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PRESS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD FEBRUARY 6, 1969

Reported by

Beverly Toms, CSR

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

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GOVERNOR REAGAN: My, seems like we only did this yesterday.

Q Before we get involved in more momentous issues, Governor, I wonder if you could comment on the story circulating on the Stanford campus that Jesse Unruh thinks you have an astrologer and he's trying to find out who that astrologer is --

(Laughter)

-- so that he can get a line on how best to out-wit you. Have you heard the story or do you have an astrologer?

A I haven't heard the story and I don't have an astrologer, and I don't think that Jesse really needs that; he just has stars in his eyes anyway.

Q Governor, have you got any comments to make about the destruction of the beaches in Santa Barbara? Is there anything the state can do or anything you can do to help in the federal field?

A Well, I've already had some conversations with Secretary Hickel on this. Let me point out that these wells or this well that is doing this, is the property of the federal government, leased to oil companies. It is beyond the continental shelf. The state actually has nothing it can do about this or nothing it has been able to do about it. The federal regulations about drilling are about a third as effective or as forceful as the state regulation on the wells that are inside the three-mile limit.

Secretary Hickel discovered this in his own trip out here and said it is -- in his own opinion he can see no reason why in the past this has been so, that they should be at least up to the standards of the state. We have no power to inspect or check. We have talked of this, we have suggested this in the past and the Governor's Conference, if you will recall, I introduced a resolution quite sometime ago urging the federal government out of the revenues that it gains to set aside a fund that will first -- have first priority, would go to those states where they are off shore with their wells, to help us in the event anything like this took place. Now, we have been assured that the effort of cleaning up is -- will be carried through all the way to complete cleaning and salvage of these beaches. It is a terrible thing to happen.

I can only point out the fact that it is -- it has not happened in the -- in the past to involving any of the wells that are under state direction.

Q Governor, can you tell us what suggestions have been made for cleaning the oil off the beaches? Has there been any practical suggestions for getting rid of it now?

A I haven't had a chance to talk to our people who have been down there and who have been in on this. I know no more than you do other than the fact of they are using the straw idea at the moment. Also there is a search going on and I've seen some reports of this, of chemicals that have been in the process of developing ever since things such as the Torrey Castle and the -- to aid in the burning off of oil on the surface of the water because it is -- it is not highly inflammable when it is out there. It is virtually impossible to set on fire. But I've had assurances both from the oil company and from the -- and from Secretary Hickel that they recognize this as their total responsibility, their problem and that they guarantee an answer and solution.

Q Governor Reagan, do you think because of incidents such as this one the state should be given power to control

more closely the drilling outside the three-mile limit?

A Yes, I think this would be a -- a good idea, and in the meantime just as Wally Hickel said at the same time upgrade their requirements and their regulations to meet those of the state.

Q Governor, in view of the situation down there, do you have any plans to -- to have the state double inspect the leases that it owns in off-shore areas to make sure there is no danger of this?

A Well, as a matter of fact, any time something of this kind happens, you can rest assured that over in the resources department they are already checking up to make sure that some place along the line we haven't been careless in our looking over these things or regulating.

Q Have you talked to John Veneman yet about his move to Washington and if so --

SQUIRE: Let's finish this subject here first fellows.

GOVERNOR REAGAN: Oil.

Q Governor, how long do you think these oil companies should be prohibited from drilling out there now or pumping oil?

A Well, here again this was a voluntary decision on their part, shutting them down when they checked and then almost immediately they were permitted to reppen by Secretary Hickel. I think you have to -- and I'm not in a position to know about this, I think you have to check right now to see whether any useful purpose would be served by shutting them down now. You are not -- you are not helping to clear up the mess right now by doing that, so I wouldn't know just what -- why the decisions were made, but if it was for the purpose of check -- and I'm sure that there is no danger of this being repeated in other wells -- they made a check and reasonably safe, why, I don't know, I wouldn't see any reason to.

Q Governor, President Nixon today said that Hickel was going to have a study in his department about tightening the regulations. Isn't there any way you could have him

speed that up and just possibly adopt the state regulations immediately without any study since this has been studied by the state?

A Well, since he spoke to me and told me of his feeling about our own regulations, and the difference and that they should be equalized, I have to believe that this will not be one of those two-year study and research programs. I have a hunch that Walter Hickel intends to move pretty fast on this.

Q Was Secretary Hickel agreeable to letting the state take over any of the oil wells further out, extending the mileage out?

A Oh, well, we didn't have any -- any conversation on that subject, but say this is a case of international -- these are the property of federal government. It wasn't anything of that kind, but Wally had participated in the Governor's conferences where we suggested this other move and he's -- he's still thinking like a Governor.

Q Governor, do you have any personal feelings about the esthetics of off-shore wells, whether they should be there or shouldn't be there from a scenery standpoint?

A Well, yes, and this goes to a lot of other things that we do with progress, from urban sprawl on. I think all of us would be happier if progress didn't require some of the things that take place, but we all recognize that there has to be a happy medium. You neither can go along with the people that say progress for progress sake, and everything must give way, and believe me I do not go along with those. I am a nature lover myself, contrary to some of the cartoons in one or two papers, and the second thing is you cannot give way totally to the people who say no progress if it has a price of esthetics and scenery. There has to be a happy medium in there where you preserve the best that you can to the largest extent ecology and natural beauty and at the same time make provision for the fact that we are increasing in numbers as human beings with our requirements for space and for --

Q Governor, what's a happy medium in this situation?

A Well, I don't think that you can make a blanket in advance. I think that you have to -- you have to treat each one of these things when it comes along and weigh the price, what has to be -- what has to be paid in loss of beauty and so forth. I don't know of any other way to do it than to treat each one when it comes along on a certain issue. I think there is a certain framework you can have in advance. You can designate, as you do, some areas to be preserved and so forth, but this is much like the fill of the bay in San Francisco. It will be wonderful, I'd be happy -- a happy man if we could simply say that's all, the end of that, and yet you know there are certain areas where you have to weigh, like the airport in Oakland, and so forth, that against the ecology and the beauty, but make sure that you have a goal set that there is a limit beyond which you will not go.

Q Are the ^(oil) wells in Santa Barbara within this happy medium now?

A Well, now you've -- you can get a big argument in Santa Barbara on two groups of people. One group that thinks there is no harm in doing it as long as there is oil to come up, and another group that says even the first one was wrong to be out there. To chose between those people, I think that the scenic coastline of Santa Barbara right now -- well, not right now with that oil bubbling out -- has not been heavily damaged. They are not in great clusters out there and the beauty and the coastline and the silhouette of the islands off shore -- this is still one of the more beautiful spots of California and I don't think fairly I could say that the small bit of drilling could -- I say if you allow this to increase unlimited until you look out there at clusters of derricks off shore then you would be.

Q Governor, in line with that, the land commission is currently holding hearings on the possibility of off shore drilling in San Pablo Bay in San Francisco, which is part of San Francisco Bay. Do you share the same feelings about that as you do about off-sh@redrilling --

A Well, I'd rather comment when I see what is proposed and see what some of the things are and the recommendations.

Q How would you propose to convince the federal government the state should have the authority to inspect federal wells outside of a Governor's Conference resolution?

A No, the Governor's Conference resolution was a resolution to set aside funds that the first money scooped off the top of the earnings from those wells should be set aside to guarantee restitution when a thing of this kind happens or if it happens.

We are also--just the fact that there is a difference between three miles and five miles or six miles off shore, I think that there is a certain concern that the state should have and I wouldn't see anything out of line with the kind of cooperation that we see the state with its prime interest in protecting its own shoreline, with the state having a right to -- to perform this inspection service.

Q In other words, it would be a cooperative thing, the federal government and the state would cooperate?

A I would think it would be, yes. Now, can we change the subject?

Q Yes. Have you talked with John Veneman about his rumored move to Washington? He said you were going to have a conversation this week. If so, what did he say?

A The conversation is about the same he's had with you. No definite confirmation that this is final, that -- there is an announcement, it would come in the near future. That was it.

Q Do you expect him to make the move?

A I'm not going to predict at anything.

Q Governor, what is your reaction to the Democrats claim that your tax cut proposal for 1970 is a political gambit, pure and simple?

A Well, I think it is the kind of charge you would expect from those who haven't lifted a single finger in the

last two years to help us in our efforts of economies, and if they really were on the level in that charge, they would have to realize that if this was for politics I wouldn't have announced it now. If this was a political trick you would have waited until election year and you'd have gotten all the headline value of saying, "Look at me, I'm going to give you back some money." You wouldn't do it this far in advance. We are doing it now because we became aware of this now and with their criticism why are we not doing it right now instead of next year, well, they know better than that. Plain simple truth is, you don't have the money this year. You don't have it until after the end of this fiscal year. We have based this proposal on the projected revenues for the balance of the year and those that we have had already this year, and there would be no way, as a matter of fact, with one of the charges that we could tax-wise -- Franchise Board has said we could get this done with this year's income tax, it is possible that you could if you wanted to gamble in advance and start giving away money that is not in yet. You could start in advance at a tremendous administrative cost to make the changes now.

Q Governor, how would you give away money if you don't have it?

A What?

Q You said you would give away money that's not there.

A That's what you would be doing. I'm simply saying their charge that if we anticipate these revenues are coming in, why don't we start and cut it off now. It couldn't be done.

Q They say the problem was you took too much, not that you've been so efficient in running the government.

A Well, here again they have been a little false in their figures and particularly with regard to one of the critics, he's been around government so long I find it very difficult to believe that he is that ignorant of government finances, I have to assume that his distortions and falsehoods were deliberate. This is not true and he knows it. In the portion of the budget that administratively we can

deal with the actual running of the government of California, not the things that are frozen by statute, of the rebates to local government, the subventions by way of education, welfare and so forth -- in the actual administration of the government we have cut the annual increase more than in half as to what we found, that actual administrative overhead of government or the cost of government was going up better than eight per cent for the several years of the Brown administration. The increases -- this last year, it increases the next year with the budget we proposed 3.9 per cent, which is no more than the growth in population and does not even take in -- it isn't as great as the inflation cost alone.

