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MEMO TO 'E PRESS Governor konald Reagan January 11, 1967

C-O-R-R-E-C-T-I-O-N

Governor Reagan's press conference transcript of January 10 has a correction on Page 18.

Paragraph 3, Line 7 should read "of privately held lands, and they have not retreated"....

Paul Beck Assistant Press Secretary

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PRESS CONFERENCE OF GOVERNOR RONALD REAGAN SACRAMENTO, CALIFORNIA - JANUARY 10, 1967

Reported by: Marian E. Fort

Because of the necessity to get the transcript to the capitol press corps as quickly as possible, no corrections are made and there is no guarantee of absolute accuracy.

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LYN NOFZIGER: Good morning, ladies and gentlemen. There will be no briefing today. Before the conference starts, first of all, we have a major appointment to make tomorrow morning at the ten o'clock briefing and if I can drag him here, the Governor will be here with the appointee.

Q Is that the one announced in the Chronicle this morning?

Maybe we can manage to find a different one, Ray. Number two, I would appreciate it very much, so that everybody gets a shot at the Governor without some people dominating this, if you would raise your hand and let him recognize you. That way, I think more of you will get a chance to ask questions. Before we get on with this, any questions?

Governor Reagan assumed the rostrum.

- About this announcement made in two San Francisco papers already, why can't we have you release it today if it is correct about the Resources Agency Director, Exec. Dir.?

 GOVERNOR: You are ahead of me.
- Q I am two days late. I am asking for the same privilege they got secretly somewhere.
- If it is a secret, it certainly didn't come from here. Your statement—I don't know even who has been announced, you said two San Francisco papers have two days ago announced/an appointment that has not been announced from here. I don't know whether they have guessed right or guessed wrong because I don't know which story you are talking about.
- Q Does the name Norman Livermore strike a bell?
- A We have been talking to Mr. Livermore

about an appointment, yes.

Governor Reagan, your Finance Chief, Gordon Smith, ran into a stone wall in dealing with the Regents yesterday. Does that indicate, perhaps, that you may pull in your horns on any reduction of the <u>University budget</u> funds?

SQUIRE BEHRENS: Before you answer the question, Governor, let's get it cleared up just what you are going to do about the University funds, whether recommended a cut, tuition, and that sort of thing. There is a lot of confusion. GOVERNOR: The Director of Finance has some recommendations and alternatives to present to us with regard to the financial problems. One of those alternatives which was presented was a cut in the appropriation from the general fund to the universities and the colleges to be made up out of tuition. In other words, there would be no overall cut in what they spent or in what they had to spend, but that it would be made up from tuition instead of the others. Now this is an alternative for us to study in connection with the problem in context with all other things when they come in. That is the status of this as of now.

with some of the misinformation that has come
out, is the proposal that we had some idea of cutting
and unequivocably
professors salaries. I want to state here/that that has
never been a part of the proposal that has come to me
has
and/never been under consideration, the cutting of
salaries of people employed by the Universities and colleges.

Q Well, Governor, are you going to pull in
your horns and perhaps change your attitude toward any
reduction?

No, I've got a problem. I have a constitutional problem. We have a state, if it continues in its present policy, that is based on a budget that is \$400,000,000 greater than the expected revenues. I have to meet that problem and I hope that in the academic world they would probably be better able than some others to see the need for this and cooperate. There is no intention on the part of this administration to curtail the quality of

of education. We don't to do anything to hurt the great University system. But I think this state is in the same position of a family that has some ambitions and progress they would like to make and something unexpected has limited the income and they must for awhile hold some of their desires for progress in abeyance.

Q Governor, many University and academic people professors have objected to the uncertainty of recruiting of possible/

during the Christmas holidays, because of the uncertain financial position. How do you answer that, how about that?

A Well, I know that some of them were waiting, they didn't know how far to go. This is truer of the state colleges, not the university. The thing I would like to do in connection with this, and I have felt it for a long time, that the college system should, and I am going to ask the Legislature for this, the college system should be the same as the University with regard to a program type budget instead of a line budget. They should have the leeway within the funds that are appropriated to use their own judgment as to where to make changes and can meet problems, such as recruiting, with some elasticity. They don't have that now, and they should

Q Governor, the University of California master plan calls for a new site or campus in the San Francisco area or the north bay area. In view of what you have said, would you recommend they hold off for another year?

have it.

- A Now, we are talking in the area of the bond budgetary problem, issue that was passed. This has nothing to do with the / the general fund problem that we have to meet.
- Yesterday at the Regents' meeting, Chancellor Murphy of UCLA said because of the Smith proposal the would very student health service/have to be closed or/substantially reduced, that all night classes, extension, and medical centers would have to be cancelled. Is this the sort of economy you are going to favor?
- A Well, I don't think we are telling them to where they are going to have work more efficiently or

effect economies. We are only stating there is a problem that must be met by every agency, and as I said the other day, starting with my own office, if we are to put this state on a sound financial basis, that I would like to ask them what their answer to the problem of four hundred million dollars deficit would be.

Q Could we clarify this? You are saying that when your Finance Director goes before the Regents and proposes or suggests that there may be a tuition of say, four hundred dollars, that he is not speaking for you, that he is speaking on his own, that he has to convince you that tuition is needed, what is the situation there?

The situation is just that we have tried Δ as we promised we would, we have had two meetings here with representatives not only with the college system and university system, but with other departments, with our constitutional officers, regarding this problem and have presented to all of them the various proposals that we are considering for meeting this problem. We want to keep them informed. As a result, this meeting yesterday was asked by the Regents for this presentation to them of what was being done. You are asking me to say now on all of these proposals or propositions whether we are in complete, concrete agreement on them, I would have to that I don't think that would be wise say/that in general these are alternatives that we believe are practical and feasible. But when the whole package is in we certainly--that is why we are talking to them--to hear their views also--and we are not going before them--I think what I am trying to say -- is that we are not going before them and saying we have made a decision without consulting anyone else and this is the way it is going to be. are presenting what we believe are ways to meet these problems, but if somebody can throw something at us that reveals we are terribly wrong, we are certainly going to have an open mind about it.

Q It was reported at the Regents'
meeting yesterday that Gordon Smith proposes a 10% cutback
in the University of California budget along with tuition,

an institution of tuition of \$\$00. Who proposed that?

Is this a proposal from you, or a proposal from Gordon Smith on his own?

A That is a proposal that Gordon Smith has made to them and to me and I approved his presenting this to them.

- Q You approved?
- Q Just so I understand the tuition and possible budget cut situation. The alternative that you are suggesting is a cut in the University budget only equivalent to the amount that the tuition would raise? You are not proposing any further cuts?
- A It is my understanding that the proposed tuition would not only meet this difference of income from the general fund, but also would provide roughly 50% of that money being used for scholarships. Let me make this plain also. People seem so concerned that vast numbers of young people won't be able to go to the University if they have to pay tuition. Let me make it plain that we have stated from the start that 50% of this money would be used for scholarship funds for those who have true need and are deserving of scholarships.
- Governor, people are saying that you advocate a 10% cutback in the University. Is that not true at all, or do you favor any reduction in University spending?
- A No, now unless I am misinformed in the figures, this balances out with the tuition matching the proposed cut from the general fund.
- Q Governor Reagan, Theodore Meyer today
 has applinted a three man committee to study the proposals
 you have made. Have you talked to Mr. Meyer about
 these appointments, do you know who these men are?
- A No, I don't. All I know is what was reported to me last night that the committee will be having an appointment with me to discuss this.
 - Q I read in one of the morning papers that one of the suggestions of Mr. Smith was that twenty-two million be taken from the contingency fund at the University

and shifted over to help general support. I am wondering if that isn't something like "gimmick" financing?

A Well, now, you have one that I don't know about. I haven't been able to meet with Mr. Smith since the meeting to get all the details. I am just going on the basis of what was proposed to me the other day.

Q Governor, you describe the tuition proposal as an alternative. What are the other alternatives that you have?

A Well, the other alternatives might have to be if we cannot meet the deficit with the economies alone, and being realistic that we can make this big a bite, that we are going to have to seek revenue in other directions. Other directions would mean taxes.

Q Is there any thought being given to the possibility of this enforced greater enrollment in the junior colleges making more pressure on the local taxpayers?

Well, this I know has been held up too, the greater use of the junior colleges. Let me point out a great many states have tutition, a great many have tuition that is higher than that we have proposed, and so far I can't see it has made, I can't say we have made an exhaustive survey, but so far there is little indication that there has been any slow down of the growth of the universities in those other states by reason of the tuition if there has been such a burden imposed. Frankly, I am sorry that the subject of tuition has to come up in context of a discussion of financial need. I would like to have seen the subject of tuition come up simply on the basis of a good thing for the young people who are going to the University and I will tell you right now that it is my own personal view that there is no such thing as "free education." There is costly education, and the question is how do you share the cost and who pays the cost, and at no time has this proposed tuition come close to that what it is costing us to educate the young people. I believe if provisions are made for scholarships for those that truly deserve them

and if provision is made for deferrment in hardship cases of the paying of this after graduation, I think there is nothing wrong with the young people beginning to have a responsibility with regard to at least a portion of this cost. We have some figures that indicate the cost of educating a student in our system here can be as much as \$3,000 a year. Four hundred dollars tuition, and let this me say incidentally that while we propose/only for consideration at this time, we are not wedded to those figures, either.

Is that somewhat of a reference then that you feel if people do pay a tuition that they would be more apt to go to school to study and not play?

