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PRESS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD MARCH 25, 1968

Reported by

Beverly Toms, CSR

(This rough transcript of the Governor's press conference is furnished to the members of the Capitol press corps for their convenience only. Because of the need to get it to the press as rapidly as possible after the conference, no corrections are made and there is no guaranty of absolute accuracy.)

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GOVERNOR REAGAN: We have some empty chairs.

Q Governor, have you any comment about the action this morning of a group to file a non-preference delegation in opposition to yours?

A No, they are certainly free to do it. It does seem kind of a shame that since we worked so hard to have a completely broad-based delegation that would in itself be open, guarantee a view point to all sections of the party, that -- and in an effort to prevent divisiveness that someone now is going to create the divisiveness. But, as I say, that is their legal right to do it.

Q Governor, I have a question on a general subject. You have told us many times that you are filing in Oregon because you are a Favorite Son, as well as these other states, and --

Legally you have to do that. Yet Governor Rockefeller last week in announcing his decision says in taking his name off the Oregon ballot, he would be the Favorite son in New York.

A Yes, there is a difference in New York. He can be Favorite Son without signing the affidavit in New York that I have to sign here in California.

Q It is not the same affidavit?

A No, there is no such thing there for him.

There are a number of Favorite Son delegations that do not

require the actual filing and then running on a ballot as does California. It is done within the framework of the party machinery and his is of that kind.

Q Governor, a follow-up to the first question, when the delegation, the rival delegation to yours, files its papers today, the leader of the delegation said that party unity meant a lot to the politicians but didn't mean anything to the people, the people need dialogue, they needed a comparative slate to vote on in the primary. Would you comment on that?

A Well, it would seem to me that the candidates for the nomination or the potential candidates for the Republican party have had no difficulty in expressing themselves in even differing from time to time on their solution to problems. So what we have done is historically, well, it is within the historic pattern of the parties in California -- Governor Warren, I think, headed up the delegation three times here and the -- as I have pointed out to you on a number of occasions, that was not my choice. You will recall again that first day following the election I was asked to do this by the party in the interest of unity by all sections of the party and I promised that if I did it would be a broad-based delegation and it has been. No one can charge that we have a delegation that just represents a faction of the party.

Q Last week here in Sacramento, Bill Roberts -- Spencer Roberts stated that if at the convention the party leadership came to you and he said it was something you had to do for the good of the party that you would accept the Vice Presidential nomination. Was he dead wrong or --

A If you'll forgive me, he said he was expressing his own opinion based on my experience as a team-player.

Q Was he wrong?

A He was completely wrong, and this is understandable. I haven't had a conversation or seen or even talked to Bill Roberts in several months now. A good six months and he was expressing his opinion.

I think he was also pointing out that if all of the leadership of the party descended on someone and urged them in this way, it would be difficult to say no. I have no quarrel with the difficulty. I'm quite sure it would be difficult for anyone but if it should happen to me, I anticipate that I will overcome that difficulty.

Q Governor, you have consistently taken the position that the nominee will not be decided until you get to Miami Beach. The reports we hear from around the country indicates that Mr. Nixon is indeed going to pile up a substantial number of delegates and probably have the thing sewed up. Now, can you spell out precisely why you think the Republicans are not going to go in for Mr. Nixon before Miami Beach? What is it that's going to keep Mr. Nixon from getting the delegates?

A When I said that, I of course was talking in a framework that preceded the most recent announcement concerning candidacy. It is -- there is a greater possibility now that someone could sew it up beforehand, but there are also Favorite Son delegations that total about 700 votes and this would mean that perhaps he's going to undertake this -- now this would mean the wooing of some of those Favorite Son delegations in advance of the convention. It is possible. I'm still inclined to believe that -- that the party is so concerned about making this decision that I believe there are going to be enough delegations that are going to hold themselves open until there can be discussion at the -- at the convention.

Q Well, do you think that they are looking for somebody other than Mr. Nixon?

A I think they want some of the questions resolved that have been expressed so many times. You know, you yourselves in publications and your organizations have expressed editorially the opinion that there are questions to be answered about various candidates, particularly about electability. And if the people should decide that question has been answered in the case of Mr. Nixon, there was no doubt that most people were looking forward the primaries as an answer or at least a partial answer to that particular problem -- well, now those primaries are meaningless.

I just -- you asked me for an opinion. I still am inclined to believe that it will be an open convention. I do recognize that the potentiality has been increased of its -- of its being sewed up now because of the lack of opposition.

Q Governor, at this moment do you question Mr. Nixon's electability?

A No, I was only repeating what has been said and what seems to be on the part of some other people's mind.

Q Then there is no question in your mind?

A I'm sure that any one of a number of the Republicans who have been mentioned are electable. This is --

Q Do you think Mr. Nixon can be elected if he is the nominee? Will he be elected?

A I just stated that I think any one of a number of the potential prospects in the Republican party are electable and can win because I believe there is a great feeling on the part of the Americans that they want a decided change in the administration in Washington.

Q Do you believe as most national ~~R~~epublicans -- Republican leaders seem to believe, that Mr. Nixon is the most electable of the potential candidates?

A Well, I'm not going to answer that because that gets back to the same kind of question you fellows have been trying to get me to answer for a long time. I'm not going to make anything that would be in second running or second quoting used as indicating some preference for a candidate. I don't have that right. We haven't even had a meeting of our delegation as yet.

Q Then in your mind there is still some question as to whether --

A I didn't say that. I said I'm not going to say anything that would indicate or how some of you interpret as being an indication of support or non-support for any one of the candidates. I'm heading up a delegation that has not met as yet, and I have asked them not to express such viewpoints or not to express first or second prefer-

ences and I'm not going to violate my own request to them.

Q I understand you don't have a viewpoint at this point then?

A I'm going to say that what viewpoint I have I'm keeping to myself.

Q How do you think Mr. Nixon can prove his electability to those concerned about him if the primaries no longer have any meaning?

A This is a very -- look, this you have to ask him, as to what his strategy will be. He himself made it very plain, I'm sure was quoted quite accurately in the beginning, that he was looking to the primaries as an opportunity to prove this himself. Now you have to question him as to what his next course of action will be.

Q Governor, you've indicated I believe that one of the factors in keeping the California delegation uncommitted except to you at the convention would be that it would give you some bargaining power there. But if there is nothing to bargain for when you get there, do you plan -- is there a possibility you might change your strategy before convention?

A Well, here again you have to play by ear. You have to play by the events as they -- as they shape up and as we begin to meet as a delegation.

Q Governor Reagan, what is your impression of Senator Kennedy's campaigning tour through the state this past week-end?

A Well, he came down from the mountain and he promised the instant elimination of war and poverty and disease and want, and I eagerly look forward to the next few hours of his campaign when he'll probably tell us how he's going to accomplish all of that.

Q Do you think the crowds he's receiving indicate anything other than his own personal popularity?

A Oh, no, those that were old enough to vote I'm sure will vote for him.

Q You said that the Favorite Son delegations wanted

some answers to some of the questions, one of which was electability, and you feel that Nixon like others is electable. What are some of the other questions that you are concerned about?

A Well, it is not only what I'm concerned about, it is finding the best candidate that the party can agree on, the most solidly, that we believe offers the best opportunity to win and who will carry forward; I'm sure, each one of us hopes to be able to influence as many Republicans as possible to those things that he believes are -- are the Republican principles. And undoubtedly there are shades of viewpoint as to where the emphasis should lie on those.

Q Governor, do you think that this new committee for Republican alternative is doing a service to the party? Do you have any sympathies with it?

A No, I don't think it is doing a service to the party. If my understanding -- if I understand correctly they have made it very plain that they are for several people, but they are against several people and that's quite a contrast to a delegation that has run with the idea this delegation is there to weight and to participate in the selection of a candidate and yet at the same time I myself as the leader of that delegation am pledged to whoever is the nominee of the party. There's already been an indication in this other group that they do not have that broad a view of things.

Q Governor, you mentioned earlier that Mr. Nixon might have to woo some of the Favorite Son delegations if he wants to wrap this up before the convention. Have you or the delegation been wooed by Mr. Nixon?

A No, I think everything has been moving too fast. There's been no contact made of any kind from him.

Q Would you take any part in an action to keep Favorite Sons from committing themselves to Nixon or any other candidate prior to the convention?

A No, this is -- this is -- their conscience has to be their guide.



Q Governor, I think there was some misinterpretation. The question was about the group in New York that is forming and I think Javits has something to do in connection with the Committee for Republican alternative. This is not the so-called Free Delegation in California.

A I thought we were talking about all the free delegation in California.

Q This was another question.

A You are talking about the delegation in New York? oh, no, this is -- I think perfectly proper and fine. Any group that wants to support and has their mind made up on some candidate and wants to support that candidacy or viewpoint, no question about that. I don't think that is devisive. If it was then you just can't have a contest.

Q Change the subject?

A Please do.

Q Governor, recently you -- I think maybe a couple of news conferences ago you said that if you could be shown that there was a great desire for withholding tax in California you would not stand in the way. I wonder if you would elaborate on that and tell us what it would take on the part of the public to convince you that there is great public support for withholding tax?

A I think I answered that once before and said that there are ways. I think you find out ways by way of -- particularly in a campaign year, when your own legislators are campaigning, polls, your own mail count, that the things that you encounter in public meetings-- I will be speaking at a number of party fund raisers and I think there is a way for this to become known. I didn't say that it would lessen my opposition or change it. I said that I didn't think anyone could stand in the way if the people have militantly aroused, are aroused and want something.

I also have said that I am going to do my best to make sure that the people know all of the facts that withholding is **not** the easy panacea, the answer to all the



problems, and as a matter of fact on March 31st I am going to be doing a report to the people which this subject will be discussed, as well as we will bring to the people some of the suggestions we are going to have with regard to tax reform. Get that in the headlines if you can, March 31st.

(Laughter)

Q Governor, do you anticipate in your heart or somewhere that there will be by the end of the legislative session this year a withholding bill passed and signed?

