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# PRESS ★

RELEASE: PM's of Tuesday, Jan 3.

SACRAMENTO-- Governor Ronald Reagan today appointed Gordon C. Luce, Senior Vice President of Home Federal Savings & Loan Assn. of San Diego, as Administrator of the State Transportation Agency.

At the same time, the Governor said that Luce, 41, of La Jolla, will become Executive Director of government management departments following reorganization of the executive branch of state government.

His ultimate responsibilities will include such departments as Banking, Savings and Loan, Real Estate, Insurance, Corporations, General Services and Public Works, Governor Reagan said.

"This is a step toward properly placing executive level functions of government within the Governor's Office. Mr. Luce's long background in business administration will have a profound influence on my plans to increase efficiency and cut costs in government," Reagan said.

Luce called his appointment "a great opportunity. I have every intention of carrying out the Governor's policies in streamlining the executive level of government in areas in which I will have responsibility."

Luce has been associated with Home Federal for the past 12 years and is withdrawing from the firm immediately. The new post pays \$27,500 a year.

more

Luce received a Bachelor of Arts degree from Stanford in 1950 and a Master's degree from the Stanford University School of Business in 1952. He also is a graduate of the Indiana University School of Savings and Loan and was associated with the Carnation Co. in Los Angeles prior to joining Home Federal.

A specialist in business management and administration, Luce is a third generation San Diegan. He is married to the former Karen Turnbow. They have two sons and a daughter.

Luce served in the U. S. Infantry in the European Theater and the occupation of Japan from 1946-48 and was awarded a Bronze Star.

He has been active in Republican presidential campaigns and served in Governor Reagan's campaign.

Luce is a past president of the San Diego Downtown Association and the University Club of San Diego and a member of the Stanford Club of San Diego and the American Savings & Loan Institute.

He is a past chairman of Republican Associates of San Diego County and is presently a director of the San Diego Symphony Association and COMBO (Combined Arts of San Diego), a fund-raising organization; a trustee of Republican Associates. He also has served on various committees of the California Savings & Loan League.

# # #

**PRESS** ★  
RELEASE: IMMEDIATE

SACRAMENTO--These people were sworn in at ceremonies at 10:30 this morning with Governor Reagan looking on. They were sworn in by Assistant Secretary of State, Walter C. Stutler:

Earl Coke, Director of Agriculture; Harold Sullivan, Commissioner, California Highway Patrol; Spencer Williams, Administrator of Health and Welfare; Gordon Smith, Director of Finance; William Gianelli, Director of Water Resources; Edgar Gillenwaters, Deputy Director of Finance; James Dwight, Deputy Director of Finance; Gordon Luce, Director of Transportation.

# # #

PRESS ANNOUNCEMENT  
CAPITOL CORRESPONDENTS ASSOCIATION  
January 3, 1966

ALL members are urged to attend a meeting tomorrow  
(Wednesday, January 4), at 2 p.m. in the Senate Lounge.

Agenda--Election, parking, housing, credentials, etc.

Earl C. Behrens, President

# # #

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
445-4571

# PRESS

MEMO TO THE PRESS ★

The following department heads who served in the Brown Administration are at the present time continuing to perform their duties in the Administration of Governor Ronald Reagan:

Dr. James V. Lowry, Dept. of Mental Hygiene  
Dr. Lesler Breslow, Dept. of Public Health (Term appointment)  
Gene Blanc, Atomic Energy Coordinator  
Richard A. McGee, Youth and Adult Corrections  
Heman G. Stark, Dept. of Youth Authority  
Ian Campbell, Dept. of Conservation  
Walter Shannon, Dept. of Fish & Game  
Lachlan M. Richards, Dept. of Harbors & Watercraft  
Thomas Bright, Dept. of Motor Vehicles  
John Erreca, Dept. of Public Works  
John W. Gaffney, California Disaster Office  
Glenn B. Vance, State Fire Marshall  
Walter J. Monasch, Dept. of Housing & Community Development  
Richard Roddis, Insurance Commissioner  
Ernest B. Webb, Dept. of Industrial Relations

The following department heads have submitted their resignations. Where their replacements have not been announced, the ranking officer in each department is acting as the officer in charge on a temporary basis:

Warren Thompson, Dept. of Rehabilitation  
Thomas Moore, Dept. of Social Welfare  
Hugo Fisher, Resources Agency Administrator  
Fred L. Jones, Dept. of Parks and Recreation  
Joseph M. Farber, Dept. of Veterans Affairs  
Roderic L. Hill, Military Dept. (Adjutant General)  
James O. Reimel, Director, ABC  
John A. O'Kane, Supt. of Banks  
Gareth W. Sadler, Savings & Loan Commissioner  
Harold J. Powers, Director, Professional & Vocational Standards  
Jerald S. Shutzbank, Corporations Commissioner  
Helen Ewing Nelson, Consumer Counsel

1.3.67/PB

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
445-4571

3  
PRESS  
IMMEDIATE RELEASE ★

SACRAMENTO--Appointment of Edgar M. Gillenwaters as Deputy Director of Finance was announced today by Gov. Ronald Reagan.

Gillenwaters, 34, had been Administrative Assistant to Rep. Bob Wilson (R-San Diego) since January, 1963.

In his new post he will be responsible for liaison with the California Congressional delegation, government agencies and Washington representatives of California industries. He will maintain an office in Washington, D.C.

A native of Klamath Falls, Oregon, Gillenwaters attended the University of Colorado. He is married to the former Jane Haas. They have three children.

Gillenwaters served as a forward observer in Korea in 1950-52 and became assistant manager of Transportes Aereos de Jalisco (Jalisco Airlines) in Guadalajara, Mexico in 1953.

From 1954 to 1958 he was associated with Giant Resources, Inc. of Denver, serving as assistant production manager, Uranium Engineering Corp., Grand Junction, Colo.; manager, Edgemont Mining and Uranium Corp., South Dakota, both Giant Industries subsidiaries, and as staff assistant to the parent corporation's board of directors.

He joined Rohr Aircraft Corp., San Diego, in 1958, where he was a staff assistant upon leaving in November, 1960. Gillenwaters was an account executive for Barnes Chase Co., an advertising firm, from 1960 until joining Congressman Wilson's staff in 1963.

Gillenwaters is a member of St. Patrick's Episcopal Church, Washington, D.C. and a member of the executive committee, Republican Associates of San Diego County.

The post pays \$25,500 a year.

1.3.67/PB

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
445-4571

# PRESS

IMMEDIATE RELEASE

A meeting to discuss California's fiscal and budgetary situation was held Tuesday afternoon in the Office of Governor Ronald Reagan.

Gov. Reagan opened the meeting with introductory remarks, outlining his broad views and Philip M. Battaglia, Executive Secretary to the Governor, followed with further comments.

Gordon P. Smith, State Finance Director, conducted a broad discussion of the goals of the Reagan Administration with particular emphasis upon economy in the operation of the state government and the need for a common sense approach to governmental fiscal matters.

Financial problems of the state were outlined, including a discussion of the current 1966-67 budget for the remainder of the fiscal year as well as preparation of the 1967-68 budget.

Emphasis was placed on the effects of the fiscal problems in such critical areas as the public schools, the university and college system and health and welfare matters.

Discussion also centered on the Reagan Administration's approach to solving the budgetary and fiscal problems and on the technical details of completing work on the 1967-68 budget, including timing that will be used in submitting the budget to the Legislature.

Organization of the Finance Department also was discussed.

Others attending included Lt. Gov. Robert H. Finch; Controller Houston I. Flournoy; Sen. John McCarthy, the Senate Republican

(MORE)

leader; Assemblyman Robert Monagan, the Assembly Republican leader; Assemblyman Don Mulford, the Assembly Republican caucus chairman; Frederick E. Balderston of the University of California; Dr. Glenn S. Dumke, Chancellor, the California State Colleges; Dr. Max Rafferty, Supt. of Public Instruction; Spencer Williams, Administrator, Health & Welfare; Lyn Nofziger, Press Secretary; and Dirk Eldredge, Assistant Executive Secretary.

1.3.67/PB

INAUGURAL COMMITTEE 1967  
Sacramento, California  
AC 916 - 445-9432  
January 9, 1967

PRESS

FOR IMMEDIATE RELEASE

A limited number of colorful "first edition" official souvenir programs--produced by Walt Disney in honor of Governor Ronald Reagan's historic inaugural here last week--are "still available to the public, but going fast," Inaugural Director Sandy Quinn announced today.

Copies of the 24-page booklet, described by Quinn as "a true collector's item," may be ordered by mail from the Inaugural Committee, P. O. Box 2511, Sacramento, he said. No telephone orders will be accepted "because we wouldn't be able to handle the demand," he added.

The programs sell for \$2.00 per copy and include:

- Detailed information on inaugural week events.
- New photos and etchings portraying California's colorful mission heritage.
- Stories and sketches highlighting unique moments in the state's early history.
- New photographs of Governor and Mrs. Reagan and Lt. Governor and Mrs. Finch.
- Pictures and biographies of the state's new constitutional officers.
- A roster of state officials.

The front cover features a three-inch seal of the State of California in gold leaf blind embossing. The title page carries a striking photo of the State Capitol.