I think someone is going to have to give some consideration to how badly he wants to go to school. I think that could serve a purpose, but at the same time I think this is the area of discussion, I think it is one that educators should be turning their attention to, as to whether this is a bad thing per se for young people or a good thing and should be discussed and dealt with we are from the standpoint of the good of the young people/trying to educate.

EQUIRE BEHRENS: When you get into the figure of \$400, how much more is that than the fees they now pay?

I have seen varying figures, perhaps some-body here could correct me. I know they are higher at the University than at the colleges, I think a couple of hundred dollars or something of this kind at the University, or \$275 a year that they are already paying in fees.

LYN NOFZIGER: U.C., Berkeley, no tuition, \$110 incidental fees per semester.

GOVERNOR: Well, that's \$220.00 at the University.

Governor, how do you explain the discrepancy between your figures and those of President Kerr who says it costs \$1500 per student?

A Perhaps he is approaching that by leaving out some things that he really believes should not properly be applied. I have had no chance yet to sit

down with Gordon Smith, as I told you before, I just had a few words with him on the phone following the meeting and he told me that there were some figures presented which he believed could be refuted as a result of the studies that have been made by the Finance Department and so far he believes that his figures are more accurate. But I haven't had a chance to see it, or to see what he has based his on, or what Dr. Werr has based his on.

Ω If you have made a cut in your own office a and are asking/10% cut at the University, are you going to ask the same from all departments of the state?

Well, here again we are not in concrete on this. You have to start somewhere and if you start roughly aiming at the deficit that has to be met with about 10% you know there must be departments that can afford more and that there must be departments by the same logic that could afford less. I think we have to keep from being cemented in, but you have to start with some place as a figuring point. This is what we have done with this figure.

Q Governor, what was Mr. Krabach invited to California for? What is he doing here today?

A Hr. Krabach has come out here at my request of Governor Jim Rhodes of Ohio, because they had similar similar to this experiences, they faced the problem/- not quite the magnitude of ours - and Ohio has done a very fine job of reorganizing the state government, of instituting some modern business practices that have been very beneficial and I asked Jim Rhodes to send some people, or we would go back there, and he very kindly said that he would make them available to come here. We would like to talk to them, we would like to explore and find out what their problems were and we would like to find out how they made it work.

Q Governor, President Kerr has said that the U.C. budget should be increased by 15%. Would you rule that out entirely?

Yes, I think it would be wonderful if we could increase everything, but we don't have a rich uncle.

Q Then, Governor, you are ruling out any extension of the enrollment in our University and state college systems for next year, or they are going to have to hold the enrollment where it is now.

A No, I don't believe we are ruling that out and again--

Q Well, how can you reconcile those two budget cuts?

A We are not cutting the budget.

Q Not cutting the budget?

A No, we are seeking the money from another area. It is my belief that there isn't anything, including the best run business in the United States, that can't for a limited period when necessary find there are greater efficiencies can be made.

When you are talking of asking the agencies roughly, to hold the line by cutting the budgets by 10%,/are you cuts below talking about/the present budget or cuts to be projected by figuring for inflation and population increase?

A Now here, again, you have got me before we have been able to have the meeting on this as to whether, and maybe Gordon Smith will correct me on this - I wish he were here - but it is my belief that there is some provision left in here for cost of living increase and for the growth increase, but I can't swear to that.

Q Governor, on the bond moneys for university buildings, I understand those moneys have been frozen now by your administration.

A Not to my knowledge. I read that too/and

I was quite surprised. To my knowledge there has been

no discussion of that at all. I don't know how hardly

was

this can be done. First of all, it/just passed in

November, the bond issue, and we have no discretion over

this; this is a completely separate and different thing.

This was for capital construction, building construction,

and I know of no freeze that has been put on this at all.

Q Governor, during the campaign you discussed tuition and you said you favored some kind of tax credit

for people sending their children to school. Are you going to pursue that?

A Yes, I am. But remember that this is not something that we can do statewide. This is at the federal level.

Q How are you going to do it?

Well, you will remember Senator Murphy was the last session in Washington a co-author of a bill/advocating a tax credit for this particular expense and the Senator hasn't given up on that idea and I told him that this time around there would be at least one state administration I knew of that would do everything we could to lobby and try to get Legislators of both parties to support this in Washington.

O Do you hope Clark Kerr continues in office as President of U.C.?

A Well, I think this is a proper discussion after I have been to a Regents' meeting as a member of the Board of Regents.

Q Governor, Assembly Bill 7 permits students to pay their tuition after they have graduated. How do your proposals differ from this, or be superior to this?

We haven't gotten into this detail. I don't know-as I think I understand it, the present bill allows just everyone automatically to defer this.

I'm not sure yet, and I think this would be a thing for the Regents, for educators and for the administration of the University to get into, as to whether there might not be a modification of this to make this similar to scholarships. There would be certain cases where there would be no reason for deferrment and others where they would ask for this right and then on the merits of the case be given the right to deferrment. I did that in my own college days myself; it wasn't automatic, you had to explain why you needed it.

Q Would you favor a personal income tax credit in the state income tax for parents whose children are in college?

A No, I wouldn't. I don't think at the state state income tax level our/is such that that would be very meaningful.

The only place where it could count or make a dent would be at the federal level.

- Q Governor Reagan, why have you hesitated at this time to give Clark Kerr a vote of confidence?
- A Because I have never been a Regent.

 And for the same reason that I propose looking into what has been going on at the University. I don't know enough about what has been going on, who is responsible for
- Q Governor, do you still intend to appoint the former head of the Central Intelligence Agency-

what has been happening there, until I am a Regent.

- A I have not retreated from that. Now,/I have said for several weeks, this is not a number one priority time wise with the other problems that are facing us.
- Q Can you give us some idea as to when that will be done within a year, a month, or four years?
- A No, I can't. I honestly can't. We still have this need for it, I still want to do it, but we have a hurdle before us that has to be gotten over constitutionally with the single main project of the budget right now.
- Q Governor, when do you plan to talk to Dr. Kerr?
- A It is my understanding that Dr. Kerr and this committee of Regents are seeking an appointment, probably for the coming week.
- Q Governor, do you know what day?
- A No, I don't.
- O Do you rule out the Ohio answer to this problem, the recommended large scale reduction of state employees' jobs?
- Well, let me say this first of all. I don't see any large scale firing. I have always said that if government economies result in a smaller sized government the logical way by attrition is simply not to replace those that logically leave. Ohio's problem was different from outs; let me tell you what it was. In this instance, Ohio discovered, Jim Rhodes discovered, in the last few weeks

before he took office there had been a great surge of hiring and several thousand employees had been added to the payroll in those last weeks and they simply went through them. There is a period in civil service, I think a 90 day period, where you can change your mind and drop them from the rolls without the usual protection that applies. He simply went through and dropped those employees who had been taken on by that lame duck administration in those few weeks preceding the inauguration.

SQUIRE BEHRENS: Governor, before we go into any other questions about the society, can we find out if there are any more questions about the University of California?

A Yes.

The question of alternative plans came up a few minutes ago. I want to get your opinion as to whether a report is accurate that one of these plans calls for a net legislative appropriation of about \$196 million based on a 10% reduction, \$32 million in tuition, and removal of \$22 million of Regents' special funds. Is this one of your basic concepts, one of your basic plans?

A No, I have not heard this version before.

Now, whether this is something that has come up for consideration in the financial picture, I don't know, I haven't heard that one before.

Q Governor, you said there would be no cutting of the professors' salaries. If there is no raise for the professors, wouldn't this amount to a cut in the light of the cost of living?

A Actually, I don't think you can blanket wise say that, because there are indications based on comparative salaries in independent universities and colleges, that the University of California is in a very favorable competitive position.

O Do you know where we rank, Governor, nationally among colleges and universities in salaries?

A No, I don't have that. Not here.

I know this is repetitious, but I wonder if we could make a blanket statement. Do you plan to make no cuts in the U.C. budget, you merely plan to use tuition fees to offset something—how did you express it?

A It was my understanding that this particular proposal envisioned a holding the line with the cut coming in the general fund, but being replaced by imposition of tuition.

O There would be no overall increase then say in the new fiscal year as compared to the current fiscal year?

A Here, again, as I told you a moment ago until I talk to Gordon, it is my understanding that there is a certain leeway for growth and cost of living.

Q A small increase then?

A Yes.

Q But no pay raise involved there?

A There again I don't believe this makes provision other than this. Remember at the University level they do have within their budget the elasticity, the right to cut more in one place and use the money someplace else. They have that power within the budget. This the state colleges don't have. I would like to see that changed and given them, so that if they have a certain amount of money to spend the state college system will be able to decide they can get along better without something if here and/wanted to use it for increases or sabbatical5 or something like that they should have that right.

Q If the establishment of tuition is one alternate, is the possibility of increased taxes another? Do you have any other alternatives?

A Well, we haven't been able to get all the way around yet. So I can't go into detail, now about what some of the others might feel about some of the departments, other agencies, but they

are all basically along the idea that roughly we have got to effect this reduction in cost of government and then we are almost certain to have to explore taxes.

Q But, in the area of schools, the establishment of tuition is the only thing really under discussion?

A Yes, that's right.

Q Governor, how do you feel about being hung in effigy at Fresno State?

A I didn't know I would be so successful so soon. Jim Rhodes of Ohio told me that Whey had run out of rope in the hardware stores at the end of the first six months. I sent him that clipping yesterday. I told him that I just wanted him to know that one of the freshmen is already on the way to becoming a veteran. I thought it was rather interesting that I didn't get hung in Berkeley.