A No, I don't. I do not think this is the answer to our problems. I think that withholding is an actual increase in the amount of money being taken from the people and I think what is needed is, if possible -- I think there are some inequities in the income tax structure as it came out of our tax increases of last year. I believe that we can make some modifications there. And I think that we can have some suggestions that would resolve some of the things that are supposed to be resolved by withholding. But make no mistake about it, withholding ends up taking more money out of the people's pockets than the present system.

Q Can you conceive of any circumstances under which you might ask the Legislature to adopt withholding as a lesser evil than some other possibility?

A I can't foresee any now.

Q On this same subject, but not directly on withholding, there was a published report in a certain metropolitan paper today that your administration and the Regents of the University of California are coming together on the budget and that a figure of \$290,000,000 is the -- has almost been agreed upon as a compromise. Could you comment on that?

A Yes, I'd comment. I read that story and was quite surprised by it. I shouldn't have been because the author of the story has been off base a few times before in reporting the position of higher education. It is true that some people who have opposed the present budget that

we have offered have suggested to us privately that they'd withdraw their opposition if the budget could be increased \$10 million dollars. At the same time publicly they have continued to assail us for not making it \$31 million dollars higher which has led me to be a little curious as to why they should ask for \$31 if they could run the university properly on an additional 10, but there are no such negotiations. I have had to answer then and continue to answer there just isn't the additional money. They have the biggest increase of any state agency and there not only isn't the money, but as can be seen by anyone that wants to check the budget itself as introduced cannot be balanced unless we get legislative help that will allow some \$86 million in reductions of present programs not involving education and also we have now hanging over us the \$152 million, the result of the legislative error in the public school bill, went in last year, and this puts us in a position in which we are faced with a potential deficit in the coming year. If we don't get the legislation and if they don't correct this error, we are faced with \$152 plus \$86 possible deficit in the budget. And for anyone to suggest that we are willfully or arbitrarily holding out money on any program is just ridiculous. There just isn't the money. If they were asking for one million more, there isn't one million.

Q Governor, the people who are -- you say have contacted you saying that they will be happy with \$10 million more --

A Yes.

Q Do they represent directly President Hitch?

A Well, let me say they represent the administration of the Regents of the University or at least they are representative of them. Now, I cannot say that they speak officially for that body. This is -- because if that were the case, there would have been an open resolution that you'd all know about that I have been approached by others who we have that believe that this could persuade

the university that this was practical and this would solve the problem.

Q Not members of the Board of Regents, Governor?

A What?

Q You say they are not members of the --

A I say some representing the Regents as well as the administration.

Q Before we get too far away from it, Governor, is your report to the people timed to try and offset some of the protests to the big income tax increase coming, just two weeks before the deadline

A No, as a matter of fact, we have planned this since the first of the year. We believe that it was time to -- for a report to the people and the time has been set as the latter part of March for quite sometime, long before there was any anticipation or before there was any suggestion that there might be opposition because of the size of the tax.

Q Governor, I'd like to ask you about the proposed cut in aid to public schools. Could I ask one more question on Regents before we go --

A Governor, I wanted to make sure you are saying now there is no possibility of your administration coming up with a -- an agreement with the Regents for \$10 million dollars increase in the budget?

A I don't see how there could be. I say we have got to find this other money first before there would be anything further to give away.

Q The Chairman of the Assembly Education Committee has charged that this proposed cut would be unconstitutional saying that the -- the first claim of the state money goes to public schools by law.

A That's exactly what complicated this problem. It is true the Constitution prescribes that education gets the first call on monies. What actually happened as simply as I can make it, is that a figure was budgeted for higher education and then AB 272, which had to do with

the formula for dispensing this money in a complicated arrangement to districts based on enrollment and on their own property tax rates and so forth, this legislation was passed with the express statements that it was within the appropriated amount that this formula fitted within that amount. Now, this became law and when they started doling out the money under this formula, they found they were doling out this year \$70 million more than has been appropriated and next year it will be \$82 million by their estimates unless the legislation is changed. Now, this was not the legislative intent.

I have a letter signed by the Speaker following the committee hearing on this bill, that the bill should be signed, that it had been carefully worked out, that the appropriations or the system of dispensing the money came within the budgeted amount. But once this is the law, it is true that under -- the Constitution having prescribed a formula for giving money to the schools, we could not just say, well, the money isn't there. The Constitution says you have to take it away from someone else if need be. But this doesn't mean that we have to perpetuate what has been an error. The schools found somebody's pocket-book. They found \$70 million dollars that they were not intended in the legislatinn to get, and they got it. We sent a letter out to warn them against budgeting on the expectation that they are going to find somebody's pocket-book next year. It is not a cutback in the budgeted amount. It is correcting an error and we are taking steps to correct this with amendments to the -- to the budget to correct it for next year and it is false of any school board or any school official to claim that this administration is now cutting back on -- on public school funds or to indicate that this is an economy measure to cut back. We are simply trying to correct this legislative mistake.

Q Mr. Unruh said you'd have a hard time finding an author for that measure. Have you found an author yet?

A Well, we are offering amendments to the budget

and that takes care of that.

Q Who are you going to have introduce it?

A Well, the budget is our own, is presented and it will be presented as a part of the budget package.

Q If the appropriations for education comes through in the budget at -- not including your 6.7 per cent cut, will you blue pencil it down to make it fit that?

A Well, they would have to -- they would have to add to it the figure that is budgeted, is now \$82 million dollars short because at the time the budget was created we didn't know of this error and incidentally this is the second error in this legislation. You will recall that in one special session they already have corrected another error that we did find before the money was given out this year.

Q Governor, the money is appropriated to the schools through a very complicated formula and when you tell the schools we are going to cut -- not cut, whatever you want to call it, we are going to restrict you to the total, and you are not going to get the \$82 million that is in the complicated formula, how are the schools going to adjust to that internally because one school district could very well get money from one area of a budget and another from another area. The formula itself has to be changed, doesn't it? How can they do it with the restriction that you are trying to put out?

A Actually what has to be done is a ceiling put onto the budgeted amount as the amount that will be dispensed.

Q That, too, you put a ceiling on it, schools still are operating under the formula. What part of the formula will the schools then not operate under?

A They will have to know when it comes to a certain point of this ceiling it will be held within that. They themselves have figured out the percentage of reduction over the present year that this would mean.

Q It is your feeling, though, that appropriating-- that putting a limit on their appropriation will in fact

work, that the schools will not get the \$82 million?

A Yes, I think it will, yes.

Q Governor, in view of the fiscal condition of the state do you feel this is the time for the state legislature to increase the salary by 10 per cent? As they plan doing?

A Well, now, don't get me into the internal problems of the legislature. Just recognize that the Governor hasn't asked for an increase in salary.

Q Could you tell us a little bit about the objectives of this expedition you are making to talk to minority group representatives?

A Well, I'd rather not make a fragmented report. It is true that we are holding a series of meetings throughout the state, mainly for the purpose of ourselves finding out and getting suggestions, finding out what is working and not working and as soon as we have completed these we will be reporting to you on the sum total of our findings. It gives us an opportunity also to point out to them some of the things that we have in the works that we think are going to be helpful and we have only had a couple of meetings so far. We will have some more, but I'd rather not get into it just a fragmented approach on this thing.

Q Who will be with you on this? You say "we".

A Oh, well, I take along people who are involved and who would have knowledge in various of these fields, Ed Meese, Bob Keyes, of course, who is handling our urban problems and the groups will vary from time to time depending on where we find we need people along representing various departments. Welfare has been represented in one, and these are -- these are fact finding expeditions.

Q Every time this minority group problem thing has come up you mentioned that figure of Chad McClellan's of having gotten 17,500 jobs and that figure has been in effect for about a year. Presumably he has -- there have been a lot more job placements since then and I wondered when there was going to be some reassessment.



A           No, let me tell you this is one thing and I'm yielding to them on this, the figure that I've used was what -- what they succeeded in doing in the Watts area in that original program. We have given no figures on what is happening throughout the state. First place, we have been largely reorganizing this throughout the state, but we have discovered that the employers themselves got their fingers burned in controversy over this, and it led to demands for the opening of their employment records and so forth and so we have simply said we are not going to play a numbers game in this statewide program, but we can point out to you that there is the lowest rate of unemployment in California now -- it's been dropping rapidly in the last few months, the lowest rate we have had since I guess World War II, and there has been apparently an increase say in the employables from the minority communities. We would rather deal on this, on simply the job and the over'all basis than now go into these people who are cooperating so wholeheartedly and get into this numbers game which they found very unsatisfactory. But the figures from that Watts area were borne out and they just found it, as I say, a handicap to find themselves constantly in the -- you know, how many have you hired today. The program is working and is spreading and it's about 16 areas, and you might be interested to know that it's working so successfully that the word has spread throughout the country and there are now 13 states in which similar programs are working and the -- Chad McClellan personally went at the invitation of the governors of those states and helped them organize this same kind of arrangement in their state.

Q           Governor, in these meetings with the minority groups, are you setting these up through the machinery of-- of the organizations within these groups? That is the CORE, NAACP, this type of thing?

A           We have leadership representation there from the community, from the organizations, from people who are



working in the field. I wish you could speak to Bob Keyes and perhaps get a better answer on the exact technique with resolve to the people who are invited and will participate. But I know the most recent meeting that there were representatives, there were also people who were handling some of the special programs, even some of the federal programs, representative there of the youth centers. It is a pretty broad-based group, and a responsible group. We are getting the best feed-in possible. Wait a minute, I forget, a moment ago I passed you.

Q It is on another subject.

Q More on this. Governor, one more on this, just to get it clear.

A Not a gentleman in the crowd.

Q Will you be traveling throughout California in the next two days or will these people be coming to you in Sacramento? Your schedule shows no public appointments but you talk as if you are going to be traveling throughout the state.

A Both. There will be some here where they are from this area, where it is more convenient to do it here. We will also be all over the state, yes.

Q Governor, who have you met with so far? You mentioned two meetings you've already had.