Now, when you get into other areas, I would welcome any proposals by those critics for how we could, without injuring the educational system, reduce the cost of education and I welcome their proposals for reducing the cost of welfare and those two items are the biggest single increases in expenditures. There are some other things uncontrollable. Ten years ago, the cost of servicing our bonds was only three million dollars. It is today ninety-five million dollars. Now, there is nothing anyone can do about that savings. This is brought about in part by our gigantic water program as we sell the bonds. Interest rates must be paid. Servicing of these bonds, this cost goes up.

Now, the 700 million dollars in the water bond spending that's in the budget, this was determined when we passed a bond issue ten years ago and launched a -- the building of the water program.

Q Governor, to give credit where credit is due, who is that so-called ignorant one?

(Laughter)

A Well, I saw the Laugh-in yesterday myself when I watched the television news shows. I thought that Jesse was good at registering indignation, and I thought Moscone was at his best when he was just terribly, terribly hurt, by the whole thing.

(Laughter)

Q Governor, Senator Moscone is introducing a bill

to make that tax rebate \$200 million dollars. Would you go along with it?

A No, because there isn't \$200 million for that. There is one way it can be done, if he wants to cancel out -- if he wants to propose cancelling out the \$105 million dollars new money increase that we want to give to education and which we feel they need, then we have the \$ 00 million dollars. But there is no other way to do it. The surplus that's available to give back and the tax cut is a hundred million dollars, and incidentally, on these charges that we have not been as economical, subtract the \$380 million dollars that we are giving back directly in tax relief and which has to be listed as part of the six billion two hundred million dollar budget as an expense due to the principals of bookkeeping, and you'll find that we haven't reduced the budget.

Q Governor, on page 5 of your budget figure it says that we anticipate a surplus of \$347 million dollars for the annual year. Why -- two questions, why then do you have to wait till 1970 and why must it only be a hundred million dollars if you have that surplus?

A Well, we are giving some other tax reliefs as you know. We are continuing the funding of the property tax relief, but also there was a little matter of the corporate and bank tax that was paid in advance in '67 to help us with the cash flow problem when we were trying to get this state back from the brink of insolvency where we had found it, and this was done on the provision that the repayment of that to the bank and corporate taxpayers would take place in this coming year, and therefore what they are talking about is an extra surplus used to insure the balanced budget. It is not true we have only looked one budget ahead. We had to make sure that we had a balanced budget for the 1970-71 year and so that what shows as a surplus actually is going to take care of the one loss in revenue that will come from the fact that we borrowed ahead against that bank and corporate tax and guaranteed the business and corporations that this -- that this is where

they would get the rebate.

Q Governor, Senator Moscone also said that that \$105 million dollars in new school aid consists in its greatest part in money that's currently in this year's budget and is dependent upon there being a surplus in this year's school fund, it is not actually there for new money.

A That is not true. That just isn't true.

Q Governor, Dr. Glenn Dumke says he fears a serious impact on quality of education.

A Wait, wait one second.

Q The budget.

A Still budget, all right.

Q This is on the budget, out of your budget, he says without substantial improvements he said, I believe we will have difficulty resolving the serious problems of unrest involving both students and faculty. I wonder if you could comment on that.

A Well, they got a bigger percentage increase than we gave the university system. President Hitch has said while they would like to have the amount they asked, it is a workable budget and they can proceed with this budget with no great harm. I think the same thing is true of the college system which had a much higher percentage increase. Granted, still problems, they haven't as much, I'm sure, as they would like or as they could use, but neither does any other department in state government.

Q Governor, one of the criticisms that Mr. Unruh had yesterday was that your \$380 million dollars in tax relief really wasn't \$380 million dollars because \$280 million of it had been approved by the voters in 1968 and had been proposed by the Legislature.

A Yes, and you all recall that it took me almost two years to finally get the Legislature to come around with something that they would accept with regard to giving that money back. But it was not funded beyond the first year. While it is true that 1-A voted the property tax relief formula there was no funding voted for this for the subsequent year after that first kind of windfall for paying

it back, and we are funding it out of the \$280 million dollars to continue it.

Q But, Governor, your tax program, paraphrasing something I heard in 1966, amounts to taking the money from the people, running it through the puzzle palaces on the Sacramento, and sending it back minus a carrying charge.

A No, not exactly true. I think when you started from way behind at no time -- well, now let me say that with a little leeway in being optimistic about economies we thought we could make for the most part, we have tried to be very conservative and make sure that the money was at hand before we did anything in the nature or counted on in our budgeting economies and our ability to affect those economies. We have followed an orderly process. We have looked more than one year ahead on the budget to make sure that we are not doing what was done too often years before we came here, which was burning the candle at both ends. They wanted to pretend they could borrow ahead and then inflate the cost of government up to that size with no provision for the year following, how to meet that crisis. We have followed an orderly process, a businesslike process, and the solvency of the state shows it.

Now, you forget the fact that we are and have been engaged in a study hoping that at the earliest possible moment to come forth with a complete program of tax reform and this is why the tax rebate that we are talking about is a one-time thing. Now, there was no way in advance to predict that that would be -- that our economies would be as effective as they are or that we would have in addition the windfall, single windfall of revenues over and above the expected amount. What happened there was simply a delay in the cooling effect of the federal government's ten per cent surtax. All the economists we depend on from the campus and from the private sector, that each year provide the figures, the estimates of income and outgo for the state, upon which budgets are based and who for more than 20 years have been only fractionally wrong, a small one or two per cent off in their predictions, even when they are

predicting as much as a year and a half ahead, they -- they themselves were fooled.

Now, this does not mean that the cooling effect is not taking place. This is what we have -- more than -- well, at least two years in advance to see. But the cooling effect did not start in time and so for a period of time beyond their estimates the inflationary effect kept our sales tax and our income tax as pay raises were put into effect, bringing in more money than had been anticipated. Now, that cooling effect is taking hold. One of the things with this so-called extra hundred million dollars, as to whether we spend it or not, again it was a one-time thing. We have it. Now, if we took it instead and added it to some of the present programs that has to be added not in a one-time basis, but on a continuing basis and therefore affects your budgets up here.

So, we based it on what would be the revenues estimated for the coming year, what we can budget and we have contrary to what was said yesterday on the Laugh-in, we -- we have a balanced budget, we have looked ahead and the budget will be balanced and without tax increases.

Q Governor, still on the budget, one of the underlying assumptions of the budget and the economic forecasts is a continuation of the Vietnam War just about as it is.

CAP WEINBERGER: No.

Q Well, one of the underlying --
(Laughter)

Q -- employment increase in California -- anyway, one of the underlying assumptions of the federal program this year appears to be a diminution of our participation in the Vietnam war. If the Vietnam war should be -- would that throw your forecasts out of whack?

A No, and would you like to have me turn to my particular Disraeli?

CAP WEINBERGER: I'm sorry, Governor, I shouldn't have spoken up so quickly.

GOVERNOR REAGAN: I'm glad you did.

CAP WEINBERGER: The budget is not predicated on

the assumption of the continuation of the Vietnam war, it is predicated on the assumption of the continuation of the Vietnam war spending at about the current level, and that is because there is so much in the pipeline now in the way of governmental contracts, that through the fiscal year we think there is no doubt that it will continue at that level.

Q Governor --

A Right down the line. I haven't been in the front row for a long time.

Q Governor, at the time the billion dollar tax program was passed, as I recall former Governor Brown said it was about a quarter of a million dollars too much and you were ending up this year with \$247 million dollars surplus. Now, would you say he sort of hit it almost on the nose?

A No, he didn't hit it on the nose because he ignored one fact and if you'll recall we ourselves -- this is where the whole idea of property tax relief came from. We were faced with the problem in which in debt and with an order from the Attorney General that it had to be paid back in one year, we had to meet the immediate problem of solvency with the tax bill; there were people who said, "Oh, why don't you just pay that debt back over a ten-year period," or something. We were told by the Attorney General we could not under the Constitution, so we knew that we were collecting to get ourselves out of trouble and particularly we could hold the spending down. We were collecting more at first than would be needed and we said to the people that we'll try to give it back as quickly as we can see daylight and so that was why once we were over the hump, once we had paid back the debt I started advocating -- because everyone had talked property tax reform including myself during the campaign -- that here was an opportunity now to use that money for some property tax reform. You'll recall that the -- that the question was whether to cut the sales tax back or whether to do it by helping the property

taxpayer.

Now, everyone knows that if you are going to eliminate or reduce the property tax that you have to find other broader-based revenues that cover a wider spectrum, more people than just the property owner and it was our feeling, particularly with tax reform in the offing, that we stayed with the increased sales tax where it was as a fairer tax and use then that as a substitute for -- to make it possible to reduce the -- the property tax. No, there was never any question about the knowledge that this would be an advance, but let me also point something else, the people who today are now sitting back, upstairs, and criticizing the whole thing as some kind of deal with mirrors are the same people who up to now have introduced in spending measures in legislation almost a billion dollars in these last two years, would have increased the cost of government a billion dollars had everything been passed.

I'll recall to you that the first year between vetoes and blue-pencilling of the increases they put into the budget or legislated, that was more than \$80 million dollars. Last year I blue-pencilled more than \$20 million dollars they put into the budget alone. So this -- they can't have it both ways and I'm kind of amused at their efforts to try and say that we have not passed a budget that meets the spending requirements of a great state like California, but at the same time they want me to be more economical.

Now, as I say, I'm just dying to hear them come down with some proposals for reducing welfare, for example, which is increasing about three times as fast as our state revenues are increasing. But I recall having introduced some legislation that would have reduced welfare spending and I don't think it got out of committee.

Q Governor --

A I was going to take him next and then you.

Q Governor, a lot of middle-income families had their taxes doubled or tripled because of your tax increase

package. Don't you think it would be fairer to give them a rebate of more than ten per cent? In other words, you took away a lot of money, you are giving back a pittance.