O Speaking of Berkeley, Governor, there is a proposal being put forth before the academic senate today giving students wider control over their own affairs and in particular over holding rallies at noontime in Sproul plaza. Do you object to thinking like that?

A I haven't seen it. Let me just say that I at an a believer that the college and the university, as I said the other day, I think that the Regents and the administration have a right to set down reasonable rules, and I think that the students have a right to present proposals on things that they believe would improve the overall academic atmosphere, which I think that the administration should consider those, but I don't think that the administration should be bound in any way on the basis of the apparently negotiated statements. The responsibility for administrators and with the Board of Regents and that is where it should stay. I don't think we should

let the audience run the show.

Q Governor, have you made any decision yet on eliminating these agency positions, or are you; going to hold off to see how your reorganization program goes?

A Well, this is a part of the reorganization program and this of course is going to require legislative approval. We have a task force working on this and we are certainly not going to keep anyone in the dark on that in the legislature, we are going to tell them what is contemplated. Luckily right now we are talking about a reorganization plan that goes from 8 to 3.

O Governor, you are apparently asking the Legislature for pornorgraphy laws? What are you actually asking for, the strengthening of the current laws or new laws?

A Well, I haven't had a chance to see what has been presented. There was a pretty good bill that Bob Finch was talking about in the campaign that had been proposed by a group of lawyers, the idea being to protect freedom of speech and press and at the same time use some commonsense with regard to those protecting/underage.

Now the philosophy I think should be behind it is what has been pretty successful in a local scene in San Diego. Their approach to it has been on the same basis and the same rights that we believe society has to protect young people up to a certain age from the rules regarding drinking, smoking, availability of tobacco products, etc., and we simply apply that commonsense formula to pornography. This is the form that I think such legislation should take.

Q Getting back to the University once more,
I have one more question. There is this trend indicated
by the student bodies to demand more in the way of
running the University. Is there any correlation
here in your thinking toward the free education concept

that perhaps/might be maturing experience to little students to help pay their own way to a/greater extent. Is this related in your mind to this seeming nationwide rebellion among students?

No, I don't think so. I know that those who are way over on the extreme fringe of this movement have patterned after the thing we have seen in some of the South American countries where the actually do students/set the teachers salaries, hire and fire the teachers, and decide the curriculum, etc., but I think the comparative picture of our own universities in this country and what has happened on those campuses makes one believe that our system is right, but I didn't tie it in with this idea of whether paying tuition or not.

Q What I am getting at, do you believe that paying tuition might help to straighten out the situation somewhat?

A Well, I think to the extent anything of this kind adds a little responsibility and maturing to anyone this should have a beneficial effect.

Q Think might help to get rid of the undesirables?

A It might affect those who are there really not to study but to agitate, it might make them think twice about paying a fee for the privilege of carrying a picket sign.

Q Based on the latest conversation with Mr. Smith, could you give us a figure that you have now in mind/as the deficit you will be facing in this budget?

As nearly as we can figure the coming year because of this problem given us by accrual, it comes roughly around \$475 million. Now, what we are going to have to try to do between now and June 30 - we estimated are not going to give in to the \$63 million/deficit for the present year without trying in these six months that are left to us to effect economies and see if we can't eliminate that \$63 million deficit. I don't think we should be

bound that because we are now on a deficit budget that we have to sit back helplessly now and just let it run its course.

As a method of gaining new revenues, is there any truth that you would strongly consider favoring the establishment of a state_lottery?

No, you are talking to someone who has always been opposed to a state lottery. Somehow think

I just don't it is worthy of a great state like ours.

We've got our problems and I think we can meet them and I don't see that a lottery could be the answer. I never have.

Now, this gentleman here.

Q Governor, during the campaign you mentioned the possible sale of state parks? I am wondering whether you are considering this now or whether-the state warrant idea, A No, no, don't even say the word out loud. Where this came out, and I was horrified, I would rather be hung in effigy than to hear that this was attributed to me. I said the first time that I reported after the election, after we nim had begun to dig in, here in Sacramento, as we first began to deal with the various agencies and for the first time had an estimate of the financial problem and/told by a certain date that the state might not be able to under the way it was running now, pay its bills, / we were told then that this was one of the things customarily or could be done to meet this, but as I said then I think it destroys the credit of the state. No, I will tell you now, we must get new revenues and make economies, we must meet it that way. With our situation the bonds our state is putting on the market because of our great water project, etc., I don't think this state can contemplate warrants.

Q Governor, Assemblyman, or rather Senator

Dymally feels your inauguration speech was aimed at
the Negroes and the Negro movement in the state.

let me see,

A If it was,/there was one reference to minorities. I said in there that while the program involving H. C. McClellan to find jobs,

productive jobs for the future in the private sector of the economy was aimed at all who had need of those jobs. It certainly would especially help those minority groups who have higher percentage of unemployment than others. It would offer special I don't think this was directed against hope to them. them. We recognize this as a fact. Second reference if he took/that way was to a specific that I hadd't mentioned and I said that there was some problems one of which was pending now before the U.S. Supreme Court. I think I can remember my exact words. think it would be improper to comment on that at this time because it is pending before the court and I said if the court decision warranted then we hope to have legislation that would be satisfactory to all the citizens of California. I don't think that I picked anyone out there.

Q Governor, what decisions have you made with respect to conservation and particularly the redwood park national/projects as proposed in Congress?

Α Well, this again goes back to the campaign You know that our State Legislature in 1963 had a resolution stating that any national park in that area should be made up of lands presently owned by the state and the federal government or by government agencies and should not be presently out of privately held lands, and they have now retreated from that. This is why I believe that a plan along the lines of Congressman Clauson's park plan is the answer to the problem. This is the creation of a national park for the right reason. I do not believe in that area that a naltional park is necessary/for conservation; it should be there because the scenic beauty warrants it, because it will add to the economy and diversify the economy, particularly that four counties area and this proposal of Congressman Clauson's as you know calls for an exchange of land between the state and the federal government to make up a park without

stepping on private lands.

- Governor, then you would cancel out Senator Kuchel's plan for his national parks?

 A I do not favor that plan. I do not even favor the Sierra Club plan which is even largest.
- Me have a \$46 million bond issue pending to build the San Diego-Coronado bridge. During the campaign it was suggested that as the people were against it that the new administration perhaps ought to take a look at it. There is a taxpayers' suit pending. Could this be justification in your mind to take a look at it?
- A Well, again that is something before the court. I don't think I should comment on that now.

 I made the observation that I had difficulty of finding those who were in favor of the bridge and I am a little surprised that the people of San Diego, to my knowledge, have not been allowed to express themselves whether they wanted this ex not. I can say we are watching the suit, I don't know what the status will be of

SQUIRE BEHRENS: Governor, there is a question over here.

that particular project.

Q The American Civil Liberties Union has said that it is going to ask you to stop the executions of the 58 men on death row to avoid a "blood bath". What will be your general policy with respect to those people now on death row?

with respect to those people now on death row?

A Well, I take it this was the note that was handed me. We had a telephone call that we were waiting for that didn't come in before I got up here. on condemned row

All of the persons/at San Quentin remain there due to stays of execution on appeals that are pending in various state and federal courts and there are no execution dates presently set nor any clemency requests now pending before the Governor, so I think at such time as further orders are made by the courts

which result in clemency requests being addressed to me, each case will be individually considered and we will try and make the decision. I don't think you can make a blanket decision; they must be treated just as if it were not this unusual situation of so many being there. But I am not going to speculate as to what the disposition of those cases will be. I will treat each one independently as it comes up.

SQUIRE BEHRENS: Any more questions, fellows?

Q Governor, have you had a chance to talk with the Legislators, especially Speaker Unruh for example, regarding your University plans. Have they contacted you?

A No, I have been talking to them on other kinda subjects. This all/blew up over the weekend so the I imagine/next few days we'll be at it.

SQUIRE BEHRENS: Thank you, Governor.

GOVERNOR: Thank you.

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PRESS CONFERENCE OF GOV. RONALD REAGAN.

1/17/67

Reported by:

Alex C. Kaempfer, C.S.R.

(This rough transcript of the Governor a 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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GOVERNOR REAGAN: Before we start with any questions, I have a statement I'd like to read, unfortunately longer than most press statements should be, but there were a few things I thought needed saying.

Q Governor, could we interrupt for one second, and ask you, has this been duplicated?

A Yes, you'll have copies of this plus an attachment.

MR. NOFZIGER: There will be copies of this. We're a little slow in getting the statement out. It's in the process of being mimeographed, and we'll try to get them here before the end of the press conference, and they'll be available to all of you.

Jan.

GOVERNOR REAGAN: It isn't that I write slow; it's because they can't read my writing.

In all the sound and fury of the budget discussion of recent days, this administration has been portrayed as an opponent of educational ideas engaged in total warfare against the academic community -- sole defender of cultural and intellectual progress. And I think it's time to put the entire picture in focus and reestablish a sensible and realistic perspective.

Students and parents of students have been unnecessarily disturbed and even frightened by the University's precipitate and unwarranted freeze on applications. This action, I might add, was taken by the University without consulting the Board of Regents. I have called this action

unwarranted and I believe it is completely so.

As plainly as we can we have told the citizens of this state the nature and size of our financial problem. We are trying through economies of roughly 10 percent to effect savings somewhat in excess of \$200 million, and we'll strive for more. But even so a part of the deficit will have to be made up from new revenues. At the same time we have to provide a margin for new, broader-based tax or taxes to relieve the overburdened property taxpayer, principally the home owner.

