

DOUGLAS MONTONDO  
OSTERWALDSTRASSE 73  
8 MUNICH 40, GERMANY

Mailing Address

Box R-7095  
APO New York 09184

10 February 1981

Mr. Michael K. Deaver  
Deputy Chief of Staff  
The White House  
Washington, D.C. 20006

*No  
Answer*

Dear Mr. Deaver:

Attached for your information and consideration  
is a copy of a letter I sent yesterday to  
Chairman Brock.

I will be pleased to furnish any additional  
information which you may desire.

Sincerely yours,

*Douglas Montondo*  
Douglas Montondo

Box R-7095  
APO New York 09184

9 February 1981

Mr. William E. Brock III  
Chairman, Republican National Committee  
310 First Street, S.E.  
Washington, D.C. 20003

Dear Mr. Brock:

As a promotional gimmick to assist President Reagan in solving the economic problems of the United States, may I suggest the formation of an informal volunteer group of "Reagan's Rangers." The goals of the individual members and the group as a whole would be to increase productivity and help curb inflation by whatever means available to them.

By means of lapel buttons, bumper stickers, advertisements, etc. individuals could proclaim themselves members of Reagan's Rangers -- dedicated to assist the President in bringing inflation under control. Bumper stickers might exhort others to "Be a Reagan Ranger - Fight Inflation." Merchants might put banners in their store windows proclaiming: "Reagan's Rangers Reduce Prices!"

Obviously, the idea is to get the nation behind President Reagan and focus the attention of everyone on increasing productivity and bringing prices down. It would seem that the GOP as a national organization could implement such a campaign at minimum cost and with interesting and beneficial results. Moreover, it could be a fun thing at the local level.

Your PR experts could have a ball developing this germ of an idea.

Sincerely yours,

Robert D. Montondo  
Colonel, U.S. Army, Retired  
Reagan Ranger # 1

*AA* *File*

**UNITED CALIFORNIA BANK**

707 WILSHIRE BLVD., W15-3 • LOS ANGELES, CALIFORNIA 90017

LLOYD B. DENNIS DIRECTOR OF PUBLIC AFFAIRS

February 10, 1981

Dear Mike:

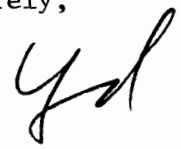
A belated but sincere congratulations on your new assignment. I know it was a difficult decision, but I'm delighted you chose to stay, for your counsel will in the end help all of us and especially the President.

Your recent quoted observation about seeing Jody Powell, hands in pockets, is a poignant one; I hope others recognize the frailty of high level involvement as you have. Having been in Washington nearly eight years, both on the side of covering government and being inside, it's probably more of a truism than any "fact of Washington political life".

I suspect Craig has talked to you about the possibility of maintaining the concept of a White House Public Relations Advisory Group. This started under Herb Klein, and during the last Administration I was fortunate enough to be among the members of this small group. The group represented a very high level cross section of public relations/communications specialists, with discussions dealing with long-range communications issues, usually devoid of politics or party affiliation. (I won't comment here on whether or to what extent our collective advice might have been used.) I know Dan Priest has talked to Craig about the concept, and I've written to him suggesting a possible brief meeting when I'm in Washington in March.

Again, best wishes for success in the months ahead.

Sincerely,



Mike Deaver  
Assistant to the President  
Deputy Chief of Staff  
The White House  
1600 Pennsylvania Street  
Washington, DC 20500

RECEIVED FEB 11 1981

LBD:pkcr

HED-TICE

THE WHITE HOUSE  
WASHINGTON

February 10, 1981

Dear Mr. Baldwin:

Thank you for your letter and the copy of the Environmental Quality Report. I found it to be most informative and have taken the liberty of forwarding it to Mr. Martin Anderson, Director of Policy Development for his information and perusal.

Again, thank you for writing and sharing your thoughts on matters of importance to you.

Sincerely,

MICHAEL K. DEEVER  
Assistant to the President  
Deputy Chief of Staff

Mr. Malcolm F. Baldwin  
Acting Chairman  
Council on Environmental Quality  
722 Jackson Place, N. W.  
Washington, D.C. 20006

*Note  
Letter was not  
forwarded to M. Anderson*

*lep*

MKD-FILE

THE WHITE HOUSE

WASHINGTON

February 10, 1981

Dear Bill:

Thank you so much for your letter and kind offer of assistance should I need it in the future. I appreciate your thoughtfulness.