A Actually it is three. Two groups from basically the Los Angeles area, but not the same area, divert-- well, actually all three have been because one was when I was down south for the ground-breaking the other day, was a greeting over in East Los Angeles with a group of leaders among the Americans of Mexican descent. Two of the -- of the other two meetings have been with Negro leaders.

Q Governor, since these meetings obviously involve some key people and some key topics, why is the schedule and location of them not being revealed ahead of time?

A Well, I tell you. Because these are -- as I say, you'll -- we will give you a full report when this

happens. These are fact finding missions and I don't think any purpose could be served if in any way it began to look as if we were trying to create a circus or get some press coverage on this. These are work meetings and I hope that you -- I'm sure you do all understand the importance of actually getting down to finding the facts. We will, as I say, report fully to you on this thing.

Q Governor, either directly or indirectly are you trying to find out if possibly there might be some source of outside agitation possibly this summer on civil unrest?

A No, no, as a matter of fact, that has nothing to do with it. This is -- I repeat, that's a problem on its own. The problems that have to be solved of opportunity, summer jobs for youngsters and permanent jobs for their parents, the solution to these problems, this has nothing to do with tying it to whether there might be unpleasantness. These are problems that should be solved because it is morally right to solve them, because they need solving and that's what we are trying to do.

Q Governor, do you have any misgivings about meeting with the -- any of the so-called militants of the minority groups, ones whom you've criticized before or are any of these on the schedule of your meeting?

A No, actually I don't think they'd have anything to contribute. We are meeting with responsible leaders who are engaged in this problem now and who can tell us how we can better help, who will tell us where there are shortcomings in our efforts and what's needed between us to solve the problems.

Q You say you don't think they would have anything to contribute, the militants?

A What?

Q Why don't you --

A Not of the nature of what we are discussing now because I think it is pretty apparent that their approach to solving the problems isn't solving the problems.

Their approach is -- they made it plain, something different. The problems are insoluble without their militant planned violence and rebellion. We are dealing with the nuts and bolts of programs that are not accomplishing something. We want to make them accomplish more.

Q May I change the subject?

A Now can we change the subject?

Q Governor, you talk about withholding taxes being an increase in taxes. How do you figure that?

A Well, we have the best figures that the tax people could give us on what withholding might mean in the Internal Revenue and only a very small tiny percentage of this would be money that is supposed to be the result of cheating or tax evasion. And this is not all, even that small amount. If there is no evidence that withholding could correct that, because the federal government also has a percentage of money that it admits it doesn't collect, and it has withholding, -- but the biggest amount would be the increase in -- of taxing -- accelerating the taxes and as the prosperity comes along and our incomes begin to go up, and the economy expands, there is a gap now in which the individual has a little breathing spell in which he gets the best benefits of that before he starts paying the tax on it. Now, they estimate that with withholding the minute you benefit by a nickel, the government is going to get a share of it.

Then there is an additional chunk of money that, as I have said before, the state refers to as the recurring windfall, but what it really means is the state's cheating now instead of the other people and this was the money that the people pay through withholding that they don't owe and they don't know they don't owe it and so the state keeps it. And again, I don't think the state should be in the cheating business.

Now, then of course there is the element that first year's windfall of the double payment, if there is no forgiveness and you'd be surprised how reluctant most

people who support withholding are in government to grant forgiveness, so that the people are paying two at once. Actually there is a way that--the only convenience to the person is the state taking off the individual's back the responsibility for managing his own funds. They take it out instead. There are other ways to make this easier, without imposing withholding. And as I say, these were explored. For example, this state once had installment paying. Come April 15 you didn't have to pay your whole tax, you only paid a fourth of it and you could pay it voluntarily a quarter at a time throughout the coming year. And a few years ago as a gimmick to pretend that the balance -- the budget was balanced, one of those number of gimmicks that I discussed during the campaign, this withholding privilege was taken away from the people. Now, this withholding privilege could be given back or this installment privilege could be given back if we can once get our heads above water enough in the cash flow thing that we can afford and we are in a sound enough position that we can say to the people, you don't have to pay it all at once, and we can restore that installment paying and this is what I would like to see done.

Q There is a question in the front row and two in the back.

Q Very briefly, Governor, when do you expect to make a report on your -- on your discussions with these minority groups?

A Well, give us time to -- to wind up these meetings. It will be a few weeks yet and give us time to put together all that we have learned and all the material. As many of the suggestions are made, we find already we are able to say, well, this suggesting fits right in with something that we are ourselves -- have already embarked upon.

Q Now, on the -- on the tax reform, you say you plan -- you will talk in your report to the people about some tax reform proposals. Will they be then introduced shortly after then in the form of legislation?

A           ies.

Q           Governor, for the last three weeks, the bay area mayors and supervisors have been meeting on this problem of EART financing

Q           Now, can we finish this, first?

Q           O. K.

Q           Governor, do you anticipate asking the legislature to consider that quarterly payment for all taxpayers this year?

A           No, I tell you we can't yet. As I said, to return to the people the installment privilege would be great but we are going to have to get our heads a little above -- better above water than we are now.

Q           What do you mean by that?

A           Well, we aren't far enough out of the red to be able to meet the cash flow problem by only getting a quarter of the money that's due in April instead of all of it. As soon as we have restored a fiscal balance where perhaps we have a little solvency, perhaps we have what we should have, a little working capital or reserve fund, we can then -- unless we in the meantime have found in the proposals that are being studied now for tax reform -- found something that makes this unnecessary, then we would be able to go back to this system.

Q           Well, it is really the opposite of withholding, isn't it? You are talking about letting them pay later rather than before.

A           You always had that privilege until just a few years ago.

Q           Do you anticipate trying to pave the way for this at all this year?

A           What do you mean pave the way, set it up in the -- no, as I say, I think we are just going to have to get the fiscal house in order to where we can afford that.

Q           Wasn't that system just for high bracket taxpayers, Governor?

A           I don't know whether there was a breaking point or not in that. In some -- it isn't very important because

there are some state -- not the federal tax, the state tax is so much lower that, you know, under the proposal for withholding you would have a sizable group of people in the state who would be having something like a quarter deducted from their pay check which seems hardly necessary. I'm sure that there is no great problem in one time paying with that.

Q Governor, two in the back row have been trying to get your attention.

A Which -- go ahead, change the subject.

Q O. K. The Bay area or at least three counties of the mayors and supervisors are coming up to Sacramento this week to try to finally resolve BART. Now, in talking to them and in their voting, they seem to feel that an increase in the bridge tolls is the most satisfactory way of handling this, but they are afraid that it is your office that is going to shortstop it. Now, is your office opposed to using bridge tolls for the financing of BART?

A Well, we were opposed on this basis that to change the bridge tolls as they are suggesting endangers the southern crossing, number one, and at the same time requires the refinancing of the bridge bonds, and at today's market refinancing bonds is not a very smart thing to do. It could well cost us a hundred million dollars or cost them in added interest over the years to refinance the bonds on today's market. Now, if they found some answers to those problems, we'd be very happy to hear them, but this is the thing that has made us turn away from the bridge tolls.

Q But would you be willing to accept a half and half proposal which they are also interested in, half of it coming from bridge tolls and half of it coming from some other source, perhaps an in lieu tax or a gasoline tax of some sort.

A If there is some point at which this refund -- but it is my understanding that legally there must be a



refinancing of the bond -- the bond issue for the bridges and that this would result in this -- in this added interest charge regardless of amount. Now, as I say, if they found some answer to that, that we haven't found, I'd be very happy to hear it.

Q How do you feel this problem can most feasibly be resolved?

A Well, of course our suggestion was the broadest based tax would be to give the local communities or local areas the right to -- to a local increase in sales tax up to a half a cent. This would be broader based than simply taxing the automobile driver, by taxing the sales tax on gasoline or an in lieu tax on automobiles. In that way you are putting the entire financing on the backs of the drivers. I grant you, this is a pretty broad group, but it isn't quite as broad as taking in all the sales tax means.

Q You mean just in the counties involved?

A Yes.

Q That is least satisfactory way as far as the mayors and the local representatives are concerned.

That's the one that they are the most unhappy with. Have you been able to get together with them on this?

A Well, we left it in their laps that they would have to -- they or their people would have to adopt this and approve it. It wouldn't be forced on them. We were willing to give them this permission. I don't know exactly what their objections really are unless they would -- again they are trying to find some way that will be painless and that they are reluctant to impose a tax themselves.

Q They are afraid it will drive business out of those counties, the people in Contra Costa will simply go shop in Solano County and so on. That's what they are concerned about.

A Well, wouldn't the same thing be true of a sales tax on gasoline? I can't quite believe that to save



a half a cent if somebody is going to get in their car and go run into another county to buy those items that are subject to sales tax.

Q I'd like to change the subject once more, if I may.

A All right.

Q A group of Stanford university psychiatrists after conducting a survey of a number of state institutions have come to the conclusion that the mental care has declined in the state since your budget cuts of last year. They said we can no longer say we have good mental health care in California.

A Now I haven't seen the report but it is contrary to a number of other reports, including the CMA report which was quite critical of a number of things, but which admitted that medical or mental health care is better today than it was months ago, was a year ago, was two years ago, that it's continued to improve and we have announced the 14 points, the additional program we are going to take now that we have made some progress in altering the structure and eliminating some dead wood.

Q Maybe their survey wasn't careful enough.

A Well, maybe they saw it from a particular viewpoint, you know. I'm quite sure that -- that there would be no state program that could stand the scrutiny of a professional in the particular field who didn't have to be concerned about the budget and who wanted to look at it as to how good it could be if he had all the money he wanted. I'm quite sure that any police chief or group of them could say -- take a look at the California Highway Patrol and if they didn't have to figure cost, they could tell us how much better a job we could do and how many accidents we could reduce by doing it.

SQUIRE: Thank you, Governor.

PRESS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD APRIL 2, 1968

Reported by

Beverly Toms, CSR

(This rough transcript of the Governor's press conference is furnished to the members of the Capitol press corps for their convenience only. Because of the need to get it to the press as rapidly as possible after the conference, no corrections are made and there is no guaranty of absolute accuracy.)