Every segment of government must share in the economies first, as every citizen must share in the increased taxes. Education and welfare total 80 percent or more of the general fund spending. There is no way we could exempt them from the belt-tightening that is necessary. If we did, we'd have to eliminate all the other government services to arrive at any meaningful reduction.

So there is the problem...we just simply have a shortage of dollars. It is hard to believe there is no leeway for cost cutting in the University program. Right at the moment I'm tempted to suggest a cut in the University's approximately \$700,000 a year public relations budget since it would seem a good share of it is being spent publicizing me.

But let me make it plain; I don't pretend the economies will be easy for any of us. Some will -- we will find unneeded fat that can be whittled away without scratching a single muscle fibre, but like any family faced with this problem, we will all have to give up some of the things we would like. Now, this is a temporary thing. If professors taken on an added work load, 'to or an increase in the ratio of students taught, this isn't a permanent change in policy. I share their hopes for continued progress in educational standards and achievement, but I ask them now to share in the burden with the rest of us until we can put our house in order. .

This brings me to the furor over our suggestion that among the several possibilities for minimizing the effect

of budget coms is tuition.

This suggestion resulted in the almost hysterical charge that this would deny educational opportunities to those of the most moderate means. This is obviously untrue for two reasons:

First, we made it plain that tuition must be accompanied by adequate loans to be paid back after graduation and that scholarships should be available to provide that no deserving students be denied educations due to lack of funds.

More important is the false impression given that enrollment in the University is now in some way determined on the basis of ability to pay. This is not true. Eligibility for the University actually is limited to those in the top 12 percent scholastically.

On this principle 88 percent of the high school graduates cannot go to the University regardless of their finances or their desires.

Now, let me read from the text of a letter sent to one of our newspapers by three economics professors at UCLA: And this letter incidentally will be attached to the statement: It is as follows:

"At present, every student, regardless of whether he or his parents are rich or poor, is given a subsidized scholarship of about \$2,000 a year (actually, our figures show it is about \$3,000). The wealthy benefit from this bonanza at the expense of the poor. Seventy-two percent of the 18-year-olds from families with income over \$14,000 are in colleges but only 12 percent from families with less than \$2,000 annual income. Yet, the taxes for financing the bonanza bear more heavily on the poor than on the rich."

This is a quote from that letter -- end quote. And, as I say, the full text is available.

So let me just summarize:

The problem, briefly, is finances. We face a major deficit and we must find a way to eliminate it.

The answer lies with all of us. There are no

exceptions.

I believe the educational sector of our government can and must help in this. Indeed, it has a responsibility to help.

As far as this administration is concerned, we do not intend to continue carrying on this discussion as some sort of a contest in the press.

We now look forward to meeting with the Regents, the Trustees and the administrators in an atmosphere of mutual respect, good will, and understanding to find the best answers for all the people of California.

And that's the end of the statement.

I believe at the start you said it was the UC's student limitation that was precipitous and not warranted.

Does that also apply to state colleges?

A I think the state colleges have a somewhat different problem. The state colleges were faced with an actual budget figure, which made them present some alternatives.

Now, it is my belief that in presenting these alternatives they presented them as versus student load and all the rest. I still think that it was precipitous, yes, I would have to answer that question. I think it was precipitous of all of them to have made this decision this quickly.

Governor, are you saying that this criticism of your tuition plan is an organized effort by the administration of the University?

No. I just say that the administration of the University, the ones who made this an issue out in the public, when we thought it was properly still in the atmosphere of meeting, and when I met with you last in this room it was followed with a meeting of the delegation of the Regents and the administration, and it was agreed, as I told you, that we were now going to continue to meet in that kind of meeting to solve the problems and arrive at a solution. And it was immediately following that meeting that the administration of the University, without consulting the Regents, put the freeze which seems to have caused the greatest distress

among the students and the families of the students.

Dr. Clark Kerr is the man who put the freeze on enrollments. Does this make you wonder about his fitness to run that University?

A Well, I think that's a question for the Board of Regents also.

- Q Well, as a member of the Board of Regents, are you going to bring up this action by the administration at the next board meeting -- is that this week?
- A Actually, I don't know what's on the agenda, what the chairman has put on the agenda for this Board of Regents' meeting. Undoubtedly this will be discussed, this subject, whether formally as on the agenda or informally, but I certainly will participate in such a discussion.
- Q Will you try to bring it up, though, if it's not on the agenda?
- A Well, I'll have to play that by ear.
- Q Governor, since you feel that the public relations department of the University is spending a lot of time publicizing you, do you believe they're doing so at the instruction of their superiors?
- A Well, I put that in there for a kind of a light touch because I do seem to be getting a lot of attention. I realize that a large proportion of that <u>budget</u> is probably spent lobbying for federal funds in regard to the many research programs from Washington.

But still for a University that doesn't have any empty seats, seven hundred thousand dollars is a considerable public relations fund.

O The chairman of the Galifornia State College
Board of Trustees has asked for a year's moratorium in going
ahead with budget cuts and planned tuition. He says that
if you do go ahead now, it's going to cause an inestimable
disruption to the program. Do you agree with this?

A No, I don't. I don't agree at all. And I think that they're ignoring one problem. It's all well and good to talk about solving the problem two or three years from now, but unfortunately the bills are coming in, and the problem

that we have atewide must be solved now And I believe -as I say -- there is nothing that's easy. There isn't any
way that we can do this without changing some things that
are going on. But I think if all of us with common sense
recognize we are in a temporary lean period, if I was
suggesting to you the complete alternative of threatening
disruption rather than ask the people for more revenue, but
the problem is so big that we can/t do it that way. The
problem is so big that we're going to have to do both,
revenue and economies.

And with that in mind, I don't see why anyone should object to a common sense approach of getting us back on our feet as quickly as possible so that we can continue with the progress we all want to make.

Governor, you say that your condern is that no lowering of quality of education occurs but you talk at the same time about an increase in the workload. In other words, am I to assume you mean class size or the number of hours taught? How can you do this without lowering somewhat the quality of education?

A Well, the goal, of course, is an ideal class size and an ideal workload for each professor. But is there any one of us who hasn't known certain times in his life when he knew it was a temporary period when he's had to put on an extra effort and do a little overtime work?

And we must face it, that in all the economies that must be affected, this is a possibility, a probability, but I would think that with these professors who have contributed and shared in at the same time the greatness of this system of which we're all so proud, that they themselves would be anxious to help and contribute as much as they can, knowing that that great system can not continue if this state continues its financial problems and doesn't get out of the mass that it's in.

Governor, there are now at Berkeley classes of five and six hundred where students watch what their professor is doing on a closed circuit television screen because they're so far away. Can you increase this sort of thing very much

without lowering the quality of instruction? Well, now, I think you've touched on one of the very kinds of classes that probably would not be changed in the future or anything else. This is a type of class that is held at the University; not only this one, but universities all over. And I'd like to ask you, do you suppose that five hundred kids sitting in a room looking at a television screen are going to suffer if there are six hundred kids sitting in the same room looking at the screen? I don't think they are. I'm asking what you have in mind? I think what we're talking about is the ratio of students to teachers on the campus, and I don't have that figure available right now. But this would be the figure to check on: how many students are there in comparison to professors and instructors? Governor, then can we now -- this is sortof a double-barreled question -- can we now assume that you are going to ask, number one, the Legislature to impose a tuition at the state colleges; and number two, that you will suggest strongly to the Regents that they impose a tuition at the University of California, that you made your mind up on that for sure? Well, I think the first question lies with the University system. You obviously can not ask the Legislature to impose tuition at the college level if you don't have it at the University system. So, therefore, the first problem deals with the Regents, and I as a regent am going to express

myself as favoring the imposition of tuition.

And if they don't go along, then you won't ask the University or the Legislature?

Then we'll meet that problem when it comes along. A

Are you going to specify or suggest any sum of tuition yourself?

No, no. And the sum that's been bandied about Α was just thrown out in suggestion and in a private meeting with the administrators as a starting point for discussion.

Are you going to ask or are you going to suggest 0

tuition at this next Regents! meeting?

- Well, again, I'm somewhat bound as a regent by what is on the agenda, although there are meetings that are informal with the Regents and so on, and at those informal meetings, I'm quite sure, if it's on the agenda, it will be discussed.
- Governor, you described the freeze on applications as unwarranted. Don't you think this is just a normal precautionary step that the University might take, not knowing exactly how much money they'll be receiving next year?
- A Well, let me say it was somewhat contrary to the spirit of the last meeting that we had, and I do think it was precipitous.
- Q Governor, last week you said that you and the Regents and the administration were making headway because you were talking to each other instead of about each other.

In view of the tenor of your statement today, would you say that situation still exists?

A Well, if you'll look at the closing line of my statement here, it is that I hope that this is the last time and certainly -- well, it is my hope that this is the last time that I will be making a public utterance of this kind. But it was brought about by what has taken place since.

There didn't seem to be much of a change in the atmosphere publicity-wise following that last meeting when it was the consensus of the meeting there -- I used that word -- that we would henceforth settle our problems between ourselves.

