES CITY	11,210	175,021		CAMPBELL CITY	72,930	957,282
	ONTARIO CITY	167,245	2,452,465		CUPERTINO CITY	25,040	316,902
	REDLANDS CITY	78,081	1,193,323		GILROY CITY	52,039	642,018
	RIALTO CITY	55,960	820,017		LOS ALTOS CITY	27,218	418,261
	SAN BERNARDINO CITY	464,410	7,275,442		LOS ALTOS HILLS TOWN	7,396	114,538
	UPLAND CITY	50,421	774,199		LOS GATOS TOWN	27,379	394,712
	MONTCLAIR CITY	91,206	1,200,551		MILPITAS CITY	77,120	1,093,982
	VICTORVILLE CITY	30,854	420,749		MORGAN HILL CITY	21,899	287,313
	ADELANTO CITY	8,497	79,713		MOUNTAIN VIEW CITY	110,898	1,432,878
	LOMA LINDA CITY	10,158	117,322		PALO ALTO CITY	74,066	1,001,436
	FORT MOJAVE TRIBAL COUNCIL	1,197	16,350		SAN JOSE CITY	1,388,650	19,210,717
	SAN MANUEL GENERAL COUNCIL	REPORT	1,516		SANTA CLARA CITY	210,261	2,931,923
	CHEMUEHEVI INDIAN TRIBE	NO PAY DUE	360		SUNNYVALE CITY	172,944	2,394,151
	* COUNTY TOTAL *	4,158,669	62,744,431		SARATOGA CITY	32,182	453,565
					MONTE SERENO CITY	3,538	48,405
037	SAN DIEGO COUNTY	3,540,774	52,445,546		* COUNTY TOTAL *	4,819,593	68,281,933
	CARLSBAD CITY	86,695	911,204	044	SANTA CRUZ COUNTY	561,096	8,145,794
	CHULA VISTA CITY	188,826	2,803,613		CAPITOLA CITY	13,296	207,916
	CORONADO CITY	40,574	574,302		SANTA CRUZ CITY	134,202	2,057,520
	EL CAJON CITY	160,424	2,191,546		WATSONVILLE CITY	65,186	904,694
	ESCONDIDO CITY	152,745	2,160,969		SCOTTS VALLEY CITY	5,811	81,027
	IMPERIAL BEACH CITY	55,885	781,159		* COUNTY TOTAL *	779,591	11,396,951
	LA MESA CITY	67,614	1,101,085	045	SHASTA COUNTY	306,786	5,218,720
	NATIONAL CITY CITY	175,750	2,373,792		REDDING CITY	115,275	1,616,801
	OCEANSIDE CITY	163,757	2,335,732		ANDERSON CITY	17,474	250,258
	SAN DIEGO CITY	1,908,666	27,701,270		BIG BEND GENERAL COUNCIL	REPORT	420
	DEL MAR CITY	5,863	95,078		MONTGOMERY CREEK RANCHERIA	REPORT	398
	SAN MARCOS CITY	33,163	280,321		ROARING CREEK RANCHERIA	REPORT	228
	VISTA CITY	43,871	670,684		* COUNTY TOTAL *	439,535	7,086,844
	SAN PASQUAL GENERAL COUNCIL	212	1,588	046	SIERRA COUNTY	17,535	237,447
	LAJOLLA TRIBAL COUNCIL	REPORT	2,452		LOYALTON CITY	1,115	15,949
	MESA GRANDE BAND OF MISSION	REPORT	604		* COUNTY TOTAL *	18,650	253,396
	PALA BAND MISSION INDIANS	1,331	12,346	047	SISKIYOU COUNTY	175,307	2,478,487
	PAUMA GENERAL COUNCIL	REPORT	1,784		DORRIS TOWN	1,335	21,304
	RINCON INDIAN RES SAN DIEGO	415	6,408		DUNSMUIR CITY	5,424	94,559
	BARONA GENERAL COUNCIL	862	8,098		ETNA TOWN	1,758	34,527
