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NEWS CONFERENCE

#583

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:35 A.M. EDT

SEPTEMBER 20, 1976

MONDAY

MR. NESSEN: We want to hurry on because there is this Presidential meeting with the Farm Credit group starting in about 25 or 27 minutes.

On the trip to Philadelphia for the debate, the President will leave for Philadelphia about midday on Thursday. After the debate, the President will remain in Philadelphia overnight.

Q Where?

MR. NESSEN: I don't have the place to announce for you yet. Not the Bellevue-Stratford. That is for the press. (Laughter) That is a joke.

He will have some activities in the Philadelphia area on Friday morning and will return to Washington about midday on Friday, the 24th.

The sign-up for the Philadelphia trip, and also for the Southern trip -- we are going to have to put a deadline on the sign-up time. The deadline for the Philadelphia trip is tomorrow at noon and the reason for that is that, as you know, the League of Women Voters has designated a certain number of seats in the audience. Even though you won't be seen on television, you can still sit there. There is a limited number and we need to know how many people are signing up for the trip and how many want to sit in the audience by noon tomorrow.

The choices are to sit in the audience and not be able to leave or move or anything until after the debate is over or to stay at the Ben Franklin Hotel in the press room set up by the League of Women Voters, which is a half a block away, and watch it all on TV and have filing facilities, and so on, as the debate goes on.

So, those of you who want to go to Philadelphia, you can sign up by noon tomorrow, and also indicate whether you want to sit in the audience debate or watch it from the Ben Franklin filing center.

Q Indicate that on the sign-up list?

MR. NESSEN: Yes.

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Q Why does the White House object to the networks showing the audience?

MR. NESSEN: This is a proposal of the League of Women Voters, which Governor Carter's people and we support.

Q Yes, but the League of Women Voters now says they are neutral on this and it is being put back to both the President and Mr. Carter.

MR. NESSEN: As I say, it was the League of Women Voters' view and we support it and Governor Carter's people support it and also, apparently, so does -- I think basically, our position is the same position taken by Arthur Taylor, the president of CBS, less than a month ago. In fact, we have sent a reply to Mr. Salant's telegram and in the reply to Mr. Salant's telegram, we quote the statement by the CBS president, Arthur Taylor, on August 26th to the Chairman of the Senate and House Subcommittees on Communications when he raised the question and said that those arranging the debates should face up to the question of, "Is there a substantial danger that a live audience in an informal setting, however well-intentioned and however nonpartisan in theory that audience might be, could provide distractions from the substance of the debate or give supporting or negative emphasis to one participant or another?"

Those are Arthur Taylor's concerns, the president of CBS. We share them and Governor Carter's people share them, and that is why we have taken this position.

The other deadline for signing up is Wednesday at 5:00 p.m., which is the deadline for signing up for the Southern trip, and the reason for having that deadline is that we need to know how many people are going to go on the boat, and so forth. So, those are the two deadlines for the trip.

Q Ron, where is Kenner, Louisiana? What is it near?

MR. NESSEN: It is North of New Orleans on the Mississippi River but --

Q We know that, but what town is it near?

MR. CARLSON: Kenner-New Orleans is the main airport there.

Q Kenner? Then, how long will he be on the boat?

MR. NESSEN: Six hours, from about 10:00 in the morning until about 4:00 in the afternoon.

Here is our Louisiana expert, Ed Poe.

Q Kenner is the New Orleans International Airport. It is above the city, on the river, up about 15 miles from Canal Street, 15-1/2 miles from Bourbon Street. (Laughter)

MR. NESSEN: Can't you be a little more precise than that, Ed? (Laughter)

Q Would he be seeing any people, any population, much along this area?

MR. NESSEN: He will motorcade from the airport further north on the river where he will board the boat and then will come south on the river for about six hours.

Q What is the name of the boat, Ron?

MR. NESSEN: The name of the boat is the NATCHEZ.

Q Ron, can you tell us how this educational fellow happened to drop by today?

MR. NESSEN: He asked for a chance to come in and talk to the President.

Q That is not what he said.

MR. NESSEN: What did he say?

Q Did somebody on the staff ask him to come in and interpret the decision they endorsed?

MR. NESSEN: Let me look into it. I am not too clear on the background myself, obviously.

Those are all the announcements I have.

Q Can we go back to this point about the debate?

MR. NESSEN: Sure.

Q The White House is maintaining its opposition to --

Q Have we missed everything important?

MR. NESSEN: I don't know. We sent out a couple of people a couple of times.

Q Is the White House maintaining its opposition to showing the audience during this debate?

MR. NESSEN: The White House and the Carter people agree with the League of Women Voters' position on the question of showing the audience during the debate and, as I said in the telegram replying to Mr. Salant's telegram, that position is laid out and Arthur Taylor, the president of CBS, is invoked as reflecting the same concerns that we have.

Q Who initiated this rule, Ron?

MR. NESSEN: As I say, the League of Women Voters, and we agree with it and accept it.

Q We came in late. Is there a telegram? Did you send a telegram?

MR. NESSEN: Dick Salant, the president of DBS News, sent a telegram to the President and Mike Duval has replied to his telegram.

Q By telegram, or what?

MR. NESSEN: By telegram, that is correct.

Q Do you know what the telegram says?

MR. NESSEN: I think we better wait for the telegram to get to Mr. Salant.

Q Who did it go to?

MR. NESSEN: It went to Mr. Salant.

Q What is this about?

MR. NESSEN: I am sorry. Well, I think some of you know and in fact, asked about on Saturday, a telegram that Dick Salant said he was sending to the President. He indeed did send a telegram to the President, and then Mike Duval responded to Dick Salant's telegram dated the 20th, which would be today. I think what we will do is we will wait and make sure that this telegram has reached Dick Salant and then I think we can probably make it public.

Q The League's officials are quoted as saying they are going to go back to the candidates to see whether they will yield on the issue of showing the audience. Will the White House yield or will you continue to insist on --

MR. NESSEN: As I understand, this began as the League proposal. We accept it. We support it. Carter's people accept it and support it, and that position has not changed any.

Q I don't think that answers my question. Will the White House continue to take this position or will you permit televising the audience?

MR. NESSEN: We have the same concerns that Arthur Taylor, the president of CBS, had on the 26th and in fact, quote Arthur Taylor in the reply to Dick Salant's letter. The quotation from Arthur Taylor on August 26 was that -- and he made this statement to the Chairman of the Senate and House Subcommittees on Communications. He said that in putting the debates together and in the coverage plans for them the question arose, "Is there a substantial danger that a live audience in an informal setting, however well intentioned and however nonpartisan in theory that the audience might be, could provide distractions from the substance of the debate or give supporting or negative emphasis to one participant or another."