A No, we tried that. As you recall last year we had a bill, it was for roughly \$35 million dollars. Since this is a kind of one-time windfall and in large part due to the income tax. Our own proposal is that the fairest way to give it back is to give it back directly proportionate to the way it was paid in and that's why we are suggesting a one-time across-the-board ten per cent reduction.

Q Governor, if for any reason economies or unanticipated revenue, your year-end surplus into this fiscal year is larger than what you now estimate, are you going to give the excess back to the taxpayers? Are you going to add to that hundred million dollars?

A Well, I can't foresee such a thing happening in now the few months left to go. If it should happen, I don't see any reason why if it was actually there as excess, why we couldn't increase the percentage that we recommend giving back across the board.

Q Mr. Unruh criticized specifically some of your priorities, giving x dollars in fairs and expositions and x minus or y dollars to welfare, core cities, that sort of thing.

A Well, now that's another one. He suddenly discovered that in the last campaign, I think, what is it, about 8 million dollars all told that goes to the county fairs and subsidies by law, not by my choice, and that's existed for -- well, I guess about as long as I've been around California, and if he wants to introduce a bill up there and count on the legislators rushing it to ramparts to vote against subsidizing the fairs in their districts, why he'd have no problem with me.

Q You'd sign it, Governor?

A What?

Q You would sign the bill?

A Well, now you are asking to violate my rule.

I'll wait till I see what it says when it gets to the desk, but I don't anticipate it getting to the desk.

Q Governor, you referred to your tax reform study. Are you in a position yet to say this would be what is classified as a sweeping tax reform or a small stop gap.

A Listen, I want sweeping tax reform. I have no idea what's coming down, they haven't concluded their meetings. We put a pretty hard pressure on them in the brief time we gave them for a subject that big, so they are a little later than we thought. We hope by the end of January, but we do have some assurances that we are going to be hearing from them shortly, but I haven't seen it at all, but I want sweeping tax reform. I want a fundamental tax reform that once and for all meets some of the problems that have to be met and in doing that I know that that isn't easy. I know that this is a very complicated task. It is complicated by two things, our interlocking with local and county government and the subventions and their taxing problems has to be considered almost as one, and the -- if you make such sweeping changes you think have to be made, the great problem of distribution back -- in other words, if in a tax reform the state continues or even goes forward from where it is now as a tax collector for local government, the redistribution of this money back on a fair basis is as big a problem as picking out a tax.

Governor,
Q How would you look upon the suggestion of returning the ten per cent income tax to the taxpayers in July after the new fiscal year begins?

A Well, this is -- now you get -- this is what I meant about the administrative problem, you get into a very great administrative problem as to its process and there have already been some complaints of the thing they figured out for the property tax return and again I'd like to say here that we had proposed a much simpler one in the beginning which we never could get anyone to pass, that wouldn't have had the administrative overhead that now is eating some of this away. We have had an estimate right

now that it would cost to do that earlier -- try and do it now that the forms are out and many people have already paid their tax -- that to do that would take far more than ten per cent of the amount we are giving back, just to collect it.

Q More than ten million dollars?

A Yes.

Q Governor Reagan, Assemblyman Harvey Johnson has accused you of offering him a judgeship to get him out of the Assembly and what he considers to be a safe Republican district for a special election. What is your response to these charges?

A Well, this is utterly incomprehensible to me. First of all, never did I give this any consideration, never has anything like that been proposed by anyone in my office; and number two, the job he's talking about was filled more than two weeks ago, filled by the appointment of a man who had gone through the lengthy many weeks process that we use in screening, through local committees, bar committees, judiciary and so forth. To my knowledge, his name has never been proposed, nor has his name ever been submitted to these screening committees. So, frankly my answer is I don't know what he's talking about.

Q How do you suppose such a story gets started?

A I don't know. Maybe somebody talked to him. Maybe somebody thought they had a bright idea, but not from our shop, and certainly not with my knowledge, because you know the procedure we use and he's not been involved in it.

Q Governor, another subject regarding your --

Q Could I just finish that one? Governor, if another man had been selected a few weeks before Harvey Johnson's statement, why was -- I believe his name is Norman, not notified of that appointment until after Harvey Johnson's news release came out?

A Well, I don't know that that wasn't done. Once I tell them that they are, and usually by phone -- that they have been appointed and they are going to be a judge, then

the date is set in the appointments office for the actual official announcement and I've never paid any attention to why that date is set or for what reason. Sometimes has to do with the timing of when they take the vacancy. Paul, do you have any comment on that?

PAUL HAERLE: Just security log jam number one and number two, getting to you to get time to make the call, Governor.

A Now, this is true also that what he says, the security check -- remember there is a procedure whereby before an appointment is finalized and you sign the paper, then there is a final complete run through of processing. This is done with all state employees as well as judicial appointments.

Q Governor, opposition to your package which you announced yesterday on law and order on the campus has been expressed by Assemblyman Veysey, the Republican Chairman of the Assembly Education Committee. He believes existing law gives the power to the administrators to do what you propose in this new legislation and feels that it might work the other way because if you make punishment too strict the administrators may be reluctant to find anyone guilty because of the penalty is too heavy.

A Well, I don't think we have made it too strict. I think they were proposing some tools that are evidently needed by the administrators because it is in the demonstrations that we have had so far, one of the great complaints from local law enforcements is that the -- the people that they have arrested and some of them on rather serious charges, get out on bail and they are right back on the campus demonstrating the next day and they evidently -- the disciplining process at the college level does not keep up even with the law and they continue to be students in good standing. So I think -- I think what we have proposed is necessary.

Did you want to comment on --

VOICE: Most of these proposals were requested by the college and university administrators themselves as well as the police.

Q You think you can get the two-thirds you would need for an urgency measure to get it into effect immediately? Two-thirds vote of the Legislature?

A Well, if they are as sensitive to public opinion as they should be, I think they will recognize that they'd better vote that way.

Q Governor, last night the Berkeley students senate voted to ask for a stoppage of classes for two days for a convocation to discuss the situation at UC. What's your reaction to that?

A I'm sure that request must have come from the dissidents and it is the same type of maneuver they used at San Francisco State under former President Smith and it is a case of trying to get momentum going, pretend they have some legitimate causes that can enlist other students that might not be interested in their particular cause. The whole subject of academic freedom and so forth, and I don't see any need for it, I don't see any reason for it.

Q Governor, do you think that the Union oil company should pay the costs, state and local government costs of cleaning up the beaches in Santa Barbara? I'm sorry. That was on the budget, too. (Laughter)

Q Governor, yesterday you mentioned that the responsibility of the state in maintaining order on state institutions, whether it was San Francisco State or UC or whatever -- now does this -- do you see this responsibility going financially where some communities have had such as San Francisco tremendous expenditures and police overtime and such?

A Well, no, because under the division of powers they are responsible for local law and order, but I feel beyond a certain point now, and when they have reached the point as the Sheriff told us, that they do require state help and that's why it was at his request we declared an emergency, we couldn't justify refusing that on the grounds that -- and particularly when I feel it has been in part due to the failure of the college administrators and/or university administrators to take a more decisive action with

their own students, so I feel morally a responsibility. Legally and technically, no, that is in the division of powers their responsibility.

Q But you wouldn't extend it into reimbursement or anything for local costs?

A No, there's been no such request. Now, wait a minute.

Q Governor, --

Q I'm sorry, go ahead.

A And then --

Q We have seen California Highway Patrol on the campuses for months and they have been taking very active role in suppressing violence. Other than focusing public attention on Berkeley yesterday, what has changed today that -- what's available today that wasn't available before your news conference yesterday afternoon?

A No, under our mutual aid treaties in the past when you've seen them, local law enforcement can offer, can ask at a specific time or moment in the case of a disturbance or riot or demonstration, for Highway Patrol and they can be assigned by just simple order, but under the law to more or less permanently assign as we have now, to turn over a force up to whatever number is needed on a continuing basis, that can only be done under an emergency condition.

Q I'm wondering what necessitated the mobilization of all of the mass media yesterday, 12 hours in advance of your regular news conference. You haven't done that more than -- very few times since you came into office. What was so special about yesterday?

A As a matter of fact the -- as a matter of fact it would have been a little earlier, we just didn't get all the details down and get the statement prepared. I was champing at the bit to come in here as early as noon and we just couldn't get here any earlier than we did. The necessity for it is I think in view of what's been going on there just was no -- I'd reached the end of the line, I thought it had to be done and it had to be done

without another day of seeing the kind of pictures that we are seeing of what's been going on at the gates.

Q Yesterday was a very quiet day at Berkeley and I wonder if you wondered --

A No, yesterday was quiet because -- no, yesterday was quiet because in answer to the Sheriff's request and his suggestion we put the CHP on there in advance and they reported at 7:15 this morning.

Q Governor, do you think the S^Tate of California has finally turned the corner towards dealing with what some people call "that mess on the campus"?

A We'd better have turned the corner, yes. From here on we are going to take whatever action is necessary. I think we have been very patient. I think we have -- we have tried at every opportunity to see if normal procedures, college administration and so forth couldn't handle things and I think we -- we now have to assume the protection of the people that are legitimately trying to get an education.

Q Governor --

A Somebody here.

Q How about the oil-budget question?

A Oil?

Q You think Union Oil Company should pay the damages or pay the cost of cleaning up the beach and be liable for damages that the oil has caused?

A Well, this is between them and the federal government, but it is my understanding --

Q The state is paying -- the state is sending people down to help, too, isn't it? Aren't they using inmates?

A Yes, we are.

Q Are you going to charge the Union Oil Company for it?

A Well, are you going to answer that, Ed? I always turn to my legal counsel here.

ED MEESE: I think the federal government is reimbursing the state under the federal-state disaster act and then if there is any charge against Union Oil, it

would be done by the federal government.

A The federal government, it is my understanding that they have an arrangement with the oil and the leases that the oil companies do take the responsibility for this but that again is between them. We are just the victim in this particular accident.