- Governor, when and where is your next meeting with anybody representing the University?
- A Well, with the Regents' meeting coming up, that's our next meeting,
- Governor, do you think that the University teachers should have a workload as great as the state colleges. I understand that the University has an average of eight units a week compared to twelve in the state colleges. Do you

think it show_ be greater in the Univers_cy? I would like to see the college brought up to the same status. The main difference we're talking about is that the college teaches the area of liberal arts and the University offers a series of colleges; but, yes, I share the aspiration of the administrators/the faculty at the college level that our college system be brought up to the same quality, the same level, as the University system. And I hope that that can be done. But none of these things can be done until we get out of the hole. Governor, last week at your press conference you O. indicated that there would be no cutback in the University appropriation. Then shortly after that you announced that there would be a cutback. Could you clarify your position on why there suddenly was a cutback? Was it still being decided last Tuesday? Yeah, I goofed. It's as simple as that. Actually, I hadn't added up the figures roughly we were talking about with the use of tuition and some other devices, maintaining the University spending at roughly the same level as the present year's spending. And it is true that there were a few million dollars difference when I added up the figures and I just didn't add good, and that was all. There was no change in policy or conflict at all. Governor, with reference to Dr. Kerr, you said 0 you participated in discussions when the subject of this move came up. Did you support or advocate the removal of Dr. Kerr? I'd rather keep that with the Board of Regents. Α Governor, when you spoke of a consensus between you and the Regents and the other participants in the meeting last week, and then in view of the action by President Kerr, is it your feeling that he broke faith with everybody who participated in the meeting? Well, let me just say that it was not an action that I believe was in the spirt which the meeting ended, and you'll have to get the direct answer to that from him. Q Governor, there's been a lot of talk about a mass -9exodus of pro. ssors, teaching instructor and what-not if the reductions go through. Do you say "good riddance" to those who won't, as you put it, share the burden of the increased workload?

A No. But I'll tell you, I would regret very much such an exodus because I think they're aware what a fine educational institution this is, what a great system this is.

I think they've invested, those who have been here any length of time, a great deal of themselves in helping it become that great, and actually all any of us are asking is that they share with us now in trying to get back on our feet so that we can continue to make progress. And I would hate to see them abandon ship for what at best or worst is going to be only a temporary period before I'm sure we can be on our way continuing in this progress.

Q Governor, you said "temporary" a couple or three times. Do you have an estimate of what length of time you mean by "temporary"?

- A Until we start using blue ink instead of red ink.
- Q Governor, you had some Senators down this morning, I understand. Did you talk about this problem with them at that time?
- A Well, actually I just introduced it, and I let
 Phil Battaglia brief them. It's nothing more than to bring
 them up-to-date on what has taken place. I told them of the
 general nature of the statement that I've just made. But
 I just introduced the subject, because I had a few chores
 that piled up at my desk because of my absence.
- Governor, is there any intention to give a blanket amount to the University and state colleges and let them cut it up as they see fit?
- Well, with Dr. Dumke, this is what I told him, I would cooperate to the fullest. It is my belief, and I would hope that the Legislature would go along, -- I believe that the college system should have the same general program type of budgeting that the University has. I think they should have the leeway within that budget to affect the economies and determine where it is wiser to cut and wiser

University has that type of budget: the college system is guided by a line-item budget, and this gives them no leeway, to say, well, at the moment in recruiting we can save here temporarily and use the money to recruit this professor or that or to make sabbatical leaves available. I think they should have that right.

I've told this story -- I won't name the college -- one of but I was told by some administrators of/the state colleges -- and this incident shows what can happen to the line item -- when they put in at the laboratory for some motion picture cameras and expensive lenses for specialized photography and scientific works, and someone line-itemed out and vetoed the cameras and left in the lenses, and the college now has shelves full of expensive lenses but they don't have any cameras. And I just don't think that this is a good way of spending the people's money.

- Q Have you discussed that plan with the Regents? have a amount
 That they just/blanket/ sum of money and then divide it up?
- A Well, the University system does have something of this leeway. They have the ability to move around, to maneuver.
- Both President Clark Kerr and Dr. Dumke have placed a feeeze on the enrollment next year in both the University of California campuses and the state colleges. Despite the fact that California faces a very dire fiscal problem do you think that imposing the enrollment is what you intended originally when you made that statement?
- A No. As I say, I think the action was precipitous, and even at the lowest figure. And, incidentally, this goes back to the question of whether there was a reduction over the present year's spending or not.

Remember, we're talking about a maximum of savings as against when you sit down to discuss finding some areas in which it is not a wise saving. So that you literally can arrive at what is a figure that everyone can live with and will still help us meet the problem.

But even at the lowest figure they know at the college and University level what they're going to be able to take in the way of ex-number of students. And I would think that they would be able to continue processing applications at least up to that point.

- O Then you disagree with their actions?
- A I disagree very much, yes.
- Q Governor, how much of an increase, or would you allow any increase at all in the college budget to take care of increased enrollment and higher costs?
- Well, under the circumstances, we're hopeful that the economies can be affected that will make it possible to have an increase in the student body. But budget-wise we have to face the reality of there just aren't the dollars.
- Q Governor, if the Legislature passes that augmented budget, which would cancel out the 10 percent reduction in the University and the stage college budget, what would your reaction be? Would you be inclined to blue-pencil those increases out then?
- A Well, let me meet that one when we get to it, and when we look at the whole financial picture, because remember, when that comes back to me, it's going to come back with the views on the whole budget.
- Governor, you frequently describe this tuition plan as a suggestion or an alternative means of financing, but aren't you really saying that you have only two alternatives, either tuition or a general statewide tax increase? Do you have any other alternative financing plan for the Universities other than tuition?
- A The tuition that's proposed and another item of spending also was proposed as a way to permit a cut in the budget. But to offer them a plan whereby they could ease somewhat the effect of that cut, absorb some of that cut, by finding some other source of revenue.
- Now, some of the propaganda that has been disseminated appears to me to be aimed at procuring and guilty of anti-intellectualism. Do you see in there and sense in there a partisan inspiration somewhat?

A Wel, I don't know, Carl, whet, if you mean politically partisan?

Q That's what I mean.

No, no, I don't think so. Frankly, I suspect that sometimes when you start cutting budgets, and those who are being cut, and I anticipate objections from every area where there's going to be a cut. Sometimes I think there's a feeling if they make enough noise, that after the noise has died down, that they won't have to cut. If they're laboring under that delusion in this particular controversy, they might as well get back to meeting with us now because I don't think that's going to be the answer.

Former Governor Brown says he's sick over the idea of charging tuition. Can you give him any prescription to restore him to good health?

A No, but I could suggest that this particular ill health is a little late.

Q Self-incurred?

A He could have had some qualms and queasy feelings about the financial picture earlier than now.

Governor, you said the University tuition question should come first. If the Regents refuse to impose tuition, what are you going to ask the Legislature to do about the stage colleges?

A Well, that's been asked once, and I have to say that that's -- we'll tackle that problem if we have to meet it, but I'd rather not say anything now.

Governor, Assembly Speaker Jesse Unruh says you've been boxed in on your tuition plan, mainly because you didn't consult with the legislators before you made your comments on it and propositions on it. Do you feel boxed in at all?

A No.

O Did you consult with the legislators?

A Yes, we had legislative representatives present at the meeting with the administrations of both the college and University system.

Q Governor, getting back to this freeze for a moment,

which you say was precipitated on the part of the University, and were the University and state colleges not freeze tuition and you had admissions and you'd go ahead and process applications in a normal way, can you guarantee that come next fall or some time in between, when you're asked a little late to enroll at another college, that no student who had been accepted at the time couldn't go there because there wasn't enough money to admit all the students who had been processed?

No, I don't think there was any danger if, to go back to what I answered before, we agree that even at the lowest possible figure, if they had to consider that they might not in any way be able to find a financial answer over and above a certain figure, they could then compute how many students minimum they could take and they could continue processing up to that minimum figure, then would be the time to consider a halt and say, "beyond this point, until we find an answer, we can't take any more."

- Q Governor, can I move on to another subject?
- Q I've got another question.
- If your entire program goes through as you projected for the state colleges and the Universities, will it provide that any eligible student will still be admitted even though he needs part or all of his tuition provided by a scholarship or loan?
- A This has always been a part of it. I don't believe that a state university system can possibly exist without making sure that in the scholastic range you agreed to take provisions by way of loans and scholarships will be available for the truly deserving student who without that help could not go to school.

I happen to have been in that position myself. The only place where I lacked a condition in addition to money was maybe I wasn't as deserving as I should have been. But I had that kind of help: loans, deferred tuitions and scholarships to complete my education. And I know that it's a common practice in the independent colleges and universities in the country and in the state schools, and this seems to be

the part that _s lost so often in this di _ussion of tuition, that I have never mentioned tuition as a possibility without also stating that this must accompany it. You must have that kind of a program.

Governor, records in the Secretary of State's office indicate that William Simons was appointed to the Public Utilities Commission yesterday. Is that true?

A Well, now, we've had a discussion. I don't know whether it is an announcement.

MR. NOFZIGER: If it's in his office, it's true.

A I don't know the route, after I once say "okay"
on the piece of paper -- I've been sick.

Governor, on the subject of appointments, are you going to maintain the appointment of Fred Jennings on the Highway Commission before the Senate?

Let's see, this one hasn't -- yes, I'm just trying to remember -- no, well, now, wait a minute, when I say no, I'm saying -- I shouldn't have prefaced with that word, because that sounds like an answer to your question. We haven't gotten to that yet.

Governor, when do you expect to get to that?

A Well, we have meetings scheduled three times a week on this basis of appointments right now. And I let the appointments secretary bring in what are in line next.

I haven't chosen which ones we're trying to solve first.

- Governor, do you plan to sell souvenirs to people on tour through your office and, if so, what kind of sourvenirs?
- A What prompted that question?
- Q Was it discussed possibly in Los Angeles last week?
- No -- oh, I made a joke. I made a joke. We had quite a gang in our office the other day, and they involved several things, including some phone people and some lighting experts and everything, and I suggested setting up a stand and selling souvenirs, and we might get ourselves out of a budget problem. But I don't think it will work that way.