That was Arthur Taylor, the president of CBS. In Mike Duval's response to Dick Salant's telegram, he does cite that as representing the same kind of --

Q Taylor said yes, that he could? I mean, in answer to the question?

MR. NESSEN: Taylor just said, "This is a question we must face when we put these together."

Q Oh, "This is a question we must face," but he didn't concur that that was --

MR. NESSEN: I will need to look at the full text of his testimony.

Q Ron, for those of us who were on the driveway, without quoting the telegram, is it essentially correct to assume that the White House agrees with the League of Women Voters that cutaway shots of the audience would be a distraction? Is that it?

MR. NESSEN: That is, as I understand it, the League's position, which we accept and support, as do the Carter people.

Q But the League has gone back on that position.

MR. NESSEN: Well, I have not heard that and Mike had not mentioned it to me, and the telegram to Salant from Mike says, "We continue to support the position previously taken by representatives of the League of Women Voters, the President and Mr. Carter, concerning television coverage of the debates."

Q How important is this to the White House? I mean, is it something that you are just agreeing with the League with? Is it something that you care a great deal about? Does it make a great difference? What is the feeling?

MR. NESSEN: I think you have to go back, Lou, to the purpose of the debate. The purpose of the debate is to have the President and Governor Carter present their views on issues in depth to the American people. That is the purpose of the debates, and anything that could possibly distract from that central purpose we are opposed to.

Q Would you be in favor of eliminating the audience totally?

MR. NESSEN: Phil, this has been a subject of negotiations for a long time with the League, Carter and the Ford people, and at this point, for me to start making off-the-cuff comments about a set of negotiations that have been going on for a long time, I don't think is right.

Q What about the issue of screening reporters and having veto right on both sides?

MR. NESSEN: The panel, as I understand it, is being selected, chosen, by the League in consultation with the two candidates.

Q Does consultation mean veto?

MR. NESSEN: Consultation means consultation.

Q Does it mean that either side has the right to say that that person is not acceptable?

MR. NESSEN: It means consultation.

Q Pardon me, I don't hear the answer.

MR. NESSEN: Apparently, the names that the League considered came from the people, themselves. I understand about 20 reporters nominated themselves to be on the panel and the League, itself, I guess, had some names and the Carter people had some names.

Q Let's not get an erroneous impression. About 20 or 24 reporters nominated themselves. The total panel consists of about 90, so I don't think you want to leave the impression that the bulk of the reporters nominated themselves.

Q Did the White House present a list?

Q You did say that both candidates nominated --

MR. NESSEN: I would not call it nominated. I would say that the League asked for ideas and they came in from various sources, including the Carter people and the White House people.

Q Did you put in a list?

MR. NESSEN: The Carter people, the White House people, the reporters themselves, the League, and various --

Q Can we see your list?

MR. NESSEN: No, I don't think so, Phil.

Q Why not?

Q On what basis did you choose your list?

MR. NESSEN: From the very beginning of the negotiations of the League, both sides made a decision and promise that the negotiations would be conducted in private and that the details of them would not be a subject of leaks and --

Q This has become an open news matter now. It is no longer a private negotiation. I mean, there is a big debate going on as to the merits of all the issues involved in terms of speaking.

MR. NESSEN: I am telling you what our position is.

Q How many reporters did the White House suggest?

MR. NESSEN: It was agreed, Lou, that the details of all the negotiations and all the items would not be talked about, and we have kept our promise.

Q Did you, in your selection for each --

MR. NESSEN: We don't have a selection, Phil.

Q Well, your nomination, whatever you want to call it --

MR. NESSEN: I would not call them nominations.

Q The list of names you submitted for each debater, did you go for the specialists of what that particular debate was supposed to be on?

MR. NESSEN: Phil, the negotiators made a promise, which we intend to keep.

Q Will the moderator refer to the President as Mr. President, Mr. Ford or President Ford? What is the agreement on that?

MR. NESSEN: I don't know what the agreement is, if anything, on that.

Q But that is a point, isn't it, as to how the moderator will address the two candidates, whether it is Mr. Carter, Governor Carter, and so on.

MR. NESSEN: I had not heard of that as a matter.

Q Has the second debate location been fixed?

MR. NESSEN: If the League has picked San Francisco and announced it, it certainly --

Q I think the Carter people announced it.

MR. NESSEN: The League is announcing the location of the debates.

Q When will the panel be announced, Ron?

MR. NESSEN: You have to ask the League, Bob. That is their decision.

Q Can you tell whether the White House has objected to certain names brought up by the League of Women Voters and those names have consequently been withdrawn?

MR. NESSEN: The choice is being made by the League in consultation with the two candidates.

Q Did you object to any names that were on this list of about 90 --

MR. NESSEN: Adam, we feel that we have an obligation to keep a promise that Mike made and we intend to.

Q Ron, consultation in this case can only be interpreted as "Well, we really don't like that one, let's choose another one." You might not like to call that a veto, but whatever you want to call it, isn't that what consultation is?

MR. NESSEN: That is consultation?

Q Is that consultation, my definition?

MR. NESSEN: No, don't play with my words, Marilyn.

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Q Is that consultation?

Q That is the way it sounds, Ron.

Q How can you say it is so, without saying yes or no?

MR. NESSEN: The panel is being selected by the League in consultation with the two candidates.

Q Has it been selected?

MR. NESSEN: I don't know. Not the last time I heard.

Q Nobody in this room is on your list; we can rest assured of that, can't we? (Laughter)

Q It is very important to the White House -- everyone has said this -- that the debates should be directed at specific issues and the questions should be as careful as possible. Now, it does not seem to me you are giving anybody time to prepare any questions, if you are waiting this long.

MR. NESSEN: I don't know what you mean by "you." The League is naming the names and selecting the people.

Q In consultation with the League.

Q Is the President taking part in the consultation process?

MR. NESSEN: Is the President taking part in the consultation process?

Q Yes.

MR. NESSEN: The President's representatives are taking part in the consultation.

Q I mean, do they confer with him or the assistants to him?

MR. NESSEN: No, it is the aides who are the people who are involved in the negotiation.

Q There is a rumor -- it may be a base canard -- that the President suggested that no Washington correspondent be allowed on the panel.

MR. NESSEN: That is a base canard.