Q Governor, one more question on UC. A television report, can you tell us any more about those fires and second, do you have any evidence now that the burning of Wheeler Auditorium was arson?

A No more than the same reports that you have and an attempt was made a few days before with firebombs. Those -- the Fire Department has said that in their opinion it was arson because of the sound of the explosions and the rampant spread of the flames, but I know from having a ranch that once burned up that arson, you can literally know it but it is one of the toughest things in the world to catch and it is one of the toughest things to prosecute. You almost have to catch the fellow with the match in his hand to do it, but I don't think there is any question. There is circumstantial evidence, the kind of scientific evidence that knowledgeable firemen use with regard to determining the start of a fire. They say it was.

Q Governor, part of the reluctance on people at the universities calling in police more readily than they have is that confrontation seems to be something which gives the strike impetus, more impetus. In view of that, do you think he was a little hasty in stationing nearly 800 Highway Patrol around the University of California since that situation hasn't gotten nearly as bad as San Francisco State?

A Yes, except there seems to be in the last few days at Berkeley a more deliberate physical assault and beating of students non-sympathetic to the strike or students who are going through the lines, other people who are going through the lines. In the past some of the physical violence has been the kind of a spontaneous thing here or there or it's been the result of the confusion of where the

crowd was being moved, and the physical injury has been not so much beating as getting clobbered with some of the things they are throwing. But there does seem to be -- this is much more apparently deliberate now and --

Q Will your action of yesterday also allow CHP officers to be put on other campuses if there are other problems immediately?

A That's right, we are going to meet this now on an emergency basis.

Q Governor, we got a man over --

A Another subject?

Q You've commented --

Q I just wanted to follow up, is this done without request of the Chancellor or whoever the top administrative officer is?

A No. No, as I told you yesterday.

Q Did Chancellor Heyns request the CHP stationed there?

A We have the concurrence of the college administration. I have a telegram from President Hitch agreeing with this completely and agreeing with the need.

Q But not from the Chancellor, correct?

A Well, we go through channels, we deal with the president of the university.

Q Ordinarily that's been -- that decision has been left to the individual campus administrators?

A Well, I assume -- I assume that President Hitch consulted with them before he did this.

Q Did I understand you right, Governor, you said that you can now put CHP anywhere? No geographic limitation?

A No, it would take again an emergency declaration. I simply announced my willingness to do this wherever the conditions warranted.

Q Governor, another subject. You commented on the past on national defense matters. How do you feel about the determination of the Nixon administration to halt the development of the Sentinel ABM system.

A Halt the development of what?

Q The Sentinel ABM system.

Q You want to talk about Vietnam?

A You asked me on that -- I don't know, I really don't.

PRESS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD FEBRUARY 11, 1969

Reported by

Beverly Toms, CSR

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

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GOVERNOR REAGAN: No opening statement. Fire when ready.

Q Governor, do you have any comment on the reported statement of your Lieutenant Governor that Veneman's acceptance to the federal job is disloyal service to the Republican party, acted disloyally to the Republican party?

A No, I only know what I've seen reported and I haven't had any conversations on that. I'm sure there are going to be opinions about this, some of the people in the state, some of the Republicans, feel very strongly about such things.

Q Governor, do you consider that it was a disservice to the Republican party, what ^{the} Assemblyman did?

A This was a decision that was left to Bob Finch. It was left to Veneman, it was their decision to make. They made it. No question about the opportunity for service in Washington. No question also that it does cause a problem for us in the long hard climb we have been making to have a majority and -- but now that's our problem to solve.

Q Governor, there was considerable delay in them making the announcement that we all suspected was inevitable. Was this because you were discussing it with them?

A No, from the very first I had one conversation with Finch. He knew, as I say, that there was a problem, a decision that they had to make. There is no way that I

could intervene or ask someone not to do a thing of that kind. It was up to them.

Q Governor, Assemblyman Bagley has been named to the Revenue and Taxation Committee Chairmanship to replace Mr. Veneman, and he says he's going to continue the efforts toward withholding. What would be your reaction to this?

A Well, that puts Mr. Bagley and me on opposite sides of the fence, doesn't it, which I don't think will be a situation that will be entirely new in our relationship so far.

Q Do you look for major efforts toward withholding to be made during this session?

A Well, there may be. I think a lot of that is going to wait to see what proposals are made with regard to total tax reform.

Q How confident are you that the Republicans can pick up Veneman's seat?

A I don't think there is any -- this isn't a shoe-in at all. This is a heavily democrat as far as registration is concerned district and Veneman has been able to very handily carry that. Now, what happens with his absence and with a new candidate and special election, I don't know. I think there is a chance and we are going to fight very hard to try and retain the seat.

Q Are you going to call that right away? Are you going to call a special election as soon as possible?

A We have been following a practice of discussing this with the people in the areas. We did in Contra Costa County as we are doing down south with regard to the congressional election, so we will want a feedback from them and then we will do it. Normally, my desire is to do it as quickly as possible.

Q You've been discussing quite a while on the one down south. Have you made a decision yet?

A No, as a matter of fact, there are a number of elections. There is a problem down there, we want to find out if possible about tying it in with something else, but we haven't heard back.

Q Assemblyman Russell has indicated that his decision to withdraw as a congressional candidate stems from a conversation with you, at least following along a conversation with you. Did you try to talk him out of running?

A No, and I think he's made it very clear that that isn't so. The same thing prevailed. We discussed this, discussed the pros and cons, discussed the possibilities of holding that seat statewide if he should go into the other and win. He's made his decision to withdraw. Actually, the Veneman -- the Veneman move was a part of his decision. He saw this, he saw how narrow the margin was, what a chance of upsetting what has been achieved in the last election, what a chance existed of doing that and I think that what he did was probably the most unselfish self-sacrificing thing that I've seen anyone do in politics in a long, long time because there is no question he was the odds on favorite to be the Congressman from what is a very safe Congressional district and for him to withdraw not wanting to take a chance of further endangering our majority, as I say, was a very self-sacrificing act and I would think that he would have built up a great deal of personal credit as far as the party was concerned.

Q Is that a _____ with Assemblyman Veneman's action?

A No, I'm just saying what Russell did.

Q Governor, Assemblyman McGee apparently doesn't see it quite the same way as Assemblyman Russell did. He says he's in for good. Are you going to make any attempt whatsoever to try to get Pat McGee out of that race?

A Once again, I tell you, I haven't asked anyone not to do this. Every man has to make that decision for himself.

Q Governor, are you going to lose Spencer Williams too?

A I know that he's been in negotiations, he's talked to me about this with regard he was sought, approached by Washington just as a number of others in our administration

have been. That again, that's his decision to make, where he thinks he can be of most service.

Q Governor --

Q On the same subject, Governor, have you any interpretation from your legal advisors as to how soon is "immediately"? The constitution says when there is a vacancy the Governor immediately shall call a special -- it doesn't define immediately, though.

A No, it doesn't define immediately and as you know there have been Governors in California who took immediately to mean any time within the next two years and --

Q That wasn't under this section of the constitution though.

A Well, now, we -- I personally believe that immediately means that and I think even in the one that we have lingered the longest over, the one with regard to the congressional race down there, even there it has only been a matter of a few weeks about making that decision, and I can only tell you that as evidenced by Contra Costa, I do believe in getting at this as quickly as you can.

Q Governor, could you tell us how you personally feel about Veneman's decision to leave?

A Well, obviously sorry, and I know it endangers the position, but again as I say he felt there was an opportunity for service there and there certainly is on a broad scale, and the most important department and in a most important problem confronting all of us, so I wish him well and know that we can count on that department perhaps for more cooperation than we have been able to get in the past with it because it is a department that by its regulations arbitrarily imposed in the past has worked great hardships on our own welfare and social reform problems.

Q Governor, even though you did have -- there were 41 Republicans in the Assembly, you never actually had 41 Republicans backing you completely. Have you also been nurturing certain democrats who would lean toward the Republican side to expand that majority even safer?

A No, no.

Q Governor, there was a report that you or some of your top advisors were angry about Veneman's decision.

A I've just tried to tell you here, I have expressed my disappointment and sense of loss in one way, my good wishes in the other and that's the answer.

Q Governor, on another topic, if I can.

Q You want to --

SQUIRE: All done on this?

Q One more on this question. You said that there were some people in the party who were unhappy. Could you expand about the Veneman thing -- could you expand on who they are, what they said, and whether they have made these desires -- their unhappiness, told you about it?

A No, in getting around the state and in meeting Republican gatherings and speaking and so forth and going by the mail as would be expected on any subject affecting the party or affecting the balance, there is a variety of opinions and there are people in the party who have believed there should have been a duty to everyone to stay where they were.

Q Do you think Mr. Finch's political credit as far as a potential future senatorial race has been harmed by his pulling Mr. Veneman out of here?

A You have to ask somebody else about that.

Q I'd like to ask you.

A No, I have no way of commenting on that. I wouldn't know.

Q Governor, has Mr. Bagley or anyone else in the Legislature approached you about the possibility of following Mr. Veneman to Washington?

A No, uh-uh.

Q Now?

A Now.

Q Governor, ~~at any of~~ the meetings that you have attended recently at the Board or Regents has the subject of possibly dismissing Chancellor Heyns been -- has it come up, has it been discussed, is it a possibility?

A No, this has never been a subject of discussion that I know of at a Regents meeting.

Q Is there any plans to bring it up?

A Not that I know of.

Q Governor, are you satisfied personally with the way Chancellor Heyns has been conducting the administration of the Berkeley campus?

A Well, let me broaden that with my answer and simply say that you know that I have been publicly critical of generally university and college administration -- exceptions here and there, but generally dissatisfied with what I thought was a slowness in matching the forces of law and local law enforcement in meeting some of these problems.

Q Governor, last week when you called a state of extreme emergency at the university, which university Heyns is the Chancellor of, he was not here, but yet the Sheriff who had had some disagreements with him was here. Was this a significant omission?