Gov. nor, we couldn't hear Bill J question to which you replied yes. We got the answer but we didn't get the question. There was an appointment made yesterday?

A Mr. Simons, former Senator Simons to the Utilities Commission.

When did that come about?

A Well, evidently it has just reached the Secretary of State's office now.

Q Governor, have you made any other appointments to the P.U.C.? Is that the only one?

GOVERNOR REAGAN: Lyn, how do you want to treat this problem?

MR. NOFZIGER: We seem to be doing some things at a little cross-purposes with our appointments secretary. We'll try to get that ironed out this afternoon.

Q Can you tell us whether the other vacancy on the P.U.C. has been filled as of today?

An appointment has been made -- hold on just a minute, let me confer. (Laughter.)

GOVERNOR REAGAN: All right, I don't want any more of that 10 percent difference here.

A Yes, Mr. Morrissey, Frank Morrissey.

Q Is that Frank Morrissey of U.C.?

A Yes.

Q What's his full name?

A Morrissey.

MR. NOFZIGER: Frank.

A Frank Morrissey.

Q What is he a professor of?

Q Frederick, isn't it?

A Is it Frederick?

Q Isn't it Frederick?

MR. NOFZIGER: Economic Professor; business administration.

Governor, do you consider Simons' appointment a political one?

A No, I don't consider any appointment I make a political assignment.

Governor, are you going to send a representative tomorrow to this meeting between President Kerr and the Chancellor of the University of California, this meeting that's going to be held before the Regents? Do you know anything about this?

A No, no, I am not, and I have no intention of being present.

Governor, there are two vacancies on the board of the 22nd Agricultural District, which is now trying to negotiate a lease for the Del Mar race track. Do you feel any urgency in filling those vacancies?

A Well, I'm sure there's an urgency, particularly where San Diego is concerned. I don't know what the status is right now.

Let me say that when we had a huddle here, that the difficulty lies in the same thing as last week of sometimes I don't want to be in a position of my having said okay to someone and then finding out for some reason the prospective appointee is not willing to accept the appointment.

And you fellows had me a little over the barrel last week when you told me that someone had printed that an appointment had been made, and I had not yet meard whether he had said yes or not. It was all right with me but I didn't know about him.

Carl?

Lt. Governor Finch last Saturday, talking to the county chairman voiced more strongly than he had ever before and expressed himself in favor of your heading a favorite son delegation in 168. Have you jelled a little more yet in favor of that or are you still leaning more toward the idea that some more can come in here or what?

A Well, Bob has always felt very strongly on this, as you know, and we discussed this once during the campaign in front of you gentlemen and ladies about the favorite son idea. I imagine that I'd have to say that I lean a little more toward it as the picture looks now, but I'm not wedded to it. I'm a believer normally as I've always said in the

open primary, at I lean to the possibili now that we might be serving the best interests of the state with a favorite son candidacy.

- Q Governor, have you decided to sell the Grizzly?
- I haven't gotten back the answer and all the information that I've asked for. I've asked for incormation on maintenance costs, average hours of use throughout the last few years, and comparative figures on charter and commercial to see whether it warrants keeping it.
- Q Will you name a commander of the State National Guard this week?
- I can't give you an answer to that, I don't know.

 SQUIRE BEHRENS: Any more questions, fellows?

 GOVERNOR REAGAN: Carl still has his hand up over here.
- Have you enunciated a policy, as far as your appointees are concerned, or will you do so in consecutive order, having to do with disclosure of holdings, not necessarily a public disclosure of holdings but a disclosure to you of their holdings so that you may exercise your judgment and setting out what the rules of the game are as far as you're concerned?
- A Well, between me and the appointees so far this has been a part of the policy. We have leaned over backward in making sure that any appointee check out very thoroughly wherever there might be any possibility of this, even checking so far with regard to Professor Morrissey as to whether the present hassle might in any way be embarrassing, for example, to him, even though certainly his appointment has nothing to do with the educational field.

Yes, we're leaning over backwards to make sure there isn't the slightest vestige of a conflict of interest that would in any way impair someone's duties and abilities.

- Governor, in your 10 percent request for cutbacks, are you going to ask the Legislature to cut their budget back 10 percent? (Laughter.)
- A Did Daniel go into the Lions' den willingly?

 SQUIRE BEHRENS: Thank you, Governor.

PRESS CONFERENCE OF GOVERNOR RONALD REAGAN JANUARY 24, 1967

Reported by:

Alex C. Kaempfer, C.S.R.

(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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GOVERNOR REAGAN: Good mmrning, ladies and gentlemen.

Incidentally, I'm very happy to welcome a group
in the back here who I assume are in the position of
observing, but they're journalism students from Stanford
University. And you're very welcome. Glad to have you
here.

I just have one brief statement before you have at it. I've asked the Attorney General's office, and they are presently engaged in searching out, trying to find whatever and all possible actions that the State can take in support of the farmers and the irrigation district in the Imperial Valley who are being sued by the Department of Interior with regard to this 160 acre limitation.

It is a violation, I consider, of a contract or at least an arrangement that the irrigation district has had with the Federal Government for more than 30 years, and which has been honored by five secretaries of interior until this one. And I feel it's the responsibility of the State to do whatever we can to help those California citizens there in the valley and not leaved them standing alone against the Federal Government.

Governor, would that apply to the Bakersfield and Kern County and Central Valley 160 acre problems as well?

A I think up there, what you're getting into there, is an area which I also support, that we should be reviewing the whole policy of that 1902, I think it's 1902, 160-acre

limitation law. But the difference is in the Imperial Valley. This irrigation district was formed before the Federal Government program, and they did have an arrangement that they were exempt from the 160-acre limitation. And now the Department of Interior has just said what has gone on in other administrations doesn't count, we're breaking the contract or the arrangement. And I think it's a different case.

- Does the State have a legal responsibility, you feel then, to these farmers?
- I think we have a moral responsibility. That's why I've asked them if there was a legal responsibility it would be very clear-cut. That's why I've asked, what action we can take. At the moment we're exploring at least becoming amicus curiae, friend of the court, in this case.
- Q Governor, have you any opinion as to why the Interior Department have after all these years decided to take this action?
- Do I have any opinion? Well, no more than it does seem to fit a pattern that there is a policy. It was expressed once by Robert Weaver, the urban affairs secretary, that the policy of the government is now seeking to regain controlof the use of the land. Whether this fits in with that or not, I don't know. But it does seem to me that there's more of a pattern there.
- Governor, can we go on to the University of California now?
- A Wait till I get my hat on and I'll go with you.
- Q Can we conclude this? Do you know how long that 160-acre limitation has been a law in the United States?
- A Yes. I may be wrong on this. I think it's a 1902 law. And it was originally started as the government was opening up public lands to prevent speculation on large land grants and to encourage small family farmers. It was to encourage people, particularly from the congested east to get out and homestead and take over the land.
- Q Is it enforced in other states as well as in California?

A Oh, yes, it's nationally enforced.

SQUIRE BEHRENS: Enough on that?

A All right.

Governor, some of the regents have been quoted as saying it will be easier to resist the tuition proposal now that Dr. Kerr has been dismissed. Do you believe that?

A Well, I've never thought that it was going to be easy to change a custom of long standing. I reiterate my position that I think it's a sound position. I don't think there's anything wrong with it.

If the State University was in the position of automatically taking and taking first those students of limited means as a responsibil ty of the State to educate those who could not afford to get an education elsewhere, they would be on stronger ground. But this is not true. The State University is out competing with the independent colleges and universities for students purely on a scholastic basis with no consideration given with regard to who is eligible on the basis of means or lack of means.

And I believe in offering this premium education that there's nothing wrong with assessing part of the cost of that education against those who are receiving the benefit provided,—and once again I find it's passing strange, that it's very difficult to ever get this "provided" added on — provided that adequate provision is made to see that no one eligible scholastically for the University is denied attendance because of a lack of funds. And I think there are a number of ways that this can be provided.

- Governor --
- One second. Squize, did you have your hand up?

 SQUIRE BEHRENS: No.
- Q Governor, haven't people who have been paying taxes while their children were growing up, haven't they in effect already paid this tuition?
- Well, what about the parents of the 88% who can never go to the University. The University is limited to the top $12\frac{1}{2}$ percent scholastic which means that 88 percent roughly or $88\frac{1}{2}$ percent who never go can't go.

Q Gov hor, Chancellor Murphy of JLA was quoted this morning as saying he would not be interested at all in being considered for the presidency because the University of California is now embroiled strictly in politics. Do you feel that it's too much in the political ring now?

I don't think it's in the political ring at all.

I voted as one of fourteen members voted one way on the
Board, as a member of the Board of Regents. But I would
call to your attention that the former governor in criticizing the action that was taken stated that two years ago
the Board of Regents voted to do this exact thing, and that
he personally intervened and overruled the Board of Regents
and prevented their taking that action. That I consider
political interference.

- Q Governor, do you feel that if you had intervened in behalf of Clark Kerr that he would not have been dismissed?
- A Oh, I doubt -- I doubt if I'm that persuasive, certainly, in my first meeting as a member of the Board of Regents.
- Have you talked about the possibility of removing Dr. Kerr in advance of the Board of Regents' meeting with any of the other Regents?
- A The Regents had come to me and told me that for some time past, ever since the first attempt, that they had believed that a majority of the Board felt that he should resign, and that they were considering asking him to resign. They did not know whether it was the same number of Regents that would vote to take any stronger action.