Q Is it a canard?

MR. NESSEN: It is a canard.

Q Ron, the question has come up here -- somebody asked was there a group of reporters that you or anybody in connection with this, were dealing with, did you ask a group of reporters to submit names or was there any organization on the part of reporters for input?

MR. NESSEN: I don't know what the League did with the reporters and groups of reporters. We did not consult with any reporters or groups of reporters.

Q There was no particular reporter's organization that was asked to submit names?

MR. NESSEN: You have to ask the League.

Q Ron, without getting into the business of veto, without using that word or eliminate or anything of that sort, is the process something like this: Where the League submits a list of names, the White House accepts a list of names and then submits a counterlist of names which may not be the same as the League submitted.

MR. NESSEN: We are going to keep our promise, Bob, and not talk about the negotiations.

Q Ron, you have stated that the purpose of the debates is that the views of Mr. Carter and the President be made known. Yet, for eight months, with the suggestion of debate with Ronald Reagan, you said the President's views are already well known.

Could you explain what appears to me to be a slight dilemma here? How did the President's views suddenly not get known well enough that they need to be --

MR. NESSEN: I think the President was asked that very question recently, and I will dig out his answer and show it to you.

Q Has the League contacted you since this meeting with the TV networks on Saturday?

MR. NESSEN: Mike Duval is the White House person conducting the negotiations.

Q Ron, would the White House be happier if the League simply selected the panelists without consulting either candidate?

MR. NESSEN: The League is selecting the panelists in consultation --

Q Without consultation?

MR. NESSEN: This is what was agreed to by the two candidates' representatives.

Q Come Thursday, will it be fair to say that there is a panel that has been acceptable "to both sides"?

MR. NESSEN: No, I think you would have to write the panel was selected by the League in consultation with the two candidates.

Q Ron, is there concern at the White House that this term "consultation" will be interpreted as a fixed panel and as a result the whole thing will be regarded as a farce?

MR. NESSEN: I don't know anybody who has said anything about that.

Q There is no concern on the White House part that that may be the interpretation?

MR. NESSEN: When the League announces its names, I think you ought to go to the three of your colleagues who are chosen by the League and say, "X, are you a fixed panel member? Do you feel that what you are taking part in is a farce and should the American public laugh it off?" Those are the three people you ought to direct your questions to, Russ, your three colleagues.

Q It is still fair to say that the panel was selected by President Ford, Jimmy Carter and the League of Women Voters. We don't need to add all those extra words like "in consultation with." We could just say that those three --

MR. NESSEN: The correct way to say it, Bob, is that the panel was selected by the League of Women Voters in consultation with the two candidates.

Q That is just extraneous. It is just as fair to say selected by the --

Q Ron, I am not a semanticist. Could you explain why that is different from what some of the others suggest an interpretation of it is?

MR. NESSEN: If I wasted my whole morning around here digging up information so I can answer exactly one question in a half hour --

Q Everyone who has a card can cover a Presidential press conference. Would that be the criteria?

MR. NESSEN: Criteria for what, Helen?

Q For being on the panel.

MR. NESSEN: You need to ask the League, which is selecting the panel.

Q Since the President is pledged to an open Administration, do you think that the public should in any way know whether there was any veto possibility on both sides for the panel to be selected? It is a fairly important issue.

MR. NESSEN: As I say, let's move away a moment from whatever has caused the agitation and go to the --

Q Could we try one more time, Ron? Is consultation something different from veto?

MR. NESSEN: Consultation is consultation.

Q Is it different from veto?

MR. NESSEN: It is consultation.

Q So, you won't say it is different from veto?

MR. NESSEN: I am saying that the panel is being selected by the League of Women Voters in consultation with the two candidates.

Q Why can't you say that is not a veto?

MR. NESSEN: Why can't I say it is not an orange?

Q Well, you can say that, too, if you want, but would you answer the question?

MR. NESSEN: Okay, it is time now to go to the Farm Credit Directors.

Q Ron, will the President go anyplace else after he leaves New Orleans or before he comes back to the White House?

MR. NESSEN: After New Orleans the President will motor on Sunday from New Orleans to Mobile, Alabama, making stops along the way. That is Sunday. On Sunday night he will fly to Miami and spend the night there. Monday morning he will deliver a speech to the International Association of Chiefs of Police and fly back --

Q Where is that?

MR. NESSEN: In Miami.

Q What about spending the night in Philadelphia?

MR. NESSEN: I announced that before you came in.

Q Ron, can you have another briefing? We have a lot of questions left over.

Q Let's skip the Farm Bureau.

Q We missed these announcements.

MR. NESSEN: I sent people out twice, Jim.

Q Could you have another briefing, Ron, right after this?

MR. NESSEN: This was the briefing, Les.

Q When will the next be?

MR. NESSEN: 11:30 tomorrow morning.

Q Could you discuss this consultation with us, Ron?

Q What were the announcements, Ron?

Q Can't you just run through the announcements?

MR. NESSEN: We had 20 minutes, Ted.

Q We had some other questions, Ron.

Q Do you have a list of these people who are going to be in the Rose Garden?

MR. NESSEN: Yes.

Q May I see it, please?

MR. NESSEN: Yes.

Q Can we have some other questions, Ron?

MR. NESSEN: Helen, I sent people outside to say --

Q Nobody came out.

MR. NESSEN: Yes, they did.

Q No, they did not.

Q Ron, you really got even with everybody.

MR. NESSEN: We had a 30-minute briefing, Bob, and you asked the same question for 30 minutes.

Q That is our prerogative.

MR. NESSEN: You used your prerogative.

Q Is there a limit of length of time?

MR. NESSEN: Would you like me to come back after the ceremony?

Q Yes.

MR. NESSEN: Okay.

THE PRESS: Thank you, Ron.

(AT 11:55 A.M. EDT)

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12:25 P.M. EDT

MR. NESSEN: Let me start all over again.

Q Oh, no.

MR. NESSEN: I do want to make two announcements, one, that the President will depart for Philadelphia at midday on Thursday. After the debate that night the President will overnight in Philadelphia and have activities in the Philadelphia area on Friday morning. I don't have those activities to give you right now, and he will return to Washington on Friday about midday on the 24th. I don't have yet where the President is staying in Philadelphia, and I don't have those activities for Friday morning to give you yet.