A No, he was represented by his Vice Chancellor here in the meeting, evidently felt that he had to stay where he was. His Vice Chancellor was here, the President of the university was here. Actually in a thing of that kind we don't deal directly with the campus because that would be going outside of channels. We deal with the president of the whole university system, then it is up to him to at his discretion to see who else he needs from his staff and from each individual campus to be with him on these matters. But we would be -- we would be violating I think not only a courtesy but I think violating all the rules of procedure if we went over the president's head and dealt directly with chancellors on the campus.

Q Governor, Lieutenant-Governor Reinecke is quoted as saying that he believes Chancellor Heyns needs to be brought up to date on legalities of the situation at the university, and that he's unhappy with the Chancellor's response to criticism by Sheriff Madigan. Do you share

his view in these particular two specific areas?

A Well, I haven't brought it down to the specifics, again I'm going to stand on what I've said, I think that by and large the academic community has found itself confused with sympathy with some of the expressed views of the dissidents, some of what they construe as their demands, and they have failed to see in the proper perspective the simple issue of whether you can submit to coercion, force and violence, and so I continue to be critical of that although there have been some hopeful signs lately that some of the more violent actions are beginning to awaken them to some of the things we have warned about for sometime.

Q Governor, you've talked off and on of the handful of criminal anarchists or whatever. If these people were removed are you convinced that the campuses in California would return to a happy peaceful state?

A I think this is one of the key things that has to be done, ~~isolating~~ of this particular group, exposure of them, isolated without that soft cushion around them of followers that they can get on a number of other issues, mistakenly believing that they are supporting some legitimate cause and once isolated and exposed then separation from the universities and from the colleges. I think the prime requirement. From there on, then I think we explore whatever shortcomings there may be in communication to assure the student body in general that they are not cut off from communicating, that they do have a channel through which they can make not only complaints, but suggestions, proposals, and have at least their voices heard in decisions that are made regarding the whole academic atmosphere.

Q Isn't it also true that they couldn't thrive except in a certain climate which favors dissidents like that?

A Who is that, the -- the little ring?

Q These criminal anarchists as you call them, would be powerless if there were not a climate which reflected a general dissatisfaction?

A Yes, but you egg that on. I mentioned in here

a few weeks ago that almost 10 years ago there was a report by J. Edgar Hoover, the affect of a meeting that was held 10 years ago planning what has been taking place and what's taking place now and they said that they should seek out and find wherever there is a little discontent, if it happens to be only with the dormitory rules as to hours, if it happens to be with the food in the cafeteria, whatever the thing may be they desire that and arouse it and get it going to where they get a group of students that think that they are now demonstrating over that particular issue and this, as I say, was voiced ten years ago. Now, you've reached the point in which there was a statement quoted recently in the press and in national magazines by a spokesman for the Third World War movement, and he has now progressed to the point where this man openly stated that force and violence was going to be the weapon of the Third World movement and and he says if the Third World movement cannot define or not declare what its education will be, then they will see that there is no education for anyone on that campus.

Q Governor, if we -- do you know by intelligence reports or any other way who the ring leaders are and if you do why aren't they off the campus right now?

A Well, because here again this is -- this is a matter of the due process that has been established at the campus level. A Governor of California cannot and should not be able to expel a student or fire a professor. There is no way this -- this must be done through the due process and the channels that have been established at the academic level and this is where again I say they have been slower and more hesitant than law enforcement is in filing a charge of lawbreaking, bringing an indictment against a lawbreaker.

Q Have you been able to establish who these ring leaders are by your intelligence reports?

A Well, these -- these names are accessible to us by way of police intelligence, by way of a number of investigations that have been going on. There is an investigation at the Senate level and now I understand the subcommittee of the Congress, but just recently a San Francisco paper

published an interview with the Chief of Intelligence of the San Francisco Police who spoke of the exchange of police intelligence officers throughout the country at these demonstrations and the appearance of certain individuals in spot after spot nationwide.

Q If these people are in fact guilty of breaking a law, why is it up to the Chancellor of the university to administer discipline or to request police action? It seems the District Attorney and the Police Department would do this.

A All right, now this is exactly though where I think the -- this is what I mean about the slowness of the administration. Even the breaking of the law, there's also been the overbreaking of rules and regulations of the college and the campus. It isn't enough for the college administration to simply sit back and ignore the breaking of their own rules and say well as long as they've broken the law, too, we will just sit back and wait for the law to take its course. They have broken college rules. There is no reason for the college administration to wait the sometimes months that it takes for a hearing and a trial with regard to an indictment that has been brought. They can proceed on their own campus level and take such campus punishment as suspension, dismissal or expulsion.

Q You are not critical then of the slowness of the law enforcement agency to arrest these people, or are you? I'm trying to establish this.

A It isn't a case of arrest, but you and I know how long it takes sometimes to bring about -- to bring someone to trial in our crowded court dockets after they have been charged with a crime. Now, this is proceeding -- it is just normal channels whether they -- in other words, the same things take place whether they were rioting or broke the law out on the street far removed from the campus. But my claim is that the college should take its action on the basis of its rules on the campus instead of holding back.

Q Without the same due process that's --

A No, they have their own due process.

Q Governor, if it were a question of saving the campuses would you move to have this due process suspended?

A Oh, I felt that there were -- but Dr. Hayakawa has moved up and declared emergency measures to speed this up, emergency measures such as under the emergency banning meetings and assemblies on the campus which lead to disruption. The university hadn't done that. Prior to our declaration of an emergency you had the spectacle of law-breaking, physical violence, vandalism occurring in a demonstration and then the demonstrators moved onto the campus and held a meeting on the campus to plan more of this. I believe that there are emergency procedures that the college administration could take and ban such meetings as Dr. Hayakawa did.

Q But specifically the due process that you meant, dismissing the faculty members for example, or suspending students, would you move to have this due process suspended if you thought it were a question of saving the campus?

A No, I think it is a case of speeding it up. I think it is a case of taking an emergency basis and right now preferring the charge and taking action.

Q Governor, when you speak of isolating this hard core, what specifically are you referring to and how would you go about doing it?

A Well, there are a number of organizations and they have been very clear in their purposes and their purposes have nothing to do with rectifying any of the campus problems. SDS is one of the groups. I get bogged down there are so many, when I start sorting them out, so I usually just stop short and say that they -- they are listed and we do know the aims and the goals of some of them. These particular groups have made it plain that they are aiming at insurrection, they are aiming at a power grab. They have stated this explicitly.

Q Governor, on the other side of the coin there appears to be elements in the San Francisco police department that do not contribute to the tranquility of the community or do not contribute much to the respect for law and order of the minority members. We had evidence of that apparently

over the week-end. Do you think enough is being done to isolate the kind of policemen who takes prejudice to work with him and causes things to happen which -- which harm respect for law and order?

A Well, let me answer that only by saying that I'm sure that it must vary from area to area depending on the efficiency of the local law enforcement officers and officials. I can only tell you that I know in our major communities of the efforts that are being made of the policies and the plans and I would have to say that from the top I believe that they are doing their utmost, but they recognize this problem that their people, too, are human beings and they are trying to solve it, but the larger an organization becomes -- this was one of the things that I brought back from some of my own visits in minority communities about our state and we still find evidences of it -- you start out with the policy at the top and you pursue it all the way down as far as you can, urging its implementation and you still find instances when you get down into the lower echelons, I'll say, in local offices of various kinds that here again human frailties come up and you discover whether it is in employment or social welfare or in law enforcement, here is some individual that thinks he's far enough removed from the policy up above and protected enough by Civil Service regulations that he goes his own way. This was why I appointed 7 representatives in the minority problems to report directly to this office, to take complaints, to try and track them down. I think I've told you of the instance we learned of in a local employment office of a man who simply was taking minority community members, particularly youths, who were coming in and filling out applications for jobs and filing them in the wastebasket. Well, now it is very difficult to find out something of this kind, if you actually get this complaint back. I'm sure the same thing goes with law enforcement, but I don't believe there is any state in the union where there has been more of an effort than there has been in this state, and I believe by and large we have probably the finest local

law enforcement in California that can be found any place in the world.

Q Governor, did you support the appointment of Chancellor Lee as head of the UC medical center that came up before the board recently?

A Well, you are asking me a question now that -- this was an executive session, all personnel matters are and I just don't -- I'm not going to discuss this, simply because it was taken in executive session.

Q As I understand it, it was an extremely close vote and I wonder if the appointment of a Chancellor, if you consider that should be executive session or this doesn't go beyond the point of personnel and become a matter of policy.

A No, I think when you get into this, it has to be a matter of personnel, and I think there are things discussed there would be inhibitions on it, there would be perhaps in a discussion, there might be things said that would make the individual's job more difficult afterwards. The only thing that has been publicly released, officially released and is a matter of record was of course the unanimous resolution of good wishes and cooperation from the -- from the Regents.

Q But that wasn't shared in the original debate over the Lee appointment, it wasn't that unanimous, it was much closer, as I understand it.

A I don't think there is any question that that was the only unanimous action that was taken.

Q I have a question on an entirely different subject.

A Different subject?

Q Yes, there is a couple of vacancies coming up, or a couple of terms expiring on the Cal-Expo Board, Clarence Azevedo and Ralph Nissen, I believe. Are you going to reappoint them or --

A Oh, that one hasn't even -- there have been too many things happening, I'm not ducking, I just have to tell you honestly that hasn't even -- that hasn't even reached my desk yet.

Q Governor, on another subject, the Budget documents you submitted last week to the legislature contained no breakdown of expenses or personnel of the a million and a half budget of your own office, which is the first time this hasn't -- these details haven't been given. Would you explain why?

A Yes, this is, as we told you, this is simply in keeping with the fact that we are introducing a program budget now and believe it is going to be far more effective and efficient to have a program budget than a line item budget as we have had in the past, and this was the first time that that has been done, but there is no secrecy about that, those figures and those statistics are available. They are available in -- in Cap Weinberger's office, but also in the Controller's office. They are available to anyone, public information, that wants to get them.