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GOVERNOR REAGAN: Well, we have some Coro Foundation interns as our guests today. Glad to have you here. Everybody on their good behavior now.

Q Governor, have you -- do you have any comments to make further than you said yesterday about the Johnson retirement?

A No, no.

Q Governor, on that score, I heard Senator Percy on radio today saying that he hoped that you wouldn't try to impose some of your -- well, this is my word, not his -- but say hawkish views on the platform at Miami. Would you -- were you planning to get any hawkish views into the platform? If so, do you have any comment?

A No, I think the Senator ought to know I can't exert any hawkish views. George Murphy made me one of his eagles. I'll just wear my eagle badge to Miami.

Q Governor, Mr. Nixon says that he would favor a cessation of political debate, criticism and the like for a few weeks regarding Vietnam in order to give President Johnson every opportunity to try his hand at peace-making and see whether or not he can bring it off. Are we right in assuming from your remarks yesterday that you wouldn't share that view with Mr. Nixon?

A No, I'd share that view. I think that's perfectly proper. I voiced my criticism. I must say, you have to

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take into consideration something I didn't, there is always the possibility that the President's action was taken as the result of overtures that might have come to Washington from the other side, in which case the enemy is willing to come to the table and if that is the case, there is no evidence or indication that it is -- but if that is the case then obviously our de-escalation would be in response to their bid and that's -- that's a completely different picture.

Q Would you favor and approve of that?

A One second.

Q Governor, yesterday you had a quite strong statement with reference to the war in Vietnam regarding the de-escalation by the President. Do you feel strongly enough on your views of Vietnam to change your mind about seeking the presidency if there is a doveish candidate who seems to have the inside track with the Republican party?

A No, I haven't changed my position.

Q Could your position change?

A No.

Q Governor, despite the idea that we might be seeing now a 12th commandment, Mr. Nixon says we shouldn't talk about Vietnam, he suggested that he knows a way to end the war. The air strike and the buildup in ground troops hasn't ended it. Do you have any idea how it might be ended?

A I've discussed some ideas on a number of occasions and if this in truth is not an overture from the enemy and is just again one of ours, it may very well be what the President has in mind then, I think that you bring them there by a stepping up of activity and by a threat that the enemy will indeed suffer punishment more than he has if he -- if he does not come to terms.

Q Do you believe the only answer to the conflict is a military victory by the United States?

A Oh, I think there are other angles, also, that could be employed at the same time with the threat of that kind, by way of some of our allies in the -- some of the

other nations in the world who have been contributing to the supplies of Vietnam. I think we could express our displeasure to several other nations.

Q Governor, if indeed the de-escalation was in response to some overture from the North Vietnamese, would you then approve of the idea of de-escalation under those conditions?

A Well, I think then this would be the very thing we have been talking about, the military action had actually brought from the enemy a willingness to talk -- to talk terms.

Q You indicated that you thought that Mr. Nixon's statement was perfectly proper. Do you intend to observe or inaugurate any period here in which you allow whatever the President is doing to see whether --

A We have got so many problems here that I'm waiting for you to ask about that I just as soon began giving Mr. Nixon's commandment right now.

Q Governor, you said a few seconds ago that your position hasn't changed on the presidency, yet in Oregon films dealing with your possibility as a presidential nominee are being shown, money is being collected for Reagan for President, and there is -- there seems to be an upsurge of activity by Mr. Bubb in Kansas, Mr. Butler in Texas and others. Can't you go further than you've gone and try and stop this and say, "Do not collect money for me. I don't want the votes in Oregon?"

A I've done all of the things that you are talking about and I would recall to you that in the very accounts coming out of Oregon they themselves have expressed that. They have said that I have asked them to desist but that they have chosen not to and they express support of the idea it was a free country and they were going to continue. Now, that is about as far as I can go.

Q Governor, are you feeling personally any pressure from your friends and supporters to run for president? Are they asking you or suggesting it would be a good idea, you might step in?

A           There's been a stepup in mail and there's been quite a flood of telegrams in the last few days.

Q           Governor, would you ask the people of Oregon right today not to vote for you because you are not a serious presidential candidate?

A           Well, I've done all of that.

Q           Would you do it again?     For us to hear.

A           All right.   I have no connection with the people in Oregon.   I have told them to desist.   I have told them I'm not a candidate, that I will not campaign in Oregon.

Q           How about the voters?   Will you ask the voters not to vote for you?   Will you ask the voters to vote for Nixon?

A           No, and you know I obviously cannot do that as a Favorite Son candidate who hasn't even had a meeting of the delegation yet.

Q           Would you ask the voters not to vote for you?

A           Then what am I saying?

Q           You are saying you are not a serious presidential candidate.

A           I'm telling them to vote for someone else, and who else is there to vote for, that I'm expressing a preference.   And there is no other way it would be taken by that, by many of you here in this room, and I can't do that.

Q           Governor, on this area, what about your delegation sending this man to Miami Beach four or five months ahead of the convention.   There's been some indication perhaps that your bid may be serious.   Can you explain that?

A           My understanding of the sending of that man down there was for the logistics problem that has to do with housing as many people, headquartering as many people, making all the arrangements that have to be made for everyone who is also going to take his family and on that trip. And this is not unusual at all.   The only difference is

now we happen to be in administration and four years ago the convention in San Francisco, there was the same logistics problem, but it was handled by people -- a party that was not then in power, so there wasn't any attention paid to it, but as an alternate delegate at that convention myself, I know something of the arrangements that were made that made it possible for me to walk in and be handed a key and told where my room was and so forth.

Q Was it started that far in advance, though, four or five months?

A It is my understanding that it did. People who were experienced in handling that one are the same ones who had made these arrangements and secured this man to go down there.

Q Governor, why do you think that Governor Rockefeller and President Johnson were so successful in turning off their people when they said they weren't going to be candidates and you have been so unsuccessful, apparently, in turning off yours?

A Well, I don't think that they have been quite that successful. Who did a better job of turning off an operation than I did in New Hampshire? Nobody got mad at me and walked out of the race because I hadn't turned something off.

Q Governor, the President upset several applecarts the other night. I was wondering if you have any idea how President Johnson's dropping out of the race might affect the thrust of the Republican campaign?

A Well, I said the other day, I don't think it has affected it. I think the Republicans have been running against, you might say, an ideology, a philosophy. They have been running against the philosophy that is pretty much shared with the exception of the difference over Vietnam. The whole approach of the Democratic party by way of more centralization of authority and big government and so forth and I think that the Republicans -- the Republicans have got to make far less changes in their



campaign speeches now than do the other Democratic candidates who have only been talking about the President in Vietnam. And if I were a speech writer for one of the two Democratic candidates, I'd be pretty hard put to figure out what I was going to put in a speech. As a matter of fact, I might tell the fellows I was speechwriting for to keep their mouths shut for a while till we figured something out.

Q Wouldn't the President's dropping out of the race pretty much rule out the Republicans picking a dubious candidate, say Rockefeller is the nominee?

A I think the Republican party has been having some internal debate over just what their position is, with regard to that war. There are some with whom I'm in disagreement as to what they would do about it. I think the Republican position generally though is end the war. And the other side's had several years to do that and has been unable to accomplish it.

Q Governor, aren't you on the ballot today in Wisconsin? You and Mr. Nixon?

A Yes, Wisconsin is one of the three states where I technically could not withdraw. This, incidentally, was a thing -- you see, Governor Rockefeller could do that; I couldn't. He can by the New York law be a Favorite Son candidate in New York and sign the affidavit in those three states because he does not have to sign an affidavit in New York of the kind that I had to sign here. They have a different party structure there.

Q Well, in the absence of being able to withdraw from the primary there, do you feel that you have been able to turn off the campaign for you there as you did in New Hampshire?

A I think we have done successfully. I think you'll find no more votes for me in Wisconsin than you found in New Hampshire and I think this is a result of what we have been doing to turn them off.

Q Would that please you, if that is the outcome?



A Yes.

Q Could we have a change of subject?

Q No.

A I'd like that.

Q No, Governor, would you clarify one thing. You said there have been an increase in the number of telegrams urging you to get into the race in the last few days. Did you mean since President Johnson's announcement?

A That's right. Yes.

Q Within the last two days?

A Yes.

Q Is that quite a substantial increase? I mean could you give --

A Yes, I haven't gotten the count. I don't know the figures. Bill, maybe you --

BILL: 300 per cent, I think.

A About 300 per cent increase. No, you want to change the subject?

Q Yes, would you like to tell us about your meeting with the 14 mayors today?

A Well, this was a very fruitful meeting as have been the meetings we have been holding in the minority community. This was -- again, we could have had a three-day seminar, and not covered all the subjects. But this was an exchange. I reported on some of the things I've learned in their own communities, but we also exchanged information and it is as I have said so many times, answers to some of these problems are being tried here and there and simply the exchange of one mayor telling what they are going in a community with regard to summer jobs, this very fine program that is started here in Sacramento by the Chamber of Commerce, so we did have a fine exchange on this, and this is just one of a number of meetings that I will hold. We discussed largely how they as mayors and I as Governor could further stimulate the private sector, the independent sector, particularly in the field of giving jobs.

Q Did anything practical or concrete come out of today's meeting?

A Well, yes, in this general area here of what we could do. Also the discussion ~~both~~ on both the city and state angle of changes in our Civil Service examinations; review of the jobs that we could give, public jobs; that perhaps today the requirements are higher than those jobs should have and thus~~e~~ they militate against employing some of these people. There were -- we discussed concrete examples, things that we could do as sort of symbols right now, not window-dressing, but symbols, projects, even down to such a thing as -- as a sidewalk around the school area that had long been a sore point for some people, getting these things done to show that we -- we intend doing whatever can be done.

Q Governor, what made you decide to wait until next year to go ahead with your tax reform program?

A Well, we are going to introduce tax legislation but the -- the balance of it and I guess maybe you just can't produce tax reform all in one year. We kept coming to so many points in which to have legitimate tax reform. You've got to involve the counties and the local communities because this is a package that is tied together and we have had no opportunity to sit down with representatives of the local communities and the counties to work out how perhaps we could make changes that would involve them. We are going to do that now and so this means we have to -- that area of taxation will have to wait until another session.