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The other announcement I had was the sign-up sheets for two trips, one the Philadelphia trip and one the Southern trip. We would appreciate it if you could complete the sign-up for Philadelphia by noon tomorrow. The reason for that is that the League of Women Voters has set aside a certain number of seats in the theater for the White House press corps and a certain number for the Carter press corps and a certain number for all others, and we want to be able to make up our list and turn it in and that is why we need to have your sign-up by Tuesday at noon.

What you should do is sign up for the trip and also indicate whether you want to watch the debates from the audience in the theater or whether you want to watch it in the press room set up by the League of Women Voters at the Ben Franklin Hotel, about a half a block away, where there will be TV, telephones and typewriters.

The sign-up deadline for the Southern trip is --

Q Where will the pool be?

MR. NESSEN: I think the pool in the traditional sense of a Presidential travel pool will see the President up to the door of the theater and will not go inside with him.

Q We have got to at least get in.

MR. NESSEN: I mean, they may get in as part of the seats set aside for the White House press corps. I am sorry, that is right. They will certainly go into the theater if they want to as part of those seats set aside for the White House press corps.

Q Ron, you mean there will be no pool with him at intermission time and things like that?

MR. NESSEN: What intermission time?

Q Well, I don't know. I just presumed we will have some little intermission time, maybe he wants to mop his brow or something.

MR. NESSEN: No, I think it begins at 9:30 and goes straight on through without intermission.

Q How many seats are in there, Ron, for the White House press corps?

MR. NESSEN: I don't know. The number seems to fluctuate and I would rather not guess at the number.

Q How are you going to go about choosing them?

MR. NESSEN: My own sense is -- and maybe I am wrong about it -- that we will not have enough people signing up to fill the seats because it strikes me a lot of people will want to watch it where they can file and also watch in a place where they can get the same impact as the home viewer. If we have more people signing up than we have seats for, we will come back and --

Q A lot of them want to be in the audience, Ron, so they can get on TV.

MR. NESSEN: That is right, but you have to promise not to wave to your mother when the camera comes around.

Sign-up deadline for the Southern trip is Wednesday at 5:00 p.m. The reason that is a little early is so we can get some indication of how many people are going to be on the boat since the press is on the boat.

I am told by Mike here that we can go ahead and release our telegram to Dick Salant and I think I will also release Dick Salant's telegram to President Ford so why don't we get busy Xeroxing these?

Q This wire was sent to Salant, not to the League?

MR. NESSEN: Mike Duval responded to a Dick Salant telegram to the President.

Q I said he sent the wire to the League but that was wrong.

MR. NESSEN: That is right, Dick Salant sent a telegram in here on Saturday addressed to the President, which some of you asked about, and Mike Duval is replying on behalf of the President to Dick Salant.

Q Ron, your office did not have that list of the people in the Rose Garden a few minutes ago.

MR. NESSEN: Bill Baroody helped to arrange that event and Jan told me that as soon as Baroody gets back to his office he will pull the list.

We now have it.

Q Ron, on another issue, there is a report that you and, I think, Mr. Kavandish are having a terrific --



MR. NESSEN: -- Kavandish?

Q -- misunderstanding about certain leaks in the Press Office. I just wonder, is there any truth to this report or not?

MR. NESSEN: No, there is not.

Q No truth at all?

MR. NESSEN: That is correct.

There is no Mr. Kavandish here, anyhow.

Q I am sorry if I got the wrong name. It was Anderson's column. Was that report wrong that you are having a problem with somebody? I am sorry if I got the name wrong.

MR. NESSEN: The report that I am having a problem with somebody is wrong.

Q No problem?

Q Was there anything between you and Mr. Cavanaugh, any memos, on a question of a leak here in the office?

MR. NESSEN: I am not going to discuss alleged leaked memos.

Q Was there any discussion between you and Mr. Cavanaugh as to the way you handled the press?

MR. NESSEN: I think that is between me and Mr. Cavanaugh.

Q It is sort of public right now; it has already come out in the press. It is pretty wide open now and we just thought we ought to ask you. It sounded to me like you were doing pretty good for yourself.

MR. NESSEN: Well, thank you.

Q Were you?

MR. NESSEN: That is an internal matter, Sarah, that I will handle.

Q Sure it is an internal matter, but it is wide open now.

Q It is an open Administration.

MR. NESSEN: Semi-open.

Q There is some foundation but it is not completely figurative?

Q It is not completely false, then, Ron?

MR. NESSEN: I am not going to talk about an internal matter.

Q Ron, it seemed to be sort of important because it gave an indication of how the White House administrative staff, particularly the deputy to the Chief of Staff of the President, feels toward letting information get out to the press, so that seemed rather important.

MR. NESSEN: I am not going to talk about an internal matter.

Ted?

Q Can I get at the business of the response to the Carter tax statement?

MR. NESSEN: Yes.

Q What is the basis for the action, if that is the right word?

MR. NESSEN: I don't accept your word "action."

Q All right, what is the basis for the --

MR. NESSEN: There are a number of people when they read the AP wire story were, as they said on Saturday, incredulous or surprised or taken aback about this and felt that they wanted to speak out on it.

Q Was that the wire story that quoted him as saying that he would shift the burden toward those who have higher incomes and reduce the income tax on the lower income tax payers?

MR. NESSEN: That is where the quote begins and then the question is, "What do you mean when you say 'shift the burden'?" Then the answer is, "That means people who have a higher income would pay for taxes at a certain level." Question: "In dollar figures, what are you thinking of as higher?" That is the question that comes after he has said that means people who have higher income would pay more taxes at a certain level.

"In dollar figures, what are you thinking of as higher?"

"I don't know. I would take the mean or median level of income and anything above this would be higher and anything below that would be lower."

Now, the statistical abstract put out by the Bureau of Census for the last full year in which this was measured, which was 1974, finds that median income in the United States is \$12,836 per family. The mean income, which is a slightly higher one, is \$13,622.

So, I would take the mean -- \$13,622 -- or median -- \$12,836 -- level of income and anything above this would be higher and anybody below this would be lower.

Those are the words.

Q The point is, were you aware of -- was this before or after AP moved to fix the correction, saying that it omitted the words "and middle income," which makes the Carter quote read those who have the higher incomes -- that he would shift the burden "toward those who have the higher incomes and reduce the income tax on the lower income and middle income tax payer."

MR. NESSEN: That is correct, and it is totally irrelevant because the portions we are talking about is the sentence that says, "I would take the mean or median level" -- \$13,622 or \$12,836, whichever he defines it at -- "and anything above this would be higher and anything below that would be lower."