The design of the booklet reflects the "Fiesta California" theme which was interwoven through the fabric of inaugural week events.

## #

FOR RELEASE WEDNESDAY A.M.'S

Governor Ronald Reagan today announced formation of a six-man Water Resources Task Force to undertake a comprehensive review of the financing and construction progress of the State Water Project.

"We are near the half-way mark in terms of construction of the project," the governor said, "and it is time to evaluate exactly where the State Water Project stands from a financial and construction standpoint.

"I want to make it absolutely clear, however, that there is no question in my mind as to the basic integrity and soundness of the project and its financing.

"What I am asking these six men to do, in cooperation with William R. Gianelli, director of the Department of Water Resources, is to conduct a midpoint review of the project," the governor said.

Reagan asked the Task Force to complete its assignment within 60 days. Conclusions reached by the committee will be used by the governor and Gianelli as guidelines in pushing the State Water Project to a successful completion.

By requiring an early report from the committee "we will be able to consider any necessary legislation which might be required," the governor said.

Staff personnel and information from the Department of Water Resources will be made available to the Task Force, which may also seek outside assistance if necessary in preparing its report.

Gianelli noted that the Burns-Porter Act ratified by California voters in 1960 contemplated construction of certain state water facilities at price levels of the late 1950s.

At this time it is not certain whether revenue bonds used to finance the project will be adequate to meet construction costs which have increased since passage of the Burns-Porter Act, he said.

Gianelli also pointed out that the water needs of California have changed since 1960 because of the adverse decision of the U.S. Supreme Court concerning the allocation of Colorado River water supplies.

Construction of new projects by the federal government and local agencies, and changing patterns of water requirements, have also affected the state's water needs, he said.

As a result, Gianelli added, special attention should be given to determining whether the Burns-Porter Act will meet the water needs of California or whether the project should be modified to reflect any changed conditions.

At the same time, the water resources director said, engineering and related problems should be carefully examined to see if the State Water Project will be able to meet its timetable. This includes delivery of agricultural water in Kern County next year and delivery of water south of the Tehachapi Mountains in 1971 and 1972.

Chairman of the Task Force will be Clair A. Hill, a widely-known water engineer from Redding. Others on the committee are Harvey O. Banks of San Francisco, former director of the Water Resources Department under Goodwin Knight; M. J. Shelton, vice president of the La Mesa engineering firm of Koebig and Koebig; Samuel Nelson, chief engineer of the Los Angeles Department of Water & Power; Gerald Jones, a Sacramento consulting engineer; and Don M. Davis of Stone & Youngberg, San Francisco financial and investment firm.

# # #

FOR IMMEDIATE RELEASE

Norman B. Livermore Jr., a San Francisco businessman with a long background in forestry and conservation, today was named by Governor Ronald Reagan as administrator of the State Resources Agency.

Livermore, 55, is treasurer of the Pacific Lumber Co., San Francisco, a post he will resign upon assuming his new duties.

A former director of the Sierra Club and a member of its Outing Committee, Livermore is a life member of the widely-known conservation organization and is a former director and officer of the Redwood Region Conservation Council.

"We are indeed fortunate to have the services of a man with Mr. Livermore's experience and background," Governor Reagan said in announcing the appointment.

"He has a unique record. He has had a long association with the Sierra Club and has a first-hand interest in the outdoors. In addition, Mr. Livermore is extremely knowledgeable about the lumbering industry.

"This broad range of experience will be of great assistance in helping formulate plans and programs to preserve and protect California's tremendous resources," the governor said.

Livermore is the third agency administrator to be named by the governor. Under proposals still under consideration for reorganization of the executive branch, Livermore will eventually join with two other key executives in health and welfare and transportation, working directly out of the governor's office. The post pays \$27,500 yearly.

A fourth generation Californian and a Republican, Livermore is married to the former Virginia Pennoyer. They have five children.

Livermore graduated with a bachelor of arts degree from Stanford University in 1933 where he was president of the Interfraternity Council and captain of the varsity baseball team. He attended Harvard Graduate School of Business in 1933-34 and received a MBA degree from Stanford in 1936.

During the summers between 1937 and 1942 he operated a pack train for outings of the Sierra Club. During the winters, he served as a junior accountant with Price Waterhouse & Co. in San Francisco and London and as an investment counsellor.

Livermore served in air intelligence with the U.S. Navy from 1942 to 1945, taking part in amphibious landings in Sicily, Palua, Okinawa and Iwo Jima. He holds the rank of Lt. Cmdr. (ret.) in the Navy Reserve.

After the war, Livermore again operated pack trains in the Sierras and was owner and operator of a sawmill until 1952 when he joined Pacific Lumber Co. as treasurer.

He is a member of the California committee of American Forest Products Industries, Inc.; associate director of the California Forest Protective Assn., a member of the State Chamber of Commerce's natural resources committee; a director and member of the executive committee of the Forest Genetics Research Foundation of Portland, Ore., and a member and former chairman of the Commonwealth Club forest and recreation section.

He also is organizer, executive secretary and currently honorary member of the High Sierra Packers Assn. and has written and lectured on various conservation and land use matters.

# # #

PRESS ★

FOR IMMEDIATE RELEASE

State Health and Welfare Administrator Spencer Williams announced today that eight state-operated Multi-Service Centers will be closed so that better service can be provided to the five centers that will remain in operation.

As of last month, Williams said, the five centers that will remain open on a pilot-program basis accounted for 91 percent of the caseload.

"This program of concentrating the best of our combined services--both public and private--will provide the best service to the greatest number of people," Williams said.

"But more important," he added "the reduction in the number of our Multi-Service Centers will enable us to determine better the effectiveness of the program in the five centers that will continue in operation."

Williams noted that A. Alan Post, the legislative analyst, recommended when the program was initiated that the method of meeting problems faced by poverty-area residents should be carefully evaluated.

"The program should have been tried on a pilot basis originally rather than opening and attempting to build a program around 13 centers," Williams said. "Some type of trial and error period and subsequent evaluation is needed before this program can reach its fullest potential."

Centers that will remain open are in South Los Angeles, East Los Angeles, San Francisco, San Diego and Richmond. Centers that will be closed effective Feb. 11 are in Oakland, Venice, San Bernardino, Long Beach, Fresno, Bakersfield, Stockton and Vallejo.

However, Williams emphasized, no case that is currently being handled by the service centers will be dropped. All persons now being helped will be handled by offices of departments from which they are already receiving services.

The Department of Rehabilitation will maintain field offices in Venice and Vallejo following closure of the service centers in those locations.

Rehabilitation cases in other areas where the centers will be closed will be transferred to the nearest field office of the department and all persons currently receiving rehabilitation services will continue to have that opportunity, Williams said.

Employment service field offices will continue to be open in the eight cities where the service centers are being closed.

The 13 Multi-Service Centers were authorized by the Legislature in an effort to provide a "single-door" approach to solving many poverty-area problems.

They originally were designed to include services for rehabilitation employment, youth authority, corrections, social welfare, mental hygiene, public health, consumer counsel and Fair Employment Practices Commission.

The idea behind the plan was to use a "team" approach among various state and local agencies, eliminate overlapping and referrals among departments and coordinate services of all levels of government.

However, an examination of the program disclosed that there was some duplication of services among centers and department field offices and that local agencies did not participate to the extent necessary for a successful program, Williams said.

With proper development of the five centers, he added, better coordination of existing programs can be achieved.

Williams said Governor Ronald Reagan has requested all participating state departments to give complete support to the service center concept under its new format so that a valid test may be made.

At the same time, Dirk Eldredge, assistant executive secretary to the governor who is responsible for local government liaison, will work closely with local agencies in the five locations to build a stronger partnership between the centers and local authorities.

Williams also said that private business and industry will become involved in the program through the statewide job opportunity program being developed by H. C. McClellan.

The task force on welfare, headed by Lt. Gov. Robert H. Finch, also will work closely with it in evaluating the new approach.

Williams noted that directors of the 13 centers--when asked to list a priority for those that should remain open--selected those centers that will continue in operation.

A general fund expenditure of \$3.4 million was authorized by the Legislature during the current fiscal year. Williams said funds unused by the eight closed centers will be diverted to the remaining five centers.

In addition, he said, by putting the program on a pilot basis with five centers, a total of \$4.4 million can be saved in the 1967-68 budget.

Wherever possible, Williams added, employees will be transferred to the five remaining service centers. Other employees will be asked to remain in state service and every effort will be made to minimize displacements, he said.

# # #

FOR RELEASE FRIDAY A.M.'S

Governor Ronald Reagan today named Edward B. Hutchinson, Palo Alto real estate developer, as deputy director of the Department of General Services.

Hutchinson, 36, is a native of Chicago and was graduated with a bachelor of arts degree from Stanford University in 1955.

A veteran of the Korean War, he was engaged in commercial and industrial real estate with Hare, Brewer & Kelley, Inc., Palo Alto, prior to joining state service.

Before joining the real estate firm in 1957, he served for a year as sales manager for the Grolier Society, Inc., encyclopedia publishers, in Munich, Germany.

In November and December of 1965, Hutchinson served as director of transportation of the American Christmas Train and Trucks--a relief program for the people of Vietnam.