I was sorry to hear of Gil's surgery and hope that you will convey my wishes for his speedy recovery.

Again, thank you for writing.

Sincerely,

MICHAEL K. DEEVER  
Assistant to the President  
Deputy Chief of Staff

Mr. Bill Mazzocco  
Packaging Innovators Corp.  
2727 McCone Avenue  
Hayward, CA 94545

ce/ef

MKD-FILE

THE WHITE HOUSE  
WASHINGTON

February 10, 1981

Dear Mrs. Tingley:

Thank you for taking the time to write and give me the opportunity to know your thoughts on matters of importance to you. It is encouraging to know that concerned citizens like yourself are deeply committed to improving the quality of life for all Americans.

I have taken the liberty of forwarding your letter to our National Security Office. I can assure you your comments are appreciated.

Again, thank you for writing.

Sincerely,

MICHAEL K. DEAVER  
Assistant to the President  
Deputy Chief of Staff

Mrs. Muriel Ceceil Tingley  
601 S. Division Street #16  
Moses Lake, Washington 98837

MKD-FILE

THE WHITE HOUSE  
WASHINGTON

February 10, 1981

Dear Mr. Sokal:

Thank you for taking the time to write and give me the opportunity to know your thoughts on matters of importance to you. I assure you that your comments are appreciated.

I have taken the liberty of forwarding your letter to our National Security Council for their review.

Again, thank you for writing.

Sincerely,

MICHAEL K. DEAVER  
Assistant to the President  
Deputy Chief of Staff

Mr. David Sokol  
6709½ 23 Ave. N.W.  
Seattle, WA 98117

MKD-FILE

THE WHITE HOUSE

WASHINGTON

February 10, 1981

Dear Mr. Dama:

Thank you for your letter concerning our personal and corporate tax structure. I appreciate you taking the time to write and give me the opportunity to know your thoughts on this matter.

I have taken the liberty of forwarding your recommendations to our Domestic Policy Office for review.

Again, thank you for writing.

Sincerely,

MICHAEL K. DEAVER  
Assistant to the President  
Deputy Chief of Staff

Mr. Frank J. Dama  
1301 Falcon Drive  
Orlando, FL 32803



PKO-FILE

THE WHITE HOUSE  
WASHINGTON

February 10, 1981

Dear Vern:

Thank you for your note alerting me to the proposed trip to Washington by the Greater Chamber of Commerce of San Jose.

I suggest that you contact my office a few days before your arrival and we will see what can be worked out. My office telephone is 456-6475.

The telephone number for Mr. Nofziger is 456-7620.

Again, thank you for writing.

Sincerely,

MICHAEL K. DEEVER  
Assistant to the President  
Deputy Chief of Staff

Mr. Vernon Chistina  
454 Golfview Drive  
San Jose, CA 95127

MRD-FILE

THE WHITE HOUSE  
WASHINGTON

February 10, 1981

Dear Michael:

Thank you for your letter and the snapshot; It was thoughtful of you to write and I have shared your letter with my children, Amanda and Blair. They enjoyed your letter as much as I did.

When you and your family come to Washington, you should contact the White House Tour Office to make arrangements for a tour.

Again, thank you for writing and have a Happy Birthday.

Sincerely,

MICHAEL K. DEEVER  
Assistant to the President  
Deputy Chief of Staff

Mr. Michael Deever  
211 North 12 Street  
Oakland, Maryland 21550

ce/er

MKD-FILE

THE WHITE HOUSE  
WASHINGTON

February 10, 1981

Dear Mr. McMerney:

Thank you for taking the time to write and give me the opportunity to know your thoughts on matters of importance to you. I assure you your comments are appreciated.

I can assure you that this Administration will do their best to promote responsible hiring within the Federal Government.

Again, thank you for writing.