Q It's been a matter of time? You just haven't had time to sit down with them since your --

A Time and I think as we kept on with our own studies, we kept coming to more and more of these points until the realization was quite clear that it was a single package.

Q Going back to the mayor's conference, Governor, are you going to propose any specific state and governmental action in this area as well as the private sector?

A Oh, we have -- we are correlating all the notes that Bob Keyes has been taking in his meetings and they involve a number of things, involving not only our own Civil Service positions, where we can perhaps work better with the private sector and independent sector, the flaws in our own state departments as they get down to the firing line, where they actually are dealing with the people and the problems, shortcomings that we found there, and we are exploring ways that we can have a better check on this sort of thing. Yes, we have -- there are a number of areas that involve this.

Q Would there be legislation to implement these?

A There is -- no, a number of these things -- well, now I can't tell you how much of this might require legislation in these changes. A lot of it, I think, we can do administratively and we will just proceed doing it.

Q Governor, in your speech to the CRA, you referred to the Kerner Commission's conclusion that white racism was a serious problem in the United States. Do you believe this is so and if so what do you think the state can do to combat it?

A Well, I -- in my speech what I used is I said that all of us are under the stigma of this charge that was made. I am in great disagreement with many parts of that Kerner report. I also am mere to say that many of the things that the Kerner report suggested are already being put into effect and have been put into effect. Communities here and at the state level. But we can't ignore the fact that this problem or these problems if we use the plural, are the result of a background of discrimination and bigotry and prejudice and this is -- until we ourselves are doing more to eliminate that, we are going to -- we are going to be tagged with that label and it is to blanket indict the entire community would be to ignore or fail to recognize those millions of people who have been working their heads off for quite sometime to try and make things better. But we can't -- in turning to them we can't also ignore the others who still are

poisoning the air with bigotry.

Q Governor, in that same speech you stressed the need for conservatives to help minority groups in the field of jobs and education. Now, you've expressed your program as far as jobs and job training is concerned, but do you have any substantive bills in the field of education for minority groups?

A There again you are catching us a little early. We still have meetings scheduled with not only the private sector, but meetings like this morning's, meetings with educators, also. So let's wait until we have had these meetings and had a chance now to look at all that we have learned and then have some recommendations.

Q Governor, has your meetings with the --

Q The bills have to be in by the 16<sup>th</sup> of April.

A Well, we won't be able to make them for this session then.

Q Has your meetings with the minority groups had -- caused you to reassess any of your basic problems on race relations or poverty programs to take a new look at the approach so far?

A No. Oh, I think you couldn't help but be impressed with -- with some of the things that were repeated over and over again. You thought you were conscious of them. Let's say there might be a difference in degree, something that you would have always been conscious of was an abrasive point, you -- I might say there were some areas where I saw it as even more than I had thought that it was. I was greatly impressed with the patience of these people, the way that they are still seeking contact and correction of these things, and believe me, and it varies from group to group, community to community -- believe me, they have got some just grievances.

Q Governor, there is a new initiative under way to repeal the Rumford Act. Would you oppose that?

A To repeal the Rumford Act? Well, any time, as you know, that I've ever mentioned repeal, I have always

said it was done, then start from the ground up and build something in its place. Right at the moment, I would hate to see that happen because I've also learned this, this is a symbol. And I think we should be very careful about this. I still stand with my belief that there are corrections and modifications needed, but I'd rather see a start with the modifications than to tear down the symbol because of a danger of somebody not waiting to see that you had something to put in its place.

Q Has that view been reinforced by what you learned at the meetings?

A Yes.

Q Does that mean you would oppose the Walsh bill in its present form?

A Well, let me say again, as I say about every bill, wait till it gets downstairs and I'll take a look at it.

Q Governor, you indicated a couple of weeks ago that you were going to take a look at the pending Senate bill and I know that some of the NAACP representatives have asked you to take a stand on that open housing bill. Did you tell them that you -- of any position you had on that bill and would you tell us?

A No, actually nothing that specific in that area came up. We talked such things as housing and in many of these meetings we didn't discuss this actual legislation.

Q How do you feel about the legislation now?

A As I say, I haven't -- and I'd rather not comment until -- I'd rather wait till it comes downstairs and see.

Q I'm sorry, Governor, the Federal open housing bill which you'll never get a chance to see, in which you said two weeks ago or three weeks ago that you --

A No, I haven't.

Q You were going to take a look at it.

A I haven't. I've been getting in and out of airplanes and I just haven't.

Q Governor, you are using the term "Rumford housing law as a symbol." I'm wondering whether you might not

have gotten brainwashed in these meetings because that phrase seems to come from liberal sources, and all of a sudden you are using it.

A What?

Q The word "Rumford law is a symbol."

A No, I frankly admit I was greatly impressed to find out how much of a symbol this is in many areas and I think that anything that is done must certainly be done with full communication with these people, complete understanding as to what and to why, to take away any appearance that somebody -- someone is just simply attacking this.

Q Governor, on this subject, this is a change -- this seems to be a change of viewpoint from what you said.

A No.

Q During your governorship campaign where you spoke of the Rumford Act in rather disparaging terms and now you refer to it as a symbol. Has your viewpoint changed?

A No, and I -- in the discussions I did not retreat what these people -- that portion of the act which has to do with the individual and his own property rights I explained my position, we were still in disagreement, but we discussed it and in most instances it was a fair exchange and a fair discussion.

Q Governor, the question that you were asked is in connection with a new repeal here on a new initiative on the Rumford Act. Was the answer that you gave right at this moment "I hate to see that happen" in connection with the initiative or with the legislative action?

A No, I was talking about initiative, which would give the appearance of simply wiping something out without a structure of something in its place.

Q Would you extend -- could you extend that statement to a legislative act which would wipe it out, too? Would you or could you?

A I would prefer to see it modified. I would prefer to see us follow that course rather than actual attack because the title itself has acquired some meaning.

Q Would you repeal -- would you veto a repeal bill?



just  
This is/to repeal.

A           There you go again with -- repeal with no structure in its place, yes, I'd have to.    Yes.

Q           Governor, in your discussions with these groups around the state, have you become concerned at all that the potential of civil rights disturbance or rioting may exist in some California communities? The tensions are so high?

A           There is no question but that this is a threat hanging over us, but it is also no question, and I tried to make plain at every instance, that we should not be dealing with this problem on a crash basis that we are trying to head off a long hot summer. We should be dealing with this -- this program on the basis that the things that need doing have needed doing for a long time and it is morally right to do them and we should get on with the job. But I think the threat, of course, is being egged on by -- and I won't use the term "militant" any more. I found out that that has a different meaning for different people, too. Labels seem to be my downfall -- the revolutionaries are the ones who have given up any hope of finding an answer the way we are trying to find it, any mutual getting together, and the revolutionaries are simply saying it is too late, the day is passed, burn it down, and for this reason I don't think they have any answer for us -- for either us or for the Negro community.

Q           Well, we are getting close to the summer months and are you hopeful that a long hot summer is going to be averted in California?

A           Yes, I am because I still have to say that that vast majority, more than 90 per cent of the minority community is opposed to that as a settlement as anyone else. And they don't want it either. And between us we are hopeful we can prevent it.

Q           Governor, do you feel that the presidential candidacy of George Wallace and the activities of the American Independent Party in California are contributing to a solution of this problem or making it more difficult?



A           You asked a very difficult question here because I've noticed in some of the excerpts that I've seen on television and on your news programs of the candidate that he has scrupulously tried to stay away from any hint of prejudice or racism. On the other hand, in spite of that perhaps just from his own locale there can be no question but that in many people's minds that's what he is and so of course this has to do -- this has to be a challenge and inflammatory to many people.

Q           Changing the subject.

A           Yes.

Q           Yesterday Jesse Unruh said your Christmas Club type withholding plan was a scheme to benefit the banks and the savings and loan institutions. What comment do you have on that?

A           Well, the speaker was about three years late, several million dollars short and 3,000 miles away. Perhaps on my forthcoming trip to Washington I can drop by Rutgers where he's lecturing and bring him up to date<sup>on</sup> what is going on in the legislature in California and a few other things like that. The Christmas club idea has nothing to do with the legislature and I was a little amazed to find that the Speaker has suggested that the legislature might want to decide whether people can voluntarily deposit money in any banks on a weekly or monthly basis. I have never suggested any participation by government. It just happens that for several years now millions of employees all over this state, including a great many of our state employees have voluntarily asked their employers to deduct certain amounts from their checks and deposit such as for the United Fund; in the motion picture industry they have done it for years with the payroll deduction plan for contributions to the motion picture relief fund. This is quite common and all I was suggesting was that since the only convenience to the taxpayer that is offered by withholding is help in his not having to come up to the end of the year and find a single lump of money, that this convenience could be

extended to him by way of cooperation with employers who would at his suggestion or his order deduct a certain amount of money. It would be deposited to his account. The state isn't involved at all until April 15 when he takes that money out of the bank and pays it and to -- if this is supposed to make profit for the savings and loans or the banks, anyone can check all they want and they will find that the banks and the savings and loans for years in these kinds of accounts have done it as a convenience for their customers. They make no money out of it because of the administrative overhead. They do feel that perhaps they create the habit of saving, so this is one reason why they do it. But the taxpayer himself would be getting interest and would be making money on his own money at the same time that he had the use of it throughout the year if any emergency required it. And I don't see where the state has anything to do other than suggesting this to the independent sector.

Q Governor, when you say you want to bring the Speaker up to date, what does that mean? Does that mean that he doesn't know what's going on in the Legislature? He doesn't know what's going on in the programs or what?

A There are a great many unresolved problems up there and he's at Rutgers lecturing, and I just thought perhaps he's not in constant communication; as long as I'm going east I might drop by and tell him.

Q Does that also mean you have an indication that more legislators support this Christmas Club withholding project than he thinks?