Q Wasn't the whole idea of the program budget to give the public more information about what the state administration is spending and here you are giving us less information.

A No, the information for anyone that wants to know it is available. The idea of more information is to submit a more easily understood budget as to what total programs are costing, something that the public can have some means of figuring out, whether the pro rata cost of some of the government program is worth it, whether the goal we are trying to achieve is too costly or not, and to give the flexibility within a department. This is the idea of a program budget, to achieve that goal without being bound; as I have used before, under the line item budget in the state colleges a few years ago, for example some place in the legislature they cancelled out a college's request for motion picture cameras for a scientific experiment that was going on in their laboratory, but they left in the line item budget for the costly high-powered lenses for those cameras, so you had a college that wound up under the line item budget with the shelves full of lenses

and no cameras to put them on. Well, under a program budget you simply would give the head of that department the flexibility to use the money on a priority basis without being bound by these line items. As I say, this information for anyone who wants it is available.

Q Governor, on the --

A We have a visitor back here from New York.

Q Governor, in your press conference last week you didn't quite make it clear whether you favored or not liability of the individual oil companies in disasters like that in Santa Barbara. Now, Senator Muskie's subcommittee has a bill before it on which they are conducting hearings to make companies liable up to a maximum \$15 million dollars. How would you look on that legislation?

A Well, I can't comment on that specific legislation. I know no more than what you just told me about it, but let me point out again that this was one of the great revelations, not a revelation to us. We in state government knew about this, but a revelation about many shortcomings in the arrangements between the federal government and its -- and the oil companies that were leasing federal company or federal government sites for drilling. This is now true in our state relationship, and over a year ago I tried to bring this out before the Governor's Conference with a proposal that the federal government and/or the oil companies -- but that the federal government take the lead in setting aside off the top, before any profit was taken either by the government or the oil companies, a sum that would be available to reimburse the states off whose coasts they were drilling in the event of accidents of this kind. And now this thing has happened we discover that there was not only no provision of that kind, but that their actual regulations about drilling were only a third as effective as our own. Now, I think that action will be taken. Wally Hickel was himself astounded, newly appointed in the office, to discover this discrepancy. He wants to bring them up at least to the level of the state and if there is

any way that we can improve even our own together, but to make them uniform. This was a problem involving the federal government. Now, let me just say that the company involved in this, Union Oil Company, has guaranteed me unequivocally that they recognize their responsibility. Wally Hickel has said the same for the federal government and that between them they will not stop until they have completely undone the damage that was created by the leaking oil.

Q Apparently the supervisors of Santa Barbara County and other officials down there are not as confident as you are about the state operations. They have asked that all state operations be halted by the Land Commission. What is your comment on that?

A Well, I don't think they have paid very much attention and perhaps they are yielding to some pressure. There is a group that has always been opposed to the offshore leaseings, either state or federal, from the esthetic standpoint. They don't want the view of the sea obstructed or hampered by these drill rigs that are set up out offshore and certainly there is an esthetic consideration there that I think we have to take into account to maintain some kind of happy balance as I have said before between necessity and progress, and the maintenance of our -- the beauty of our coastline. I don't believe that either argument would be right to go to the extreme and say unlimited drilling and never mind the esthetics. By the same token I think in a growing economy such as ours there has to be some give on the part of those who would just preserve the nature of the countryside. When they start talking about halting operations, let me call to your attention that there's been no drilling under California supervision for two years or so. There is no drilling going on, so there is no drilling to stop and if you mean simply shutting down the pumping that's going on, then this is the quickest way I know to increase the risk of a blowout occurring if you shut off now the drill -- the pumping, increase the possibility of

building up a head of steam under there and perhaps another breakthrough in the ocean bottom fault. I can tell you this, also, and the government is -- the federal government is willing to admit it, that very likely had this well that caused the problem been drilled under the state regulations and restrictions this could not have occurred. It was the difference between the federal restrictions and our own, the fault lay.

Q Another subject, Governor. The Veteran's Affairs Department has been holding a series of meetings and discussions regarding the closing of the California offices and there's been an indication at least a provision of one of them. Are you still considering -- going to give any more consideration to that list of offices that has been set for closing?

A On this closing of the Veteran's offices, this is mandated by the legislature and it would take a change in the legislation. As a matter of fact, our director of Veteran's Affairs who was opposed to this did dally, I might say, longer even than the law permitted in the closing, even though the mandate was there. On the other hand, I know that he's assured me that the -- that the hardship is not quite as great as some people have been led to believe, that a great deal of this business is done by mail and it doesn't make much difference whether you go in person to the Veteran's office or drop your envelope into the nearest post box.

SQUIRE: Any more questions? Thank you, Governor.

Q I ask about Assemblyman Ketcham's claim that there is really no saving, that he has said in his release yesterday that he ----- do you disagree with that?

A I haven't totalled it up or not, but I would think there had to be some saving of the actual closing of offices. Maybe Cap has an answer on that.

CAP WEINBERGER: Well, the dollars that are saved are dollars that has broadened the value of the Veteran's loan program. It is out on the bond out of the special Veteran's loan fund, but the more dollars you save in an administration the more money you have to loan to veterans.

PRESS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD FEBRUARY 18, 1969

Reported by

Beverly Toms, CSR

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

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GOVERNOR REAGAN: We have some guests today, Professor Herb Jacobs' journalism class from the University of California, Berkeley, in here for the press conference. Bid you welcome and all of you be -- mind your manners now and give them a good example.

Q Governor, can you be a little more specific in the statement attributed to you that 35 students with switchblade knives threatened a Dean of admissions and got into college that way? What college?

A Well, I'm a little -- I'm a little surprised at the furor about this since I have mentioned that on at least a half a dozen occasions, and mentioned it in one of these press conferences here, one of the regular press conferences, and the incident as reported at the Board of Trustees meeting was reported there. Now, while I have had no hesitancy in the past and on occasions have mentioned where this took place, I feel a little constrained now since Chancellor Dumke has indicated that the investigation is going forward on this and that there are reasons why he himself was reluctant because of the investigation to name the campus, I now feel a little bound that I'd better back away and not name the campus myself out of deference to what's going on, and that I shouldn't do anything to disrupt or upset the investigation that's being carried forward, but this was as I described it, and as I say, on at least a half a dozen occasions, beginning as early as December 8,

the first time I used it publicly in an address covered by the press and at that time referred to it as having been related to us at a meeting of the Board of Trustees.

Q Was that an open meeting of the trustees?

A No, this was an executive session.

Q Governor, do you personally endorse the 30-day suspension given to Dr. Nathan Hare for his conduct last Friday in preventing Dr. Hayakawa from addressing the SF State faculty?

A Well, I saw some of the television coverage of what took place and I certainly have no quarrel with Dr. Hayakawa and the action that he's taken. That's his prerogative as President and I would think that the action I saw justified some -- or what I saw justified some action being taken.

Q What was your personal reaction to it?

A I thought it was conduct unbecoming a professor, a member of the faculty.

Q Would you have fired him, sir?

A What?

Q Would you have fired him?

A Well, you now get into the area of the due process that must take place and I'm sure he'll be given due process, but the suspension was the one thing that Dr. Hayakawa could do and that he took that action leading up to the due process now.

Q Do you consider 30 days with full pay much of a penalty?

A I'll tell you, I -- I can't answer now on the technicalities with regard to actions of this kind. I think there are some limitations as to what the -- what the President can do until due process does take place on the campus. This whole matter of how disciplinary action can be taken is something that I think should be subject of study by the trustees and by the Regents with regard to the university. I know that it is a somewhat cumbersome process, but I think that this was all that he was able

legally to do.

Q Governor Reagan, back to this other incident, threatening someone with a deadly weapon is a felony. Why in your opinion was this incident not followed up and charges filed?

A This was one of the reasons I mentioned it and very frankly I was surprised at all of you being so diligent that I have said this, as I say, on a number of occasions and no one ever picked it up or even seemed to notice it. My shock at the trustees meeting was the fact that this had taken place and no action followed, that the man who was threatened never reported it or preferred charges or reported it to law enforcement officials at all and the first that anyone learned about it was when it was reported to the trustees much later and then it was only reported not as something as a matter for action, it was just an accounting of the type of thing that is going on. But again, why should this -- why should this whole thing be so surprising. We have had faculty members firebombed. We have had these same kinds of threats. We have professor Murray on the San Jose campus reported as describing the beating of a professor at San Francisco State, describing the beating as forcing him to join the strike against his will. It doesn't seem to me this is -- that this should cause us so much shock that such a thing as this is taking place. These threats are being -- is pretty consistent, the type of action, the type of damage that is being done. A bomb that is hung on a professor's door and only by accident doesn't go off, it must have been intended to do more than cause him to ask what the hoise was outside. I understand that the one bomb that didn't go off in one of our university campuses would have blown the building apart had it gone off.

Q Governor, can you tell us whether the students that were -- forced this Dean or whoever he was to register them, are now students at the state colleges? Did the registration process hold?

A The registration process held and this is what's being investigated.

Q Governor, you mentioned that -- that this came up during an executive session of the trustees meeting. Who introduced it, was it a regular trustee, yourself, or another ex-officio trustee?

A No, this was reported to us by an administrative officer of the campus concerned.

Q Did the trustees then order an investigation? Did they take any action when they heard the report?

A No, that's why I felt free to talk about it.

Q Couldn't you have moved for action at that time?

A Well, I just assumed that, and I was correct in my assumptions, as Dr. Dumke has confirmed that he has been pursuing this.

Q Governor, do you feel confident now that action will be taken?

A Oh, I would say so, based on Dr. Dumke's statement the other day.

Q Governor, how soon was that == was that investigation begun, it's been more than 2 months.

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

Q Governor, Ted Merriam told us yesterday this is the first he heard of it and Dumke in answer to that said he might have been out of the room at the time, but it seems to me that Chairman of the trustees should be brought into it.