Sincerely,

MICHAEL K. DEEVER  
Assistant to the President  
Deputy Chief of Staff

Mr. Ambrose T. McMerney  
219 Intel Way  
Palm Beach Shores, Florida

cc/cr

MKD-FILE

THE WHITE HOUSE  
WASHINGTON

February 10, 1981

Dear Rabbi Roth:

Thank you very much for sending me the book "Genocide in the Holy Land" by Rabbi Moshe Schonfeld. I appreciate you taking the time to share your thoughts with me on matters of importance to you.

I am looking forward to some free time when I might enjoy reading the book.

Again, thank you for writing.

Sincerely,

MICHAEL K. DEEVER  
Assistant to the President  
Deputy Chief of Staff

Rabbi C. H. Roth  
Neturei Karta of USA  
G.P.O.B. 2143  
Brooklyn, N. Y. 11202

relep

MKD-FILE

THE WHITE HOUSE  
WASHINGTON

February 10, 1981

Dear Mr. Kimmel:

Thank you for your recent letter and the featured article "Leaders of New Right Watch Reagan Closely." I appreciate your thoughtfulness and concern in keeping us abreast of local views.

Best wishes.

Sincerely,

MICHAEL K. DEEVER  
Assistant to the President  
Deputy Chief of Staff

Mr. J. S. Kimmel, Jr.  
Republic Electric Company  
737 Charlotte Street  
P.O. Box 3807  
Davenport, Iowa 52808

cc/cr

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

Date: February 10, 1981

TO: ANN HIGGINS

FROM: SHIRLEY MOORE

Mike Deaver's Office

Please send a thank you letter to Pat Devine and Staff of the Western Horizon Club, P.O. Box 92005, Worldway Postal Center, Los Angeles 90009, for a square jar filled with red, white and blue jellybeans.....and the top had the presidential seal on it. These ladies had this made for the President, and presented it to him on our first trip back here on Air Force 1.

Pat Devine and her staff have been good friends of President Reagan and all his staff for many years.

From the Desk of

MATTHEW J. KOVIC  
26865 COLUMBIA ST.  
HEMET, CALIF. 92343

Feb 18 1981

Michael K. Deaver

Dear Sir: 01 MAR 05 837 1000

You are a gentleman. You responded to my offer of the lithograph of the world's first airliner; tho refused.

America's children are not allowed to know of it nor the inventor of a money system that will give justice to everybody that harms nobody; will make it easier to be honest than dishonest and that will elevate mankind. So! In

MKD - FILE

THE WHITE HOUSE  
WASHINGTON

February 10, 1981

Dear Mr. Kosvic:

Thank you for your note and your kind offer of a lithograph of the world's first airliner.

I sincerely appreciate your offer but fortunately my White House office is completely decorated and I have no need for additional art work.

Again, thank you for writing.

Sincerely,

MICHAEL K. DEAVER  
Assistant to the President  
Deputy Chief of Staff

Mr. Matthew J. Kosvic  
26865 Columbia Street  
Hemet, CA 92343

ec/CF



THE WHITE HOUSE  
WASHINGTON

February 11, 1981

Dear Mrs. Reed:

I am more than happy to provide your son with the enclosed autograph of the President. I hope that it will add to his collection and encourage him to continue gathering autographs.

Thank you for your request.

Sincerely,

MICHAEL K. DEEVER  
Assistant to the President  
Deputy Chief of Staff

Mrs. P. Terry Reed  
44 Beach Rd.  
Enfield, CT 06082

cc/er

THE WHITE HOUSE

WASHINGTON

February 11, 1981

Dear Mr. Bardell:

Thank you for your note and the copy of the speech which you sent. I appreciate you sharing your material with me.

After reading the speech, I have taken the liberty of forwarding it to our Domestic Policy Office for their information files.

Good luck to you.

Sincerely,

MICHAEL K. DEEVER  
Assistant to the President  
Deputy Chief of Staff

Mr. Donald J. Bardell  
Executive Director  
American Association of Motor  
Vehicle Administrators  
1201 Connecticut Ave. N.W. Suite 910  
Washington, D. C. 20036

*ee/er*

THE WHITE HOUSE

WASHINGTON

February 11, 1981

Dear Mr. Knorr:

Thank you for sending me a copy of your inspired poems. I think it is wonderful that you have written such tributes to all the brave men and women who were involved in the Iranian crisis.