Under his direction, more than 50 boxcars and 7,000 truckloads of supplies were gathered from throughout the United States. Hutchinson supervised distribution of the material to the Vietnamese people while spending January and February of 1966 in that country.

The program was jointly sponsored by the U.S. Junior Chamber of Commerce, the National Young Republicans and the National Young Democrats.

Hutchinson served in 1964-65 as governor of area six of the United Republicans of California and is a member of the Young Republicans and the San Mateo County and State Republican committees. He also is a member of the Citizen's Advisory Committee of Sequoia High School District in San Mateo County.

He is married to the former Kirsten Rasmussen. They have four children. Hutchinson attends Menlo Park Presbyterian Church. The post pays approximately \$22,000 annually.

# # #

MEMO TO THE PRESS  
Governor Ronald Reagan  
January 12, 1967

PRESS ★

Governor Reagan will make a statement  
immediately following his meeting with the  
Board of Regents in Press Conference Room #1190.

Paul Beck  
Assistant Press Secretary

# # #

FOR RELEASE FRIDAY P.M.'S, JAN. 13

Appointment of Henry M. Shine Jr., veteran attorney associated with numerous governmental activities, as director of Professional and Vocational Standards was announced today by Governor Ronald Reagan.

Shine, 45, of Sacramento, was director of the National Housing Center of the National Association of Home Builders in Washington before accepting appointment to the \$21,500-a-year post.

He joined the NAHB in 1961 as legislative director engaged in matters affecting the home building industry and became director of the NHC in 1965 where he was responsible for liaison with various NAHB offices, international relations and trade missions.

A native of Maine, Shine was graduated from Harvard with a bachelor of arts degree in 1947 and was graduated cum laude with an LL.B from Notre Dame in 1951. He also undertook graduate studies at Southern Methodist School of Law.

From 1953-55 he was assistant to a commissioner of the federal Hoover Commission and until 1957 specialized as an attorney involved in foreign legal problems with Dresser Industries. The following year he became Washington representative with Dresser, reporting on government actions and trends.

He served from April, 1958 to December, 1959 as assistant staff director of the Commission on Civil Rights responsible for creation and supervision of state advisory committees. In January, 1959, he joined the U.S. Department of Commerce as executive director and counsel to the U. S. Science Exhibit at the Seattle World's Fair, where he served until 1961.

Shine formerly served on the board of governors of the Washington Foreign Law Society and is a member of the American Bar Association's international and comparative law section. He is former chairman of the National Committee on Lawyers and Legal Services in the Defense Establishment and the Real Property Law Section's committee on public regulation of land use.

He is a member of state and national bar associations, is listed in "Who's Who in Commerce and Industry" and "Who's Who in American Universities and Colleges" and has lectured at Brookings Institution's public affairs fellowship program.

Shine graduated from Alexander <sup>Hamilton</sup> High School in Los Angeles and entered the U.S. Navy in 1942. He is a Lt. Cmdr. in the Reserve. Shine is married and has two children. He assumes his new post Feb. 1.

MEMO TO THE PRESS  
Governor Ronald Reagan  
January 13, 1967

PRESS★

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

In press release #11 issued today for P.M.'s  
release, please note in last paragraph that Shine  
graduated from Alexander Hamilton School in Los Angeles.

Thank you.

Paul Beck  
Assistant Press Secretary

# # #

FOR IMMEDIATE RELEASE

J. William Orozco, Southern California businessman and Mexican-American leader, today was named by Governor Ronald Reagan as the governor's representative in Los Angeles.

In addition to broad duties in heading the Los Angeles office, Orozco, 45, will have special assignments within the Mexican-American community, the governor said.

"Bill Orozco's administrative experience will be of tremendous assistance to me and the people of California in operating this important office," Governor Reagan said, adding:

"He is widely known and greatly respected within the Mexican-American community. His familiarity with the people of the community and his knowledge of the problems confronting many of them will be extremely helpful.

"I can't emphasize too strongly the importance my administration attaches to the belief that government must be responsive to the people. Bill Orozco's duties in this area will help us achieve that goal," the governor said.

Orozco is a native of Guadalajara, Jalisco, Mexico and became a naturalized citizen in 1943.

A World War II veteran of five European campaigns, he has been associated with his father, J. David Orozco, in a Spanish language radio firm and has been in the advertising and insurance fields. He is a partner in Orozco Travel Service, Los Angeles.

He was the Republican nominee for Congress in the November, 1966 election, narrowly losing to the incumbent in the heavily-Democratic 29th District.

Orozco attended Los Angeles High School and the University of Puebla, Mexico. He is treasurer and former chairman of the Greater East Los Angeles Committee on the Aging, a member of Mayor Samuel W. Yorty's Citizens Advisory Committee and Dist. Atty. Evelle J. Younger's Advisory Council, founder-president of the Pueblo of Los Angeles Republican Association, a group chartered by the Los Angeles County Republican Central Committee and a director of Beneficencia Mexicana.

He is president of the Comité (cq) Mexicano-Cívico Patriótico; secretary of the Inter-American Club, Inc. and past treasurer, vice president and director of the Mexican Chamber of Commerce.

Orozco has been active in numerous Republican election campaigns since 1952 and is active in many civic and charitable organizations.

FOR RELEASE SUNDAY A.M.'S

Governor Ronald Reagan today announced the timetable for presenting to the State Legislature his proposals for new legislation in key areas of government.

"During the next 60 days," the governor said, "these proposals will be submitted to the Legislature for consideration.

"As I noted in my inaugural address, I fully intend to carry out the program I enunciated during the campaign for governor. The thrust of these suggestions to the Legislature will be to restore to the fullest extent the right of the people to manage their own affairs.

"A great deal of creative thinking has already been put into these proposals and much study remains to be done before they are completed. We are continually soliciting sound ideas and suggestions and they will be incorporated into our proposals as the time for presenting them approaches," Governor Reagan said.

The budget for the 1967-68 fiscal year will be submitted to the Legislature on Tuesday, Jan. 31, he said. Specific recommendations and detailed programs relating to the budget will follow.

Reagan said that because of the "failure of the previous administration to act in an open and above-board manner, we are faced, as I'm sure most Californians are aware, with a massive gap between spending and income.

"By squeezing, cutting and trimming, the budget presented to the Legislature will represent an honest and fair approach to the problems we inherited. I am confident the Legislature and the taxpayers of California can be assured their money is being well spent," Governor Reagan said.

However, the governor pointed out that submission of the budget is just one part of the financial program. The other will be his proposals on fiscal reform, scheduled to be laid before the Legislature at the end of February.

Governor Reagan repeated that his administration is committed to property tax relief and that plans for reforming the tax structure will be a major and essential item of his plan.

As in other areas, details and specifics are being hammered out for what he called "a comprehensive tax reform program."

Reagan said he will present his message on proposed crime legislation to the Legislature on Tuesday, Jan. 17. Reorganization of the executive branch of government hopefully also will be put before the Legislature next week, he said.

Detailed proposals on legislation involving welfare are scheduled to be submitted the week of Jan. 23 and a program dealing with agriculture will be given to the Legislature the following week.

Parks and Recreation proposals are to be presented during the second week of February, followed by a detailed and comprehensive program on education the week after that, Governor Reagan said.

In addition, the governor said other proposals on less critical subjects will be presented during the course of the next few months.

# # #

PRESS ★

A committee of newspaper, radio and television representatives agreed on the following list of working procedures for the Governor's press conferences in 1963. These procedures worked satisfactorily. They are acceptable to the Governor's Office and will be followed in the future.

Rule 7 is modified to permit hand movie cameras to be used only at the side of the room or in the area at the back of the sound cameras, never in front of the cameras.

1. Television cameramen and radio technicians will have their equipment in position and ready to operate before the conference begins.

2. Television cameramen will use film of such speed that artificial lighting can be held to a minimum.

3. Cameras and other equipment will be set up behind seats provided for reporters so that the recording process does not obstruct the orderly process of question-and-answer.

4. Seating at press tables will be by assignment.

5. Cameramen and technicians will not move about unnecessarily nor will equipment be moved during the course of a news conference.

6. There will be no halting of the news conference for repeats of answers and no delay of the conference for close up pictures.

7. Hand movie cameras may be used only from behind sound cameras or at the sides of the room--never in view of the rear cameras.

8. Still photographers may take pictures during the press conference in available light only.

9. The wishes of all reporters regarding identification or quotation will be respected. Newspapermen will not be photographed while asking questions.

10. Every effort will be made to exhaust a subject before questioning begins on another.

11. There will be no post-press conference questioning.

12. It will be up to individual radio-television representatives to arrange for any special filming or taping for future programs, documentaries, etc.

13. Written or oral notices can be filed by any newspaper representative who doesn't want his voiced questions to be shown on television or aired on radio.

14. Senior correspondent will end the news conference when he deems it advisable.

Lyn Nofziger  
Communications Director

# # #

FOR IMMEDIATE RELEASE

Burton E. Smith, 1966 president of the California Real Estate Association and nationally-known leader in this field, today was appointed by Governor Ronald Reagan as State Real Estate Commissioner.

Smith, 50, is owner of a realty firm in Bellflower and has been active in numerous real estate associations for nearly 20 years.