A Let me say that on that particular day that this took place it is true, as I recall, I was surprised when Chairman Merriam couldn't remember this, but as I did recall it, it was a lengthy meeting and he was on a number of occasions, had to leave the room, two or three times on telephone calls regarding some personal business that he had not contemplated the meeting being as long and confining as it turned out to be.

Q Do you really believe the story?

A What?

Q Do you really believe the story based again on the information supplied by the one administrator according to your quotes, have assumed that this action did take place.

A I believe the story.

Q Governor, how was it that this came up in an executive session rather than in an open meeting? Was there any -- wouldn't this have been a proper topic for an open meeting?

A No, because again this was not a matter of business brought up by trustees. This was a personnel matter that was going on and one of the gentlemen involved in the personnel matter, an administrator of the college, simply relating experiences and on the subject of what had been taking place recounted this.

Q Has there been any action taken or is there any contemplated to possibly bring about some change in the reporting, initiating the investigations on -- as you say it was -- it's been two months ago.

A They are investigating it now.

Q What about the person who should have initiated the investigation to begin with?

A Well, now, I can't answer that without perhaps in some way giving a clue as to the campus and since I now made a decision that I'm going to out of courtesy to Chancellor Dumke not name the campus, I can't answer your question. It would be rather revealing if I did.

Q Governor, what meeting was it that it was discussed?

A Well, it would be prior to December 8.

Q Would you give more details later if Chancellor Dumke does not act?

A Well, let me say first I would -- I'd rather talk not only to Chancellor Dumke but also deal with this as a trustee's matter rather than my own. After all, remember, I'm -- I'm in no position to file a charge against someone for threatening. I recounted what was told to or reported to us in a meeting. I'm not a witness

to this. I have heard a witness.

Q Governor, Dr. Magill at the University of California, San Diego, has passed on a regent's idea whether or not Dr. Marcuse should be rehired. As a member of the Regents would you veto a rehiring or support it?

A Well, now that's a matter that would have to be taken up in executive session and I don't think either before or after I should discuss what I'm going to do within an executive meeting, and I think again, before you could make such an answer you would have to -- you'd have to first be at the meeting and hear all the facts and all the evidence on the individual.

Q Governor, in past news conferences you've made a personal observation as Professor Marcuse which you weren't necessarily in favor of. Are you still holding at least to that basic principal?

A What's that?

Q Not being in favor of Professor Marcuse being on the campus at San Diego.

A Well, I'm in great disagreement with the man's philosophy but you also recall I said before this came to a head in this way, I said that my greatest concern was not so much whether a Marcuse should be on the campus but that we should have a better balance on the campus and have the students able to hear more than one viewpoint and I feel on too many of our campuses that variety of viewpoints is lacking.

Q Governor, what in your opinion is really at stake for the State of California these days in the student disputes at both SF State and Berkeley?

A You say what is at stake?

Q For the State of California.

A Well, I think the very quality and the very success of our educational institution is at stake and I don't think it is confined to California. The news is pretty widespread in the last several weeks and particularly in the last few days about what's taking place. I under-

stand that the University of Illinois, the act of vandalism there is almost unthinkable in its consequences, the total destruction as I understand it of the index of the University of Illinois library, this would be a matter of years before this can be -- can be put back and I think the ed---the very fate of higher education is at stake. If a small group of dissidents can disrupt, vandalize, destroy property, beat students and professors, and threaten their lives, who are attempting to go about their business, deny other people their rights, I don't see how the educational process can continue and therefore I think this is something unlike the Vietnam war, I don't think we can win this one by attrition. I think action must be taken to separate from the campus those who would pursue this policy.

Q How is that to be done?

A Well, by the rate -- by the way of firing in the event of employees and by the way of expelling in event of students.

Q What about the payment of all the SF State, of the preponderant majority have been on the line and have been paid despite it?

A No, I don't think the majority. I understand that it's been reported that some were paid, but again I can understand how that could take place. After all, there is a certain looseness in the reporting procedure as we found out when this -- when this law was enforced. There has also been a certain amount of unwillingness on the part of some responsible for the accounting to blow the whistle on the contemporaries and it just follows that some of them do lack principle enough that while they want to carry a picket sign and pretend to be marching for a principle in which they believe, they also don't have enough principle to stand up and make the sacrifice of losing their pay. Now, in the face of this kind of concerted effort to conceal the facts, I'm just afraid that as it stands now and some of them can get away with it, some of them evidently

have.

Q Another subject, Governor?

A Yes.

Q Governor, apparently ^{Allen} Allen Post could find no trace of the legislature having mandated the closing of the four Veterans Affairs offices that you put in last week. How do you explain this?

A Well, mandate was by their concurrence with the budget that eliminated the pay for those positions.

Q Then it wasn't the legislature that --

A They didn't initiate it, no, it was in the budget and it was a recommendation also of the Veteran's Board. This was an effort at the time and before the veteran's bond issue and there was some question as to whether this would pass the Veteran's bond issue, you remember, we were coming to the bottom of the barrel with the funding for home building in the veteran's program and so we embarked on a program to reduce the administrative overhead by -- and thus make available because all of this comes out of that funding, to make available more money for the actual funding of homes. And this was one and since these offices exist more for the convenience of the real estate broker than they do for the veteran himself, the veteran does his business mainly by simple letter of application, mail, these offices were closed and that money was thus made available and added to the fund that was available for lending.

Q Well, Governor, the Senate yesterday adopted a resolution by 26 to 7 vote, a lot of Republicans on the aye side, requesting you and your administration to reconsider the closing of these four offices. Do you plan to do this?

A Well, Cap, should you and I reconsider? We will set down and talk about this, won't we?

Q Governor, wasn't this suggested by another administration first?

A Cap, I don't honestly recall, was this -- was this a proposal that we had inherited?

CAP WEINBERGER: I didn't hear Squire's question.

Q Wasn't this suggested by another administration sometime ago?

CAP WEINBERGER: Oh, yes, whenever there has been a problem about enough dollars for the Veteran's bond program it has been suggested that you have to stretch what you have by administrative reductions and this closing of the offices which is primarily a matter of concern to real estate agents in the area, not the veterans themselves, because it is simply a matter of whether they take the papers for the loans -- has been suggested in the past and was adopted in 1967 because it was a method of stretching the dollars to cover more veteran's loans.

GOVERNOR REAGAN: I didn't recall honestly whether it had been suggested before or not, but I know this was in the first year that we were here.

Q Are you suggesting then, Governor, that the legislature authorize the reduction of positions, but the way you did that and the way you reorganized was completely your own doing?

A Well, we submitted a budget, yes. We submitted a budget without these. When the legislature passed that budget it concurred in this then by legislation, there is no money in the budget to authorize the payment in these positions.

Q But these positions, according to the legislature, were unfilled positions, therefore had no applicability to current positions being filled in these five offices.

A Oh, no, no, no, that isn't true, no.

Q Did the budget spell out the closing of these offices? When you submitted your budget did you point out to the legislature that the -- about closing the offices?

CAP WEINBERGER: The budget was the 1967 budget submitted in February '68, and the budget reduced the number of positions that were available for filling these

offices.

Q But the --

CAP WEINBERGER: I'm sorry.

Q It reduced the unfilled positions, did it not?

CAP WEINBERGER: No, it reduced proposed positions. It simply eliminated positions and there is no way to staff an office without positions, so the elimination of positions necessarily meant the closing of offices.

Q Wasn't the number of -- the number of positions statewide, it could be distributed anywhere in the state could it not?

CAP WEINBERGER: Well, the positions that we are talking about are positions that were staffing branch offices. When you eliminate 13 of those, why it is perfectly obvious that you are not going to be able to keep your branch offices open, at least as many as you had before.

Q Governor, Assemblyman Stull has called for the discharge of Chancellor Magill on account of his ruling in the Marcuse matter.

Q Are we ~~call~~ done with veterans, first?

Q One more question.

A One more question on veterans.

Q Governor, when you answered on the Senate resolution, would you reconsider, you said that you and Cap would reconsider, we'll sit down and talk about this, you seem to be saying it somewhat facetiously. Were you or do you -- are you going to seriously reconsider this with a possibility that you might restore those positions?

A Let me say this about seriously considering it. If someone could bring in evidence or indicate, or if the Veteran's Department should tell us that we have worked a hardship on veterans and that this is something that should be reinstated, certainly we -- we'd give this consideration. So far, as I said before, the closing of these offices is -- works more of a hardship on the real estate broker than it does on the veteran, doesn't work any hardship on him at

all, and I can't at the moment -- if I seem facetious it was only because at the moment I can't see any reason to change this policy.

Q Does the fact that a new bond issue has since been passed and you are no longer at the bottom of the barrel, would that have any impact on your thinking?

A On the other hand, isn't this the way we get to the bottom of the barrel, we get extravagant and loosen our administration until the money gets low and then tighten up and try to find the answers? I think we are obliged and this is one of the reasons why we have been able to get back from the brink of disaster, because we started tightening up in advance and I don't think that you have a right to waste a taxpayer's dollar in any way or any dollar in government just because you think at the moment you have a lot of dollars. If you've got a lot of dollars you ought to give some back.

Q Governor, still on veterans, the Veteran's Affairs Department says they have a backlog of some 60 million dollars in unprocessed claims or applications. They give the reason for this backlog, lack of people. What's your comment?

A Well, I'd want to see that proven also. There is no question but that there are certain areas in departments in government that are a little reluctant to go along with some of the changes and some of the economies that we have tried to make and sometimes we have heard what amounts to a cry of wolf, but I'm very willing and as a matter of fact, you now tell me that, this is the first I'd heard it, we will take a look and a listen and find out what it is they are talking about.

Q If the number of veterans taking advantage of Cal-Vet loans drops off marketing in these areas where the offices are closed, would you consider that an indication that you should reconsider?

A Well, if such a thing should happen, but I don't see how it could happen.

Q Assemblyman Ketcham claims it's already happened, Governor.

A Well, we have no indication of it. All they have to do is write a letter and most of them did do it by mail anyway.