Please accept my heartfelt thanks.

Sincerely,

MICHAEL K. DEEVER  
Assistant to the President  
Deputy Chief of Staff

Mr. Albert Scofield Knorr  
81 Lincoln Place  
Freeport, N. Y. 11520

cc/cf

RONALD REAGAN LIBRARY  
TRANSFER/PARALLEL FILE SHEET

Please circle "preservation" (put in AV, etc.), "classified" (parallel filed in vault/annex), "collection" (misfile, provenance), "RD/FRD" (parallel file)

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FROM:

Collection Deaver, Michael K.: Files

Series \_\_\_\_\_

File Folder Title/Casefile #/NSC # Correspondence - February 1981 (4)

Box Number OA 7618

Description of Material:

Letter, Richard Nixon to M. Deaver, 2/11/81, 2p

TO:

Collection: Historic Preservation File

Series: \_\_\_\_\_

File Folder Title/Casefile #/NSC # \_\_\_\_\_

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Feb 18, 1981 -

JK

Mike Deane

Return to Deane  
Spoke to  
my office

RICHARD NIXON  
February 11, 1981

① medal  
of Honor

+ info  
The Cong medal  
of Honor ceremony -  
(Nixon was not in)  
D. M. Deane

I have a thought that you might want to pass on to the boss when he has a spare moment if you think it is worth considering. I followed, of course, as everyone did the enormously warm reception given to the hostages. The outpouring of affection, respect and patriotism was certainly understandable. However, I noted as I am sure you did that there was some grumbling from those who served in Vietnam, that they received very little recognition when they returned. I recall, for example, that our dinner for the returned POWs, which was held on the South Lawn at the White House was covered by only one network.

I do not suggest that the President should have another big public dinner for all the POWs. This would be over reaction and over kill. However, I remember during the campaign his referring very movingly on several occasions to the talks he had with POWs who had dinner with him and Nancy in Sacramento. It occurred to me that without any publicity whatever that he could invite the same POWs who had dinner with him in Sacramento to have a private dinner with Nancy and with him at the White House. The word would, of course, get out as I think it should. The message would be very clear and it could have a greater impact than doing something publicly.

Page 2  
Mr. Michael Deaver  
February 11, 1981

As heavy as the schedule is, I hesitate to suggest any additions to it. However, this is one of what I call those "fine small gestures" which could have a far greater impact than some of the heavily publicized television extravaganzas.

Incidentally, like everyone else I am delighted at the way things are going and enormously impressed by the way our man has taken over the Washington establishment by storm. There will, of course, be some rough times ahead but I am confident that he is building up enough equity that he will be able to sail on no matter how rough the sea gets.

With warm regards,

Sincerely,



Richard Nixon

Mr. Michael Deaver  
Deputy Chief of Staff  
The White House  
Washington, D.C. 20500

*No reply necessary*



*File*

**DART**  
INDUSTRIES INC.  
P. O. BOX 3157, TERMINAL ANNEX  
LOS ANGELES, CALIFORNIA 90051

J. STEVEN RHODES  
DIRECTOR  
GOVERNMENT AND PUBLIC AFFAIRS

February 11, 1981

The Honorable Michael Deaver  
Depute to Chief of Staff  
The White House  
Ground Floor  
West Wing  
Washington, D.C. 20500

Dear Mike:

Thank you for taking the time to arrange some interviews for me last week. I truly appreciate your efforts, particularly when I realize the pace of your day.

I also appreciate your taking the time out of your day to sit and talk with me about the Inter-Governmental position. The more that I think about the position, the more I feel it would be interesting, exciting and challenging.

Again Mike, I appreciate your good council and I hope that things work out.

Very truly yours,



J. Steven Rhodes

SR:sg



225 WEST 57TH STREET, (SUITE 700)  
NEW YORK, NEW YORK 10019

*File*  
*Call 3-9-81*  
*Not in. Left word*

(212) 765-1820  
TELEX: 236333

LOS ANGELES  
WASHINGTON

Feb. 11, 1981

MICHAEL DEAVER  
Assistant to the President  
White House  
1600 Pennsylvania Ave.  
Washington, D.C. 20500

*Handwritten signature*

Dear Mr. Deaver,

Sygma, as you may know, is one of the most important photo news agencies in the world. Its photographic material appears in all major U.S. publications as well as in those of Europe, Asia, and South America.