Appointment of Smith, a Democrat, to the \$22,500 a year post is subject to Senate confirmation. His term will expire Jan. 15, 1971.

Smith attended public schools in the San Pedro area and was graduated from the University of Southern California in 1941 with a degree in business administration. He has written numerous articles on real estate and has lectured widely, including instructing real estate courses at Long Beach City College.

He is chairman of the Real Estate Advisory Board of Cerritos Junior College and a member of the University of California Advisory Committee on Real Estate Education and the State Real Estate Education Research Advisory Committee.

Smith received his first real estate salesman's license in 1947 and organized his firm which serves the Bellflower and Long Beach areas in 1950. He is recognized throughout the nation as an authority on real estate syndicates and investments.

A director of the Bellflower National Bank, Smith served two terms as president of his community's Chamber of Commerce and has held various local and regional real estate association offices.

He served as president of the 55,000-member CREA in 1966 and was a CREA vice president in 1956. A CREA director since 1954, Smith also is a director of the National Association of Real Estate Boards and 1967 chairman of the State Association Committee of the NAREB which coordinates real estate activities among the 50 state associations.

Smith has been a strong advocate of the CREA's Equal Rights Program dedicated to educating all members on their responsibilities of equal service to all in the housing industry and has been a leader in sponsoring industry forums between the CREA and allied organizations.

He and his wife, Betty, have two sons.

# PRESS ★

PRESS RELEASE-LN-#16  
Governor Ronald Reagan  
January 16, 1967

FOR IMMEDIATE RELEASE

SACRAMENTO--Governor Ronald Reagan today named two men to the California Highway Commission to succeed commissioners whose terms have expired.

Vernon J. Cristina, long active in the transportation field and head of Cristina Warehouse Co. in San Jose, was named to a four-year term. He succeeds Roger S. Woolley of Rancho Santa Fe.

Moon Lim Lee, Weaverville businessman with a long record of civic activities, was named to succeed Joseph C. Houghteling of Atherton, also for a four-year term.

Confirmation by the State Senate is required for both men.

"Selection of Mr. Cristina and Mr. Lee is part of the continuing process this administration is undertaking to assure that the best qualified men are named to key positions," Reagan said.

The backgrounds of both prove that this requirement has been met and that they will fairly represent the taxpayers of California in the critical area of highways," the Governor added.

Senator Fred W. Marler, Jr. (R-Redding), in whose district Lee lived prior to reapportionment, said the new commissioner "is an outstanding citizen of proven capability. His appointment will insure proper representation for a vast section of Northern California on the Highway Commission.

"He is from a pioneer California family and I am personally aware of his abilities and interests that have benefited his community for many years," Marler said.

Cristina, 51, is owner and operator of Cristina Warehouse Co. and Cristina Drayage, both of San Jose. From 1948 to 1959 he was vice president, Garden City Transportation Co. and president of Garden City Warehouse Co. and Coastal Terminals, Inc., all of San Jose.

He operated and managed orchard properties and a general store in San Benito County from 1937 to 1948.

Cristina attended San Jose High School and was graduated from the University of Santa Clara with a major in political science.

more

He has been active in numerous civic activities. He is past president of both the Santa Clara County Transportation Club and the Santa Clara County Truck Owners' Assn. and is a member of the Board of Governors of the California Truck Owners Assn.

A Republican, Cristina is married and has three sons.

Lee operated a grocery business in Weaverville from 1922 to 1948 and since 1949 has operated an appliance firm.

He received his education in his native Trinity County and has been active in civic affairs, including the Weaverville Chamber of Commerce. He is a director of the Highway 299 Assn., the Trinity County Recreation Park and Parkway District and the Weaverville Sanitary District.

He is past president of the Trinity County Historical Society, a member of the Chinese Historical Society of America and serves on the advisory committee of the California National Highway Week Commission.

In addition, Lee is a member of the Farm Bureau, the North Fork Grange and the American Field Service.

He is married and has one daughter.

# # #

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 17, 1967

RELEASE: IMMEDIATE  
Tuesday

PRESS

SACRAMENTO--Two appointments to the State Public Utilities Commission were announced today by Governor Ronald Reagan.

Frederic (cq) P. Morrissey, professor of business administration at the Graduate School of Business at UC, Berkeley, was nominated to succeed George G. Grover of San Francisco.

Former State Senator William Symons, Jr. of Bishop was named to replace Frederic B. Holoboff of San Mateo.

Both terms to the \$26,000-a-year post expire January 1, 1973 and require State Senate confirmation.

Morrissey, 46, lives in El Cerrito and is a native of Canada.

He was graduated from the University of Toronto in 1943 with a bachelor of commerce degree and received a masters in commerce three years later. He received his Ph.D from Columbia in 1949.

A naturalized citizen, Morrissey served in the Canadian Army during World War II and taught at the University of Toronto before coming to Berkeley in 1949.

Morrissey served as Associate Dean of the Graduate School of Business from 1961-65 and is a visiting professor at Stanford's Department of Industrial Engineering.

Dr. Morrissey has received two Ford Foundation grants, is a member of the Insitute of Basic Mathematics for Business and is recognized as an authority in the Public Utility field. He has written extensively on utilities and their regulation.

He is a member of the American Economic Assn., the Canadian Political Science Assn., the Royal Economic Assn. and the Western Economic Assn. and has lectured extensively.

A Republican, he is married to the former Eileen MacMillan. They have two children.

Symons started the Symons Livestock Transportation Co. in 1931 at the age of 18 and in 1937 entered the ranching business on leased land near Bishop. From 1941 to 1942 he managed Kellogg Ranch in Nevada and the following year started Symons Ranch on U.S. 6 near Bishop.

more

The Symons Ranch initially was a new development but ultimately became one of the most productive cattle ranching operations in the eastern part of California. Symons sold the ranch in 1961.

In 1958-59 he received the Goodyear Soil Conservation Award for outstanding achievements in soil conservation practices.

Symons, 53, has had a long career in government service. He was a Justice of the Peace/<sup>in</sup> Mono County from 1945-47 and in 1947 was elected to the Benton Elementary School Board, serving about eight years.

In 1948 he was elected to the Mono County Board of Supervisors, serving until 1962, including four terms as chairman. He was appointed by then Governor Earl Warren to the 18th District Agricultural Assn. in 1950 and in 1962 was elected State Senator from the 28th District.

When the Senate was reapportioned, Symons did not seek re-election. During his term in the Senate, he was vice chairman of the Public Utilities Committee and served on the Senate Fact Finding Committee on Transportation and Public Utilities.

Symons, a Republican, is married and has one son.

# # #

1/16/67/PB

PRESS

18

Governor Ronald Reagan today reappointed Dr. James V. Lowry as director of the Department of Mental Hygiene.

Dr. Lowry, 53, has served as director since 1964. A psychiatrist, he was formerly assistant surgeon general and chief of the bureau of medical services of the U.S. Public Health Service.

Governor Reagan said reappointment of Dr. Lowry is in keeping with his policy of retaining those department heads who are best qualified.

"Dr. Lowry has vast experience in the field of public health services," Governor Reagan said, "and he has established his ability to direct the Department of Mental Hygiene. I am convinced that our state government will be served best by retention of Dr. Lowry."

The post pays \$26,000 annually and requires Senate confirmation. The term is at the pleasure of the governor.

Lowry, a resident of Davis, is a native of Milwaukee and received his bachelor of science and medical degrees from the University of Wisconsin. His residency in psychiatry was served at the United States Public Health Service Hospital in Ft. Worth and at the Colorado Psychopathic Hospital in Denver.

He has made a career in the public health service field, beginning with the research staff of the National Institute of Health in Washington, D. C., 1940-43. He was appointed clinical director, then medical officer in charge of the U.S. Public Health Service Hospital at Lexington, Kentucky.

From 1947 to 1954, he served as chief of community services of the National Institute of Mental Health in Bethesda, Maryland. He was appointed assistant surgeon general in 1957, then became deputy chief and later chief of the bureau of medical services, the post he left to accept his present position.

# # #

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 17, 1967

RELEASE: IMMEDIATE  
Tuesday

PRESS

19  
★

SACRAMENTO--Dr. Preston Martin, professor of finance and director of urban development research at the Graduate School of Business Administration at USC, today was named by Governor Ronald Reagan as State Savings and Loan Commissioner.

At the same time, Governor Reagan announced the filling of three other key positions.

John C. Montgomery, a member of the Ventura County Board of Supervisors, was nominated as Director of the Department of Social Welfare. The \$24,500-a-year post is subject to State Senate confirmation.

Governor Reagan also filled two vacancies on the State Board of Agriculture. Warren T. Smith, Dean of Agriculture at California State Polytechnic College, San Luis Obispo, was appointed to a four-year term to replace Lloyd Dowler of Fresno.

Dr. Francisco Bravo, a Los Angeles physician and long-time leader in the Mexican-American Community, was named to a four-year term on the Board of Agriculture to replace Lionel Steinberg of Palm Springs.

The nomination of Martin to the \$24,500 annual post as Savings and Loan Commissioner requires Senate confirmation. He succeeds Gareth W. Sadler of Pasadena.

Martin, 43, lives in Pasadena. He is married and has three children.