I have not seen anything on the AP wire in the way of a correction, I have not seen anything out of Plains, I have not seen anything out of the Carter campaign that indicates that he wants to change the sentence that says, "I would take the mean or median level of income and anything above this would be higher and anything below that would be lower."

Now, I was certainly aware, everybody was aware, of the correction in the sentence up above in the interview, but it does not affect, as I understand it, you know -- if there is a retraction or a clarification or something, I have not seen it.

Q What is the President's reaction to this statement by Carter?

MR. NESSEN: I think the President is not going to comment on this. This is something --

Q He just did.

MR. NESSEN: Let me finish my sentence, Sarah.

The President is not commenting on this. The voters will decide how they like the Carter tax plan. The President just outlined for you his tax plan.

Q Well, he just made an implied rejoinder to this in his speech in the Rose Garden a few minutes ago.

Q Do you want us to put in our stories that he was not talking about Carter out there?

MR. NESSEN: I told you that he made indirect reference, I suppose, to the Carter statement by outlining his own tax views.

Q Ron, at what level would the President's proposals affect tax cuts? You said median income. Where does he put that income?

MR. NESSEN: I think in the Reader's Digest interview which came out, I guess today, he talked about lowering taxes of those who make anywhere from \$8,000 to \$30,000. The heart of the President's tax program is to raise the personal exemption from \$750 to \$1,000 and in addition to that, or the net result of that would be to give a tax cut \$10 billion bigger than the Congress has approved. That has been out there. It has been on the record. The President made his tax proposal on January 19th of 1976 in a State of the Union speech. He called for an additional \$10 billion tax cut above the \$18 billion that Congress had passed a month before.

He also called for changes in the tax laws, and one of those changes he called for was to raise the personal exemption for everybody, not just the people making above \$12,836 or \$13,622, but raise the personal exemption for everybody and that would affect most of those earning between \$8,000 and \$30,000, as you said.

Q Ron, does the President consider that someone who earns 2-1/2 times the median family income is really a middle income taxpayer?

MR. NESSEN: I think it is a broad band between \$8,000 and \$30,000 he thinks should have their taxes reduced.

Q Does he consider someone who earns \$30,000 a middle income tax bracket?

MR. NESSEN: He believes from \$8,000 to \$30,000 is a vast -- he said it before in speeches that he thinks these people have been paying a disproportionate share and ought to have their taxes cut.

Q Ron, what was the President's reaction Saturday when he learned of this statement by Carter?

MR. NESSEN: I don't know that he really had time to sit down and read the transcript on Saturday. He was doing some other things, had some visitors, and so forth, so I think it was --

Q Whenever he learned about it.

MR. NESSEN: I think the President's own response to this and how he views it in the context of his own proposals he has just given you.

Q Ron, is it the President's assessment, or someone in the White House, that Carter made a major blunder in this campaign?

MR. NESSEN: I think, Marilyn, that the question of how this affects the voters and their view of Carter's proposals -- after all, this was the first specific detail of his so-called tax reform program that he has given and I must say, the AP reporter persisted in trying to get some details and did get some details. This is the first detail. I really think it is up to the voters to decide how they like it.

Q I heard you quoted as saying it was a major blunder, by one of our colleagues on television.

MR. NESSEN: I think that I probably said that to somebody over the weekend.

Q Is that what you think it is?

MR. NESSEN: I think I would rather leave it up to the voters to decide.

Q Ron, Jimmy Carter has been making a lot out of the importance of a balanced budget during the past week, and on Thursday, if he asks President Ford what the sense is in proposing a tax cut in the year when he is \$50 billion short on the budget, what is the President going to say?

MR. NESSEN: I don't know. I don't want to preempt the President's views given on it during the debates.

Q Do you have any reaction from the President to Carter saying that the President proposed a \$10 billion increase in the broad-based taxes for the individual taxpayers while proposing a \$6.5 billion cut for corporations?

MR. NESSEN: I think the President has just given you his own views of his own tax programs and indirectly, the comment on these others. The President's tax program is, as you know, to cut people's taxes an additional \$10 billion, which Congress apparently has not gone along with, to make it possible to pass on family farms and small businesses within the family without having them taken --

Q Excuse me --

MR. NESSEN: That is the President's tax program.

Q I want to know, is he going to veto the tax bill which does not do that?

MR. NESSEN: He has not finished analyzing the 1,600 pages of the tax bill and has not made up his mind yet.

Q Does he think Carter is being less than forthright and truthful? Does he think Carter is not telling the whole truth when he says what I have just told you he said, that Ford's proposal is to increase individual taxes \$10 billion and --

MR. NESSEN: Well, I told you that I was not going to answer campaign stump speeches and I maybe am getting dragged too far in that direction.

Q I thought we did that over the weekend.

Q What is the President's program on taxes on corporations?

MR. NESSEN: The President had a program that was centered on tax cuts geared to creating additional jobs, and I will have someone sit down with you and outline it for you, if you like.

Q So, does that mean a cut in corporate taxes, too?

MR. NESSEN: A program geared to the creation of jobs.

Q So, it would require a cut, right?

MR. NESSEN: It is a program geared to the creation of jobs.

Q Wait, I am not financier.

MR. NESSEN: Let me get somebody to sit down with you and outline the program, Marilyn.

Q It is not that simple.

Q Ron, the President just now, in the Rose Garden, was saying that the estate taxing had been improved significantly. The implication was that if this was in a bill that he was going to sign, he would not be telling them to veto it.

MR. NESSEN: Lou, as I said last week, there are features of that bill which are largely the President's proposals, including that one. There are parts of that he thinks ought to go further. He thinks the individual tax cuts ought to be \$10 billion greater. There are other parts of it that are enormously complicated. As I said last week -- look, nothing has changed since last Friday when I answered that same question. He will analyze 1,600 pages --

Q He can take credit after having persuaded the Congress to significantly improve the estate tax provisions if he vetoes the bill, can't he?

MR. NESSEN: He can certainly veto it and send it back saying, "Send me a bill I can sign."

Q Isn't he planning to sign it before the debate Thursday, Ron?

MR. NESSEN: John, when the analysis is completed and he has made his decision, I will let you know.

Q Well, how far along are they on the analysis?

MR. NESSEN: It is a 1,600 page bill, Sarah.

Q I realize that, but how far along are they?

MR. NESSEN: What page are they up to? I don't know what page they are on.

Q Do you rule out signing this week?

MR. NESSEN: Margaret says the text has not arrived here yet.

Q Does that mean you are not studying it yet?

MR. NESSEN: I think we are studying the Conference Committee report on it.