A I never took it up with them. It doesn't have anything to do with the legislature. I'm proposing that employers who say their employees would like the convenience help in their accumulating this fund, that it is as easy as the employer saying to them, "Tell us how much you want to deduct out of your check. We will deduct it and deposit it for you."

Q Some legislators seem to think that this program is just the opening door to a withholding project and that this is just merely your way of getting into it.

A Completely voluntarily and the money remains in an account at the request or the call of the individual. It isn't taken away from them involuntarily and turned over to the state in advance, which is what withholding amounts to. Taking it before you've really determined that the employee does owe an obligation to the state.

Q You mentioned only banks and savings and loan. It can be done through credit unions, too, could it not?

A I suppose. I'm open to anything that they want to use.

Q Governor, since you are going back to Washington on this Air National Guard problem, one surmises that it is a problem you've been unable to solve by correspondence or telephone. Would you give us an idea of why it is so difficult?

A Well, no, as a matter of fact, I'm quite optimistic. Our Congressional delegates and Glen Lipscomb in particular have been working on this and I am quite optimistic about it and so my first meetings are going to be with him and again to find out how we can cooperate, whatever we can do.

Q Governor, do you approve of the memorandum issued by your Veterans Affairs director asking his employees to think the creative society way?

A Yes, as a matter of fact, I approve it with this one exception. There is no question but that in a 3-page memorandum there were two sentences that were worded unfortunately. They don't change the gist of the entire 3 pages in which there was nothing of compulsion or coercion or partisan politics suggested at all. The memorandum was issued in response to queries from his own employees and frankly I have to say that if there was any question as to whether this administration was trying to impose partisan politics on Civil Service Employees, all Mr. Hansen had to do was pick up the phone. Repeatedly I have told him that the door is open and the phone is certainly available any time on any problems involving employees. But Mr. Hansen

has shown a predeliction to running to printers and assailing this administration at each and every opportunity because he's apparently in disagreement with just about everything we do. And frankly I think that Mr. Hansen was nit-picking.

Q What about that specific phrase about asking employees to think -- must think the creative society.

A I said there were a couple of questions that were obviously poorly worded.

Q That would be one of them?

A Yes, that was one of the two questions.

Q Governor, back to this National Guard thing.

The Adjutant General came back three weeks ago Friday and said he was convinced there was no danger of losing the guard at that time. Why has the danger arisen again?

A That's what I -- I don't know. But I know this situation does fluctuate. As I say, we are quite optimistic but we just thought it was a good thing to do.

Q Why didn't you go back to Washington at the time that the legislators and the Adjutant General went back?

A Well, because it seemed that there was an adequate group going back there. There are some other things, too, in connection with this trip that I thought it was time. As a matter of fact, in connection with the other subject, we were talking about, I think I'll have an opportunity -- in fact, we are seeking some meetings back there to discuss at another level some of these same problems with our minority groups, so we think it will be a fruitful trip. Every once in a while it does become necessary to sit down, face-to-face, with our legislators and --

Q Will there be any political meetings while you are back there?

A No.

Q Governor, what is your opinion of the pro-Vietcong rally held on the Berkeley campus last night?

A Well, I'm disturbed. I'm disturbed that there seems to be a continued leaning over backwards in the name of

academic freedom to permit meetings which can only be described as lending comfort and aid to an enemy that is killing Americans, and I think that -- I think that the university has got to reassess its position, in regard to that.

Q Did some heads roll?

(Laughter)

A No, but I tell you, we will have more in the near future to say about this because we have begun a staff study regarding the whole field of higher education and perhaps the need to do some reassessing in that entire area. So, taking a look at it, everything from financing to problems on the campus, of this kind.

Q Define academic freedom, is that part of the study --

A Well, as I say, we have just begun a staff study on this. We will be reporting when we have more to say on it.

Q Governor, your reorganization plan apparently was put together without any benefit at all from the task force studies on reorganizing the executive branch, according to testimony from your staff before the Assembly Government Organizational Committee. Would you comment on why the task force was asked to look into this? That their findings weren't even considered?

A No, the thing was we were already embarked on this and we had, as you know, reorganized anyway. We would take all the feed-in and all the help we could get, so we opened up every department for these task forces to go into, including my own office.

Q Yes, but Mr. Adams said that the -- that the task force recommendations had -- and the quote is from his letter -- no bearing on the plan number one that you submitted.

A Well, I wouldn't -- I wouldn't know how much their findings or recommendations figured in this reorganization or not. We were satisfied with the plan that we had



come up with.

Q Governor, Mayor Alioto said after a meeting today that he expressed the view he was very cynical that local property tax relief could be gotten from the legislature this year and that local governments might have to get together and back an initiative to get this. Would you support such a move if the legislature doesn't act? Are you cynical?

A If he's talking about present property tax relief, as you know there is a great deal of discussion about how this should be apportioned back. I know in our meeting about this the view was expressed that as we -- after we had announced our desire to meet with them on a discussion of - of a kind of omnibus tax package for the coming year, the view was expressed that perhaps such a thing never would get through the legislature and that we might have to resort to the initiative and let the people themselves make the decision. This might be possible and so I would agree with it.

Q Governor, get back to one more question, to this Christmasclub tax idea. Two of the traditional points of opposition to withholding have always been the administrative costs to businesses and the other that taxes are to hurt. I wonder how you would explain your Christmas club idea to either of those points, against either of those problems?

A Yes. First of all this is voluntary. Administrative cost is one -- as I say, this is a practice that's already being followed. The state employees right now can ask that "x" amount of dollars be removed. But come the end of the year, come the end of the year the taxpayer then withdraws his money and makes his tax payment and he knows how much he's -- he's paying, and we do away with the involuntary feature and also the great administrative expense is eliminated because a great many people won't bother whose tax is so low, but under withholding you would have people who would have a matter of like 27 cents being withheld from their check, and you start



figuring just the administrative overhead of this, you can see that you -- you are running up to where you are almost costing as much as your withholding from the check. Well, now, I'm quite sure the people in that tax bracket on a voluntary system wouldn't be saying take 27 cents out of my check and put it in the bank. They don't have a problem at the end of the year finding a lump sum to pay.

Q One question, Governor. At the California Republican Assembly convention during the weekend in Berkeley, Dr. Rafferty spoke to the delegates and at one point he went into a 9 point program, each of one he began it by referring to my no-show candidate and went down and what seemed to most people to be a rather blistering attack. Now, does that conform to your view of the 11th commandment?

A Jack, I'm a coward. I didn't hear the speech.

Q Want a copy?

A I'd rather not.

Q Governor, did you say you would under certain circumstances back that initiative to limit property tax?

A No, no, we were talking about the -- that if -- what Mayor Alioto was referring to, if that we got together and we had an omnibus tax package, that would let us say have some other tax proposals, broader taxes to -- to stop using property tax, for example, as the big source of revenue. Well, then you couldn't get them through the legislature and we believed in this tax policy, yes I would favor taking it to the people.

SQUIRE: Any more questions? Thank you, Governor.

PRESS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD APRIL 16, 1968

Reported by

Beverly Toms, CSR

(This rough transcript of the Governor's press conference is furnished to the members of the Capitol press corps for their convenience only. Because of the need to get it to the press as rapidly as possible after the conference, no corrections are made and there is no guaranty of absolute accuracy.)

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GOVERNOR REAGAN: Good morning. I have a brief statement here I'd like to read.

(Whereupon Governor Reagan read release No. 264)

Q Assemblyman Veneman also has a bill now with reference to withholding. Is there any coincidence here, are you going to get behind his withholding measure?

A No, I'm not.

Q Has your view changed on withholding, Governor?

A No, my view hasn't changed. As a matter of fact--

Q Is it still firm?

A I think there are additional figures that should be pointed out to the people with regard to withholding that-- that it is an actual tax increase, that the taxpayer would probably be paying three years of income tax over less than a two year period, if withholding were enclosed.

Q What if withholding is amended into your bill, Governor, what will you do then, if it is to your advantage?

A That would be quite a problem for me, wouldn't it?

Q Did you talk to Mr. Veneman about that?

A No, I haven't spoken to him. As you know, I have been away for several days and have just returned.

Q This represents return to the previous system, doesn't it, Governor? Your plan actually put in the tax credits?

A That's right.

Q You are changing that, you are returning to the old system?

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A The one year's experience, as I say, has indicated--

Q You think that was a mistake then?

A Yes, I think there were inequities there.

Q Last year one of the arguments in favor of the tax credit is that it would be more of an advantage to low income, less of an advantage to high income than the exemptions. Has that not proved to be the case?

A What had proved to be the case is that the biggest burden fell where the burden of taxation, Federal and State and local always falls, on the middle income bracket who are paying all the bills virtually for the country. And here was an opportunity at least to spread this -- broaden the base a little more and make this a little more equitable in that --

Q If the level of state revenue is to remain the same, then more of this burden has got to go into some other category of taxpayer. Who will absorb most of the change here?

A There is no question but that it will broaden the base and some people who are presently paying federal income tax and no state income tax, not even required to file a state tax return would have to file. There would be several hundred thousand families not now -- or wage earners I should say, not now paying a tax who would have a tax that would range from a dollar to no more than about \$14 and a half for the year. They would be included, there would be a broadening of the base.

Q Governor, those would be low income people?

A That's right, for a dollar to fourteen and a half dollar's tax, yes.

Q Governor, isn't this really an attempt by you to escape criticism for the big state income tax increase?

A No, if I wanted to escape criticism I'd have done it March 15, not April 15. No, we have been aware of this and as the tax burden fell we have discovered that the income -- average increase that we thought would be imposed in some instances did amount -- go way above that average

as many of us have -- have discovered in paying the tax. There was no illusion on our part when we had to have the tax bill last year. We had no illusion about it, what the reaction would be and how unhappy people would be with it. We were unhappy to have to propose it. We had perfect confidence that the people of the state would realize that the burden had been made necessary by fiscal irresponsibility over the last eight years before we were around. That is exactly true.

Q You think you must rank as the most unpopular man in California today?

