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NEWS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD MAY 7, 1974

Reported by:

Beverly D. Toms, CSR

(This rough transcript of the Governor's Press Conference is for the convenience of the News Corps. only. Because of the need to get it to the press corps as rapidly as possible, no corrections are made and there is no guaranty of absolute accuracy.)

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GOVERNOR REAGAN: Class will come to order. Good morning. No opening statement.

Q Governor, can you give us a clarification on what your administration plans are relative to the opening on a limited basis of ~~programs~~ ^{programs} for the mentally ill at Agnew and Patton State Hospitals? Andy Robertson announced that they would be opened and now he's saying that maybe they won't be opened.

A Well, I don't know about this, but I know that the way in which ~~now~~ this was hailed or announced, I think, gave a wrong impression to the public about hospitals being closed being opened. These hospitals are open and have not been closed. This is a change within the hospitals of wings as -- with regard to -- to those patients who do require more or less long-term or even permanent custodial care. Now, obviously as the patients come in and out of the hospitals after diagnosis and brief treatment and then go back to the community health care centers, it is a little bit like the situation with the prisons, that we are getting a different mix. Those that are left in the hospitals are -- are those of the long-term custodial care nature. And so there will be changes within the hospitals of that kind. This was not a reopening of something. Well, technically it might have been a reopening of a ward that hasn't been used because of the increase in that particular type of -- the proportion of that type of patient.

Q Well --

A No, there is no great drastic change in policy or anything at all. This is -- this is just regular administration of the problems as they fluctuate.

Q Governor, you are correct, that both hospitals have had programs for the mentally retarded. But their programs for the mentally

ill were phased out. Now, the question now is Robertson correct when he says that the programs for the mentally ill on a limited basis will be reopened at these two hospitals or will they not?

A Well, yes, these are -- as I said before, as we get the change in the balance of the patients, yes, there will be wings that will change probably, so others that will decline some place. There is no way in advance to know that, but the -- what I'm suggesting is that the original idea made it seem as if we were going back and reopening closed hospitals and the whole change of policy isn't -- it just reflects the flux that we have in the type of patients.

Q Yes, I understand that, Governor, just bear with me just a moment, please.

A Yes.

Q But will the programs at these particular hospitals be reopened for the mentally ill?

A Well, now, my last understanding was that they would be, that they were going to be.

VERNE ORR: It is my understanding, too, but I didn't understand they had been completely phased out at both hospitals.

Q Programs for the mentally ill were.

VERNE ORR: All right, I didn't understand that.

Q Governor, have you had a chance to read the rest of the transcript yet?

A No, but I'm -- I'm working at it. I'm reading the -- I hope to get a copy which will be easier reading because the print is very fine, but I'm reading the verbatim transcript that has been printed in one of our newspapers in California, and obviously I haven't had the time to get very deep in it.

Q Both Senator Scott and William Randolph Hearst have had some rather harsh comments after reading portions of those ^(Nixon) transcripts. What -- do you have any thoughts along that line as you reflect on it?

A Well, as I said the other day, I'm going to read them. I'm not going to read someone else's interpretation of them or make any statements on the interpretation of them. I'm going to read them. Now, maybe they had more time to read than I have. I haven't gotten that far.

Q What do you think of what you've read so far, Governor?

A Well, I haven't read deep enough. As I said before, I think we were asked to look at the whole transcript, the whole body of

evidence, and that's what I intend to do, rather than just making a judgment on what portion I've read.

Q Well, have you seen any evidence at all yet, Governor, of what Hugh Scott called shabby, disgusting, immoral behavior on the part of those who took part in those conversations?

A Well, again, I'd rather comment when I have read the entire transcript.

Q You sound like you don't want to say anything about them, Governor. Are you hedging or don't want to get involved in this?

A No, I'm not. No, I think I have a right to read this entire transcript. It was presented as a body of evidence on this subject. I'm going to try to read it.

Q Another subject. Yesterday Senator Moscone presented us with a petition signed by 17 Democratic Senators saying they oppose any deathbed appointments on your part. Do you think it would be a good idea to hold off on these or do you plan to go ahead with the appointments you still have to make?

A Well, I think Senator Moscone better do some reviewing about the whole governmental structure and the whole idea of how appointments are made. First of all, the -- perhaps the Senator would like to have us go back to the spoils system in which we clean house and throw everybody out every new election and start over again. I don't think he means that and I don't think he would want that if he stops to think about it. But what he is suggesting is that the balance that is part of law and part of the constitution of California, and in statute form, is all wrong. Now we have a number of appointments that are pleasure appointments of the Governor. These the Governor can appoint who he wants and who he believes for certain jobs to help him, department heads and so forth, in the running of the Executive Branch. And those being pleasure appointments, those end when his term ends, and the next Governor has the same privilege. But there are also a number of term appointments to ensure continuity of government. These are term appointments in which the Governor appoints someone for a specified term and this is to ensure that in those areas, and this is, as I say, covered by the statutes and by the Constitution, that we have overlap and a Governor inherits people in those positions who have experience, who are appointed by other governors before him. When their term expires, then it is his turn and it keeps one governor from -- from totally dominating all the appointments in all the governmental

positions. And if the Senator thinks that's wrong, then I would suggest that the Senator take it up in the legislature, not in the manner he has, but in -- in the proposals to change the law in this regard. But for him to suggest that I not make appointments at this time, we have appointments, -- term appointments expiring constantly. And we have the better part of a year to go. Now, some of those are commissions and they are agencies that handle thousands of cases that need resolving on an on-going basis. Is he suggesting that I leave those positions vacant and that government grind to a halt in those areas for nine months until we wait to see -- until we wait and see who is going to be the next Governor? But if it is only because I have chosen not to run and he suggests, as I read his article, that somehow the fact that I am not running again is repudiation by the voters of everything I propose doing, well, when did that begin? The day after I was elected for this second term? I'd made it plain before I was even elected that I would not run for a third term. When did I become a lame duck? Should term appointments or should my appointments be for three years -- was I elected for three years or three and a half years or two years? Seems to me that they told me when I was elected it was for four years and to perform the functions of this office for four years until I cease being Governor.

Q Didn't you complain in '66 about former Governor Brown's --

A No, there's the kind of thing that I propose -- and I told the President Pro Tem of the Senate that I will not do. That -- the real death bed appointments, and yes, this did take place by a Governor who had been rejected at the polls who had been defeated and who between his -- the election and the inauguration of the new governor literally created vacancies and filled spots with death bed appointments hastily in that period to leave his imprint on the next administration and forestall legitimate appointments, and I have had a meeting with the President Pro Tem of the Senate and have told him I have no intention of doing that and will do nothing of that kind. And I have asked for the same consideration from the Senate, that they view my appointments as they are supposed to, as to whether the individuals are competent and that's the way I intend to do it.

Q Governor, do you make -- excuse me, do you make any of these appointments with the idea of keeping your philosophy here after

January? Is that -- does that play into your consideration at all?

A Well, obviously I must make the appointments when I've made them for the last seven and a half years, and continue to make them, on the basis of my beliefs in government and what I promised the people I would try to do, and a philosophy which evidently they approved because they elected me. But I certainly am not now going to try and guess who is going to be the next Governor and make an appointment on the basis of who do I think he'll like. Because I don't know who is going to be the next Governor.

Q Governor, will there be some sort of a cut-off date when you will not make any more appointments? How do you decide when it is death bed appointment and when it isn't?

A Well, as I say, I think the period between an election and the inauguration, that shows who is going to be the next Governor, I think presents an entirely different case. In the instance of the outgoing Governor, seven and a half years ago, yes, he did his utmost to use that period between his projection at the polls and my inauguration to load up government with as many appointees of his own choosing as he could. And I am not going to do that. I would think --

Q Governor --

A I would think that I would take into consideration in that period who the next Governor is --

Q Would you go so far as to consult with the next Governor, whoever he may be?

A It is going to depend who he is.

(Laughter)

Q Governor, are you saying you'll make no appointments from election time until the end of your term?

A No, I can't promise that, Squire, because I don't know what the situation is. There might be a retirement, a death, a someone leaving government that would leave a vacancy there in one of these areas, as I have said, where they have on-going cases, hearing cases, every day, problems every day, that must be solved, and that I would have to fill the job.

Q Well, wouldn't it depend to some extent, at least, on the nature of the position that's open and the urgency of the appointment, necessity of filling the appointment?

Q Jack you said it better than I could. That's it. If you all write that down, that's it.

Q Now, one question I wanted to ask, as long as we are at it --

(Laughter)

Q -- I notice that -- that Moscone singled out Pat Gayman as one of the appointments. Now, is that not a pleasure appointment and will that not end with the end of your administration?

A That is a pleasure appointment, yes.

Q Well, then --

A Therefore I have every right to put someone in there to administer that job.

Q The situation seven and a half years ago that irritated you most was the judges, wasn't it -- that not the case? Was that necessarily so?

A Well, there did seem to be an undue haste right down to New Year's Eve to load them up.

Q Governor, on that same general subject, would it have been easier for you to set up the kind of an administration that you wanted -- the people elected you to do, had you had the privilege of making all the -- in other words, had you had a clean slate to start from?

A Well, this goes back now Tom to the two -- to the spoils system and the justification for it. The rationalization for it. by those who supported that until the time that Civil Service came along and we changed it. Sure, every man thinks that, all right, you've elected me and let me have my team. But down through the years we worked out a body of law and custom that recognizes two factors. One, yes, there are certain areas where anyone who holds this office must be allowed the right to the pleasure appointment to aid him in doing the things that the voters have evidently approved that he said he was going to do. But the same body of law and legislative study down through the years has recognized that there is an ongoing theme to government and that there must be this overlap in many areas. For example, the Board of Regents is one. Here we have had the system of even making the appointments so long that no single Governor could dominate them, because in this state more than any other state in the Union, the wisdom of those who

framed our constitution and the beginning of this government, they decided that higher education should not be subject to political whims. So they have put into the constitution protections for the administering of the university that removes it farther from political control than any educational system in the United States, and this extended to the Regents. But there are other departments the same way, that you don't suddenly have the affairs of government handled by a body of people who are totally new to their job and inexperienced with no one in ^{their} own ranks to turn to for guidance. This is the reason for the term appointment and every Governor is going to inherit some from the previous Governor. And every Governor is going to have time during his administration to appoint his own.