I told them what my own feeling was with regard to the possible need for a change but that I would not initiate such a procedure and certainly did not feel that in my first meeting as a Regent that this was something that was properly on the agenda.

- Q Governor, are you satisfied with the performance of Glenn Dumke?
- A Well, according to Gordon Smith, he's been very

cooperative in regard to the problems of both the college system and the budget in trying to find a solution, although he has -- let me make it plain lest anyone think he's a quisling or something -- let me make it plain that Glenn Dumke has fought very hard and consistently for the position of the colleges, even though he has kindly said on a number of occasions publicly that he recognizes the great problem we have financially at the State level. When you say he fought for the colleges, that means then he resisted or is intending to resist the budget cuts? He's made no secret of that, yes. He's going to try for all the traffic will bear. Governor, you said in your conversation with the Regents that you told them your views on the need for a change relating to Dr. Kerr. Would you outline briefly what you told the Regents? No secret about this. I believe that the people of this State had lost confidence in the universities and I believe that the long embroilment -- it just happens that sometimes people involved in that kind of controversy have outlived their usefulness, whether rightly or wrongly, and I just call to your attention that I so voted. Governor, in view of Mr. Dumke's position, would you favor any move to depose him as a chancellor, as head of the state college system? I would not. Governor, at your press conference at the Los Angeles airport on Friday, you said that Dr. Kerr had asked for his status to be resolved at that meeting? That's right. Α He denies that. You also said at that press conference, sir, that you had had no discussion with any members of the Board of Regents. The President of the Board of Regents, Mr. Meyer, says that you did have a discussion with him but it was a confidential discussion. Governor, do you stand by your statements at the L.A. press conference on Friday? I don't recall at the L.A. press conference saying Α -5I had never had any such discussion. I said that this came up as a complete surprise at this meeting. No one had any intention of bringing this up, no one of the Board of Regents, of bringing this up at all at this time or at that meeting.

No, I didn't say that. And then I have since stated here that the Regents did call on me and told me that on a number of occasions he had been asked to resign and what their feeling was about the sentiment of the Board.

Now, Dr. Kerr, it is true, has denied that he precipitated this. But I call your attention to a statement that was carried by the press this morning, by the Chairman of the Board of Regents, who I believe stated chronologically the sequence of events, and states flatly that Dr. Kerr did call the Chairman and Regent Chandler into a meeting before the Friday morning meeting and told them then that he could not go on in the climate that existed in the Regents and he wanted his status clarified and wanted them to take a stand one way or the other, and at the same time flatly stated that he would not resign, therefore leaving any action that the Board took to be the action that was taken, either reaffirming confidence in him or a vote of dismissal.

I also believe, and I haven't read the statement, but I also believe from what I heard that he was still given an opportunity to resign even after the action was taken, and this he refused.

Governor, several student body presidents have indicated that they may encourage or ask the student bodies on the various campuses to join together in a march on Sacramento. How do you view such a march now and how would you receive it if indeed it did take place?

I would certainly receive it. I'm sorry that they feel that way. But I'd be very happy for those who come and seek information to tell them all that I know about the situation. I think that some of the action, some of the protests and demonstrations have been based on a great lack of accurate and factual information.

Did you and Mr. Finch argue during that Regents' meeting against having the question of firing Dr. Kerr come to a vote at that meeting?

No, we did not. He had precipitated it. He had brought it before the Regents. And once he did it, the issue was joined. As a matter of fatt, my argument was that that helped the Regents to make their vote and no considerations on what the political repercussions might be, that they should vote purely on the basis of whether they believed in their hearts that he should or should not remain as president.

Q Governor, this is sort of a two-part question. What's your reaction to the almost unanimous unfavorable criticism in educational circles across the country to the firing of President Kerr, and do you think California now can get a man of the highest caliber and qualifications to take his place?

A I'll answer the last part first. Yes, I think California can get a man with the right qualifications. I think that we have to do some thinking right now about this position, and to clarify our own thinking exactly what type, in other words, let's say a kind of a job description, because I think that the University has grown up to a size without anyone altering this structure. The President's and the Chancellor's structure was taken when we were only one campus. And I think we need a kind of a clarification, a job description, and I don't think there will be any difficulty.

As to the others and the criticisms from certain academic circles, I'd say they have a strong union.

- Q Governor, because of the way of handling Clark Kerr--
- A What's that?
- Because of the way in which Clark Kerr was fired and because of the adverse reaction, do you think that this is going to hurt your plans to impose tuition and budget cuts in the universities, specifically Jesse Unruh's opposition?
- A Oh, I don't know. I'm going to carry on for what

I believe should be done and what has to be done to meet the financial situation of the State. With regard to the other individual you mentioned, I think you have to accept that somebody, if he sees a chance to make a little political mileage, is going to make it even if the facts are as he knows not quite as they are presented.

Q Governor, in this furor over the firing of Dr.

Kerr, how do you feel now about opening meetings for the

Board of Regents? Do you think there should be more open

meetings so that confusion would not arise from who said

what to who?

Well, I'm a great believer in the public's right to know, as you know. I do think that sometimes in arriving at decisions, that an executive session is not wrong, because I think that you have a freer and a better discussion with someone who can sit and not feel that they have to make a speech for the audience.

But as long as the decision is finally made and the vote is finally revealed to the public, I feel that there must be times when you want to -- if you don't have that, if you don't have executive sessions, I'll tell you what you're going to do. You're going to then run the risk of drifting into a system whereby people just sort of accidentally get together for breakfast or lunch and do some informal or disagreeing to get the debate out of the way then, and I think that's even more dangerous than the other.

Q In one of the morning papers, Governor, you were quoted as saying you would lean toward getting a scholar rather than an administrator to succeed Dr. Kerr. Can you elaborate a little bit on that?

Well, I said last night, we were asked what type, in regard to the same question, as to whether we could get someone, and I said to boil it down the argument arrives at, do you get for that particular position an administrator or do you get a scholar. And until there is -- and I think I made this plain last night -- until we really get down and decide which is the greatest need, I can't answer that question.

But I did say that at the moment my own inclination would be, whether this is based on past practice or not, to lean toward a scholar.

- What do you consider Dr. Kerr having been?
- A Well, I think he was a scholar. His profession is teaching. He was not what we think of as an administrator.
- Are you going to push for a reorganization of this entire structure of the UC administration?

Am I going to push for a restructuring of the entire administration? Not at all. Let me make plain one thing. All of this talk about the University and the colleges and the problem we face does not represent in any way any idea on my part that we should be changing the policy that has worked so well for well nigh 100 years in our State.

I'm talking about a purely temporary situation, in which this State has a bare coverage. And I say this to the faculties of all of the University and college campuses: no one is denying their aspirations, and in fact I share their aspirations, that we should continue to progress toward the ideal ratio of students to instructor, that the workload should be reduced to maintain scholastic, to the ideal to maintain scholastic quality. But all I am asking is cooperation and help temporarily because in our long climb we come to a moment where we kind of have to level off a little bit/until we get on sound financial footing we're broke, we're in the hole, we're spending more than we take in, and there will be no permanent progress for the University or the colleges if we do not cure this problem and cure it now.

But again I say, this does not represent any anti-intellectual approach on my part or any criticism of the gain or of the goals or the aspirations of the University or college. I'm in favor of education.

- Q Is tuition temporary too
- A What?
- Q Is tuition temporary too?
- A No. This I believe could well be a part, and I

believe as the cost continues to rise that this should be considered, a definite part from here on, of financing. Governor, I've been told that a poll was taken in August which showed that people of the State favored a tuition program if there was a scholarship fund built into it. Did you have any knowledge of such a poll prior to your preparation of the tuition proposal? No, no. I for a long time, maybe because like our visitors here I went to school where they paid tuition and didn't have any money but found out you could still go to school without money at all. I believe that even more than scholarships, I think that the answer lies in a form of loan or deferred tuition, that those who can not pay at the time are given their education and sign a note. And as I said so often on campuses to a number of college students, this is not a great hurdle to graduate with this. There will never be a time that a student will find it easier to pay back a loan than immediately after graduation because you're not used to having money, and the only time you can't afford to pay it back is later on. Governor, you made a reference to Mr. Unruh's statement the other day that there might have been some facts not quite right that he was stating. Would you care to expand on that? Well, just that inferences that there was something of politics or partisanship in the action that was taken. They're just not borne out by the facts. There was no such thing involved in this particular meeting. And as a matter of fact I don't know what his understanding was, but I know that when the vote was started I had absolutely no way of knowing and di not know how the vote was going to turn out. I did not know where we stood. Governor, now that President Kerr has been removed, do you still intend to go ahead with your campaign promise of an investigation of the University by John McCone? Α I have talked just recently with John McCone, and -10we believe that "investigation" is a wor that probably has a connotation for a lot of people. I believe that a body to support the Regents' setup, a blue ribbon committee to go into this whole problem of the University system, including all the problems facing it, yes, I believe this is a good thing. I don't believe that it's anything that we could tackle right now with the problem that is facing us. So as I said before, I have no high priority on the timing of that. Governor, the chairman of the academic senate on the University campus has voiced fear that the mainner of removing Dr. Kerr will cost the University many millions of dollars a year in grants and gifts. Do you share that view? No, I don't. And I would hate to share it. : would hate to think that the great quality of research being done by the University could be affected simply by the

- loss of one man. I just don't think that anyone is indispensable. And I would hate to think that this great University has become second to any individual.
- Governor, could you elaborate a little bit on your earlier remarks about the possibility of restructuring the government structure of the University. Do you or your advisors have any thoughts?
- No, I have none. I said that I thought that in view of the long years since there has been, in the growth of the University that has taken place, I think that there has been some losseness in viewing where do the lines divide, where do the chancellors begin and where do the presidents' functions end, and before selecting a president, we should be a little more clear-cut in our own minds as to the job description, and this will also then give us more of an idea of what area we should be investigating for a successor.
- Governor, with the administrative problems of the University growing so, why do you lean toward a scholar in this job?
- I don't know. I said that I really had no answer Α

to this. I said that based on my past. I suppose that
I'm inclined that way. I think perhaps for the recruiting
ability that this might offer in getting scholars for
the campus.