A Well, I tell you, I've got to get a haircut later. If I get stabbed, I'll agree with you.

Q Is this -- I'm sorry.

Q Governor, is this your idea proposed to Assemblyman Veneman or does it come -- has the idea been suggested to you by some Republican legislators, this bill?

A As a matter of fact, this is not my single idea at all. This is an idea that has come out of a number of meetings that we have had with our new director of finance, with our -- our legislative leaders and to others, leading up to the whole subject of tax reform. Actually this came out of some of our tax reform studies and was one of those things that we could -- without waiting for a whole package, we could move on and it is in line, as I indicated in the statement -- it is in line with our attempt to move the state tax requirements, income tax requirements closer to the federal with the hope that we can simplify the tax structure and ideally move toward a point where the people wouldn't be bothered with two separate tax reforms and two separate sets of figures that they would be able to make out one kind of tax form.

Q Governor, that system was rejected by the people two years ago. Do you think they have changed their mind now?

A I don't know, and I know that there were -- there were shortcomings in the previous one. I think there has

also been some misunderstanding. There are people -- their objection, some people who believe that we would be gearing ourselves so much to the federal we would be under their control. I don't believe that's necessarily true. I don't know whether we can reach this ideal situation, but it is worth a try. People had an impression a couple of years ago, as I recall, that if the federal government changed their tax rates or changed their tax law, automatically there would be a change to the state. We don't believe that's necessarily true. We think that we could retain the flexibility to alter our percentages to meet our needs, if they made changes in the federal structure.

Q Is this precisely a return to the way it was before the last tax bill or is it some variation there?

A You know, I honestly -- I can't tell you in detail it is completely -- I hesitate to answer that.

Q The federal government provides an extra deduction for the blind, too, you weren't considering that?

A I don't know, that's not in this -- I don't think that's included here. It wouldn't be exactly the same to the extent of asking for the double exemption for all over 65. That we did not have, as I understand, in the past.

Q Governor, how much would the minimum income for filing a return be reduced by the new proposal?

A You know, I can't answer that one in detail either. I can't tell you what it would --

Q Lower incomes would have to pay but --

A There would be several hundred thousand people not now filing a return who would file a return. Actually, in the change that we had made, there were people who have previously been paying tax who were exempted under the -- even though there was a tax increase.

Q There is no forgiveness feature in this, is there?

A I'm just hoping the people will forgive us.

Q Governor, are we ready to change to another subject?

SQUIRE: Not yet, let's finish this one first.

Q Governor, these billboards around the state that

say "Ouch", are these pro-Reagan or anti-Reagan billboards?

(Laughter)

A Well, you know, funny thing is I haven't figured that out yet. Some mysterious little Easter bunny came along and put up those signs and I tell you, I just mailed my own tax return in last night and I'm prepared to say ouch as loud as anyone. So I don't know who exactly put them up. As I say, the only thing I hope the people will remember is a theory of government that we could pass legislation and adopt spending programs that sounded good on the surface without looking behind them to find out how they were going to be paid for has led to the present situation and I hope out of this experience that the people are going to return to an attitude of responsibility whereby they will start asking the price before they start voting or accepting some of the goodies that are handed out from government.

Q Do you think you might get a kindly newsletter out of Senator Schmitz on this one, sort of a "sock the poor" type of --

(Laughter)

Q Governor, can you give us any --

A I don't know that there is an answer to your question, but I tell you, when I start psychoanalyzing people I'm going to start with someone easier than Senator Schmitz.

Q Can you give us any idea how much your income tax increased in percentage?

A Actually I can't, because there's been such a drastic change in my -- my setup from my previous occupation coupled with the fact that over this year and last year I've been involved with capital gains tax on the sale of the ranch. So it was not a normal year, and as a matter of fact I hope I never have another one like it.

Q Can we switch to another subject?

A What?

Q Have you been reading any of your mail concerning the income tax?

A No more than the normal mail that is delivered to



my desk, and I don't think there's been any unusual reaction on that part.

Q You received any letters favorable to the new higher income tax?

A Oh, I received some of the letters reached my desk have made it plain that -- the same thing I spoke a moment ago, they expressed the hope that now the people will be aware and exercise more control over government and government spending. I'm all in favor.

Q One other subject. Senator Beilenson has introduced a bill to extend the abortion law to permit abortions for possibly malformed fetuses. This is the section that you insisted upon removal last year but he said he's hopeful maybe your position will change on it this year. Can you give us your reaction to that?

A Well, my position hasn't changed. As I said last year and I ~~saw~~ now, I don't know who is prepared to play God and determine what state of disability is justification for taking someone's life. I don't know when you are disabled enough that you shouldn't be allowed to live. Some of the great contributions to the world have been made by some seriously disabled people.

Q To change to another subject, Governor, I wonder if you would clarify some remarks made at your April 2nd news conference here, which you said again that you would ask your Oregon supporters to desist in campaigning for you in the presidential primary. Last week I was informed in Portland by Bob <sup>HAYEN</sup> ~~Hayes~~ on the Oregon Citizens for Reagan Chairman, that the only communications the organization had received from you or from any of your advisors or representatives, you did not ask him to refrain from campaign efforts in your behalf. In that case, what have you meant by saying you have tried to dissuade them?

A What I meant was --

LYN: I wrote them a letter in January.

A Lyn said that he wrote him a letter in January. But also as I said, I had a personal meeting, not with that individual, but with some who started this movement very early, before it was started, told them that I would have

to disavow them, told them that I would have to, as I stated here on a number of occasions, state that they were acting without my consent and so forth, and I was told in turn that as far as they were concerned they felt justified in going ahead, they wanted to -- they believed there was a feeling at the grass roots level and they were going to proceed. And it is a free country and there wasn't much more I could do than that and they have proceeded.

Q Governor, one more question on the abortion bill, did what you said a few minutes ago indicate you would veto that bill when it arrived at your desk?

A As I always told you, I hesitate to comment on any legislation until it gets to the desk. I would like to see what it is, but my position has not changed in regard to my belief that we do not have a right to take a human life on the basis that that life is going to be physically somewhat less than perfect.

Q Governor, do you favor the dissolution of the Golden Gate Bridge district?

A Oh, I'd like to beg off answering on that question here because we are having a number of meetings now on this whole subject and on the subject of BART and I'd rather not say anything now that might in any way -- I'd rather get the in-put from the meetings that we are going to have.

Q On the subject of BART, can you say whether you are softening your position at all on the question of increasing tolls to help pay for this deficit?

A Again, as I say, we are getting in-put and I'm not in concrete on anything there. We suggested what we thought was the most feasible possibility and there is disagreement. There are arguments both ways on this, and we know the problem has to be solved. We know that the refinancing of the bonds are involved, the southern crossing is involved and what we have come out with is a program that is satisfactory to the people in the area as to financing, at the same time it doesn't throw out the wind to the southern crossing, it doesn't cost excessively on the refinancing the

bond structure.

Q Governor, the return of this political subject, can you tell us anything more about what happened yesterday at your meeting, what you told them about your non-candidacy?

A No, the meeting, Squire, yesterday, was pretty much a general meeting for organizing as a delegation, getting together for the first time.

A lot of the nuts and bolts and mechanics of housing and transportation and so forth taken care of.

We had the report from Mr. White, I had a conversation with Mr. White, he did tell me about this increased grass roots movement across the country. All I can say is this is -- obviously I was interested in hearing that and --

Q Governor, according to a poll in the Los Angeles Times this morning, 47 per cent of the Republican voters favor an uncommitted delegation while only 42 per cent favor your Favorite Son Delegation. Do you read this as perhaps your support for the Favorite Son unity is dwindling?

A No, I read it as another one of the mysteries of poll taking that I'll never be able to understand because the 47 per cent that are supposed to have favored that other slate, that other slate couldn't get the necessary several thousand signatures necessary to get on the ballot. Now, I don't know where they took the poll. Maybe they took it from the organizers of the second slate, but it is a little confusing that a majority apparently wanted that slate but they still couldn't get the names to get it on the ballot.

Q Could that possibly be a sign that the Republican party in the state is out of touch with the Republican voters if the poll is correct?

A I doubt that. Anyone who reads the list of the delegates that we have on our slate knows that we have really involved every facet of the Republican party and again I have to say how could the Republican party be out of step if this poll -- these people couldn't get the signatures

necessary to get on the ballot?

Q Governor, a moment ago you made reference to a report, I believe, of Mr. White at the meeting of the grass roots movement and I didn't understand what you were referring to. Can you explain what that was?

A This was his statement that there seemed to be an increased activity throughout the country at the grass roots level of organization springing up advocating my candidacy.

Q -- Idaho, Colorado and Oregon in the next few weeks make it more difficult for you to maintain the impression you are not a candidate and does this concern you?

A No, I told you some time ago I came back and during the legislative session have stayed here. There is a recess coming up, but I feel in the importance of this election year I have been receiving requests from Ray Bliss, from Senator Murphy, ~~From~~ Bob Wilson with regard to areas where I have previously turned down speaking engagements. They have emphasized the importance and the possibility of Republican victories in those areas if they get some help and frankly I am just not going to be frightened into staying home and not doing what I can do for a cause that I believe is very important, because frankly I don't believe this country can afford four more years of the lack of leadership that we have had under the other party.

Q Would you be talking about international issues on those trips and criticizing the administration?

A Well, it is sort of a reflex action with me to criticize the administration. I keep waiting for them to ask for equal time. Lately some of their candidates instead of asking for equal time seem to be quoting some of my speeches. But I'm -- I'll be talking on whatever issues I think the issues are of interest to the people, as I have been in the past.

Q Governor, did you say to reporters yesterday in Los Angeles that you might possibly change your plans for your pre-convention plans if the primary results turn a

certain way, in your favor?

A Did I say anything?

Q Yes, I was wondering, I read a --

A No.

Q -- statement to that effect.

A No, I don't recall saying anything of that kind.

Q Governor, did you indicate to the delegates that you didn't want them to so-called prematurely announce support for any other presidential hopeful?