Q Has he discussed this with you, Assemblyman Ketcham?

A No.

Q Senator Collier complained yesterday in the Senate now the Veterans are writing to him and he says it is costing him time and money to answer their replies, their letters.

A He'd better watch out or he'll start using that money for freeways.

(Laughter)

Q Or trips.

A Now, you wanted --

Q I wanted to know your reaction to Assemblyman Stull's call for the discharge of Chancellor Magill because he has decided to keep Professor Marcuse on for a year?

A Well, now I need to get a little information on that because it is my impression that Chancellor Magill did not use the authority he might have had to do either one or the other, and he said that he has -- he is going to refer it to the Regents, and with a Regents meeting coming up this Thursday and Friday, I would -- I'd suggest that I should wait to see if that's true, and if that's what's happened, then what action the Regents are going to take.

Q Governor, did you mean to indicate by your previous answer on Dr. Marcuse, that you approve of his teaching in the state-supported school?

A Oh, now, wait a minute here. I said that I was in great disagreement with his philosophy and apparently many of his statements, including some that have been reported that he's made in the campus, although I've never

heard him make one because I've never been in one of his classes, but I said my greatest concern up until now is based on what I think is an imbalance and which has been discussed at a recent Regents meeting, an imbalance on the philosophy and the attitude of the campus. I would suggest that a charge has now been indicated with regard to Marcuse that brings up a whole different matter that should be taken up by the Regents and it is not for me to comment and that is regarding his qualifications to be a professor, not his philosophy, his qualifications. Now, this is a different matter and this is one that I wouldn't be able to comment until I hear what has brought such a charge by anyone and we review this in the Regents meeting.

Q Governor, where did that charge come from and when?

A It is my understanding that this -- this statement has been made publicly--in fact it was relayed to me today in the office that the issue has been brought up questioning or challenging his qualifications as a professor by citizens outside the campus.

Q Can we go to another subject?

A Now wait a minute.

Q Another subject.

A Another subject.

Q Santa Barbara County and the City of Santa Barbara both have adopted resolutions calling for the permanent cessation of offshore oil drilling on federal and state lands. The state tidelands are presumed to have been approximately drilled and dry by now, anyway. How do you feel about this permanent ban on drilling in the Santa Barbara Channel?

A Well, I don't know the state of the State wells there that have been drilled inside the three-mile limit. As I have said on many occasions before, and in here in the room, they have been drilled under a much more stringent set of regulations than the federal leases were drilled under. There is no state drilling going on and hasn't

been for some two years now. Whether there would be any advantage gained other than the esthetic advantage of not having a tower out there three miles offshore to warrant this or to overcome what value might be gained by the pumping of oil, this would have to be -- have to be weighed. As I said before, you have to answer this kind of generally. Unfortunately you can't have it either way. You can't have it all the way over to the progress people who say pave everything if it will help progress. I wouldn't hold still for that for a minute. You can't also go all the way over and say you can't build anything or do anything in the nature of progress if it in any way impinges on the beauty of the state of California. Now, this could apply to hillside homes even, I'm sure you could find some people that don't want a road or a street put through the hills. You have to treat each incident and each separate area as it comes along and this administration has been doing its best and I think really for the first time that anyone has consciously done this, we are trying to weight the esthetic and the ecological problems with regard to the necessary things that have to be done and in providing for 20 million people to live here and I think the same thing holds true of that channel.

Now, I don't know that those wells are dry. My understanding has been that the -- that the state wells are producing wells. There aren't too many of them off there, the channel. I think that the state, and we are proceeding, we have been in touch incidentally with the scientific advisory commission that the federal government is sending out here; our people have been working in cooperation already with them. I think that it would be well for us to look at our own situation in view of this recent disaster to find out if our regulations are stringent enough, to see if there has been enough attention paid to the geological situation there as to the dangers and the risks, and certainly before any new wells were permitted to be drilled, we should look very closely and also before ...

any new ones, should look very closely to see whether we are going beyond the limits just with regard to the esthetic, the beauty of the coastline.

Q Supervisor Clyde of Santa Barbara County told two Senate committees that Santa Barbara's way of life and oil drilling, particularly, on the federal leases are incompatible. Either one must go or the other must go, that they are -- you can't have both. Would you comment on that?

A Well, he's talking about the federal leases and I think there is a problem to be answered. This thing that happened reveals that perhaps we need to know more about that area out there on the shelf where they are drilling, as to whether geologically it is safe for drilling or whether the sea bottom is so fractured that this can happen again and again. This wasn't a case of just a leaking well, this was pressure that brought this up through an opening and now this second slick is through another opening in the sea bottom, has nothing to do with the hole that was being drilled, and this is a question that must be answered.

Q I think that the real thrust now from Santa Barbara County, all of that area, is to hope that the state will join with them in trying to do what they can to prevent more federal drilling. Do you think their chances of success for cooperation with the state are good at this time?

A Well, I know that the state has involved itself as far as it possibly can, has voluntarily joined in in everything that it can do, even though this was not our responsibility, joined in to provide every kind of assistance we can in rectifying this. I know that this state for more than a year has been urging on the federal government, the setting aside of funds, the top priority before any profit is taken by government or private, that funds should be provided to protect the coastline of the states off which the drilling is occurring. So there is

no limit that we won't go to protect the state and to protect our own property and our beaches. We have been quite critical of the whole federal approach to this for quite sometime and extremely critical of the lack of restrictions and regulations so far inferior to ours with regard to federal drilling.

Q Oh, can I go to another subject?

Q Same topic.

A Same topic, yes.

Q The State Lands Commission last year did approve expanding the leases and oil drilling in state lands in Santa Barbara Channel. I wonder in view of the alarm down there whether you'd ask them to reconsider that action and delay the actual drilling in that area.

A Well, now what did you say?

Q On the state lands, the new leases approved by the State Lands Commission last year, will you hold off -- will you ask them to reconsider and delay over there?

A Well, let me say that -- I can't tell you what the outcome will be, what the answer will be. I can only tell you that since this the state is taking a new look at this whole situation before anything further is done.

Q Well --

A Now, don't -- what the outcome will be depends on what the look determines.

Q On another topic, Governor, do you see anything wrong in Ed. Reinecke deliberately falsifying answers to the census ~~taken~~ ---- something the Democrats say?

A I've been that mad myself. I think they are pretty prying. You'll have to take that up with Ed, as to what he did and how mad he got. I tell you something, I remember once, the only time I ever went to Honolulu, that I received from the Department of Immigration a very extensive questionnaire and I was about half way through filling it out and getting madder by the minute when it suddenly dawned on me that this thing might have been all right when Hawaii was a territory and not a state, but I was making my trip after Hawaii had become a state, and I knew that I

didn't have to fill out such a thing for immigration to go to any other state in the union, and I just threw it in the wastebasket and didn't answer it and I never heard another word from the government because maybe this was just another case of Parkinson's law, they had an immigration bureau that was making you fill out forms to go to Honolulu and didn't care whether it was a state or not. Maybe enough people threw it in the wastebasket, they went out of business.

Q What Democrats are driving at, Governor, is that the Lieutenant Governor is selectively complying with law while going out and lecturing dissidents for the same thing.

A Well, now why don't you sit down with his critics and with Mr. Reinecke and take that up with him? All I can tell you is that I'm delighted with the new Lieutenant-Governor and I think he's going to do a fine job for us.

Q Is that at the Governor's Conference last year?

A What? Oh, say that's right, I had had a second trip, I went to the Governor's conference. No, this was several years ago.

Q On another subject, what is your reaction to the bill introduced by Senator Dolwig that would abolish 15 of your departmental deputies offices, deputy directors. Do you think they are all needed?

A Yes, as a matter of fact, I'm kind of at a loss to understand this. I want to look into this bit and see what is --

ED MEESE: The bill wouldn't abolish them, Governor, what it would do is take away the right to appoint them as exempt deputies, it would leave them intact, just make them a permanent civil service employees.

Q As a follow-up to that, could you explain why two of your aides that worked in your office, Vern Sturgeon and Rus Walton, are officially assigned as departmental directors in other departments? Why aren't they officially listed as your aides?

A Well, this has been done for quite sometime and not nearly as much in this administration. but previous

administrations, there has been a certain amount of borrowing from other departments in the past, and we have done it and Vern also does serve in the department in which he's staying but he also lends us aid because we use him as a legislative liaison. There is nothing new in this practice and in regard to your first question, there, maybe I'd better tell Senator Dolwig I'll lay off the Senate if he'll lay off the Governor's office.

SQUIRE: Any more questions?

Q On another topic.

Q I have on directors. On the same personnel. Governor, how do you justify moving your agricultural secretary from the biggest -- one of the biggest departments in the state into your office and splitting his duties that much further?

A Well, since he is serving not only as a member of the cabinet and as a secretary, but is now going to serve as the cabinet secretary, this was done when he agreed that he believed he could handle these two functions and was very interested in taking on the other assignment. And since he is willing and believes this can be handled, this is in no way taking away from his regular assignments. They still do tie together. We have a kind of Board of Directors operation, regular cabinet meetings in which we determine policy and so unlike might be considered in previous administrations, this really is still within the scope of the activities that he's engaged in throughout the week.

VOICE: Only on a temporary basis, I might add.

Q Jesse Unruh today is introducing a resolution to abolish the electoral college system in electing president. What is your personal feeling on the electoral system?

A Oh, I'm not a great fan of the electoral college at all, but I'm also an opponent -- I don't know what it leads to, I'm an opponent to the straight popular vote idea because I think it is very dangerous and could -- leads to splinter parties, but it also leads us away from our historic and traditional federal system and I -- I think the electoral college is a kind of useless appendage that's hanging on now, but I think -- I think a system -- there are systems that have been proposed in Washington whereby you could have still the recognition of the states and voting by states and give some balance to the smaller states instead of just straight popular vote, which would leave a handful of sizable cities able to determine those cities, who would be the President of the United States.

SQUIRE: Thank you, Governor.