For our agency as well as for the rest of the media, the first few weeks of the Reagan administration is of paramount importance. Many of our clients, both here and abroad, have asked us to cover this period for them.

Owen Franken is one of our American staff photographers, based in New York. He has quite an extensive experience as a photojournalist, covering the news here and abroad.

~~We would like him to spend some time, part of two days if possible, photographing you in as many various circumstances and activities as possible. This will give our clients throughout the world a thorough photographic coverage of you for immediate and long term usage.~~

Mr. Franken can be reached at (202) 234-4530. — 4-9-81

Your assistance in this matter would be greatly appreciated.

*Called 3-9-81 - Not in. Left word*

Sincerely yours,

1981 FEB 30 6W 3 34

ELIANE LAFFONT  
Director



MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

February 12, 1981

MEMORANDUM FOR: JOHN F. W. ROGERS  
FROM: MICHAEL K. DEEVER  
SUBJECT: White House Commission Books

It is requested that White House Commission Books  
be furnished the following individuals:

Michael K. Deaver  
Joseph W. Canzeri  
Shirley Moore

THE WHITE HOUSE

WASHINGTON

February 9, 1981

Case 777  
MS

MEMORANDUM FOR: MICHAEL K. DEEVER  
FROM: JOHN F. W. ROGERS *J*  
SUBJECT: White House Commission Books

The Technical Security Division of the Secret Service is prepared to issue White House Commission Books to you and your deputy if you foresee a need to travel in advance of, or independent of, the President and expect that your White House pass or staff security lapel pin will not suffice for identification purposes.

If you desire a Commission Book, please send a memo to my office; it will be forwarded to the Secret Service and the book issued.

The Commission Book is used to identify permanent staff members when traveling under the circumstances described above and is not to be used as identification within the White House. The White House pass serves that purpose.

# JRG

JOHN R. GNAU  
& ASSOCIATES, Inc.

23900 Haggerty Road  
Farmington Hills,  
Michigan 48018

(313) 476-7387

*Fate*

*Shirley*  
*Please get a couple*  
*of pics for*  
*John.*

February 12, 1981

*Done*  
*2-23-81*

Mr. Mike Deaver  
Deputy Chief of Staff  
The White House  
Washington, D.C. 20500

Dear Mike:

Sorry that we have not had a chance to get together and discuss all of the things that have happened since November 4th, but I do want you to know that I have opened a public relations office in Washington at 1775 Pennsylvania Ave. Hopefully, one of these days, you can find the time to have lunch with me so that we can update one another on all of the events that have taken place.

In the meantime I would appreciate, Mike, if you could send me a colored and autographed picture of President Reagan in the Oval Office and whatever other pictures of the Inauguration that you might have. I would like to use these in my Washington office.

Being State Chairman in Michigan was a real challenge and I thank you and all of the Reagan staff for the opportunity of serving President Reagan. I look forward to working with you in the new administration.

My phone numbers in the Detroit area are:

- (313) 476-7387 (Farmington Hille)
- (313) 259-1817 (Downtown - Renaissance Center)
- (313) 647-6733 (Home - Residence)

My phone number in Washington is (202) 822-9097.

Drop me a line or give me a call when it's convenient for you to break bread and tell me about your new venture at the White House.

Best regards.

Sincerely,

*John*

John R. Gnau, Jr.

APR 12 5 1 42

*Rich Williamson*

THE WHITE HOUSE  
WASHINGTON

FROM: MICHAEL K. DEAVER  
Assistant to the President  
Deputy Chief of Staff

Information

Action

*If you haven't already  
I'd suggest you read  
this ———  
CD would be good on  
our Inter-Joint Task Force*

MARTIN MARIETTA CORPORATION

6801 ROCKLEDGE DRIVE  
BETHESDA, MARYLAND 20034  
TELEPHONE (301) 897-8000

January 16, 1981

MEMORANDUM TO: Ed Harper

The attached memorandum on an Intergovernmental Relations Strategy is designed to encourage and hopefully facilitate President Reagan's taking several basic early initiatives which would commence the extremely difficult task of reducing centralization and rebalancing federalism. The following is a brief summary and a few key observations.