A That's right, I told them I thought we should keep an open mind and that we shouldn't go around and talking about who might be the choice there and thus eliminate or hinder the possibility of us getting together and acting as a unified delegation at the convention when the time comes to make a move.

Q Your determination not to be a candidate, could this be lessened in any way if it looked like Bobby Kennedy was going to be the democratic nominee?

A Oh, I don't think whoever is -- a guess at who's going to be the nominee on the other side, while it has a bearing and a consideration of qualifications of our own candidates -- no, I think the Republicans are going to have to -- will make up their minds on the basis of who they think, first of all speaking Republican principles and then has the greatest opportunity to the possibility of giving us a victory and I think that decision -- I still say I think that decision is going to be made at the convention and I think it will be a decision that will reflect as much as possible the will of the membership of the people of the party.

Q Governor, Tom Reed who was formerly on your staff, has a nephew, Larry Reed, who is running the Citizens for Reagan in Texas, and he's an old friend going back from four years to a gentleman named Bub in Kansas who is running the National Citizens for Reagan. Wouldn't you say that this is sort of a challenge to statements that have come from Sacramento that there is no connection between

Sacramento and these various citizen groups?

A I have said on a number of occasions and I say it again, I know that people -- I know that friends of mine-- I know that there are some of the people among the advisors from -- in the last campaign who have continued to help in many ways in this administration feel this way, and have been active. They have been open about it, they know my feeling. They have proceeded and there isn't -- again, as I say, there isn't much I can do about it.

Q Governor, have you talked to Henry Salvatore at all and ask him perhaps to cool it, his interest in your possibility?

A This is again the same kind of example I've stated and made my statements in reply to his, and he knows how I feel and I know how he feels and again as I say, I can't help but feel honored that people, particularly people who know me, would feel this way, but --

Q Governor, based on recent developments, is it your personal opinion that Nelson Rockefeller is now more firmly in the race than ever?

A Well, I don't know how anyone could ignore the fact that he's in the race. He's in the race by his own words. I think the entire events of the last several weeks, by his own statements, if I -- if he's been quoted correctly, his statement was to the effect that what he has done were only announcing decisions and changes with regard to strategy. But that he has always been receptive to the idea of being a candidate.

Q Governor, who would you list as the leading three or four Republican contenders for the nomination?

A Well, now, there are only two declared candidates, actually declared, and campaigning, I should say. That is Richard Nixon and Harold Stassen, so you've got two there. Mr. Rockefeller has made it plain that he is receptive to this and he is going to speak out on the issues and let the people make a decision, so I suppose he's number three.

Then I think you just got to -- got a whole galaxy of names



that have been mentioned from time to time, including my own, but what their positions are, I don't know. I haven't heard all of them state.

Q            Mr. White did say yesterday that he told the delegates that you would be a genuine or a leading contender for the nomination at the convention.

A            Well, now I didn't hear him say that to the delegates.

Q            He said it at a press conference afterwards, he said he had so informed the delegates.

A            He said, as I recall in his talk -- he said that there would be a number of -- I know where this probably was, he referred to the fact that by -- by way of the Favorite Son candidacies, there would be a number of nominees. There would be several people nominated at the convention and he said he was expressing a personal opinion, that he believed for the first time since 1948 as a result this would be a multi-ballot convention.

Q            But then he also did say to the press afterwards that he had informed that you would be a genuine and leading contender, not just a Favorite Son.

A            I didn't recall him saying those words, to the delegates. I recall him saying what I just told you, but I don't recall him actually evaluating where I'd be in that point -- in that connection. Then he did tell about the grass roots.

Q            In that connection, Governor, did Mr. White counsel you or any of your associates that you should take a more active roll rather than the passive stance you had in the past toward the presidential nomination?

A            No, and the engagements that were referred to, the speaking engagements which I have accepted for the next several weeks were all decided upon prior to any meeting with him.

Q            Can we go to another subject.

Q            Can I ask one more, is Mr. White continuing to work? He indicated that his present assignment was finished ~~with~~

with his tour of 20 states. Is he continuing to work for the delegation?

A It is my understanding that he is going to report at intervals back again much as he did this last time to the delegates.

Q Governor, in what states do you have definite speaking engagements?

A Well now in the political nature I'm going to speak to a student body over at Colorado University but I'm doing a fund raiser in Idaho, a couple in Florida, Cleveland, Ohio and one in Illinois. I think that's all -- well, wait a minute. One that for a long time was -- was a tentative one that I agreed to clear back at the Virgin Islands Governor's trip that if I was able to go to attend the governors -- Western Governor's Conference in Hawaii, that I would do a fund raiser there for them and now it looks like I am going to be able to make that trip.

Q In Hawaii, not the Virgin Islands?

A I say this invitation -- this invitation came to me back at that time.

Q Governor, I have another question along the same line. Do you feel yourself that you are being pushed toward -- if not being a more active candidate for national office, at least a less passive one by developments in the recent weeks?

A Well, all I can do is repeat what Mr. White said yesterday, that there -- he said seems to have been an increase in the -- this grass roots type of movement in my behalf. I haven't -- it was the first I'd heard of such an increase. I've been aware of things like the effort in Oregon, the small effort in Wisconsin. I haven't had any time to assess this or see how widespread it is or what it means.

Q Governor, on another subject. Do you think the President is justified in being selective about a --

A What?

Q Do you think the President is justified in being

selective about the site for the negotiations with the North Vietnamese?

A I certainly do. I think that in view of the record of how the other side has used negotiations not to settle something but to win something, I think everything they propose must be looked at from all sides, and I think we have had enough experience in the past to know that this is of great importance as to where the meeting would be held.

Q You would be as selective or more?

A Yes.

Q Governor, back to the previous question for a moment, has your mail continued to increase, the people urging you to become an active candidate? You indicated that there had been --

A I haven't checked on it since I've been back, but it has been -- there has been a notable increase, had been at that time when I left last week, and it seemed to be increasing. I haven't made any check or asked anyone how it is doing.

Q Governor, do you expect the University Regents to approve an increase in student charges this week when they meet in Davis and will you make any effort to renew the effort to get them to do so?

A Well, here again I'm going to wait until I see what comes out. It is my understanding that today the committee is having its final meeting and I think it would be a little premature to comment now. I haven't changed my position with believing that there should be a student charge and in the area of tuition, not an increase in student fees. And I am hopeful that the Regents will see it this way. I think the whole problem of financing of higher education has reached a crisis proportion in the nation. As a matter of fact, I've been checking quite a number of accounts of the same thing that's happening all throughout the country, and I think that it is time that the University of California or the state as a whole face up to this problem, and so I'm hopeful that we will face up to

this, but I won't know anything until after I --

Q Did you tell that special committee what you just told us that you would like them to --

A I haven't made any special effort to lobby them at all. I simply have expressed myself, as you know, at the regents' meetings as to what we should do.

Q Governor, on the previous matter, you used a phrase several times that Mr. White reported on this grass roots movement and that this interest in you -- well, of an elaboration, interest in you in the idea of becoming more and more active candidate, or how does it interest you?

A Well, wouldn't you be interested?

Q Would you go -- did you tell them to go and stir up more interest?

(Laughter)

Q That's going too far.

A I haven't done anything with the idea of stirring up such a thing, but again as I say, I can't comment until I know how much does it mean that two other counties have joined the parade, or how widespread this is, and I'd like some time to look and I'm certainly not going to run away and pretend it isn't happening. Obviously, I'm going to try and make an assessment.

Q Governor, your press office reports that mail and telegrams are running three and a half to one against your recent announcement that you would oppose outright repeal of the Rumford Act. Would you give us your reaction to that public reaction? Is that discouraging?

A No, not at all. But I don't think there's been any great influx of mail on this, it didn't seem to cause any great stir.

VOICE: Less than 400 letters, as a matter of fact.

A And I'd like to -- I'd like to also remind you that a great deal seemed to have been made of a hypothetical question and an answer to it that did not drastically change the situation. No one -- see, there are probably a great many people who misunderstood and think the Rumford

Act is an act about one paragraph long that applies to one single facet of this problem and this isn't true as we know it. It is a great omnibus piece of legislation. There's never been any belief on anyone's part that this -- this act would not have to be if repealed, replaced by other legislation, and the question -- the hypothetical question was how would I react to an outright repeal with no replacement of the legislation. Well, I'd call to your attention that even the California Real Estate Association has reversed its position with regard to repeal.

SQUIRE: Mike and then --

Q Yes, Governor, now that you've accepted --

GOVERNOR REAGAN: Come on, Jess.

(Laughter)

Q Now that you've accepted the speaking invitations in the six states, does this mean that the door is now open for more invitations or are you going to cut it off after these are completed?

A Oh, that's -- that again is going to depend on the legislative session and what my time is. So far I've managed, like this one in Idaho, on a week-end, in my own time. The others to fit into the recess that I understand the legislature has -- is going to take over the primaries. So it is -- it is just a plain case of time and scheduling.

Q Governor, yesterday Mayor Daly ordered that the Chicago police curtail any suspected arsons and shoot to kill any suspected looters. Do you think that is a good idea and the Police Chief should be given similar ideas or the California Highway Patrol in case of riots be given similar orders?

A I'll tell you, I don't know of a -- I don't know of the question that actually is as difficult as that one. Whether to go to that, you analyze the experience of looting and you wonder if there isn't some plot on the part of those who precipitate the riot because a great many of the looters are literally children who see burning buildings and who see buildings with the windows smashed out and the conflict and the mob has moved on and it is almost, you know, like picking up something from a truck accident that's spilled on the highway. I'm quite sure that they don't have in mind the idea of stealing, that they think they are salvaging something that's going to be burned up anyway.

To envision police shooting at these children who are swept away on their -- this attitude, this is -- I'd certainly hesitate -- I would say this, that I do believe the stronger -- that stronger action could be taken at the beginning and as the assault starts and a stronger position taken to prevent them, and arrest looters, to apprehend them -- in other words, to make it plain that this is actually theft and will not be tolerated.

SQUIRE: Any more questions?

Thank you, Governor.

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