Q Well, on that subject, Governor, in retrospect, do you think the ^(Regents) 16-year term is proper, adequate, too long?

A Well, I myself have suggested that possibly sixteen is too long. Frankly, the figure that I had always settled on is that twelve would be more suitable. I'll tell you, it may not sound like much, the four-year difference. But what I have found with 16 is it certainly worked so far and down through the years and created one of the greatest public university systems in the world. So we must have been doing something right for this last hundred years. And this was part of it. But what I found with the 16, just even that four year difference was sometimes you would come to the expiration of a term and you'd have someone in mind that you thought was -- with their experience could contribute great service, but then you had to reckon with their age, and you look down the line sixteen years and said, "Can I justify a reappointment of this individual for sixteen more years?" And, as you know, even in my own term, there have been instances in this where you had a vacancy in which you could appoint someone for a shorter term because the vacancy came in the middle of someone's term or in the latter part of it, and he only had a few years to go, but I believe that twelve -- I really hate to go much less than twelve, because again you could come to the point that a single Governor in two terms could really dominate a board.

Q Governor, on another subject, last week in announcing the withdrawal of Mr. Vukasin's nomination for the Appellate Court you blamed the failure of the commission to approve him on, unfortunately certain people who for their own purposes have generated unwarranted controversy over the nomination of John Vukasin. Could you specify who these people you were referring to are?

A Well, all I can say is that there were certain individuals who appeared before the board and made a case in protest of the appointment of a man that I think was highly qualified. And a man with whom I'd had longer personal contact than anyone else that I've ever appointed to -- or nominated for a judicial post. And very frankly, I think those individuals who appeared -- as I said in our last meeting, I have for seven and a half years worked very hard to take political influence out of the appointment of judges, and I think the individuals who appeared were injecting their politics as a substitute for the politics that I myself had been eliminating.

Q Is there any particular reason that you don't submit your Appellate Court nominations to the State Bar as you do your trial court appointments for their evaluation?

A Well, the fact that they have to go through a screening process afterward. We do have a process, it is not the formalized committee structure that we have with trial court judges, and in appointments, but we do go through an extremely careful screening involving members of the Bar and the judiciary and, as I say, this is a different thing. There is then a three-man commission that must -- must ratify these. So, no, we did not -- we do not submit them to the same formalized thing we do with trial judges.

Q Governor, do you support the Bar's proposal to expand the membership of that commission to include public members?

A I think that the Bar Board has certain ambitions to substitute itself as the selector of judges and I think there are some dangers in that because in the area of conflict of interest, you then have those who would practice before the bar demanding the right to choose the judges that--before whom they will appear and practice.

Q Was it your information, Governor, that -- that this commission would not have approved Mr. Vukasin and that's why it was withdrawn?

A I don't know, he was never asked to appear before the commission, they never heard him. They never had any presentation from him in reply to any of the things that were said by those who appeared before them, and the long delay -- he chose to ask that his name be withdrawn.

Q You didn't have any firm knowledge that he would have been rejected?

A No. I think it is a shame. I think the state has been deprived of the services of a man who could have filled the job very well.

Q Who are these individuals? Could you mention their name?

A Well, there were organizational groups that didn't particularly have anything to do with the law. There were some representatives of the State Bar and there were some political figures who appeared before the commission.

Q Isn't that the purpose of having a public hearing, to --

A Well, the public hearing never consisted of hearing the other side.

Q I assume the other side was made by your appointment and letting out his qualifications.

A I think if charges are made by some people who -- there ought to be some who come -- who speak on the other side, and I think the man himself should be heard responding as to what's been said about him.

Q Did he ask to be heard?

A What?

Q Did he ask to be heard?

A I don't know. I don't know.

Q What about the fact he was rejected by the U. S. Senate for a federal court post.

A He was not.

Q Not confirmed?

A No, he was never -- there was never done -- he was never nominated. There's been some talk of that. He was never nominated.

Q Governor, you are saying that undue controversy -- are you saying that there was no legitimate question as to the man's (Vukasin) competency that could be viewed by the commission?

A Had there been a question as to his competency, I never would have nominated him.

Q Is this going to affect any -- your future nominations to the Appellate Court while you are in office?

A I'm going to continue using the same procedures that I've used before.

Q Do you think you'll nominate anyone without trial court experience?

A Well, predominantly they have trial court experience, but this does not foreclose someone who you believe is qualified from being nominated and I'm not a lawyer myself, but I've had many men I respected in the Bar telling me that trial court experience is not necessarily a requirement. That these are two such totally different practices -- different practices of the judicial process that I've had many men say that sometimes the most brilliant of trial court lawyers or judges is not necessarily the best selection for the Appellate bench.

Q Governor, what's the difficulty that you had in getting the confirmation for Mr. Vukasin? Did it have any bearing on your decision not to nominate Senator Marler for District Court of Appeals position?

A No.

Q No bearing at all?

A No.

Q Governor, are you charging that the State Bar is essentially making a concerted effort to remove the authority to appoint judges from the possibly Governor --

A Well, that question was about a specific piece of legislation that I understand that they are -- they are supporting, which would change the entire process and more or less remove the -- the selection from the hands of the Governor, whoever he may be, in the future. And I haven't seen the legislation as yet and haven't had a meeting on it, but I expressed a concern already from that -- for that process that I would have --

Q Governor, on another subject?

A Yes.

Q Governor, could you agree with Senator Harmer's remarks relative to the Lieutenant Governor withdrawing from the gubernatorial race in which he was quoted in the Times as saying that any logical person has to conclude that the party cannot be asked to nominate a person who can be convicted of a felony.

A Well, I know that Senator Harmer was speaking as a long-time associate and friend of the Lieutenant Governor. And felt that way himself. I can't comment on -- on that because here again we get into this area of me and my neutrality before the primary. So I just won't comment on it.

Q What's your personal opinion, Governor?

(Laughter)

A My personal opinion, -- my personal opinion is I'm going to be neutral.

Q Governor, it appears right now that -- that Reinecke is not going to be able to have his trial before the primary. Do you think this finishes his -- his campaign?

A I don't know. I understand that this is still -- that this is involved with the request for change of venue, and -- and that he still hopes for an earlier trial. It is my understanding that the date that has been announced as later on was not a pronounced date, but was simply in the event it cannot be held earlier, was tagging an open date on the calendar, so I don't know anything more than that.

Q Governor, would you campaign for him if he won the primary and were later convicted? What would you do?

A Would I campaign for him if he won the primary?

Q What would you suggest the party do if he was convicted prior to the campaign?

A Now you are getting me into something that I -- I don't know if there is any body of law as to what happens -- I'm not going to answer that because I think there is too many "if's" in that as to what --

Q Do you have any strategy planned as to what might happen?

A When I say this about conviction, you've got to recognize that I'm sure there would be then an appellate process. It is a totally hypothetical thing, and I have no answer for you.

Q Governor, do you think it is fair to ask Republican voters to nominate a man who may be convicted of a felony after he's nominated?

A Well, that would be.

Q Hypothetically, Governor.

(Laughter)

A Again, there is no way that I can answer this, without injecting myself into a campaign that is now going on in which I said I would not inject myself.

SQUIRE: Any more questions?

Q Governor, have you taken a position yet on Prop. 5?

A Proposition 5?

Q The gas tax for rapid transit.

A Oh, no, we haven't had our meeting on any of the propositions yet, at the -- in the cabinet session.

Q You've given an inclination on some of the other propositions, what is your personal inclination at this point on that -- that general subject?

A Well, this is the one that I think is permissive, isn't it, that this would permit local governments to use a portion of their share of the gasoline revenues for something else other than repair of streets? I just think that the people ought to be aware that under this they may be laying themselves open then to -- another local tax or some potholes in the street. But this is the -- the funding for the maintenance of local streets, county roads and so forth is taken from their share of the gasoline tax. If you are now going to spread that over something else, rapid transit or whatever, the people must be -- know that they are making a conscious decision affecting their own -- their own roads and their own streets and highways.

SQUIRE: Thank you, Governor.

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5/14

NEWS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD MAY 14, 1974

Reported By:

Beverly D. Toms, CSR

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

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GOVERNOR REAGAN: Well, good morning. Yes.

Q Governor, Senator Marks said that he asked you yesterday to intervene regarding ^{the} Soledad convict whose son was dying at U. C. Med. Center. Did you ask Director Procunier to let him visit his son?

A Well, the whole story on that is I did not learn, nor did any of us learn until late yesterday afternoon about this request of this entire situation. We immediately got in touch with Ray Procunier to look into this and to see what could be done. When I got home last night, about 8:30, I had a call or a message to call Milton Marks. I called Milton Marks and this is what it was about. He was interested in this and I was able to tell him at the time that we were already on this matter and we would know very shortly -- hear back from Ray Procunier. During the course of the evening the boy's condition worsened, so instead of waiting until this morning, as of 11:00 o'clock last night the action was taken and the man has been there and visited his son.

Q So you did ask ^{the} Director after you found out the facts to let the father --

A Oh, we did that -- we did that the minute that we -- the minute we heard it we told him and Ray Procunier took the action within the -- within the department and reported back to us that he was taken to the hospital last night.

Q Well, did Mr. Procunier do this at your request? You say, "we told him."

A We simply told him to get into this and report back. This is -- this type of situation, it is not as -- as urgent as this particular one, but similar types of situations arise all the time. After all, you've got 21,000 men in institutions. It is a

matter that is handled administratively within the system and when the -- this was brought to our attention late yesterday afternoon, we immediately through Jim Jenkins, the Cabinet Secretary in that -- in whose area comes corrections, we went through him. He relayed this to Ray Procunier. Ray Procunier got on it and reported back that he was, again, to make sure the entire situation was as it had been presented and -- that's the way it turned out. He made the decision and informed us that the man had already been released. When he found out in checking the -- all the details, found out that the boy's condition had worsened and the time was of the essence, he took the action at 11:00 o'clock last night.