Phil?

Q May I go back to this for just a minute, please?

MR. NESSEN: Sure.

Q Ron, is there any possibility that he may veto the bill because of the provisions against the Arab boycott?

MR. NESSEN: As I said last Friday, and I will have to say it each day until the President makes his decision because nothing has changed on this, it is a 1,600 page bill with things he likes, things he does not like. He will weigh the pros and the cons and make his decision, but he has not made it yet.

Q Have the analysts reached that provision?

MR. NESSEN: I don't know, Joe.

Phil?

Q On another subject, which I understand some people in the Ford White House believe is another Carter blunder, the interview in Playboy Magazine which surfaced today -- and I understand there is a great deal of discussion in the White House today about this -- what is the reaction to this?

MR. NESSEN: There is no reaction.

Q You don't feel that this is another blunder by Carter?

MR. NESSEN: I am just not going to have any comment on it.

Q You are all aware of it, aren't you?

MR. NESSEN: There was an AP story that moved mid-morning at some point.

Q I am sorry, I didn't hear the first part.

MR. NESSEN: There was an AP story that moved mid-morning and like most stories that move on the wire, the people who follow the wires read the story.

Q Is there a difference of opinion between the two candidates on this subject?

MR. NESSEN: What subject?

Q As discussed in Playboy Magazine?

MR. NESSEN: What subject is it?



Q What is the President's position on lust?

MR. NESSEN: I am just not going to have any reaction or comment on the Playboy article.

Q Ron, can you say why James Harris, ex-president of the NEA, was invited?

Q Ron, has the President had any reaction --

Q I didn't get the answer to my question.

MR. NESSEN: I sent somebody to get you the answer.

Q Thank you.

Q Ron, has the President had any answer to the Vice President's statement about his lack of obligation to Republican platform?

MR. NESSEN: We answered that last week. I will get you the transcript.

Q All right. How about the reaction to the Vice President's rather unusual gesture? Did you answer that?

MR. NESSEN: Yes.

Q Did the President have any reaction?

MR. NESSEN: No.

Q None?

MR. NESSEN: Right.

Q Ron, on the subject of bills that the President may or may not sign, has he made up his mind yet on either the anti-trust or the toxic substances legislation?

MR. NESSEN: No, I don't think the toxic substances is far enough along to really get any clear feeling of how it is going to go.

Q The conferees agreed.

MR. NESSEN: I am lagging behind on my knowledge of that.

Q How about anti-trust? That was sent to you last week.

MR. NESSEN: Yes. We have not made a decision on anti-trust.

Q Has the President made any comment on Secretary Kissinger's talks in Southern Africa in the last day or two?

MR. NESSEN: No. Kissinger is keeping him informed by telegram, by cable and the President is responding with his own suggestions and directions.

Q Is he encouraged or discouraged?

MR. NESSEN: I think I will just stick to the words that Dr. Kissinger has used himself to describe the trip.

Q Ron, on the Playboy thing, just once more, you are making no comment on it? Does that mean that you do not anticipate that anyone in the White House will refer to that or use it in any way during the campaign?

MR. NESSEN: I just don't have any comment on Playboy Magazine.

Q Yet, you mean, or at all?

MR. NESSEN: Period.

Q Does that mean no one will?

MR. NESSEN: I cannot answer for every person in the White House.

Q Is it White House policy not to talk about it?

MR. NESSEN: I just don't have any comment on it, Marilyn.

Q Do you think it was a worse blunder than the tax thing?

MR. NESSEN: I think I learned a lesson since Saturday.

Q Ron, you say you are not going to make any comments on stump speeches and yet, you have described just recently the major blunder. I am wondering, what is your policy? Has it changed?

MR. NESSEN: I think my saying it was a major blunder was a minor blunder. (Laughter)

Q Ron, can we get this straight about Mr. Harris? I understand that you say here that he asked to come to the White House.

MR. NESSEN: No. I sent somebody off to learn the background on that and come and report to you what it was.

Q Ron, there has been a little fussing between Israel and the United States over the oil explorations in the Fuls of Suez.

MR. NESSEN: Yes.

Q Is the White House involved in this in any way?

MR. NESSEN: The State Department has talked about that almost every day and I think Fred Brown is probably the world's greatest living expert on the oil drilling in the Gulf by now, and I think I will just leave it to him.

Q What about the press conference with the Jewish leaders?

MR. NESSEN: What press conference with Jewish leaders?

Q The President is submitting to a press conference with them.

MR. NESSEN: Where is that?

Q Today at 5 o'clock.

MR. NESSEN: Helen heard that the President was submitting to a news conference by Jewish leaders. My understanding is that it is the exact same format that he always follows at social events, which is mingle, shake hands. I had not heard he was going to take Q&A's. He does sometimes, informally, say he will be \_-

Q Press coverage is --

MR. NESSEN: Let me find out what the details of it are.

Q Are you going to give us a list of those Jewish leaders?

MR. NESSEN: If you like it, I certainly will give it to you.

Q Yes, please.

Q Did he meet with the moonies over the weekend?

MR. NESSEN: The moonies? No.

Q. Is that an answer on Harris?

MR. NESSEN: On what?

Q Harris?

MR. NESSEN: Yes. I am reading it first.

Harris talked to Bill Baroody on Saturday to give Baroody what his own, Harris' own, interpretation of the NEA endorsement was. This meeting was at Baroody's request; he asked to talk to Harris at his initiation.

MORE

Q At whose initiation?

MR. NESSEN: Baroody's initiation. Baroody called Harris to ask about this endorsement by the NEA. Baroody then, after he heard the interpretation, which you heard outside, then suggested that the President hear this interpretation firsthand and so an appointment was set up.

Q Is the President disturbed that the NEA has endorsed Mr. Carter?

MR. NESSEN: I am not going to comment on all the endorsements.

Q Ron, who decided that a secretary at the EOB could be used to type up the statement which he gave out?

Q What was the question?

MR. NESSEN: If I understand the question, it was who decided that a statement by Harris could be typed by a secretary in the EOB?

Q Yes.

MR. NESSEN: I don't know it was typed by a secretary in the EOB. I think it was typed by a secretary in my office.

Q It was by your office?

MR. NESSEN: I think that is right, yes.

Q How did Baroody know that --

Q Ron, could that be an election committee matter?

Q Why didn't the President Ford Committee handle this event?

MR. NESSEN: Bill Baroody is the man who deals normally with special groups like the NEA and others and that he brings lots of folks in to see the President or the President asks him to arrange meetings or people call him and ask him to arrange meetings with the President. That is his function.