Appointment of a high-level person to serve as the principal focal point in the White House to pursue this fundamental objective. I suggest that the position should be distinguished from that of the normal staff functions; for example, "Counselor to the President for Intergovernmental Relations." The position should be primarily policy oriented and accordingly should report to Ed Meese.

The issue should be placed on the agenda of an early Cabinet meeting. (A suggested memorandum covering the subject from President Reagan to the Cabinet members is attached.) The memorandum includes a list of programs to be considered for devolution and consolidation.


Make an early announcement of a quick impact package of process reform legislation strongly desired by state and local governments (list attached).

The human element, "better service for the poor and the needy," should be stressed as a principal objective in reducing centralization and rebalancing federalism. This is vital to counter the invariable charges of heartless budget cutting at the expense of the poor--when the opposite is the case.

The necessity to reduce the size and future growth of the federal budget should be dovetailed with the cost efficiency resulting from greater flexibility and discretion that will occur through grants consolidation and the turn back of federal programs to state and local governments.

Additional extensive study is unnecessary. As an example, the ACIR has completed a 3-year, 10-volume study of the Federal Role in the Federal System which richly documents the ills of the present system and the need for the change. Some major proposals to turn back programs and fiscal resources and/or major government consolidations should be proposed within the first 100 days.

If I can be of any further assistance, please feel free to call upon me.

  
C. D. Ward

A PROPOSED INTERGOVERNMENTAL RELATIONS  
STRATEGY FOR THE REAGAN ADMINISTRATION

"Everything that can be run more effectively by state and local governments we shall turn over to the state and local governments--along with funding sources to pay for it."

Ronald Reagan's Acceptance Speech  
Republican Nomination 1980

"American federalism--the tripartite system involving shared and separate powers among the federal, state and local levels of government--is in trouble. The federal government's influence has become more pervasive, more intrusive, more unmanageable, more ineffective, more costly and, above all, more unaccountable."

Advisory Commission on Intergovernmental Relations

"The current network of intergovernmental relations has become dangerously overloaded to the point that American federalism's most trumpeted strengths--flexibility and workability--are critically endangered."

Advisory Commission on Intergovernmental Relations

## Key Observations and Comments

This paper sets forth several basic steps that the Reagan administration could take to commence the process of reducing centralization and rebalancing federalism. This is an objective for which there is widespread support, but to date such support has been much weaker than the combined forces defending the 500 federal aid programs and the accompanying 1,036 conditions and requirements.

This problem unquestionably ranks high among President Reagan's concerns. Nevertheless, it must compete with a host of other major issues for Presidential leadership and involvement, both of which are critical to any success. Those other problems include such issues as the Nation's defense, the state of the economy, energy, transportation, etc., all having enormous resources, powerful federal officials, backed by departments and agencies, as well as congressional, public and press attention to assure their needs are vigorously pursued.

Accordingly, any success in addressing the reduction of centralization and rebalancing federalism will depend to an extent upon the White House personnel assigned to this area and the roles and authority given them and/or to the extent of involvement and commitment of the key White House/Office of Management and Budget staff members.

A position of Counselor to the President for Intergovernmental Relations should be considered. He or she could also be made the Chairman of the Advisory Commission on Intergovernmental Relations (ACIR).

The issue is principally a policy issue and should accordingly be organized as such. The casework aspect should to the maximum extent be deemphasized and diverted to the department level and Regional Councils.

Decongestion must occur on both the program side and the regulation side if direction from Washington is to be significantly reduced. Otherwise, the same maze of cross-cutting regulations will be transported by fewer programs but still bind state and local recipients.

## AGENDA

### STATEMENT

At an early date, a brief speech or statement should be made by President Reagan elaborating on his views and objectives regarding Federal, state and local government relationships. See attachment No. 1 (suggested draft statement).

The suggested speech or statement should also be the occasion to announce support for the below listed quick impact package of process reforms strongly desired by state and local recipients. (Bill numbers are from the 96th Congress).