Q Another subject, Governor.

A What?

Q Have you finished reading the White House transcripts?

A No. I'm still at them and I was set back this week-end when I thought I would have time to make a bigger dent in them by forced reading regarding some of our own problems.

Q How far along were you, Governor?

A Oh, I don't know. I'm way into April same place.

Q Have you finished the March 21 tape?

A Yes.

Q What do you think so far about what you have read?

A Well, very little change since the last time we spoke. As far as I have gone. Apparently the -- the questions that were called for in the original demand have been answered, as I think many have agreed. That he did not have knowledge -- the President did not have knowledge of Watergate in advance and was not a party to the cover-up.

Q Do you surmise that from reading the transcript, Governor, or are you -- are you reassured of that after reading as much of the transcript as you have read?

A Well, the statements in those earlier meetings, I think there were statements there that made it rather plain that that was true, and others have also reported that in the media, in regard to those. But I would rather not get into commenting on specifics as far as I went. I said that I felt they all should be read all the way through, so you have got the whole picture, and I'm going to continue to do that.

Q Have you talked within say the last 5 weeks with either the President or Vice President Ford?

A No.

Q Governor, you mentioned that from your reading so far it indicated the President had no knowledge of the Watergate break-in itself in advance and he was not a party to the cover-up. Were you in any way disturbed by the March 21 tape in which it could be interpreted as suggesting that the President wanted to pay off -- Howard Hunt to keep him from talking? Does that disturb you, that scenario?

A Well, as I recall from reading that, and then as I say, I don't want to comment on these things piecemeal. As I understand the matter came up there that Howard Hunt was threatening the revelation of national security matters to which he was privy, where the others weren't because of his previous connection with C.I.A. This presented an unusual problem that had to be dealt with. But subsequently, as you go on, you -- there was statements that indicated that the President was definitely against blackmail or against a payoff for -- for any clemency idea. And again, as I say, I'm not going to --

Q Where do you find that, Governor?

A What?

Q Where did you find that? I mean what part of the language of the March 21 tape makes you --

A Oh, this goes on beyond the 21st, then at subsequent meetings where this is further discussed, this same matter, but again, look, I'm -- I said I'm going to read them all and I'm going to read them all, and I'm not going to comment until I've gone through and find what it says in the last chapter.

Q Governor, the President's guilt or innocence aside at this point, were you disturbed by the general nature or tenure of the discussions?

A Well, there were -- here again, this whole matter is now, and I associate myself with the leadership of the Congress as of this morning, as of yesterday. They have made what I think is the proper point. The constitutional process is going forward. All of this would now be considered by the Congress. And I think this is what should happen and I hope for as early a settlement or a solution as is

is possible by the Congress of this matter. This is the process that should be followed. If there is an impeachable offense, or impeachable conduct, that this is the obligation of the Congress to find it and take action accordingly.

Q Governor, you mentioned --

Q -- did take that same position, Governor, but felt free to comment about the sort of conversations that took place as revealed by the transcripts. Now you look -- occupy a certain position of moral leadership in the state, if not in the country. Don't you feel an obligation to comment --

A I think I also have -- in that same context, have an obligation with regard to a legal process just as I stood here before you many times and refused to give an opinion on a matter that was before the courts. And this is now in a legal process.

Q How about your fellow Republicans who have come at -- how do you feel about them who have called it shabby --

A Every individual has got a right to take his own position on this.

Q Governor, in reading these transcripts, which obviously were never -- the President or the people in the White House never thought they'd be released, have you had reason to rethink the way you conduct your own conversations in your office?

(Laughter)

Q To maybe hold back a little bit or --

A Well, no, we don't tape.

Q Have you checked the jellybean jar?

A No, we -- we don't tape. Obviously every one has his own way of doing business and maybe mine would have been different.

Q Governor --

A As someone else has done.

Q I wonder if you could tell us, please, your own reactions. Obviously we -- as members of the press are quite interested in what you think about the transcripts and the entire Watergate thing. You are being asked questions constantly. I'm told that some of your own advisers are suggesting that you put more daylight between yourself and the President. I wonder if you could tell us what your reaction is to this. How you feel.

A Well, I've had -- I think a pretty consistent position and

I'm going to stay with it. No one condones Watergate. I don't. I think it was illegal, it was immoral and incredibly stupid. The perpetrators, the actual perpetrators were arrested at the time. They have had their day in court. They have been found guilty. They have been sentenced. Now the question is were there others involved who had escaped trial. Indictments have been brought down so that some are in the legal process before the courts and therefore I don't think any comment should be given now. The other process involving the President is the impeachment process the constitution calls for, and it is now in effect going forward. And if an impeachable offense is -- it is determined in that process that an impeachable offense has been committed, and then if it is later determined by the Congress that there is guilt in that impeachable offense then the process will -- will be completed and action will be taken. If innocence is found, also that will be determined and I have for a long time held out that this is the course to follow. That I -- when I said I associated myself with the Democratic leadership to those who have been talking resignation, I don't think resignation would solve anything. It will leave everything unresolved. And in quoting the Democratic leadership of the Congress, they have said it would attribute to more misunderstanding and polarization of the people and do nothing to restore the confidence of the people in their government.

Q Governor, how do you view that rise in clamor for ^{resignation} resignation?

A You'll have to ask them.

Q I mean how do you feel -- how do you view the fact that there does seem to be an increase in the types and diversity of people calling for resignation?

A Well, as I say, you are going to have to ask each individual about this. I've made it plain and if we were talking about a President of the other party, I'm opposed in principle and philosophy to the idea that a President can be forced out of office over -- simply by accusation or indictment. And there is a constitutional process that our government provides for this, and it is now in operation. Now, if somebody had exerted some power to halt this and not utilize that process, then we would have a reason for real concern. But the process is going forward.

Q Governor, do you have any reaction to last night's Field Poll that shows Hugh Flournoy ahead of the Lieutenant Governor.

A Well, again, I think this is just a reflection of the troubles at the moment that the Lieutenant Governor has, and I can't comment on that because, again, any kind of a comment and I erode my position of neutrality in the primary.

Q You say reflection of his troubles. You mean voters are reacting seemingly in their preference?

A Well, I assume that this is what has caused this -- this thing in the polls recently. And I think it was to be expected, and I'm quite sure it is no surprise to the Lieutenant Governor.

Q Are you still holding, Governor, to the -- to what you've said previously, that the Lieutenant Governor should remain in the primary race or have you changed your opinion on that?

A Well, again, I can't comment on that.

Q Governor, yesterday the Legislative Analyst recommended pay raises for state employees in excess of eight per cent -- that the State Personnel Board has recommended. Do you think he made ample justification for that suggestion?

A Well, I don't think that he's had time to go into this as exhaustively as the Personnel Board. After all, in our system here we get back to the processes again under the law, we have a Personnel Board and a very competent and experienced large staff that is to deal with these problems. I don't know exactly upon what the legislative analyst based his percentage. You know, if he was leaving out fringe benefits then we are virtually in line with each other, because the Personnel Board, if you add in the fringe benefit package to the pay raise that was recommended, it comes out to better than eight per cent and comes out -- just about the equivalent of what the legislative analyst was proposing.

Q Governor, have you or your administration or the party officials been reviewing the law to find out what action would have to be taken in case the Lieutenant Governor is found guilty? As far as his nomination and his candidacy.

A Well, all I know is that if -- if you lose a candidate ~~from~~ ^{after} the primary the State Central Committee under the law chooses the candidate then for the party.

Q If he's found -- if he's resigned -- if he's convicted --

would he leave the ticket if he's convicted?

A No, I've had no conversation about that.

Q Would you expect him to? Do you believe he'd leave?

A Well, let me put it this way, I would.

Q Governor, are you ready to accept any other energy control compromise bill than the one you already worked out with Assemblyman Warren? In other words, if the Republicans today in the Senate -- Senator Biddle was to offer some amendments on that bill, are you ready to take that bill in the form he would like it or only in the way you ~~ant~~ it?

A Oh, no, we are not a hard and fast -- this bill is now a compromise in which I'm quite sure the author of the bill doesn't have all the things he wanted in it or he'd have put them in it in the first place. We obviously in compromising him haven't gotten all the things we would like to have gotten. No, this is what the legislative process is all about. We will go forward and we will look at it when it comes down. If they have succeeded in making additional amendments --

Q -- some of you- forces to talk to Republicans, I understand, to try to hold them in line with this bill.

A No, not that I know of.

ED MEESE: We have stated our position to them.

A We have just stated our position that we have worked and negotiated out a compromise and agree with the author on the basis of that compromise we can sign the bill. Now, ^{if} additional amendments are made, those will just have to be looked at as in any other piece of legislation when it comes down.

Q Well, the two major things are the loss of local control here and the -- the minimum standards on appliances. Would you be willing to give up either one of those or -- those are the two Biddle amendments.

A Well, the appliances was not something that we were particularly happy about ourselves.

Q Do you consider --

A As I say, no one gets everything that they want in a compromise of this kind.

Q Do you consider the local government preemption necessary for the operation of the bill?

A Well, in this particular thing the local governments

themselves believe that the only way we could get powerplant siting was on a statewide basis.

Q Isn't CSAC opposed to it?

A Well, I don't know whether they are, but I don't think on that point --

ED MEESE: Not on that basis.

A Not on that basis. I know they have had to -- they have had some points in there that they object to as everyone does. But we haven't -- we found very ^{few} ~~view~~ that are over-all against it. The main point is, and what we were trying to get, and what we've been trying to get for several years, is ^a powerplant siting bill so we can build powerplants in California. Right now it is impossible to build a powerplant. And one of these days we are going to -- we are going to be faced with the brownouts and the blackouts that they have had in the east, because we have not kept pace with our growth. If you remember, it was -- I guess it's been almost a couple of years ago that Los Angeles maintained an office in the east where they tried to help industries locate in California, and has closed that office because the power situation in California was such that they no longer could -- there was no point in trying to encourage an industry to come to California. They couldn't guarantee them power.