	INAJA-COSMIT GENERAL COUNCIL	REPORT	149		FORT JONES TOWN	1,454	20,637
	LOS COYOTES BAND OF MISSION	270	3,966		MONTAGUE TOWN	1,699	23,753
	MANZANITA INDIAN RESERVATIO	99	1,056		MOUNT SHASTA TOWN	5,977	94,347
	CAMPO BAND OF MISSION INDIA	383	3,014		TULELAKE CITY	4,676	67,972
	SANTA YSABEL GENERAL COUNCIL	1,346	6,949		YREKA CITY TOWN	22,610	294,382
	SYCUAN BAND OF MISSION INDI	388	1,123		WEFD CITY	8,410	122,088
	VIEJAS TRIBAL COUNCIL	595	7,195		* COUNTY TOTAL *	228,650	3,252,056
	* COUNTY TOTAL *	6,630,508	96,483,053	048	SOLANO COUNTY	499,568	7,641,371
038	SAN FRANCISCO CITY	4,631,680	74,988,878		RENICIA CITY	49,227	861,543
	* COUNTY TOTAL *	4,631,680	74,988,878		DIXON CITY	13,445	204,203
039	SAN JOAQUIN COUNTY	1,321,925	20,662,757		FAIRFIELD CITY	121,260	1,752,640
	LODI CITY	77,180	1,072,162		RIO VISTA CITY	6,470	91,638
	MANTECA CITY	44,647	644,857		SUISUN CITY CITY	14,022	260,408
	RIPON CITY	10,156	169,778		VACAVILLE CITY	62,791	900,037
	STOCKTON CITY	527,090	7,795,015		VALLEJO CITY	172,676	2,435,795
	TRACY CITY	44,581	665,525		* COUNTY TOTAL *	939,459	14,147,635
	ESCALON CITY	7,980	116,630	049	SONOMA COUNTY	992,860	14,933,518
	* COUNTY TOTAL *	2,033,559	31,128,724		CLOVERDALE CITY	13,632	170,009
040	SAN LUIS OBISPO COUNTY	594,549	9,099,624		HEALDSBURG CITY	30,922	390,785
	ARROYO GRANDE CITY	20,252	337,213		PETALUMA CITY	83,367	1,225,178
	EL PASO DE ROBLES CITY	42,957	552,599		SANTA ROSA CITY	205,242	2,830,718
	PISMO BEACH CITY	REPORT	189,479		SEBASTOPOL CITY	21,675	298,302
	SAN LUIS OBISPO CITY	121,893	1,534,409		SONOMA CITY	17,239	258,824
	GROVER CITY	21,994	305,216		COTATI CITY	10,002	131,339
	MORRO RAY CITY	27,666	454,777		ROHNERT PARK CITY	46,291	353,484
	* COUNTY TOTAL *	829,311	12,477,317		STEWARTS POINT RANCHERIA CO	REPORT	3,034
					DRY CREEK RANCHERIA	REPORT	830
041	SAN MATEO COUNTY	843,876	13,218,856		* COUNTY TOTAL *	1,421,250	20,606,013
	ATHERTON TOWN	8,674	134,718	050	STANISLAUS COUNTY	726,233	13,371,083
	RELMONT CITY	25,884	393,447		CEPES CITY	29,253	366,013
	BURLINGAME CITY	49,939	699,836		MODESTO CITY	238,265	3,245,202
	COLMA TOWN	4,034	61,422		NEWMAN CITY	9,874	159,234
	DALY CITY	106,711	1,627,496		OAKDALE CITY	26,317	359,718
	HILLSBOROUGH TOWN	9,476	146,019		PATTERSON CITY	16,625	225,163
	MENLO PARK CITY	29,235	447,901				
	HILLBRAE CITY	22,150	347,994				
	REDWOOD CITY	126,110	1,925,952				
	SAN BRUNO CITY	55,496	749,692				
	SAN CARLOS CITY	29,441	437,092				