January 14, 1981

Page 2

1. Fiscal notes on grant conditions and regulatory actions (S. 2491, S. 3087, H.R. 3697).
2. Federal Assistance Reform Act (S. 878), which establishes orderly procedures for Presidential proposal and Congressional consideration of grant consolidations, standardizing and simplifying grant regulations, and one-year advance funding.
3. Legislation authorizing the President (acting through OMB) to suspend, temporarily, the implementation of unexpectedly burdensome cross-cutting requirements for up to 90 days while Congress is notified and remedial legislation is prepared to repeal or reduce the burdens of the requirements to a reasonable level.
4. Sunset legislation limited to grant authorizations (S. 2, H.R. 5858).
5. Reimbursement for future federal mandates (H.R. 2842).
6. The Federal Constitutional Convention Amendment Act (Ervin Bill) to provide needed guidelines for holding a constitutional convention convened upon petitions of state legislatures to consider specific amendments of the U. S. Constitution.
7. Reinstitution of the A 85 process.

A tougher package of grant regulation reforms, still for early introduction, to ameliorate some major current irritants should be prepared.

1. Repeal or major modification of Davis-Bacon prevailing wage requirements.
2. Modification of requirements for meeting the needs of the handicapped--to allow various cost-effective means to be considered, rather than to specify only a single (often high-cost) means.
3. Barring any single, mandated approach to bilingual education, permitting local school districts to decide how to comply with the Supreme Court's requirement.
4. Relaxation of the organizational requirements for Health Systems Agencies to allow designation of substate regional councils as such agencies in most cases, rather than to virtually require separate non-profit corporations to be established as at present.



5. Consolidate present 155 citizen participation requirements.
6. Modification of Title IX of the Education Amendments of 1972, to curb some of the excesses in the name of sexual equality, e.g., modifying the requirement that federally aided institutions of higher education spend as much on women's athletics as on men's.
7. Enactment of federal legislation to strengthen the role of general purpose substate regional councils, within their jurisdictions, in coordinating all areawide planning assistance and requirements, even though some such assistance and requirements might be administered by other special purpose regional organizations in the same region.
8. Strengthening the Uniform Relocation Act's administration by having a single agency responsible for issuing uniform regulations and adjusting benefit levels instead of the present system where responsibility is scattered among 13 agencies causing displacement.

Neither list is by any means exhaustive of candidates suitable for inclusion.

#### Cabinet Meeting

At one of the early cabinet meetings the President should distribute and briefly discuss a memorandum along the following lines--

#### Memorandum to the Cabinet

As you and the members of your respective staffs assume your new responsibilities and commence the formulation of your immediate, intermediary and long-term plans, I want to emphasize two points:

It is my objective that everything that can be run more efficiently by state and local governments should be turned over to them along with funding sources to pay for them.

I also wish to move swiftly to consolidate appropriate categorical grant programs into block grants.

In the preparation of your suggested proposal to achieve these objectives, I also want to emphasize the necessity to:

1. Develop such proposals in consultation with state and local government representatives and their respective National organizations.
2. Recognize that there will be formidable concerns, legitimate and otherwise, raised by such proposals and that our plans must include how we intend to address them.
3. Make some of our major proposals in this area early (within the first 100 days).

It will be the responsibility of the Secretary of the Treasury to develop appropriate options to return funding sources to the states.

I recognize that past attempts to sort out programs and resources between federal and state and local governments have had little success. Such only emphasizes the necessity for our administration to provide the leadership to accomplish these vital objectives.

Highest and earliest priority should be given to our initiatives in the following fields:

1. Welfare, MEDICAID, food stamps, housing assistance, other public assistance grants, and unemployment compensation
2. Education
3. Transportation
4. Economic and community development

As longer term, second priority initiatives, objectives should be selected and machinery should be set in motion to accomplish devolutions to state and local governments or grant consolidations in the following smaller functional fields:

1. Fire protection (3)
2. Law enforcement and criminal justice (19)
3. Libraries (5)
4. Public health (21)
5. Manpower training (14)
6. Social services (17)
7. Child nutrition (8)
8. Water pollution (16)
9. Vocational rehabilitation (14)
10. Natural resources (21)

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### Conclusion

The accomplishment of the aforementioned recommendations will to a great extent depend upon public understanding and awareness of the problem. Considerable discussion and proposed legislation have centered around the concept of a National convocation (or commission) on federalism.