Q Can we actively take that to mean that you would give up the appliance provisions but not the local government preemption?

A Well, then you are getting into what's the very heart of the bill that all of us want, which is powerplant siting. In other words, if you take out the siting of powerplants you've taken out the main reason for the bill.

Q On some other subject, Governor. In your -- in your amendments yesterday to the budget bill you are proposing to add \$30 million more to the capitol restoration fund on top of the \$40 million already appropriated now. They haven't even touched the original \$40 million dollars.

A The legislature hasn't decided yet what they are going to do yet.

Q Why the urgency to add another \$30 million?

A Well, because what we have is an additional amount of Tidelands oil revenues over and above what had been anticipated due

to to the energy situation. Now, customarily we have used the Tideland oil as capital funds and therefore for capital construction. And I don't mean that in the sense of this capitol, I mean in building projects. One-time expenditures. Using one capital asset for another. So with this additional money, what we took upstairs was a laundry list of projects in which we earmarked and we felt this money should be used on a priority basis. And 42 -- the original 42 prior to this additional money was enough to get started, but not enough to complete the things that have to be done here, including the -- what I think is the number one priority, which is the restoration of the old wing of the capitol here, the main capitol building, and so this was one of the -- one of the items was to add an additional \$30 million to the \$42 million for Sacramento Capitol construction.

Q Governor, doesn't that \$30 million bring it back up to about the figure that Senator Collier had originally, about a year ago -- I think he originally had about \$80 million.

A No, we have not earmarked this -- this is just earmarked for construction here in the capitol. Now, many of you have already been writing about the fact that there's been an increase in rental space by government here in Sacramento, that more buildings are needed. There is now \$72 million in the fund for construction here and the use of that will be subject to open hearings and determination then by the legislature in public -- after public hearings. The public is aware of how it will be used, as to whether it will be used for new buildings, for this building or what it will be used for.

Q Are you suggesting that money could be used for some non-legislative building in the Capitol area?

A That's going to be up to them after the hearings. Right at the moment they are the ones who seem to have put forth the first and most prominent claim that they need additional space. But again there's been no resolution on that because there's been no resolution as to what's going to be done here in this building or whether they would move some -- say the Executive Branch out of this building and suddenly you find yourself tagged for an executive building instead of a legislative building. so that's going to result from the hearings and the legislative process.

Q Do you have any personal idea whether they should just build a separate executive building? Do you have any thoughts on that, whether they should separate the two branches into two different buildings?

A Well, I -- whichever. If that is what would follow restoring the old Capitol to use, that wouldn't bother me a bit. Because my top priority, I feel that the top priority is to restore and make usable again the old Capitol. Now, if that -- if that could meet the legislature's needs, then by moving the Executive Branch out, that would be one of the things to be determined by the legislature.

Q Have you decided how you are going to vote on Prop. 9 yet?

A No, as a matter of fact we are having meetings in a few days. We will have for you our decision on all of the -- of the propositions.

Q Governor, another subject, sometime ago Mr. Livermore was sent to make an investigation of the reorganization of the Division of Forestry and the firing in the State Forestry. Has there been any report made on that or anything?

A No, they are continuing to work on that matter, and we should be having a report shortly on that.

Q Governor, could we go back just for a minute to the Lieutenant Governor. In all your past statements you've been very supportive of him and defending his integrity and so on. Yet today when I asked you whether you felt he still should remain in the race you said you wouldn't comment on that. Does that indicate some sort of a change in your attitude?

A No, you were talking about -- I thought you were talking about in the context of after the primary, and if ^{he} were the nominee.

Q I mean right now.

A Oh, no, I have said before, I can't comment. This is a decision that he has made; I can understand that decision. And as far as supportive is concerned, nothing has happened to change my mind about his integrity. I've never found him anything but a man of integrity.

SQUIRL: Any more questions?

Q Just one more, one other subject. Governor, you had said

in the past when you were opposed to lowering the voting age to 18, that you didn't like the idea of politics coming on the campus. Is that correct, did you say something along that line?

A Yes.

Q Why last week did you sign a bill which permits Deputy Registrars to go on high school campuses four weeks of the year?

A Well, because this is a permissive bill. But also because the matter is now changed, the 18 year old are voters.

Q The bill says Registrar -- "Deputy Registrars of Voters shall be allowed to register students and school personnel in the high school campus the last two weeks in April and last two weeks in September."

A Yes, but what -- well, maybe permissive is the wrong word to use for it. What I meant was they shall be allowed. This doesn't mean that we passed a bill that ordered Registrars of Voters for separate two-week periods to go on the campus and sit there and register. It means that they -- if they want to come on in these periods that the Principal of the school cannot arbitrarily rule they can't -- they can't go on the campus. But this is part of what follows. The 18 year olds are now citizens able to vote. What I was talking about was that all of these things would then become matters and problems. I don't think that registering voters is necessarily the kind of politics I had in mind. I had in mind the actual campaigning and its taking place on all the campuses, and I'm quite sure is going to step up as time goes on.

SQUIRE: Thank you, Governor.

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6/11

NEWS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD JUNE 11, 1974

Reported By:

Beverly D. Toms, CSR

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

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GOVERNOR REAGAN: Wel, good morning -- almost. Or still. No opening statement. Go ahead.

Q Thank you, Governor.

A Can't think -- well, thank you, gentlemen.

Q Well, yave you finished reading the transcripts yet? ^(WATERGATE)
(Laughter)

A No, about two-thirds of the way.

Q Next. What do you think?

A What? Haven't any change in my position on them.

Q Governor, the Evans-Novack column this morning, there is line following an interview with you in which he says, "The Reggan inner circle flinches -- flinches over Reagan's refusal to find any fault with the battled President."

A I think my position has been very clear and I think they are stretching it a little bit when they suggest anything of the kind. I have said and I repeat, it is now before a judicial process and everyone should be presumed innocent until and unless proven guilty. And I'm willing to be patient and wait for the judicial process to --

Q Governor, for a newcomer around here, who are your inner circle, by the way?

A I don't know. just who they had in mind myself. I don't think really there is an inner circle, but I think that Evans and Novack have always claimed some unidentifiable source close to the governor. But I -- I don't really believe they have got one.

Q You say the President's plight is a -- a judicial matter, but it is a political matter, too, and I think that's the question we'd like you to comment on, is the political impact of the President's problems on the party and --

A Well, I think if you are talking -- no, I don't think there is any change in that. The political impact that I'm concerned about is whether the Congress in carrying out the constitutional process with regard to this will be non-partisan as they should be or whether partisan politics is going to be involved in any decision they make. And so far some Congressman, I think, have been most blatant in their statements that even before there is any identification of an impeachable offense, they have publicly voted guilty.

Q But other --

A They certainly would not be qualified to become jurors in any court case.

Q Other Congressmen who have not committed themselves are trying to determine what their constituents feel is better for the health of the country. Do you have a feeling about what is better for the health of the country?

A That's none of their business, actually. Their business is, is there or is there not an impeachable offense that has been committed. And when they start going off into other directions to find out how should we act on this, they have only one responsibility, that is to determine whether there has been such an offense.

Q Are you saying --

Q But aren't those some of the same Congressmen who say they feel they need more tapes from the White House to determine if there indeed was an impeachable offense?

A Well, the question there to be resolved is whether they are just going on a fishing expedition because so far they haven't been able to find an impeachable offense. And the White House position is that they have made available everything that is pertinent to this case.

Q Governor, are you saying that you are afraid that perhaps the President cannot receive a fair trial, so to speak?

A No, I expressed a hope that he would. I said when -- when this was brought into the field of the political impact, that I hope the Congress would raise above partisan politics and perform their constitutional duty as it was -- as it is called for in the constitution.

Q Do you have a gut feeling that this might not take place, though?

A I'm not going to speculate on what my feelings might be.

Q Well, Governor, from reading two-thirds of the transcripts are you at all concerned about any of the language used in there, moral tone set for the presidency, like Billy Graham was?

A Well, I've already answered that before, I said that I think yes, that any of us who are in high position, it is a jolt -- jarring to the people to -- when they find that perhaps someone in high office uses the same language that they use, and I'm quite -- and it is regrettable.

Q Do you use that kind of language in your office?

A What?

Q Do you use that kind of language?

(Laughter)

A I'm not going to say.

Q From that we can assume --

Q -- find the language disturbing?

A Well, I found great reassurance in the number of references and statements in there that indicated -- made it very evident that he did not have previous knowledge, which seemed to be the principal point involved in hearing tapes to begin with.

Q When you say --

Q On another subject. The House of Representatives is voting on a federal land use bill that would give monies to cities and urban areas if the cities pass certain laws that Congress would like restricting urban sprawl, etcetera. What is your feeling about that kind of bill? It could bring a lot of money to California.

A Well, we are -- our administration is very concerned about the Udall Bill, particularly, which seems to be the one under discussion in Washington at the moment. We believe that using federal funds and using them first as bait and then later as a club, that this bill could go a long way toward taking away rights that we believe belong to local and state government, putting them in the hands of the federal government, and I think it was best expressed by various panel members at the Governor's Conference in Seattle. One Senator and one Congressman held to the point that Congress had no such intent, that Congress did not mean to dictate to states or local government. But another Congressman, Congressman Wright from Texas, made it very plain the thing that I myself have been trying to point out, he made it very plain that in many of these programs we would

have to understand that ^{CONGRESSIONAL} Congressional intent was very often distorted by the agencies that were entrusted with the enforcement of these Congressional programs. And that it was these permanent employees of government that could come in and demand that their interpretation be accepted by the local and state government and he expressed the helplessness of Congress to do anything about this. Now, this was done openly in an open meeting at the Governor's Conference. And I find myself in total agreement because we have had experience after experience in state government with a variety of government agencies. Congress passes a measure and I am completely willing to believe in their intent, but then there is that little line in there that says that the agency entrusted with the enforcement of this shall make such regulations as are necessary to enforce it. And they take off and gradually distort in the regulations which they spawned what was quite Congressional intent. I'm/sure that the Congressmen are sincere when they say that the Udall bill simply suggests and does not require, for example, what is an environmental consideration. But then the agent from the Bureau comes out later and all he has to say is, we disagree with your interpretation of this, or your evaluation of this environmental factor. And he seeks to impose his evaluation and if you don't accept his evaluation then they shut off the money and that's the way the system has been working for a long time.