Martin  
He took his undergraduate work at the University of Oklahoma and at USC, receiving a BS in Finance in 1947. He received a Master's Degree in Finance the following year from USC and won his Ph.D in economics and monetary economics from Indiana University in 1952. His dissertation was on "Branch and Unit Banking in California."

He  
~~Martin~~ was Director of Executive Programs for business and governmental executives at USC from 1959-63 and Stateside Coordinator of the USC-AID project for the Institute of Public and Business Administrative Organization in Karachi, Pakistan. He twice was acting chairman of the Finance and Real Estate Department at USC.

more

His teaching fields include regional economics, business economics, financial institutions and real estate finance. In addition, he has written extensively in the area of savings and loan institutions, housing and related monetary policies, and real estate.

Martin, a Republican, has conducted research in several related fields, including a paper on "Factors Influencing the Geographical Distribution of Bank and Savings and Loan Accounts" and another on "The Impact of Employment and Commercial Changes on Housing Markets."

His experience in the savings and loan field includes courses taught in comparative financial institutions. From 1956 until his appointment he directed 104 community and county analyses dealing with the establishment of new savings and loan branches.

Martin, a director of Lincoln Savings and Loan, has severed his connections with that firm and has disposed of S & L stock holdings. He formerly was associated in a homebuilding firm, and a mortgage finance and consumer financial firm and owned a research company specializing in savings and loan matters.

He is a veteran of World War II.

Montgomery, nominated for the Social Welfare Department, is a 33-year-old Republican from Thousand Oaks. He replaces Thomas G. Moore, Jr. of Sacramento.

He was graduated from California State Polytechnic College in San Luis Obispo, is a veteran of the U.S. Air Force and has agricultural interests. He served as vice president of the California Cattlemen's Assn. for three years and is a director of the American National Cattlemen's Assn.

He was elected to the Board of Supervisors in 1962 and re-elected last year when he served as board chairman.

Montgomery is chairman of numerous governmental and civic organizations, including the Committee on Welfare, National Assn. of Counties; the Urban Problems and Property Systems Committees of the County Supervisors Assn. of California and the Committee on Regional Planning of the Southern California Assn. of Governments.

more

He has been active in Republican affairs, is a past president of the Simi Valley Chamber of Commerce and has been associated in numerous civic and charitable organizations.

Montgomery is married and has two children.

Both appointees to the State Board of Agriculture are Democrats.

Smith has been dean of agriculture at Cal Poly for the past five years. He previously was assistant dean.

He was graduated from UC, Berkeley with a degree in forestry and also received a degree from UC, Davis in agricultural education. The 56-year-old Smith has spent his entire life in forestry and agriculture. He spent 10 years with the U.S. Forest Service and the National Park Service before joining the Navy in World War II.

Smith, 56, taught vocational agriculture at Madera Union High School for 10 years before switching to higher education. He is married and has one child.

Dr. Bravo, 56, has had a distinguished and varied business career.

In addition to being a physician, he is a banker and rancher and a leader in the Mexican-American community of Los Angeles. He also has served on city commissions in Los Angeles.

Dr. Bravo received AB and MD degrees from Stanford and an MA from USC.

He is married and has three children.

# # #

1/17/67/PB

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 18, 1967

Release: IMMEDIATE  
Wednesday

20  
PRESS ★

SACRAMENTO---Governor Ronald Reagan today appointed Roy J. Bell of Los Angeles as administrative director of the Division of Industrial Accidents.

Bell will resign as head of safety and public affairs at Hughes Aircraft Co. He has served Hughes since 1953 as safety supervisor and also was in charge of medical services, health and safety and workmen's compensation administration.

Long active in the field of industrial accidents, Bell served two terms as chairman of the Workmen's Compensation Committee of the California Manufacturers Assn. For five years, he has been chairman of the Technical Committee on Workmen's Compensation and also served as vice chairman of the Workmen's Compensation Committee of the California Conference of Employers Assn.

Bell is the author of a widely-circulated paper dealing with workmen's compensation, "Barriers to Employment," presented to the Blue Ribbon Study Commission in 1964. He has been a member of the President's, the Governor's and the People-to-People committees for employment of the handicapped. He received the People-to-People Committee award for International Goodwill in 1966.

The state post pays \$25,000 annually and Senate confirmation is required. Bell replaces Thomas N. Saunders.

Born in Missoula, Montana in 1911, Bell moved to Los Angeles in 1921 and has lived there ever since. He graduated from Lincoln High School in 1929 where he was president of the student body. In 1932, he graduated from Los Angeles City College and began his business career in the credit department of Bullock's. During World War II, Bell was a civilian member of the Army Air Corps assigned to production control at Lockheed Aircraft. Later, he became west coast manager of the National Management Association, and organized more than 100 management clubs.

Bell is married and has two married daughters. He is a Republican.

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1.18.67/CB

PRESS ★

Governor Ronald Reagan today announced two appointments to the California State Board of Pharmacy.

Robert M. McCurdy, a member of the board since 1962, was reappointed, and Charles V. Cummins of Upland was named to replace Oscar Wiener.

McCurdy has served as the first public member of the board under a law requiring public representation on most state professional and vocational boards. He is a former assistant city manager of Pasadena.

Cummins, a registered pharmacist, is owner of Gemmel Drug Co. of Ontario, and president of six other retail drug companies. He is a Lt. Commdr. in the Medical Service Corps of the U.S. Naval Reserve.

Born in Paris, Illinois in 1918, Cummins received his BS in Pharmacy and Chemistry from Butler University, Indianapolis. He was employed by a Paris drug company from 1935 until 1941 when he joined the U.S. Navy.

Following release from active duty in 1946, Cummins purchased a drug store in Chrisman, Ill. He owned and operated this store and two others until 1955. Then he purchased the drug store in Ontario, later selling his stores in Illinois. He is also associated in the ownership and operation of drug stores in Upland, Montclair, Palm Springs, Redwood City, Pomona and Upland.

Cummins is a member of the Southern California Pharmaceutical Association executive board, the Ontario City Charter Revision study committee, and served as president of the Ontario Businessmen's Association board of directors. He and his wife, Dorothy, have four daughters, one of them in her last year at the University of Pacific Pharmacy School. He is a Republican, and a member of the Rotary Club, Masonic Lodge, Scottish Rite and American Legion.

McCurdy, a native of Wanatah, Indiana, attended LaPorte, Indiana High School, the Chicago Y.M.C.A. College and the University of Chicago. He was an officer in France during the first World War. He served on the National Rehabilitation Commission and was its chairman for fifteen years. He was a member of the special committee which drafted the G.I. Bill of Rights in 1944, and he is an honorary life member of the American Legion and Veterans of Foreign Wars. He is 71.

A veteran member of the California Committee for the Employment of the Handicapped, he is also a past president and life director of the Pasadena Tournament of Roses. Among many associations, he is a member of the Pasadena Optimist Club, Pasadena Chamber of Commerce, Scottish Rite and Al Malaikah Temple of the Shrine. He is a Republican.

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 18, 1967

RELEASE: IMMEDIATE  
Wednesday

#22

PRESS

SACRAMENTO--Gov. Ronald Reagan today named William C. Hern, a career man in industrial relations, as chief of the Division of Labor Law Enforcement, Department of Industrial Relations.

Hern, 52, of Burlingame, has dealt with employer-employee problems since 1943 when he was appointed director of industrial relations for the American Forge Co. He also served as executive assistant in the industry office of the 10th Regional War Labor Board.

From 1946 until 1954, Hern was executive secretary of the San Francisco Bakery Employers Association. He negotiated and administered multi-employer collective bargaining contracts, and he was responsible for handling of all grievances. He developed and instituted health and welfare programs covering 5,000 employees.

Since 1956, Hern has been with Colonial Bakeries of South San Francisco, as industrial relations director and presently as executive vice president and general manager.

A native of Ohio, Hern earned his bachelor's degree at San Jose State, and his master's degree in business administration at the University of Chicago in 1941. He was named Industry Man of the Year in 1965, and he served as chairman in 1966 of the San Mateo County Human Resources Commission.

Hern replaces Sigmund Arywitz in the \$19,500-a-year position. Senate confirmation is required.

# # #

1.18.67/CB

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 18, 1967

Release: IMMEDIATE

PRESS

23

The office of Governor Ronald Reagan announced today that promised Los Angeles city and county participation will make it possible to continue operation of many of the Venice multi-service center's original services.

A spokesman for the governor said representatives of both Mayor Sam Yorty and the board of supervisors has assured Governor Reagan that both the city and county expect to begin full participation shortly in operation of the center. Anticipating this local participation, services will continue.

He said the offers of cooperation and participation had come from Vice Mayor Joe Quinn and County Supervisor Burton W. Chace.

Spencer Williams, administrator of the state Health and Welfare Agency, said meetings will be held shortly to discuss how best the city and county can participate in the transition.

"This is in line with Governor Reagan's thinking that local problems can best be met at the local level," Williams said.

He emphasized that the Venice Center has not been closed at any time. "The state will continue to operate a rehabilitation center out of the center even when the city and county take over other functions," he said.

# # #

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 18, 1967

Memo to the Press #24

PRESS

Harold Sullivan, Commissioner of the California Highway

Patrol, has dispatched 260 CHP officers to San Quentin Prison  
at the request of the Department of Corrections.