REVENUE SHARING DISBURSEMENTS

COUNTY CODE	NAME	QUARTERLY PAYMENT	ALL PAYMENTS TO DATE	COUNTY CODE	NAME	QUARTERLY PAYMENT	ALL PAYMENTS TO DATE
	RIVERBANK CITY	23,451	381,389				
	TURLOCK CITY	44,365	687,123				
	WATERFORD CITY	6,487	75,938				
	MURKSON CITY	6,919	73,533				
	* COUNTY TOTAL *	1,127,789	18,944,396				
051	SUTTER COUNTY	199,006	2,722,265				
	LIVE OAK CITY	8,819	109,437				
	YUBA CITY	49,147	760,402				
	* COUNTY TOTAL *	256,972	3,592,104				
052	TEHAMA COUNTY	167,990	2,544,607				
	CORNING CITY	12,851	168,999				
	RED BLUFF CITY	36,237	505,717				
	TEHAMA CITY	350	5,303				
	* COUNTY TOTAL *	217,428	3,224,626				
053	TRINITY COUNTY	67,925	896,570				
	* COUNTY TOTAL *	67,925	896,570				
054	TULARE COUNTY	1,128,468	17,463,791				
	DINUBA CITY	28,707	397,552				
	EXETER CITY	10,382	160,946				
	LINDSAY CITY	25,264	331,333				
	PORTERVILLE CITY	97,054	1,292,563				
	TULARE CITY	108,652	1,315,701				
	VISALIA CITY	118,944	1,655,809				
	WOODLAKE CITY	8,347	113,688				
	FARMERSVILLE CITY	8,606	127,868				
	TULE RIVER TRIBAL COUNCIL	REPORT	30,100				
	* COUNTY TOTAL *	1,534,424	22,889,351				
055	TUOLUMNE COUNTY	141,778	1,890,480				
	SONORA CITY	17,676	221,872				
	TUOLUMNE INDIAN RANCHERIA	745	9,208				
	* COUNTY TOTAL *	160,199	2,121,560				
056	VENTURA COUNTY	1,462,487	22,771,887				
	FILLMORE CITY	16,547	199,813				
	OJAI CITY	15,252	231,858				
	OXNARD CITY	312,797	4,214,135				
	PORT HUENEME CITY	19,841	338,166				
	SAN BUENAVENTURA CITY	155,201	2,178,192				
	SANTA PAULA CITY	44,737	675,288				
	CAMARILLO CITY	24,624	338,221				
	THOUSAND OAKS CITY	67,721	840,906				
	SIMI VALLEY CITY	92,317	1,169,194				
	* COUNTY TOTAL *	2,211,524	32,957,660				
057	YOLO COUNTY	409,428	6,140,362				
	DAVIS CITY	92,788	1,257,250				
	WINTERS CITY	6,115	113,407				
	WOODLAND CITY	100,010	1,228,403				
	RUMSEY RANCHERIA	112	1,109				
	* COUNTY TOTAL *	608,453	8,740,531				
058	YUBA COUNTY	229,420	4,090,843				
	MARYSVILLE CITY	70,822	1,083,654				
	WHEATLAND CITY	4,326	60,648				
	* COUNTY TOTAL *	304,568	5,235,145				
**	STATE TOTAL **	164,941,915	2,504,104,509				
	NUMBER PAID	500					

----- GOVERNMENTS NOT PAID -----

REASON	NUMBER	AMOUNT
REPORT	25	50,727
DUE TRUST FUND	0	
ORS HOLD	0	
WAIVED	0	
NO PAY DUE	1	
TOTAL	26	50,727



GENERAL REVENUE SHARING PAYMENTS TO SELECTED COUNTIES AND CITIES
FOR CALIFORNIA

<u>Jurisdiction</u>	<u>Payment to Date</u>	<u>Total (Existing Program thru 12/31/76)</u>	<u>Projected Under President's Legislation</u>
Orange County*	\$ 45,211,086	\$ 53,985,143	\$ 69,731,584
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San Diego County	55,986,320	66,940,775	88,307,982
San Diego City	29,609,936	35,548,346	48,000,224
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Los Angeles County**	386,049,480	456,078,273	542,087,560
Los Angeles City	153,596,457	185,696,626	260,088,110
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Santa Clara County	39,099,903	46,884,439	62,755,693
Santa Clara City	3,142,164	3,792,507	5,242,030
San Jose City	20,599,367	24,894,597	34,621,769

Contra Costa County	25,512,930	29,923,390	36,915,490

*Includes the areas of Mission Viejo and Laguna Hills.

**Includes San Fernando Valley.



California

SAMPLE OF ACTUAL USES OF GENERAL REVENUE SHARING PAYMENTS
(July 1974-June 1975)

FOR CALIFORNIA

<u>Jurisdiction</u>	<u>Actual Uses</u>
Orange County	\$ 6,669,431 for recreation 5,761,672 for general government 2,900,471 for social services for the poor or aged
San Diego County	4,616,630 for recreation 4,070,386 for social services for the poor or aged 2,486,211 for health
San Diego City	2,864,100 for public safety 1,887,500 for recreation 1,214,000 for social services for the poor or aged
Los Angeles County	31,142,625 for public safety 25,213,804 for public transportation 25,396,675 for recreation
Los Angeles City	19,547,300 for environmental protection 6,000,000 for recreation 3,096,709 for public transportation

Jurisdiction

Actual Uses

Santa Clara County	\$ 6,910,050	for public safety
	2,943,714	for financial administration
	2,050,727	for multipurpose and general government
Santa Clara City	757,998	for public safety
	231,025	for recreation
	210,000	for environmental protection
San Jose City	4,432,241	for public safety
	2,434,300	for multipurpose and general government
	551,293	for recreation
Contra Costa County	9,830,568	for public safety
	382,913	for public transportation
	195,000	for social development