Q Governor, how come it seems that other governors at that conference seemed to be more disposed toward the federal ^(land) plan and you seemed to be isolated by yourself? In other words, Governor McCall saying how inaction in California during your administration is the reason that the federal government is now moving.

A Well, Governor McCall and I have differed on a number of things and Governor McCall sometimes speaks before he considers how the words are going to sound put together. Because in this particular instance the Environmental Protection Agency has publicly stated in Washington that California leads the nation and including the national government in the steps that we have taken in the entire area of the environment so far. So for Governor McCall -- and I did call him on that when he suggested that we weren't doing anything, and that's why people from California wanted to live in Oregon -- I haven't checked on the figures to see how many Oregonians are moving to California. I imagine there are some. Maybe we will have to check

particular
up on that/figure.

Q Do you think it is 18,000 a year?

A But I wasn't isolated. As a matter of fact I was sitting very close to a couple of Democratic Governors who are totally on my side.

Q Who are they?

A Well, I -- since they spoke to me, and I didn't tape the conversation, I'm not going to reveal it, but I think you will find if you want to take a poll of them that there are a great many Democratic governors as well as several other Republican governors who are not in favor of this invasion of state's rights.

Q On another subject. Governor, what reasons do you see behind the low voter turnout by Republicans in the primary and how much of a liability you think that will be for Mr. Flournoy if it continues in November.

A Well, I hope we won't have a continuation of that now that we are actually into the general election and the major contest between the two parties. Some will interpret it as disaffection with Watergate. Some will say there was just a general apathy. Whatever it is, we are going to have to overcome it and get the people to the polls. Because I don't think there is anything worse than -- no misdeed of a government official is any worse than a voter who doesn't vote.

Q Mr. Flournoy and Mr. Brown were hesitant to blame a low turnout on Watergate. Are you saying just the opposite, you think --

A No, I say some will interpret it that way; some will just say it was just voter apathy, that the race didn't happen to strike any sparks. I don't think that we had the -- maybe this is a part of it, also, I don't think we had the emotionalism and the bitterness in our gubernatorial primary that the other party had and that always brings out more people when you have more factions contesting each other.

Q Governor, do you mind elaborating a little bit on that statement, that no misdeed of a public official is worse than a voter who doesn't vote? I mean there are some misdeeds that are criminal but it is not a crime to not vote.

A Well, all right, I know -- and I suppose what I was doing was paraphrasing the words of Will Rogers. And maybe I'd better

stick with his words instead of paraphrasing them, towards the -- Will Rogers said once that the people in government are no better and no worse than the people who send them there. But they are better than the people who don't vote. I guess that's what I was meaning to say.

Q Do you agree with Ralph Nader that there ought to be a law, to make everybody vote?

A No, but then disagreeing with Ralph Nader doesn't come exactly as a shock to you, does it?

Q Governor, how active will you be for Hugh Flournoy in the fall? Are you going to speak or campaign or has he talked to you about that?

A Yes, my first priority of course is the job that I have here. The second priority is to campaign for any candidates in California where I can be helpful. And that will be determined by their plans and their strategy, and Hugh has already expressed a hope that I will be actively campaigning for him.

Q Do you think the President's presence in California might be helpful to Mr. Flournoy?

A I don't know, that's going -- as I have said before, I'm not a good one to ask about that because I was always one who believed that we shouldn't have outside tourists coming in on our side, and I never did in two campaigns so -- but that -- I can't make that decision for other candidates.

Q Governor, there is a story in the paper yesterday about your presence at that Governor's Conference, and said you looked every bit your 63 years. How do you react to that?

(Laughter)

A Well, I've never pretended that I don't. I have never pretended about my age or -- all right, I'm 63 years old. I feel fine. Still do most of the things that I have done throughout my adult life, and maybe the individual, I think I have in mind who that was, maybe the individual that said that in his column was just engaged in some -- indulging in some wishful thinking.

Q Governor, on your political life, in November you proposed Prop. 1, and that was defeated, and in this last election, the major political proposition was 9, and you opposed it; the voters approved it. Is it true perhaps -- Joseph Kraft (phonetics) says today that

"Reaganism in California has had it."

A Well, I wouldn't say so since that was the only one I missed on. I also endorsed -- well, there was one other one that -- and one that didn't pass. I endorsed eight measures, seven of them passed. I campaigned actively for one that we were concerned about that passed. The bond issue. But as to Proposition 9, I was not opposed to Proposition 9, as I made it clear many, many times, as to the intent. I thought that there were technical difficulties with it and I thought it was not strong enough and therefore I introduced a program that I believe would add strength to anything that Proposition 9 does. Now, those measures are coming up for voting in the legislature. I hope they are passed. I think that they will close loopholes that still exist in spite of Proposition 9. And I think that they will make the election laws more realistic and all of the things that we are trying to do or that are contained in the intent of Proposition 9 can be better carried out if the eight points that I proposed are passed.

Q How do you account, though, for the people's refusal to follow your leadership now, the key proposals like 1 and 9? And before you perhaps could carry, you know, the voters?

A Well, you pick out one issue. I think it reflects the feeling of the people. I did not actively campaign on that issue. When asked questions I stated my -- my opinion of it. My disapproval. On the other hand, I did campaign for an issue that passed. Now, which people did I have influence with and which didn't I? What?

Q One was not the controversial issue, like 9 was.

A Well, I think that's your interpretation. There -- with Proposition 9 there was no controversy about the intent of it except the standpoint of some people who thought their political activities were going to be curbed, such as the leadership of organized labor. But I'm sure they are going to be against the points that I've recommended where I said I don't think they should be allowed to contribute, nor should corporations be allowed to contribute.

Q Governor, do you -- have you had any campaign advise for Mr. Flournoy, one, and two, does Hugh --

A What?

Q Does Hugh stand any chance of getting the support of organized labor in the general election? Perhaps because of his stand on 9?

A Well, I don't know; I think -- I think that you have to, and I always did myself in my own campaigns, differentiated between the hierarchy of organized labor and the rank and file. And very frankly, I have thought for many years, even back to when I myself was a labor union official, that the hierarchy of labor has very often differed from the rank and file as to what it advocates. And I do not believe that the hierarchy controls the vote of labor. I think that the average working man goes into those polls and votes his conscience.

Q Governor, in view of some past differences between you and -- you and Hugh Flournoy, how confident are you that he would carry out the policies that you would favor if he is elected Governor?

A Oh, I don't think there is any basic philosophical difference between Hugh and myself. I'm quite sure that like any individual who becomes Governor, there are going to be points in which he'll do something different than I would have done it, but no one's asking that any candidate be a rubber stamp. But I have every confidence that he and I are in basic agreement on philosophy. On the ideas of the -- well, he himself has expressed it throughout the primary campaign, he expressed his agreement with the philosophy of our administration. And with the success we have had in bringing about efficiencies and economies in government, and he -- he spoke in quite approving terms of what we have done. But I think the contest between the two, between Hugh Flournoy and his opponent is going to be a contest not based, I hope, that -- that Jerry Brown will quit running against me, he's been doing that so far. Because I think the contest -- what the people have to choose is which man offers the best possibility of leadership for California; which has the most maturity; which has the experience; which man has the judgment and the philosophy of the two men, because there is, I think, a wide gap in their two philosophies and if the people carefully assess this I think that Hugh Flournoy will be the next Governor of California.

SQUIRE: Any more questions?

Q Just one other one, what about -- can you comment on the fact that Earl Brian was defeated so overwhelmingly by a chief critic of your administration, Richardson?

A Well, I think we had a name value there. I just don't think that Earl was able to get the resources to make his name as widely known as the Senator's name is. Actually, philosophically there is little to choose between them, they are both certainly very solid conservative citizens.

SQUIRE: Thank you, Governor,

6/8

PRESS CONFERENCE OF GOVERNOR RONALD REAGAN
HELD JUNE 18, 1974

Transcribed by: Governor's Press Office (RAS)

(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 guarantee of absolute accuracy.)

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(Whereupon the Governor read Press Release #338)

Q Governor, don't you think they're going to be a little reluctant to support you since you put these bills in in opposition to Proposition 9 when they wanted your support?

A Well, my only opposition to Proposition 9 was because I thought that the legislation, including this that I had introduced, had met some of the requirements of Proposition 9 and actually was stronger in some instances than Proposition 9. And I made this very plain... that I had no quarrel with the purpose of 9; I felt that in some instances it was badly written. And these would all strengthen and add to Proposition 9 which is now the law of California---the people passed it. And some of the legislators who perhaps didn't take as much of a position one way or the other, as I did in Proposition 9, now in a committee have apparently killed or attempted to kill these bills. These are not in conflict with 9; they'll only add to it.

Q Governor, what do you expect them to do about these bills....in other states, or what? In Congress, or what?

A No, I thought that since they're lobbying groups and have had no hesitancy about lobbying here in the Capitol, that they might try to influence legislators to give these bills a better hearing.

Q That committee did pass one of your bills out, the one to restrict judges in making....

A Yes, that's right. They are two that are still active upstairs.

Q Which two are those?

A Well, that's the one about judges and....

Voice: Setting the primary date---cutting that down---the length between the two.

A No, no. That's the one that was killed.

Q The reading act.

A What? That's right. The reading. It's the idea of making the issues, the initiatives on the ballot more readable, more understandable to the people. That's right. I had a memory lapse there.

Q Governor, you mentioned, of course, there are a lot of empty seats here, and now that the Speaker has mentioned that he will step down by the end of this month, do you have any parting comments for him?

A No, I didn't know what action had been taken. I haven't heard what's happening upstairs. I just was referring that I'm quite sure that the many of you were concerned with that upstairs and what's going on. What has happened?