These officers will move into an area immediately surrounding the prison but will not enter the prison itself at this time. Another 200 officers have been assigned to the area on a stand-by basis.

Governor Reagan is being kept advised of the situation.

# # #

HEALTH AND WELFARE AGENCY  
Sacramento, California  
Contact: Spencer Williams  
January 19, 1967

For Immediate Release

**PRESS** ★

State Health and Welfare Administrator Spencer Williams today announced changes in the ~~Medi-Cal program~~ aimed at saving in excess of \$30 million in federal and state funds by the end of June 1967, without affecting the level of quality for medical services.

Williams said a "tightening up" of the fiscal aspects of the program was a "legal necessity" in view of financial limits imposed by the California Legislature.

Medi-Cal provides a broad range of medical and health care for approximately one million low-income Californians.

Williams said a number of changes which will be initiated as soon as possible are the first in what may be a series of steps to hold the program within legally required limits. He said that if the previous administration had acted promptly when signs pointed toward soaring program costs, "these measures might well be unnecessary."

The curtailment measures followed a series of meetings with representatives of the California Medical Assn., the California Hospital Assn., and nursing and convalescent home officials, as well as the State Health Review and Program Council, he said.

Williams has called upon doctors and dentists, through their statewide professional associations, to voluntarily aid in additional program savings. He also announced a new "patient classification" concept for various levels of care for hospital-confined beneficiaries of the program.

Williams has urged members of the medical and dental professions to defer "costly elective procedures" wherever feasible. He said that further savings could also be realized "by exercising extra vigilance in admitting patients to long-term care facilities."

He also urged that wherever possible special attention be given to placing patients in facilities less costly than conventional extended care facilities.

Among the steps being taken to reduce Medi-Cal costs is tighter control of admissions to nursing and convalescent homes, and revised methods of paying staff physicians at teaching and county hospitals, drug bills, and free-standing clinics (clinics not a part of a hospital or other licensed facility).

**PRESS** ★

The Reagan administration will sell the state plane used by Governor Brown it was announced today by Philip M. Battaglia, the governor's executive secretary.

"Sale of 'the Grizzly' and use of private charter planes and commercial flights by Governor Reagan will save the taxpayers more than \$127,000 a year," Battaglia said.

He said an exhaustive analysis was undertaken as soon as Governor Reagan took office to determine immediately whether continued operation of the Grizzly could be justified from the standpoint of economy.

"The Grizzly, with 19 seats, carried an average of 4.8 passengers per trip last year," Battaglia said. "This is an obvious waste of the taxpayers' money. Moreover, the 15-year-old Convair 340 cruises at only 265 miles per hour while modern jet charter planes are available which cruise at 480 miles per hour. This means a valuable saving of the governor's time in addition to the money saved."

Battaglia said that if a six-passenger jet were chartered for the same amount of flying mileage the Grizzly flew last year, the saving would amount to \$127,385 in addition to greatly reduced flying time for the governor. He said the Grizzly cost \$2.25 per mile versus 88¢ per mile on a small chartered jet.

Immediate sale of the Grizzly is expected, Battaglia indicated. He said the plane was sought for use on a small feeder airline, following conversion by Convair.

Battaglia disclosed that the state has seven other planes, at least three of which can be used as a back-up for charter and commercial flights if needed in an emergency. He said an analysis is underway to determine whether all of these planes are required, and to assure efficient use of them.

# # #

STATEMENT BY THE GOVERNOR ON KERR'S DISMISSAL 1/20/67

"I Believe the board took a very responsible action today in dismissing President Kerr. The matter of a vote of confidence was brought up by Dr. Kerr, not the board. It was not on the agenda and his request came as a complete surprise to all of us.

I do not feel it is proper to comment on how the regents, including myself, voted in the executive session. I have nothing more to say until I have had a chance to see the formal statement issued by the regents after I left the meeting and until I have had a chance to assess the situation."

# # #

TRANSPORTATION AGENCY  
Gordon Luce, Administrator  
445-3513  
January 23, 1967

RELEASE: Immediate

**PRESS** ★

Transportation Administrator Gordon Luce today named James C.

Schmidt, 39, of La Mesa as his chief assistant.

When Luce becomes executive director of Business and Government Management Services under the proposed reorganization of the governor's office, Schmidt will supervise real estate, banks, insurance, savings and loan, corporation and other business-oriented divisions of state government.

Schmidt's business background includes work with insurance companies, banking with the Commercial National Bank of Peoria, Ill. and working in surety bonding with Fidelity and Deposit Company of Maryland.

Schmidt has a Business Administration degree from Illinois Wesleyan University and a law degree from DePaul University in Chicago. He is a member of both the Illinois and California Bar.

Since coming to California in 1958, Schmidt has been associated with Home Federal Savings and Loan of San Diego where he is vice president and counsel.

Schmidt and his wife, Jerrie, live at 10933 Dutton Drive, La Mesa. They are the parents of twin girls, Julie and Sandra, 7.

# # #

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
445-4571 1.24.67

# PRESS

SCHEDULE 1.24-29.67

## TUESDAY, JANUARY 24

9:30 am	Press Conference; Room 1190
10:15 am	Bill signing ceremony: AB 62, Assemblyman Veysey, Senators Dolwig and Way, co-authors, Assemblymen Unruh and Monagan, Senators Burns and McCarthy; Governor's Office.
11:00 am	Presentation of flag: Senator Collier and Sonoma County delegation; Governor's Office.
11:30 am	Meeting: Brian Deavers, Building and Construction Trades Council, Assemblymen Monagan and Veneman; Governor's Office
2:30 pm	Acceptance of Resolution: Mrs. Maymie Anderson, Mayor of Maywood; Governor's Office.
3:00 pm	Meeting: Junior College Association Steering Committee, Lt. Gov. Finch, Senator Deukmejian; Governor's Office

## WEDNESDAY, JANUARY 25

10:15 am	Drop by: Annual Meeting, Governor's Fire Service Advisory Board; Room 130
10:30 am	Visit: His Excellency A.E. Ritchie, Canadian Ambassador to the United States; Governor's Office
12:00 noon	Luncheon: California State College Trustees; Jubilee Room, Senator Hotel. No remarks
4:05 pm	Photo session: Junior Achievement Board; Council Room
4:15 pm	Visit: His Excellency Torpen Roenne, Danish Ambassador to the United States; Governor's Office.
6:25 pm	Depart Sacramento, Western Flight #659
7:25 pm	Arrive Los Angeles International Airport

## THURSDAY, JANUARY 26 and FRIDAY, JANUARY 27

Los Angeles

## SATURDAY, JANUARY 28

5:40 pm	Arrive Sacramento, Western Flight #658
7:40 pm	Banquet: United Republicans of California; Empire Room, Senator Hotel
8:15 pm	Speech
9:00 pm	Depart banquet

## SUNDAY, JANUARY 29

No appointments scheduled at this time

1.23.67/JAK

*File*  
STATEMENT BY LYN NOFZIGER FOR JOHN COX, UPI, 1-24-67:

The reason we are asking department's that are not financed by the general fund to take a 10 percent cut is this:

The money they spend still comes from the people in the form of fees, or licenses or taxes. A lack of economy in their areas inevitably will mean higher taxes or fees or licenses. We feel it is important that the people be safeguarded in these areas just as they should be in the general fund areas.

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 26, 1967

RELEASE: FOR A.M.'S, FRIDAY,  
JANUARY 27 #26

PRESS

Peter Weinberger, San Francisco business executive, today was named by Governor Ronald Reagan as state Director of Employment.

Appointment to the \$24,500-a-year post requires Senate confirmation. He succeeds Albert B. Tieburg.

Weinberger, 52, is president of Prefax, Inc., a San Francisco firm which distributes, by licensing, an aluminum anodizing process. He has been president of the firm since 1964.

He is a brother of Caspar W. Weinberger, prominent San Francisco attorney and a long-time Republican Party leader.

From 1963 to 1964 he was assistant secretary and assistant treasurer of John E. Lindberg, Inc., a subsidiary of Champion Spark Plug Co. He was engaged in management counseling in Palo Alto for two years prior to that and from 1954 to 1961 was sales executive, vice president and general sales manager of Visan Laboratories and western sales manager of the Mytinger Corp.

Weinberger, a Republican, is a Lt. Col. in the Army reserve and from 1952-54 was chief of the management division of the Army at Ft. Ord, and served overseas in Korea and Japan.

He was manager of organization and personnel of Cosgrove & Co., Inc., San Francisco insurance brokers, from 1948 to 1952, and for two years prior to that was personnel director of the U.S. War Assets Administration's Pacific Coast area.

As an industrial relations consultant in San Francisco immediately after World War II, he prepared personnel programs and policies and assisted in wage and hour cases and labor negotiations.

He was personnel and supply officer during the war and held various supervisory positions with the federal government beginning in 1938 until 1941.

Weinberger was graduated from Harvard in 1937 with an AB in history, government and economics. He did one year of graduate study at the University of California and studied advanced personnel management at Stanford.

He taught human relations, sales management, personnel administration, U.S. history and management and organization at Golden Gate College's Evening Division from 1946 to 1955 except for military leave in 1952-54.