The purpose of a convocation should be established first because purpose largely determines the charge, composition, duration, staff, etc.

Assuming some early major decongestion initiatives by the Reagan administration and difficulty of launching a convocation by late summer, its assignments might include:

1. Probing the fundamental constitutional questions raised by the Congress' and Supreme Court's handling of the commerce and conditional spending powers and the meaning of the Tenth Amendment
2. Reviewing and commenting upon early decongestion proposals of Reagan's Administration (where timing allows).
3. Formulation of supplementary program assumption, devolution, or consolidation proposals; revenue tradeoff proposals' and regulation reforms.
4. Mounting a national educational program on federalism issues

Any convocation (or commission) should be composed of general government representatives and other generalists, Representation of special interests associated with the various federal aid programs and regulations virtually guarantees stalemate or watered down results.

C. D. Ward

\*DRAFT SPEECH

\*Much of the material in this speech has been taken verbatim from the Advisory Commission on Intergovernment Relations' material.

During the past two decades, we have experienced an almost endless proliferation of federal aid programs dealing with nearly all the Nation's domestic concerns -- nearly 500 by last count.

Administratively, federal grants too often frustrate effective and efficient public service by the state and local governments. Some are so narrowly drawn that what needs to be done is ineligible for funding. Most bear so much red tape as to waste time and resources which should be spent on program objectives. Many are spread so thinly and targeted so poorly that they do not meet their objectives or meet them only marginally.

Political accountability often is confused when policy-making and administration are shared so widely that no one is sure exactly who should be held responsible when the aid program falters. Little wonder the public is growing disillusioned with a system which seems out of control.

Although federal grants are, as a legal matter, voluntarily accepted by state and local governments, the practical reality is that many must have the federal funds to make ends meet. This necessity for state and local participation in the federal aid system has been used by the federal government to multiply the effects of its policies throughout the nation far out of proportion to the amount of federal funds and federal personnel committed.

As a practical matter, the federal government has taken over policy leadership in virtually every functional field in which it offers aid, despite the fact that its funding is predominant only in the income maintenance and housing fields.

Above all it results in enormous inequities and injustices to those persons and jurisdictions to whom the programs are designed to help (some examples should be inserted here). What we all want is a system where our tax dollars, which are designated to help needy children, the elderly whose meager savings and pensions have been eaten away by a runaway inflation, the mentally and physically handicapped, ~~to~~ do just that, help them, and not to support a bloated bureaucracy weighed down by unnecessarily costly rules, regulations and red tape.

The present system also results in the National government neglecting and avoiding some of its most basic domestic government responsi-

(continued)

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bilities, while cluttering up its agenda with issues that are more properly those of a municipal or county council, a school board or a state legislature. Congress takes away from its precious time to deal with such matters as rat control, policemen's pensions, urban parks, snow removal, home insulation, arson control, training for the use of the metric system, rural fire protection and the like, rather than on truly critical National issues such as, energy, income maintenance, health insurance, etc. The Salt Debate rages side-by-side with debate over federal funds for pot-holes, jellyfish controls succeeds while welfare reform fails.

As President, it is my intention in cooperation with Congress and with consultations with state and local government officials to develop proposals to make this system more manageable, more effective and, most of all, more beneficial to those intended recipients of assistance. The basis for this would be to determine what programs could be entirely assumed by state and local governments and what could be assumed by the federal government. In what programs could the federal government reduce its participation and the state and local governments increase theirs or vice versa.

I am not proposing that the federal government abdicate its responsibility, rather that we recognize that the federal government is not doing a very good, and in some cases it is doing a miserable, job in fulfilling its responsibility, and we need some basic changes. I am asking everyone -- Congress, state and local governments and the special interest groups -- to join together in an effort to improve our ability to fulfill our responsibilities and gain our objectives.

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The Condition of Contemporary Federalism: Conflicting Theories and Collapsing Constraints

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