Q That statement where he said he would step down by the end of the month.

A Oh, the statement last week where he said he would step down. Well, I had just assumed earlier in the campaign he would step down, win or lose, after the primary, whatever the decision, and I didn't know that he had set any particular time other than that he would do that. So my own information from some of the legislators was that that would take place today.

Q Governor, how do you assess Assemblyman Moretti's performance as speaker, now that he's leaving?

A Oh, no, I'm not going to cross the....they assess my performance all the time; I'm not going to....

Q Well, you've got quid pro quo here.

A No, that's their affair up there, and how they run their shop I'll leave to them. If I had a voice in selecting speakers, I might have made different decisions in several instances in the past. (Laughter)

Q Governor, are you satisfied with the operation of your pre-paid health plan program---Medi-Cal?

A Yes, and I think that some of the things that have been said are not based on an actual understanding of the facts or what is going on. And I recognize it is a new program, it's a new experiment, it's an effort to try and provide medical care in a way that's more fair, not only to the people, but to the taxpayers who have to....to the patients, but to the taxpayers. Obviously, ⁱⁿ any new program ^{there are} ~~they're~~ going to be bugs; ^{there are} ~~they're~~ going to be people attracted to it who had to be headed off, weed it out. We found that ~~where~~ there were additional rules that had to be passed. But it is going forward and it is providing care.

Q Do you think it was proper for three doctors to be able to sell their interest in a pre-paid health plan to a fourth doctor?

A The instance this has been written about and that we have investigated is one simply of a doctor buying into an existing plan ^{was} that/permitted to operate...

Q People who were in it when he got there all left when he bought in. Isn't that a change of (inaudible)

A I don't know whether all left or not. But I know that there's no regulation or no rule against buying into one. There is a rule against someone simply, like buying a liquor license, buying a pre-paid plan over which we would have no control, no approval, as to who does this. But I think any questions about this, I would suggest that someone go to Dr. Mayer and find out how the program is working, because very frankly, I am in disagreement on the basis of everything I've been able to learn with the things that have been written about this plan.

Q Do you think it was proper to appoint Mr. Manzano back in 1972 as a consumer representative on the Hospital Commission when he was in the health care business?

A Well, this whole plan...the whole matter of him was taken up with the Attorney General, and several months ago, the Attorney General ruled that he had found no conflict of interest whatsoever. He has never directly contacted or contracted with the state since he left state service. He has been a sub-contractor to others who are doing business with the state.

Q I didn't mean that. I meant his service on the Hospital Commission. You appointed him as a member of the Hospital Commission as a consumer representative on the commission at the time that he was in that business. Do you think that was proper to do? That was not the subject of an Attorney General's opinion to my knowledge.

A Well, I would have to look into the details of what you're talking about, because we have thoroughly investigated this and found no wrongdoing whatsoever.

Q Governor, the Northern California area is being considered as a possible site to locate nuclear power plants. What is your feeling on where they should be located and would you have any reservations in living next door to one?

A Well, now this is one of the reasons we signed the Warren bill. This is not a site that has been picked at all. It's an area in which there is interest by PG&E in a nuclear plant, and they're only in the preliminary stages of looking at the whole area, and before they ever

get around to picking a site, this legislation we passed, the commission will be in operation and that's what it was passed for. There will be a commission to take their case to and find out whether they meet all the requirements and whether they can get approval of that ^(nuclear) site.

Q Would you have any reservations living next door to one?

A No, I think it would be presumptuous of me now without even knowing what site they have in mind, just a general area or location. This is what the Commission was appointed for and why we signed the legislation.

Q Governor, have you met with Mr. Flournoy since the primary to discuss what your role in the campaign might be.

A No, we haven't been able to get together as yet, but I'm sure we will be. There's been communication back and forth between.....

Q Governor, some of your appointees are being held up by the Rules Committee. Are you doing to withdraw some of those names? Balking about recommending.

A No, as a matter of fact, the logjam seems to be breaking somewhat. The holding up of Mr. Sigg's appointment, I have no intention of withdrawing that. This is a man that was once approved by this same Senate group and I think this is just more of Senator Moscone's politics and the kind that he's been trying to play. Mr. Sigg did a fine job and he is a good appointee. And I hope that he will be confirmed because I don't think there is any reason....

Qwhat about your appointees to the Board of Education. Are you going to withdraw them or let them stand.

A No, I haven't gotten a late count on the exact status of all of the appointees, but the Senate, the Rules Committee is supposed to make its confirmations based on whether the individual is qualified---not on whether they disagree in their philosophy with my philosophy, or the philosophy of the individual. And this is the basis on which Senator Moscone wants to put these approvals or disapprovals. And I think that's a violation of what the Senate is supposed to do.

Q At the same time, they didn't do anything on your nominee for Consumer Affairs director. In fact, I think it was at her request they did not have a hearing.

A Well, this is a pleasure appointment, not a term appointment as the other one. And she's going to continue to serve.

Q What's your reaction to complaints by consumer groups that she has very little qualifications for the job?

A Well, I don't know just what makes a consumer group, unless it's self-announced, and I don't think that picketing a supermarket necessarily makes you an expert on consumer affairs; I happen to know the young lady's background; I happen to know the experience that she's had. This is an administrative position; she has any number of experts in various consumer fields serving under her, and I picked her because I believed that she would do a good job. And I think that she has been doing one and will do a good job in that department.

Q Governor, there was a report recently that citizens in the San Francisco and Oakland area are among the top three or four tax-paying groups in the country---federal, state and local. I think they're third or fourth, with New York being first. Is there anything the state can do to alleviate that burden on those several million people down there?

A Well,...

Q Something like \$1,300 a year per person.

A Well, I tried to do something with a thing called Proposition 1, and couldn't get it past the vested interests.

Q How do you assess the Speaker now?

A Huh?

Q How do you assess the Speaker now with regard to....

A I probably was on the wrong side on that and I made my feelings very plain that his principal arguments against this in most of the commercial advertising that was taken out were not based on fact. They were less than accurate. In fact they were distortions of the actual situation. But I would ^{also} point out that the claims were made that the legislature could exercise control over government spending and over taxes, and we have introduced some measures in the legislature, or had introduced, that would have given them tools to do this and they've shown exactly how much they meant in their previous arguments, because those, too, were killed in the first committee where they were heard.

Q So the answer is, nothing can be done to alleviate that tax burden on the people of San Francisco-Oakland, as far as the state is concerned?

A Well, they can't be paying any higher state taxes than anyone else is paying unless they have higher incomes than anyone else, because our taxes go up progressively. I don't know exactly what the situation is that makes them different than all Californians. But the truth is, all Californians--all citizens in this country--are paying too much in taxes, paying too much for government. And the only way you can do this is the thing we've^{been} trying to do for eight years, and I think have been relatively successful, and that is to hold down the cost of government---government spending. And I think my own vetoes are an indication of what government spending would be if some others had had their way. But, yes, the tax burden now for the average family in America--federal, state and local--is in excess of \$5,000 a year. And I think the only reason why the people aren't rebelling against this, including yourselves, is that polls reveal that the overwhelming majority of citizens when asked to estimate how much they pay for government, they estimate around a third or less of what their actual tax burden is. That's because governments down through the years have been successful in hiding so many of the taxes that the people aren't aware they are paying them. And the only way you're going to reduce this is to reduce the cost of government.

Q Governor, how do you explain the lack of controversy surrounding the state budget this year, and are you looking forward to signing the size of that budget into law?

A Well, I'll wait to see what the conference committee does. It's true, there doesn't seem to be the move to add the excessive amounts that there have been in the past. Now possibly that's because it's an election year.

Q Are you looking forward to signing that size budget into law, though?

A Well, I always feel pain on any budget that I sign because I can always wish that all of them were less. On the other hand, I don't think the increase in this budget has been excessive considering the present rate of inflation and considering the fact that we knowingly added over a billion dollars to the budget when we took that burden off the homeowners and transferred a local tax to the state level. Most people have ignored this. A great many people are not paying any attention and they're not being reminded enough that that was a tax shift--Senate Bill 90--and that the state removed from the back of the homeowners and the renters more than^a billion dollars in costs

knowing that we were adding over a billion dollars to the state budget. Now the fact that we're giving this money back to local government to subsidize a tax cut in the property tax still has to show as an expense in the budget.

Q Why did you oppose Robbins' movie industry bill?

A I don't know whether we took a position on that or not.

Voice: I think we did, but I'm not prepared to say at the moment, Governor.

Voice: Governor, we would like to see the bill amended. We're not all that opposed to the bill. Right now, we are working on amendments, and we think it's going to be worked out.

A You caught me a little by surprise, because, frankly, if there's anything the state can do to stimulate a return and a keeping of the industry here in California, we'd like to do it.

Q Governor, the State Board of Forestry, in a special meeting yesterday, passed a resolution urging you to approve \$5,000,000 that's been put into the budget already by the legislature for, to keep the summer forest fighters at the same level they are now; they need the extra money to allow for federal increases in the minimum wage and overtime, and so forth.

Voice: That's an issue that's going to come up in the Cabinet in the near future.

Q Have you met with Senator Richardson; do you plan to campaign for him, and have you been asked to campaign outside the state for any candidates, and do you have any plans?

A Oh, yes. The, my priorities in the following order--the first priority is to continue to be governor of California and do the things that have to be done here. The second priority is, campaigning in the state for our own candidates, and I certainly intend to support and campaign for all of them, that is if all ask me...want help; and the third priority is to do what I can without interfering with these two out of state. And these requests come through the Congressional Campaign Committee through the governor's committee with regard to states where there are gubernatorial elections, and there will be some trips out of state in the fall.

Q What requests have you had so far?

A Well, far more than I can answer, because you could be out of state all the time if you answered all of them. But we're trying to put together some limited trips that will take the highest priority

items, and here we've left that to the Congressional Committee and to the Governor's Association as to which they believe are the highest priority. Because we can't answer all the requests.

Q Governor, whatever happened to your plan to propose to the legislature reform of county government? I think you had Lieutenant Governor Reinecke heading that for awhile.