A native of San Francisco, Weinberger lives in San Bruno. He is married and has three sons.

He was secretary of San Francisco's "Little Hoover Commission" from 1950-52, has served as chairman of the San Bruno Planning Commission and is active in numerous civic and charitable organizations.

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 26, 1967

# 27  
RELEASE: IMMEDIATE

Thursday

PRESS ★

SACRAMENTO--Gov. Ronald Reagan will make his first out-of-state speech since assuming office at a Lincoln Day dinner in Eugene, Ore. on Feb. 11, the Governor's Office announced today.

The Governor will fly to Salem to hold a noon meeting with Oregon Gov. Tom McCall, California Health and Welfare Administrator Spencer Williams and Oregon welfare officials.

They will discuss the successful program developed in Oregon under former Gov. Mark Hatfield to prevent fraud in welfare cases. Also up for discussion between officials of the two states will be Oregon's plan in which persons seeking employment compensation are urged to enroll in job retraining programs or enter constructive work programs.

Gov. Reagan will speak at a Lincoln Day fund raising dinner that evening in Eugene which is sponsored by the Lane County Republican Central Committee. He will return to California next morning.

Cost of the trip will be paid from proceeds of the fund-raising dinner, the Governor's Office said.

# # #

1.26.67/PB

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 26, 1967

RELEASE: FOR A.M.'S FRIDAY,  
JANUARY 27 #28

PRESS

Governor Reagan today named William H. Tolbert, manager of the Ventura County Citrus Growers Committee, as deputy director of employment, California Farm Labor Service.

Tolbert, of Santa Paula, has been involved in agriculture since 1933 and has had wide experience in farm labor problems.

A 62-year-old Republican, he served as national chairman of the National Farm Labor User's Committee for 12 years. He was manager of the Oregon Farmers Association's labor and procurement program from 1946 to 1947 and immediately following World War II was appointed by former President Truman as regional director of seven states for the labor branch of the War Food Administration.

From 1943-45 he was chief of transportation and recruiting for the labor branch of the WFA and a year earlier was deputy administrator in charge of operations for the Farm Labor Administration which became the labor branch of the War Food Administration.

Tolbert was one of two men who set up a farm labor organization within the Department of Agriculture in 1942 and also was instrumental in making all international agreements for farm labor except the use of Mexican nationals during that period.

He started in agriculture in 1933 as assistant manager of a ranch in New Mexico.

Tolbert was educated in New Mexico and was graduated from New Mexico State University in 1947 with a BS in animal husbandry.

He is active in civic affairs and serves on the Los Angeles and California Chambers of Commerce agricultural committees. He also serves on the advisory committees of the National Council of Agricultural Employers and the Council of California Growers.

Tolbert is married and has two children.

# # #

NOTE TO PRESS: The above may be added or inserted to the release on Mr. Weinberger's appointment as director of Employment.

1.26.67/PB

SACRAMENTO--Andrew R. Lolli, assistant to the vice president of Hughes Aircraft, Fullerton, and a retired Army major general, today was named by Gov. Ronald Reagan as director of the Department of General Services.

His appointment to the \$23,500 a year job is subject to Senate confirmation. He succeeds Robert L. Harkness, who has resigned and returned to a civil service post in the Department of Finance.

Lolli, 55, lives in Riverside and San Francisco. He joined Hughes upon his retirement from the Army in August of 1966.

His last post in the Army was as commanding general of the Western North American Defense Command, which included command of more than 30,000 personnel and one and one-third million square miles of geography.

In this capacity, all interceptor and fighter squadrons from Alaska to the Mexican border (11 states and two Canadian provinces) were under his direction. He is recognized as one of the top missile men in the free world and was presented the nation's third highest award, the Distinguished Service Medal, when he retired.

A native of Seatonville, Ill., Lolli entered the Army in 1940 after joining the National Guard in 1935 as an enlisted man.

He holds a bachelor of arts degree from Dickinson College in Pennsylvania and has done graduate work in political science at Fordham University. He also was graduated from the Command and General Staff School, the Armed Forces Staff College and the National War College.

He spent three years in the European Theatre of Operations during World War II and after a brief tour at Fort Hood was assigned in 1946 to the Plans, Operations and Training Division of Headquarters, Army Forces Western Pacific, Manila. The following year he became director of training of the Philippine-Ryukyus Command.

He was chief of plans and priorities for a NATO command in Southern Europe in 1952 and in 1955 served in the office of the Secretary of Defense in Washington.

Following graduation from the National War College, Lolli was assigned to various air defense commands in the United States, in-

cluding air defense of the San Francisco-Travis AFB complex.

While at the Army Air Defense Command headquarters in Colorado Springs, Lolli conceived and developed a system which provided for the most practical means--short of actual combat--to test the combat readiness of the Army's air defense missile units.

In January, 1962, he assumed command of the XX U.S. Army Corps at Ft. Hayes, Ohio, and in August, 1963, became commanding general of the IV Corps at the Presidio of San Francisco.

Lolli has not been affiliated with any political party.

1.24.67/PB

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 27, 1967

MEMO TO THE PRESS

PRESS ★

A budget briefing will be held on Monday, January 30,  
at 11 a.m. in the Department of Finance conference room  
for accredited members of the Capitol Press Corps only.

# # #

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 30, 1967

MEMO TO THE PRESS

**PRESS** ★

be

Copies of the budget will be available in the Finance  
Conference Room (#1173) for accredited members of the Capitol  
Press Corps at 9 a.m.

# # #

PLEASE GUARD AGAINST PREMATURE RELEASE

PRESS

★

SACRAMENTO--Results of a special study on California's critical financial condition, conducted by three independent auditing firms, were released today by Gov. Ronald Reagan.

The special study was made as a public service by Lybrand, Ross Bros. & Montgomery; Touche, Ross, Bailey & Smart, and Arthur Young & Co. It was conducted at no cost to the state.

"I would like to express my deep appreciation for the very fine public service these firms and men have rendered," the Governor said.

"They have worked exceedingly hard on this special study so that I, as Governor, can present to the people of California a clear and undistorted picture of this state's very critical financial condition.

"They deserve the heartfelt thanks of every Californian," the Governor added.

Results of the special study follow:

"The statements below are based on data furnished to us by the Department of Finance, the Controller, the Treasurer, the Auditor-General and the Legislative Analyst. We wish to make it clear that this information has been subjected to only limited inquiry and review by us. We have not made an examination in accordance with generally accepted auditing standards and we are therefore not in a position to express an independent accountant's opinion as to the fairness of the historical portion of the financial information which is presented.

"It should also be understood that those portions of the principal comments below which include projections of future revenues, expenditures and cash-flow are based on assumptions and forecasts provided to us by the Department of Finance. The ultimate realization of those assumptions is contingent on future developments and events and there is no assurance that they will be achieved. Accordingly, we cannot assume responsibility for the accuracy of these projections.

PRINCIPAL COMMENTS

"Following are brief highlights of the condition of 1966-67

(MORE)

General Fund finances.

1966-67 CASH GAP

At July 1, 1966, the General Fund had spendable cash in Treasury of	\$192,991,000
The cash balance for June 30, 1967 is projected to be	<u>7,698,000</u> \$185,293,000
Outstanding borrowings from other funds at June 30, 1967 are projected to be	<u>180,000,000</u>
Total Cash Depletion	<u>\$365,293,000</u>

"Simply stated, the General Fund will have been depleted by \$365,293,000 of cash during the year ending June 30, 1967. This has no direct relationship with the amount of the reported General Fund book surplus at July 1, 1966 or the projected surplus at June 30, 1967. Surplus on the State's books at any given date is nothing more than the excess of all General Fund assets, including cash, over all General Fund liabilities. The book surpluses of the General Fund, just like those of any business, include non-cash items, such as accounts receivable, as well as cash in Treasury. Therefore, regardless of the amount of book surplus at any point in time, the spendable cash available in the Treasury may range from an amount in excess of book surplus all the way down to zero.

ONE-TIME REVENUE ACCRUAL

"Under provisions of 1966 Senate Bill No. 34, the estimated General Fund revenues for fiscal 1966-67 include \$362,486,642 which are expected to be earned but not received in cash by June 30, 1967. Fiscal 1966-67 will be the first year in which such accrued revenues are recognized for budgeting and accounting purposes. The result, for 1966-67 only, is that the General Fund revenue budget is inflated by the \$362,486,642 accrual but--as in prior years--the equivalent cash will not be received until a subsequent year.

BORROWINGS AT YEAR-END

"Fiscal year 1967-68 will be the first time in 25 years in which the General Fund will commence the year with projected outstanding borrowings (\$180,000,000).