Q Governor, even though you deny it, there have
been many accusations that the firing is political. And
the next day the Superintendent of Public Instruction who

Governor, even though you deny it, there have been many accusations that the firing is political. And the next day the Superintendent of Public Instruction who is also a U.C. Regent made a very partisan speech before the California Republican Assembly. How can you convince people that the California educational system won't be sullied by partisan politics?

Well, it won't be sullied by partisan politics because this Governor has no intention of ever overruling the Regents and arm-twisting them into taking an action contrary to the action they want to take within that room, and I will speak as a Regent, as an individual, as one of twenty-four members of the Regents, and as nothing else.

Q Does that mean you would not press for the McCone study if the Regents opposed it?

I think I'd have to give real consideration to that, yes. I do think that there are areas, just as the Legislature itself — the Speaker has said the Legislature is pressing forward its own investigation of the entire problem of the University in a long-time investigation. I think there are areas where the Governor has responsibilities to the people, but I believe that I would give great consideration if I found myself against overwhelming opposition.

Q Well, Governor, have you discussed that with the Regents?

A No. This subject hasn't come up.

Governor, if the students are to pay more of the cost of their education, will this entitle them to a greater voice in the system?

A Well, I think it would entitle them to the same voice that the students have at, say, Stanford.

Governor, what areas do you feel are worthy of investigating a university?

A Oh, this is a question I would hesitate to give an

answer here I had a couple of convertions with John Mc-Cone. He is giving some thought to this as to how broad or how narrow this should be, what all/should go into, as to the overall policy and everything else. I'd just rather not speculate at this time because I think this is something to sit down and really outline what it is, what would be the goals of such a committee. What is your feeling based upon your recent contact with the Regents as to how cooperative they intend to be with respect to your desire to reflect economies at the University temporarily? Well, I think that they in the spirit of good will do want to cooperate. I think at the same time, and I would be the first to admit this, that their primary concern as it should be is for the University and to make sure that whatever economies are effected will not in any way set back the progress of the University. Governor, will the activities of the joint legislative committee on higher education have anything

- to do with your decision that you think might affect 4t?
- Well, the investigation that they're going into which is over the whole educational plan of this State is aimed at a goal two years away, and some of the problems right now I don't think can wait two years.
- Governor, I didn't quite understand your answer a few minutes ago when you said you didn't blame Speaker Unruh for trying to make political gains out of this. Would you elaborate on that?
- Well, I thought I had. I simply said that statements that were asked about here with regard to partisan politics involved in this recent decision, that there were none, and the Speaker was present at the Regents! meeting. I'm sure he really knows this.
- You're saying he really is making or trying to make political gain on this?
- I say you can't blame someone in this political world if they see an opportunity to make some political mileage.

Did you indicate that you won't try to bring any 0 undue pressure on the Board of Regents as a Governor other than as a single member of the Board That's right. Does that mean if the majority says no you'd drop the proposal? No, because now you're getting into the area of my job too. If I am convinced in my mind that one of the only ways as I am convinced that we can preserve the University to the best of our ability and at the same time meet the financial problems of this State, then you bet I'm going to do everything I can to bring that about. Governor, I'd like to ask a question in another area. SQUIRE BEHRENS: Let's finish up this one first. Α Can we finish with this? Governor --0 This gentleman in front of you. Α Governor, what part if any do you think the faculty of the University should have in selecting a new president? Well, I certainly think they should be consulted. I don't think they have the ultimate responsibility for making a decision. That's in the hands of the Board of Regents. Governor, how do you feel about Dr. Max Rafferty for President of the University, and would you support him? Well, Dr. Rafferty was elected to the State Superintendent of Education, and I believe he has a contract with the people to fill out that job. The college trustees are meeting in the next couple of days, and all these matters of tuition and so forth will be discussed there. Do you plan on being there and attending that meeting and if so when? I have a luncheon meeting with the Board of Trustees. Would that be a closed meeting? Now, I'm a guest. That's up to them. Α -14Q When will that be?

A Tomorrow.

- Q Governor, I believe you indicated that you felt the timing of the discharge of Kerr was bad. Would you explain that, why you felt that way?
- Well, in this I concur with Speaker Unruh, that the coincidental timing of this action with the taking office of a new administration, this was not exactly the moment that such a thing should have been, I think, brought up. And again I reiterate, the Board of Regents have made it very plain that they would not for that reason and for the good of the University, would not have brought it up. They believed that at this moment, with all other problems and the budget problems hanging over the University, that it was not good for the University to have this come up at this time.
- Q Governor, I notice that your appointees to the departments and agencies have taken these positions at almost the same salaries as the Brown appointees. Is that just for this fiscal year or do you intend to apply the 10 percent cut for the next fiscal year to their salaries?

SQUIRE BEHRENS: We're getting away from the subject again, Governor. Some of these fellows want to ask something about the University.

- A I can answer this briefly. We're not asking these people to take cuts in salary either in civil service or in the appointive jobs.
- Q Governor, the names of Richard Nixon and Robert McNamara and Dean Rusk and Curtis LeMay have been mentioned as a possible successor to Dr. Kerr. Would you consider any of those gentlemen contenders?
- A Oh, I'd rather not comment because a dozen other names I could throw in have been mentioned. Everyone is suggesting names for this position, and as I say I think that a committee will probably be set up by the Regents to go into this matter. And, as I say, first comes the job description.
- Governor, have we exhausted the University of

- A I think we have. You've exhausted the Governor.
- May I ask one more question, Governor? Even though you do not consider that as far as you're concerned this represented any political action, would you assay perhaps the political effects of the firing of Kerr on your political future?
- I guess that depends on whose editorials you read.

 Oh, I don't know. Frankly, as I said before, I believe the people of this State had lost confidence in the University.

 If I have to go by the wires I've been receiving, they're running 10 to 1 in favor of the action that was taken.
- Governor, in view of the quotations attributed to former Governor Brown, did you ever before becoming Governor but after your election directly or indirectly solicit the resignation of Dr. Kerr?
- A No, sir. That was invented out of whole cloth by the former governor. I never had any contact of that kind whatsoever or had ever considered that it was within my right to do such a thing.
- Q We're still wondering if we can change the subject without getting scalped?
- A Go ahead.
- Q Can I ask one more question?
- A One more and then we'll have to change the subject.

 I only have a minute or two left because I have another engagement.
- Governor, a little while ago you said that tuition was the way of getting rid of undesirables on the Berkeley campus. Do you still believe that?
- Well, now, wait a minute. This is something I've begun to learn out of meetings of this kind. Someone asks you a question as they did several weeks ago, did I think this would have any effect on undesirables? And in looking at it, I said, "Well, I suppose that maybe some who are more interested in picketing and demonstrating would think twice before they pay money to do that." And then suddenly I hear it coming back as if I volunteered the statement,

and this was part of my consideration. I never considered this as being a part of whether we should or should not have tuition. I answered a question and said that I suppose there was this possibility. I still feel that way. Now, do you want to change the subject? Governor, the governmental employees union plans to contest your appointment of James Montgomery as Director of Social Welfare in court. They contend that the man is not qualified for this job. Is there any chance that you will oppose this? Shall we talk about the University? (Laughter.) No; seriously, no. I understand, and I just heard that sinee I came back to town. I am perfectly confident that we have checked/out and the man we have selected meets the requirements. And I think he will be so upheld by the Senate.

Governor, you and Mr. Smith have emphasized in your budget cuts that you're showting for 10 percent, that it might be five in one department and fifteen in another, but some of the department directors and underpersonnel say that the order doesn't say that. The order just says "cut 10 percent," and they're a little left in the dark on that.

A Well, as I explained once before here, you have to have a starting point. But then you treat with each individual department, and when they can come in and sit down with our people and with their facts and figures, you recognize these differences, in other words, you are not hidebound to say that automatically you would. You must have a starting point until someone can prove either they can take more or take less of a cut. And, of course, you don't put all of this in, but you wait for the screams to rise with a crescendo.

Q Governor, when and how do you intend to fill judgeship vacancies?

As quickly as possible, and at the moment I have no choice but to go on the plan which actually as not practiced in its entirety, but the present plan calls for

submitting to the Bar Association prospective names and the Bar Association confidentially gives back a rating that not only rates yes or no but rates also variables on the "yes," rates of approval. And I'm doing that pending the legislation that I know is being introduced regarding a chance to what I said I believed in, which is a modified system patterned on the Missouri plan.

- Q Then you won't put in your own voluntary bill to the Legislature?
- No, no. As a matter of fact, I've been asked not to by those who have been sponsoring the other legislation, that they felt that this might have a deleterbous effect on their legislation.
- Q If the Bar objects then, will you not appoint the men?
- A I will not appoint them, no.
- Governor, on your welfare proposals that were released today you are askengfor legislative approval for forming central registry and fraud divisions and this sort of thing, but how are these going to be financed, Governor?
- A With the savings in the administration of welfare that we hope to effect, and that I'm sure we can effect.

 And we have started already on that.

SQUIRE BEHRENS: Thank you, Governor.