A Well,.....

Q You had a big study, and what^{did}/that produce?

A Well, the studies and the material have come in. I haven't seen them as yet from the task force. From what I've heard, and we haven't been able to get at it, I'm not sure that we got the type of thing really that we were looking for. Perhaps there were too many people, and maybe legitimately, found reasons why streamlining couldn't be done to the extent that we'd hoped it possibly could. But this is being reviewed and studied now in our shop--all the material that came in from the task force.

Q But it is rather late to do anything legislatively, isn't it? I mean it's too late to^{put}/bills in for your administration.

A Yes, but we knew that we were kind of late when we got under way with this---had to wait on a task force. But we'll have the study and whatever recommendations we feel should be made, why we'll see if they can't be introduced whether we're here or not.

Q Would it be correct to assume that you won't press for anything while you're here then?

A I don't know. I don't know just what the status is and how far they've gone in summing this up.

Q Any more questions?

Thank you, governor.

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6/25

NEWS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD JUNE 25, 1974

Reported By:

Leverly D. Toms, CSR

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

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GOVERNOR REAGAN: Good morning all.

Q Any openers? No open -- you have no statement this morning?

A No opening statement, no.

Q Governor --

A Of course I can dream one up if that will stimulate any interest.

Q Governor, if they don't get the budget to you till the end of the week, can you meet the deadline by Sunday?

A Yes, I think with the new open idea of the conference committee we are keeping track as best we can of what is going on up there. So that we can make decisions as we go along. It isn't the easiest thing in the world, and I don't know -- they moved it up from June 30 to June 15, and they are still not any faster than they were. Maybe we ought to move it up to January and it may possibly add another 24 hours to the time we have.

Q Do you believe there is going to be much difference between what they come out with this year with your final version will be?

A Well, that I can't answer, because while our people in the Finance Department are watching this, and all, we haven't had the meetings that we will have to have on the key points as to where the differences lie, and what we are going to do.

Q Does it appear to you that there's been any unnecessary footdragging as far as the conference committee meeting only once every two or three days?

A Well, I think there was -- I think there was a little

slowdown there for a while, while they settled a certain administrative measure up there in the Assembly. That interfered somewhat with the progress they were making.

Q Did -- it hasn't picked up much this week, though, have they, since then?

A Well, I don't know what the schedule's been. Vern, do you?

VERN ORR: The question was?

Q Yes, well, whether they are meeting often enough.

VERN ORR: Well, they are starting today. I have every confidence that it will be down by Friday.

That only gives us Friday, Saturday and Sunday. As the Governor says, we have been keeping track.

Q Governor, for many years, including the previous administration of Pat Brown, there had been the -- the legislature has approved funds for a new state office building in San Jose. In each -- each governor, Governor Brown and yourself, have each year blue-pencilled the item out of the budget. Now they are putting in \$100,000 this time for working drawings. Have you any idea of what you are going to do about that?

A Well, I don't know what the -- this is one we have had no meeting on this.

VERN ORR: We will be making a recommendation to you with the other recommendations.

Q Do you have any idea -- what's it going to be, Vern?

(Laughter)

VERN ORR: How about Sunday night. Larry, it is like this --

Q Someone's got to ask a provincial question.

Q Governor, you have offered rewards for the apprehension of the attackers of law officers. Yesterday spokesmen for the administration opposed two bills that would offer rewards for the apprehension of kidnappers. What's the rationale or the difference there?

A Well, now, here again I'm going to have to have some help on this.

VERN ORR: I'm not familiar with that legislation.

A I'm not either.

VERN ORR: I think they were -- but I'm sorry, Governor, I don't personally know what the bills are, I'll have to study them.

Q Finance and Corrections, I believe, both spoke in opposi-

tion to the bills.

Q How do you feel about the idea of the governor offering rewards for kidnappers?

A Well, this I'd like to study into where it stops. The rewards that we have offered, of course, are in a particular area and they have been offered in those cases where something is needed, where the case seems to be at a standstill with no clues, no evidence and this is why we have done that as an aid to law enforcement. Now, whether the state should go on just getting into the business of offering rewards for every crime committed, I don't know. But we will take a look.

Q Governor, it's been almost two months since you withdrew the nomination of Robert Vukasin for the Appellate Court bench. Now, why has it taken so long for you to submit an alternative nomination?

A We have nominated --

LD MEESSE: We have not, Governor. There are several people under consideration now in the selection.

A I knew we had nominated two. That's right, you are right.

Q Is there any -- is perhaps there a possibility you are keeping that open for a retiring member of your staff?

A No, there is no chance of that. We are going through the same process we do, of very careful screening, to the best of our ability and we just don't have the name. I was confused there a minute with the two we have already nominated from here in Sacramento.

Q Governor, it is my understanding that the work on the air conditioning of Pacific State Hospital was budgeted more than a year ago and now still has not gotten under way, and in fact the money in the budget now is not going to be sufficient to meet the project. Can you offer any explanation as to why the work hasn't started and also do you intend to try to augment this year's budget -- this next year's budget so the work can be completed?

A Well, I asked for a status report on that earlier when there was some question quite early in the year about difficulties they were running into from General Services. I don't have an update on that.

VERM ORR: I can give you a slight update on that, Governor. In the first place, Pacific State is a very sprawled out hospital. It isn't a unified hospital like some of the more recent ones, and air conditioning is very difficult, requires a lot of plans. Secondly, it required a complete update of the electrical system. And the whole electrical system had to be rejuvenated. Third, as far as the money is concerned, Mr. Landerman called me yesterday. I think it is his present intention to put an augmentation in the budget for the amount necessary for Pacific State.

Q Does that also include Agnew's?

VERM ORR: He didn't talk about Agnew, he talked only about Pacific State.

A Earlier when I asked for the update from General Services I'd learned that the difficulties that they ran into with the age of the buildings, and the type, and the electrical system, that there was more engineering that had to be done preparing for air conditioning than they had anticipated.

Q The budgeting, as I understand it, from talking to people in the Department of Health yesterday, was about fifty per cent off. Which seems like a pretty wide variance.

A Well, as I say, I think this could -- this could partially be explained by the construction and the change in the electrical system that had not been anticipated when they started, and as they started they came to a halt because air conditioning could not be installed until this other engineering work was done.

ED MEESE: There was one other factor, and that is they had to especially fabricate the air conditioning equipment because it had to be installed in an existing building as opposed to putting it in when the building is being built.

Q Governor, back to the budget hearing, for a moment, I think you said earlier that the fact that they were having open hearings this year made it a little easier for you to keep up with what was going on. Is that right? What difference -- is there any difference in their having open meetings?

A Oh, yes, because previously -- as a matter of fact, I don't know whether it was one or two years before this, the last two years, that our finance people were not even allowed in the room

and this had been maybe it was longer than Nat, Vern, but formerly there used to be that a representative of finance could sit in so that we could keep up. And then a couple of years ago suddenly they shut the door on that and we had no knowledge of what was going on in the conference committee until they handed us the package. And then we really had round-the-clock meetings with the cabinet and all and having to go through this whole operation of the budget. Now with this open meeting, now we have representatives up there observing and keeping track of all the agreements that are made.

Q Governor --

Q Governor, do you ever get the feeling that they are -- they are deliberately pushing you to the deadline so you don't have time to study the budget as carefully?

A I get the feeling but then I keep saying, "Please, don't be paranoid." But they -- the budget, if you go back over the whole seven and a half years, there's only been one year in which the budget came down on time and it came down as -- virtually as it had been sent up and I didn't have to blue pencil anything out of it, it could be signed exactly as gone up. It was just one out of eight budgets and -- yes, sometimes it is hard not to be a little suspicious.

Q Do you anticipate signing a budget significantly larger than the one you submitted, adding in the augmentations?

A No, I don't think so. No. I'm glad you added, "adding in the augmentations."

Q Governor, how are things going with that project called "The History of the Reagan Administration"? Is that still -- are you still putting that together?

A I guess so. Whatever that -- whatever that is. We have been compiling a record here to have at our own hands, what we have -- what has been accomplished and what the exact status of state government is. The state of the State compared to what it was, but I don't think that's actually anyone setting out to do a history of -- of the --

Q Governor --

A -- administration.

Q Will you let the press read some galley proofs, maybe, before you --

ED MELSE: We are not publishing as yet.

A We are not publishing anything, no.

Q What is it actually going to be?

Ans: What?

Q What is it actually going to be?

A Well, we'd like to have for ourselves, we'd like to have a score on what's -- what's been accomplished. And we'd like to be able to see how much did we achieve of the -- of our goals, the things that we set out to do. And frankly, I think we achieved a great many of them.

Q That will not be published or disseminated in any way?

A Oh, I don't know that there is any intent to keep it a secret or anything, but it is not set out, as you indicated, or by using the term "history" that we are compiling something we are then going to publish. No, I don't think there will be any secret about it.

ED MLESE: Two things, Governor. I think we'll make all this information fully available and hope that it will be printed as widely as possible, when this -- and you can study it to their heart's content. Secondly, this is a part of a detailed operation transition to turn over to the next administration, which is for the first time been provided for in the budget, some funds for the incoming governor to be actually on board here with his team and a part of that will be briefings on what the state of the State is, so that this is being readied for that also.

Q Governor, do you have any reaction to the reports of the John Birch Society's intention to publish an article on Senator Cranston's communist affiliation?

A No, I think this is what you have to expect in campaign season.

Q Governor, are you going to do any traveling in other states during the recess, politically?

Q Can we get back to that a second?

A Well, no, no, I'll be -- I'll be here and recessing myself a little.

Q On that same question again, you said this is what you have to expect in a campaign season.

A Yeah.

Q Can you explain that?

A Well, I think that there are various groups and organizations and individuals in addition to campaign organizations that get -- when someone is up for re-election or new candidates, that dig into the record and some of them go beyond what maybe most of us would consider the legitimate record for campaign purposes.

Q Do you consider that beyond the legitimate record?

A Well, I wouldn't do it myself.

Q Why not?

A Huh?

Q Why not?