Q Ron, can we get a copy of the Harris statement?

MR. NESSEN: I think Harris asked to have some of his thoughts typed out so that he could have them when he went out to talk to the reporters.

Q May we have copies of that?

Q It was typed at the White House?

MR. NESSEN: I don't know what Harris told you in person, but whatever it was, he used the typewritten sheet apparently for notes or memory or refreshment. I don't know. Did he read it word for word?

Q He passed it out.

Q May we have copies of the listing to you and not out there?

MR. NESSEN: I am not going to pass out copies of Jim Harris' statement.

Q Why were they typed here then?

MR. NESSEN: As a courtesy to a guest of the President.

Q How did Baroody know he was a Republican?

MR. NESSEN: I think Baroody has been in touch with Jim during his term as president of the NEA.

Q Ron, did Baroody call Harris at the President's direction?

MR. NESSEN: I don't think so, no.

Q Wasn't this rather unusual for Baroody to be working on a problem like that on Saturday?

MR. NESSEN: Most of us work six and usually seven days a week.

Q How much politics is he doing from that office?

MR. NESSEN: For the President?

Q No, Baroody.

MR. NESSEN: I don't know. Whatever it is, it is proper. (Laughter)

Q How do you know that?

MR. NESSEN: Because he is following the President's direction.

Q What is the President's direction?

MR. NESSEN: Oh, come on, Helen. I will get you the stuff that we have talked about eight months ago on this.

Q No, this is definitely a political move, is it not?

MR. NESSEN: I don't know. Harris wanted to tell the President how he interpreted the endorsement as the past president of the NEA.

Q Ron, I don't think we have had here at any time a question before on this. Baroody's job is what, public liaison, which the President in his own words has said he considers as important in his Administration as the Press Office under you and of the Congress. That is the President's own words.

MR. NESSEN: That is correct.

Q Now, could we have from you at this time, from somebody, what part the Baroody shop will play in this political campaign?

MR. NESSEN: I don't know of any part, but I will certainly be glad to ask him to put that in his own words.

Q The Harris thing was not political, no politics in the Harris thing?

MR. NESSEN: I will go through the whole thing before you again, Clyde.

Q Are you going to not answer it except what the --

MR. NESSEN: I am going to explain what happened. I think interpretation is probably your line of work rather than mine.

Q My question is, was it political or not?

MR. NESSEN: I can explain why he came in, Pye. I can't interpret for you that kind of analysis.

Q Did he interpret the NEA vote to the President?

MR. NESSEN: As a former president of the NEA and still active in its affairs, he did.

Q Ron, has the President ever been interviewed by Playboy?

Q I have a question I have been trying to get in. Please? Thank you.

Did the President read the letter from John Sears in the New York --

MR. NESSEN: I believe he did.

Q Did he have any comment on it?

MR. NESSEN: In its published form, you mean?

Q Yes.

MR. NESSEN: We have a policy, which I think is probably a good one, of not replying to open letters, and I think we will just follow that along. It is a longstanding policy, and I think we will just follow it.

Q What did he think of the advice of Mr. Sears?

MR. NESSEN: I don't want to --

Q Has he contacted Mr. Sears?

MR. NESSEN: Not that I know of, no.

Q Is Mr. Sears working for him?

MR. NESSEN: As you know, as we have said right along, the Reagan staff people and the Ford staff people are in contact and the Governor made a TV commercial last night on behalf of the President and the other Republican candidates. I think the White House is pleased with the contribution that Governor Reagan is making to his campaign.



Q Did the President talk to Reagan yesterday at any time?

MR. NESSEN: I don't think he talked to him yesterday, no.

Q Is the White House pleased?

MR. NESSEN: No.

Q In regard to this broadcast?

MR. NESSEN: I don't think he talked to him immediately before the broadcast.

Q Is the White House displeased or disappointed that Governor Reagan said his schedule will not permit him to travel in several of the States where the PFC wanted him to travel?

MR. NESSEN: No. The White House is pleased at the contribution he is making, speeches and commercials and other ways.

Q Ron, this meeting that the President is having this afternoon is not atypical, it is under the normal course of events like he is having with other groups that come to him, is that right?

MR. NESSEN: It is like the groups he has had coming here every day, I guess, since he started.

Q Will you put out anything in writing on this or other ethnic groups that he is meeting with?

MR. NESSEN: It is not normal, no.

Q Ron, as I listened to the President's remarks on taxes out there, he was trying to portray himself as the champion of the middle income wage earner.

MR. NESSEN: Right.

Q I was wondering if perhaps this Administration could build a case for that before the President's proposal for higher personal exemptions earlier this year; that is to say, what evidence does the public have that Gerald Ford was the champion of the middle income taxpayer prior to an election year?

MR. NESSEN: You may have missed the earlier portion of the briefing, but I would be happy to go over it again for you. I don't know how far you want to go back, but I think you recall the activities of December 1975 when the President vetoed the tax cut bill because he didn't think that it should be only a temporary six-month extension but rather he felt that it should be larger and should be permanent and Congress then sustained the veto and went on and passed acceptable legislation.

On January 19, 1975, in the State of the Union speech, the President called for an extra \$10 billion tax cut above and beyond the \$18 billion that had been approved.

Q That is what I referred to.

MR. NESSEN: And the way that tax cut was broken down, I guess the primary effect on the middle income tax payer from \$8,000 to \$30,000 would have been by raising the personal exemption for each person from \$750 to \$1,000.

Q Other than the election year --

MR. NESSEN: I would say the other major feature -- I think the three points were these:

One, the President wants \$10 billion more in tax cuts than the Congress has gone along with.

Two, he wants it directed specifically to those people earning between \$8,000 and \$30,000 by raising their personal exemptions.

Third, he wants to help the family farmer and the small family business to pass on the farm, the business, down through the generations by easing the inheritance tax laws.

Those are the three.

Q All proposed in an election year?

MR. NESSEN: No, I would not say so. I think December 1975; the State of the Union of 1976.

Q Ron, is the President considering in the budget that is under preparation now --

MR. NESSEN: You know, if the Democratic Congress wants to get a credit for a tax cut in an election year, Walt, they would pass the extra \$10 billion that the President called for.

Q I was just wondering if you could perhaps go back to the President's record in Congress and when he ever initiated tax reform for the middle income American there.

MR. NESSEN: I really don't think this is the proper forum for you and I to conduct a political debate, I guess that will be done on Thursday night. I am outlining for you the President's --

Q I am not debating.