A Well, because I -- I think you campaign on the basis of a man's doing the job, whether you think that that is -- whether he's handled the job properly and whether someone can do it better or you'd do it differently. It's going back in quite ancient history.

Q Governor, in the past several days there's been articles published about the generous pensions granted to both legislators and constitutional officers, including yourself. Did you think these pensions are overly generous? Would you recommend any changes in the degree that they are given?

A Well, I'm not going to have much of a chance at that, and since the present system came into being before I got here, I've never given it much thought. As a matter of fact, I was just kind of interested myself to learn what the pension was. I hadn't known.

Q Governor, are you -- do you favor legislation to increase the salaries next year of state constitutional officers, including governor? Senator Carpenter's bill.

A I haven't looked at that very much. And to tell you the truth, I have to -- I know that there is -- are some problems of compaction and this goes for department heads and so forth. We have been having that studied. We are running into a place where we are -- everyone is leveling off at a certain position. On the other hand, in the climate today, and with the problems of inflation today, I personally would be hesitant to recommend any such a thing.

Q You would have to sign the bill, though, if it passes the legislature.

A I know, and I don't comment on what I'll do about legislation. And since it doesn't involve me at all, I'll have to see what

their reasoning is, and why. But I do think -- I think that this is a time for all of us to begin looking at every little thing that might contribute inflationary-wise, and even if it is just -- if it is just adding to the climate of inflation, I doubt if half a dozen constitutional officers are going to have a great impact on inflation with regard to either raising or lowering their income. But I do think that there -- it can have an effect that has to be weighed on the whole atmosphere.

Q Governor, as a matter of fact, it would affect you because the salary of the governor goes up to \$60,000, and that would increase your -- automatically increase your pension.

A You know something, then maybe I'd have to let it become law without my signature if they sent it down here, to avoid a conflict of interest. Let me -- let me just say one thing in behalf of Senator Carpenter, and what's being suggested up there. I know that there is -- it is very tempting for all of you to comment on scales of this kind in government. But I think it would be also interesting for you to find out where does California rank in that because California has been pretty puritan and pretty straight-laced. And California's state salaries in comparison to people in comparable jobs outside of government and within government, finds that California is pretty far down the scale, as a major state. You find mayors that are higher paid, you find within our own state, as I have said many times, the top 133 job salary classifications are in higher education, not in state government. The Police Chiefs in some of our own cities are paid higher than anyone in state government. I think the state has been pretty reasonable when you look at the entire salary scale, about the top leve of salaries.

Q Governor, do you -- don't you have any opinion at all on whether the retirement benefits are justified?

A Well, I thought I slipped by that one pretty easy a few minutes ago here. Why are you bringing it back up again?

(Laughter)

A I don't know, I said I just found out myself what it was. I think perhaps if you are going to review that, and this is something we have tried to do with general state salaries here over the last two years, by having a consultant firm study the entire structure to see where we stand in government, and maybe that whole thing -- everything from fringe benefits to pensions and

all should come up for this kind of a review.

Q Governor, specifically do you think it is proper for, like a legislator, to be able to immediately start collecting his pension if he leaves in a reapportionment year, regardless of what age he is, as long as he served more than four years?

A Well, that measure was passed, of course, as you know, because of reapportionment, and the sort of sudden death thing that could happen, and does happen to legislators in that. I think that -- I think that could be looked into. As you know, I try to avoid commenting on their shop up there. But it makes for some strange situations, yes.

Q Governor, do you anticipate any change in relationship between your administration and the Assembly since they will now have a new speaker?

A Well, as far as we are concerned, we shall do our utmost to work with them as we have with all the others, and I feel that we can get along. I have no illusions about the fact that there will be partisan differences. There have been, and very frankly I think that we have gone farther than the legislature has to bridge those partisan differences. I know that some of you have commented to the contrary and seem to think that, well, we were injecting partisanship. I don't agree. I think that much of what we have tried to do has been hung up many times on pure partisanship.

Q Governor, do you think you can get along better with McCarthy than you have or you think you did with Moretti?

A Well, we managed to compromise out some pretty good things when Moretti was the Speaker. It took a long time and it took some public opinion to kind of bring him around, but the compromise that we finally were able to work out after five years on property tax reform, the compromise on the welfare reforms, we didn't get all we wanted, but finally we got them and we started from a point in which they wouldn't even allow us to present the welfare reforms to them.

Q Governor, several months ago Mr. Walden, I think, indicated in an interview, that one of the goals in the last year of your administration would be to eliminate as many rules, regulations and so on on business as possible. Regulations that you or he felt impeded growth and so on. What, if anything, have you done in that regard so far?

A Well, we have been working on that. We started -- it was more than a year ago with a seminar on this in which everyone concerned with regulations -- we held a meeting to point out that these regulations were supposed to benefit the public and that sometimes we get into the area of just regulating for regulation-sake. And I've been very critical of the federal government on this very matter. The federal government has regulations that it is absolutely impossible for the average business person today to know what is in the regulations, or to observe them. I doubt if there is any business today that can find out whether it is in compliance with the thousands and thousands of regulations.

Q What --

A And here in the state -- we said, "Why should we be guilty if we are of the same thing." Government is responsible for a blizzard of paperwork. Now we have made some gains already. We have reduced the -- it may not sound like much, we have reduced the total volume of paperwork in state government three per cent. And as I say, that doesn't sound like much. But it amounts to some millions of dollars in cost in handling. It also amounts to 4500 figure cabinets we didn't have to buy, and 24,000 feet of storage space that we didn't have to provide. So --

Q What kind of regulations are you attempting to eliminate? Can you give some specific examples of things you are --

A No, but I think we could get some material like that together for you. They are the -- they are the harrassing nit-picking kind of things in which you say these regulations don't protect anyone, they simply provide government with information that government probably doesn't need. And I don't think, as I say, we are not nearly as guilty as the federal government is of this. I've given figures before. The small businessmen in this country, particularly, they aren't the ones -- they don't have the great computers and they don't have the staffs of accountants and so forth to keep them straight. And they devote 130 million man hours a year to doing government paperwork. And that adds a cost to the products we buy from 30 to 50 million or billion dollars each year. And this is just at the federal level. So we are just trying to do our part here and see if we can reduce it at the state level. I think there is room for a lot of things of that kind. If we do it, I think the time has come for a study of

our taxing -- our income tax structure to see if we can't, as I have said before, find a way to ride piggyback. I know the people turned that down at one time, but I think we ought to take a second look because it is getting increasingly difficult for the citizen even to figure out how much he owes government. I've used in several addresses recently to business groups the fact that the -- the line, "It takes more intelligence to figure out your income tax than it does to earn the income."

Q Governor, how far into the future do you see the need to maintain the 55 mile an hour speed limit?

A Well, we are expecting a report. I just noticed the other day where Walter Padinsky of our Highway Patrol, they are doing a study on this. I'll be very interested in seeing it. He has already announced that -- their discovery that the speed limit and the reduction in driving, both, must share in the savings in life, in the reduction in accidents that we have had. But he does admit that the lower speed limit has had an effect. Now, I think, however, that before we talk about it here on the theoretical basis we have got to recognize that it is still required by Washington, the reduced speed limit, for energy conservation. And here again, I'd like to make a reminder and I think all of you could do a public service if you -- if you reminded people of this, the fact that we have cured the long lines at the oil stations and things seem to be running smooth should not blind us to the fact that there still is a shortage. And if we don't watch out, if we go right back to our old bad habits, all at once, we are going to be back in the long lines at the gas stations again. And therefore I would say that the first priority on considering lowering the speed limit at all or changing the speed limit at all would be with regard to its effect on the energy shortage. And once past that, then I think we have had enough experience, as I say the study is being made to see if there isn't a compromise where some highways, perhaps, should permanently -- some of our freeways, retain it because of the saving of life and reduction of accidents. And I know that some of the general thinking now is, and it's been my own thinking, that maybe in our metropolitan areas, on the freeways, perhaps it should be retained. It doesn't make all that much difference in the speed of travel, but it does make a great difference in accidents, but permit it for the lesser traveled freeways, super-highways, that

get out for cross-country trips where people are driving several hundred miles a day.

SQUIRE: Any more questions?

Q -- gas still justifies keeping the --

A What?

Q Do you think the supply of gasoline in California still justifies keeping ^{155 mi speed limit} (it) on?

A Oh, yes. Yes. This -- we have got to realize that the Arab boycott did not create the energy shortage, it just brought it to a peak at a moment when we were trying to inform the people there was an energy shortage. Long before we ever thought the Arabs were going to shut off the oil we had all of the sources where we could get oil, from abroad, how much we could depend on from the Arabs, how much we could depend on here, what was the potential if we did more drilling. And we still came up that in the next few years we are going to -- we are not going to be able to do the things we are doing unless additional sources or new types of energy are found. So all the problems we had during the boycott are still with us. The Arabs just eased it up a little bit and driving down the road not having to wait we tend to forget that we are using energy. An increase -- the increase in the use of energy is greater than the increase to keep pace with energy supply.

Q Governor, most of the oil companies involved in Alaska's north slope area have refused to say that they will not ship oil to Japan from Alaska. Do you think it is justified for them to ship oil to Japan from that Alaska north slope area?

A Well, I don't know what the rationale is there. I am quite sure that if we tried to retain everything for ourselves that we would find for an importing country, I think we would find that we ourselves would be boycotted again and we are still not -- even with Alaska, not producing enough for our own needs.

Q Governor, on another subject. The Assembly last week passed a constitutional amendment supported by the State Bar and the Judicial Council which will change the commission which must approve the Governor's Appellate Court appointments, and would enlarge it to include legislators and bar representatives and general public, and provide for confidential hearings on the Governor's nominations. Do you approve of that? What's your reaction?

A Are we talking about judicial appointments?

Q Appellate.

A Appellate.

ED MEESE: I think this is an issue that's still under consideration.

A Right, they have presented the information to us as to what it is they are advocating and we ourselves have not round-tabled this in the cabinet as yet. We are studying it.

Q Governor --

SQUIRE: Thank you, Governor.

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