Q Just questioning, Ron.

Q The warm-up before the heavies?

MR. NESSEN: That is right, the warm-up act, Rodgers and Nessen. But, I am not standing in a hole, Walt, so that you will appear taller than me.

Q Is the President in the consideration being given the next budget that is now under preparation by the Government considering new tax cuts?

MR. NESSEN: I don't know. I have not attended the preliminary meetings yet on the budget.

Q What is the latest figure on the size of the White House staff?

MR. NESSEN: I don't know. I have not checked lately.

Q Is it up or down? Have you checked on that?

MR. NESSEN: I don't know. The last time I checked it was certainly down, and I have not heard of it being added to greatly. In fact, a lot of people have been transferred away from here and over to the PFC, so I suspect it is lower still.

Q Ron, is the President giving consideration to Secretary Simon's memorandum urging that something be done about balancing off the close cooperation that we have shown in the past with Iran, with maybe closer cooperation with Saudi Arabia so we can get the price of oil down in the future?

MR. NESSEN: I am not familiar with the memo, Sarah.

Q You are not familiar with this?

MR. NESSEN: I am not.

Q Would you mind looking it up to see if the President has received it and see what the President's answer might be as to whether he is considering it and what he might do about it?

MR. NESSEN: I will see if there is such a memo, yes.

Q Ron, who is Larry Speakes -- I gather he is now working for Senator Dole. Whose payroll is he on, the PFC or the White House?

MR. NESSEN: The PFC.

Q Will the PFC pay back the cost of the typing, duplication and paper on the Harris statement that was done? I am serious about this.

MR. NESSEN: No, they won't.

Q How many political statements are done over in the Baroody shop? It seems to me if you have got a spending limit, you are not supposed to spend anything except the \$21 point whatever million.

MR. NESSEN: As I said, it was done as a courtesy for a visitor to the President.

Q What was the President's official capacity that required an interpretation of an endorsement of a political candidate?

MR. NESSEN: Would you say that again?

Q Yes. I just wonder what part of the President's official duties it is to bring people in at some Government expense and have them interpret political actions for him?

MR. NESSEN: I think it is what the President has done from the beginning, which is an effort to see and hear and talk to and hear the ideas of as many Americans as possible and he does it for a wide range of groups. He has got the National Farm Credit Association here today. He has some Jewish leaders here today. He had a past president of the NEA here today.

I think day in and day out on his schedule you will see that he has invited people here so that he can hear the views of individuals and representatives of groups representing a cross-section of the country.

Q Ron, you mentioned that the President did not talk to Governor Reagan before the broadcast last night. Did he talk to him after the broadcast?

MR. NESSEN: I will have to check. I just have not kept track of that, Russ.

Q Did anyone here help with the statement for the Catholic bishops when they were in?

MR. NESSEN: Did anyone help them with it?

Q Yes, providing any secretarial help?

MR. NESSEN: My understanding is that they brought some already prepared statements with them, which they handed out as they arrived, and then, if you recall, they went into the Cabinet Room for about 40 minutes to discuss among themselves what they wanted to say and then they came out here and I don't believe they had any written material.

I resisted the demands that we put out a transcript so that I think Pye would have asked me what authority there was for the White House to put out transcripts of these political groups.

Q There is a bit of a difference.

MR. NESSEN: I don't see it.

Q The issue that brought the guy in according to what he said and what you said is to interpret a political enforcement by the NEA, and that sounds like a political meeting with the President to me.

Q It does not sound like politics?

MR. NESSEN: No. I told you the reason why he came was --

Q Did he have difficulty understanding it?

Q Didn't he understand the endorsement?

MR. NESSEN: As I say, I think he has a pretty good record from the first time he came in here of hearing spokesmen for various groups and individual views, and I expect he will keep this up.

Q If the current president of the NEA came in to explain the endorsement, would he also have the courtesy of having the White House --

MR. NESSEN: Type his notes for him?

Q Yes.

MR. NESSEN: Be happy to.

Q And distribute them widely, lots of copies?

MR. NESSEN: Now wait a minute. We never distributed anything widely, Pye.

Q Maybe just 50 or 60 copies.

MR. NESSEN: As far as I know, there were no copies made in my office.

Q He handed them out.

Q That was not the statement he read.

MR. NESSEN: He brought a long letter that he had written to the President and he brought copies with him, Pye. Let's keep the record straight now. I understand --

Q What was the President's --

MR. NESSEN: Just a second, Les.

Q I thought you were finished, Ron.

MR. NESSEN: Let's get all the things sorted out now.

Q Absolutely.

MR. NESSEN: The Catholic bishops brought with them a statement, all prepared, which they handed out as they came up the driveway, I understand. They met in the Cabinet Room. I can check what the hourly rental rate for the Cabinet Room is -- they used it for 40 minutes. They came out here. I did not make a transcript because I knew that this was a matter of great interest to members of the press, using White House facilities to reproduce things for outside groups.

Now, Mr. Harris came in today for the reasons you state, brought a letter to the President, reproduced and ready to hand out when he arrived. It was about a page and a half long. He came out. He talked to Baroody. I made him aware of Helen Thomas, I believe.

Did you ask to see Harris when he came out, Helen?

Q Yes, sir.

MR. NESSEN: I think you did and others, too.

Bill Baroody told him about it and he said, "I would like to be able to pull my thoughts together. I would like to sort of boil it down." He edited a copy of the letter down, striking various parts of it, and said, "Is there anybody here who can type this up for me so I can read it?"

I thought it would be a courtesy to him to have one of my secretaries retype that. If there is an hourly rate for the two or three minutes it took her to type the four paragraphs and for the single sheet of paper, I would think the PFC probably would be willing to pick up the bill.

Q I think we have a misinterpretation. That is not what he said. He said that the statement which he handed out was typed in the EOB.

Q No, he didn't say that.

Q No, that is not what he said.

MR. NESSEN: Do you have any other questions about financing, Pye?

Q Yes.

Q Is John Sears still on the Reagan staff? Is he one that the Ford campaign staff is in consultation with on the Reagan staff?

MR. NESSEN: I don't know whether he is still on Reagan's staff or not.

Q I am not quite sure I understand what you said because when I first asked you would the PFC pay back the typing cost, you said no.

MR. NESSEN: Now that I realize that it has become one of the major issues, I think to resolve the problem we better have them pay for it.

THE PRESS: Thank you.

END (AT 1:06 P.M. EDT)