FUTURE BORROWING PROBLEMS

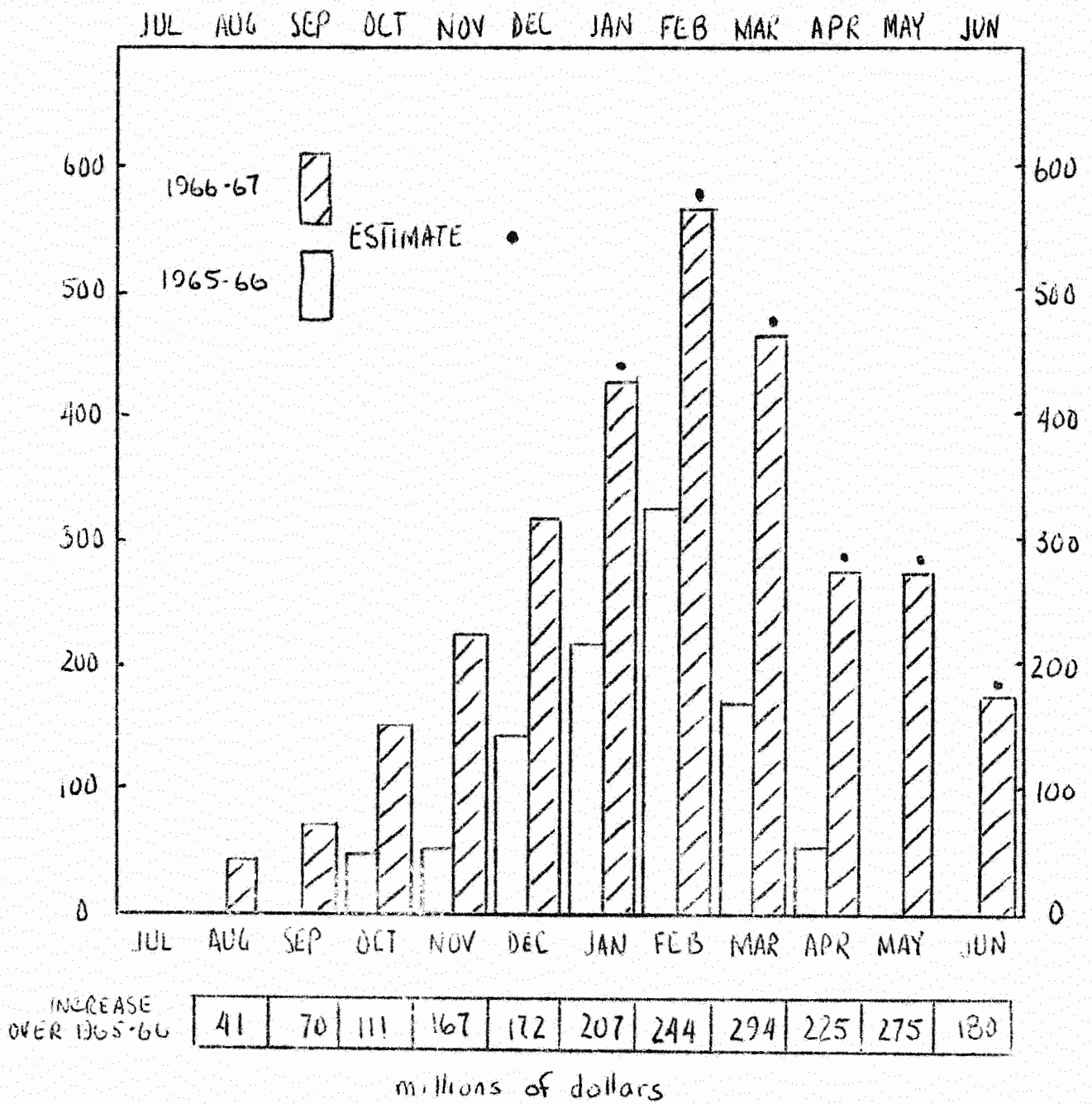
"The need for the General Fund to finance the cash gaps in its budgets through temporary borrowings from other State funds is in-

creasing, but its ability to close those gaps by such borrowing is diminishing with each successive fiscal year.

"Borrowings at February, 1967 are projected to be \$565,000,000, and in excess of \$900,000,000 by February, 1968, unless there is a change in the present revenue structure or in the total expenditures of the State. There is a high probability that the cash available for future borrowings from other funds will not be sufficient to meet General Fund borrowing demands at several periods during fiscal 1967-68."

1.30.67/PB

STATE OF CALIFORNIA  
GENERAL FUND  
TEMPORARY BORROWINGS  
(millions of dollars)



OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
445-4571 1.30.67

**PREC**  
SCHEDULE 1.30.67--2.5.67

MONDAY, JANUARY 30

10:00 am Depart Santa Monica Airport, private plane  
11:00 am Arrive Sacramento Airport

TUESDAY, JANUARY 31

10:30 am Joint Session of the Legislature; Assembly  
Chambers. Speech: Budget Message  
  
1:30 pm Press Conference; Room 1190  
  
2:30 pm Meeting: Senators Grunsky and McAteer,  
Assemblyman Pattee; Governor's Office.  
  
3:00 pm Meeting: Einar Mohn, International Direc-  
tor, Western Conference of Teamsters;  
Governor's Office.  
  
3:45 pm Meeting: Senator Dymally, Assemblyman  
Greene, Steve Spellman, consultant, Indus-  
trial Relations Committee; Governor's Office.

WEDNESDAY, FEBRUARY 1

10:00 am Meeting: Dr. Richard Koch, president,  
California Council for Retarded Children,  
Senator Burgener, Spencer Williams, Admin-  
istrator, Health & Welfare Agency; Gover-  
nor's Office.  
  
4:00 pm Meeting: Senator Dolwig; Governor's Office.  
  
4:30 pm Meeting: Senator Richardson; Governor's  
Office.

THURSDAY, FEBRUARY 2

10:30 am Meeting: California Water Resources De-  
velopment Finance Committee; Council Room.

FRIDAY, FEBRUARY 3

11:30 am Meeting: Harry Barr, Vice President, Gen-  
eral Motors Engineering Staff; Governor's  
Office.  
  
7:30 pm Banquet: California Newspaper Publishers  
Association; Ballroom, Hilton Hotel, San  
Francisco.  
8:15 pm Speech  
Overnight Hilton Hotel, San Francisco

SATURDAY, FEBRUARY 4

8:00 am Breakfast: California Newspaper Publishers  
Association; Ballroom, Hilton Hotel  
9:00 am Presentation of awards  
9:45 am Depart breakfast  
  
11:00 am Depart San Francisco, United Flight #543  
11:55 am Arrive Los Angeles International Airport

SUNDAY, FEBRUARY 5

No appointments scheduled at this time.

1.29.67/JAK

PRESS

Governor Ronald Reagan announced today an interim plan for the appointment of municipal and superior court judges pending enactment of legislation on judicial selection procedures.

"This plan will assure a judiciary composed of judges who possess professional competence and integrity," the governor said.

"It will result in putting on the bench men and women who are held in respect by their associates in the administration of justice and by the citizens of their community," he added.

The new plan goes beyond the present system in which prospective names are submitted to the State Bar for a confidential rating on fitness for a judicial post.

Governor Reagan said a Judicial Selection Advisory Board will be appointed in each county. It will be composed of the president of the local bar association or his representative, a judge of the Superior or Municipal Court and citizen members.

These persons will be asked to advise the governor on the qualifications of candidates proposed for judgeships.

Governor Reagan also said he intends to retain the system in which each candidate for a judgeship is screened by the State Bar to insure that appointees are professionally qualified and are not the subject of disciplinary proceedings.

The governor noted that the interim plan for appointment of superior and municipal court judges ultimately will be replaced by proposed legislation designed to establish judicial selection systems for the appointment of both trial and appellate judges.

# # #

PRESS

Charles P. Samson, a retired Army colonel with a long record in logistics and administration, today was named by Governor Ronald Reagan as director of the California Disaster Office.

The \$21,500-a-year post is subject to Senate confirmation. He succeeds John Gaffney.

Samson, 50, lives in San Francisco. He retired from the Army in 1965 after 28 years of service.

He attended high school in Corvallis, Oregon and was graduated from Oregon State University with a BS degree. He has undertaken extensive graduate work in international relations and has studied at New York University on safety administration and management.

Samson also has graduated from the Air War College, the Army Command and General Staff College and numerous other specialized service schools.

He has had wide experience at administrative levels in the Army, including executive officer for the Army Chief of Staff, Far East Theater and other key positions at the Pentagon.

In the area of logistics, Samson has held supervisory positions relating to supply, transportation, distribution, procurement, maintenance and coordination of domestic and overseas military and State Department AID programs.

He has assisted in budget planning, preparation and execution of various portions of the Defense Department's budget and has also had wide and varied experience in personnel programs.

He is a Republican.

# # #

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Lyn Nofziger  
January 30, 1967

MEMO TO THE PRESS

PRESS

Governor Reagan's press conference of Tuesday,  
January 31, at 1:30 p.m. has been cancelled and re-  
scheduled for Thursday, February 2, at 9:30 a.m.

# # #

PRESS



SACRAMENTO--State Health and Welfare Administrator Spencer Williams today announced the selection of Carel E.H. Mulder to head the California Medical Assistance Program (Medi-Cal).

Mulder, 52, will succeed Fernando G. Torgerson, who has resigned.

Mulder has had wide experience in the field of medical care administration. He currently is acting chief of the Division of Medical Services, Bureau of Family Services of the U.S. Department of Health, Education and Welfare in Washington, D.C., and has had major responsibilities at the national level for administration and development of new state medical assistance programs such as California's Medi-Cal program.

Before moving to the federal post in February 1965, Mulder had served for 29 years with the California State Department of Social Welfare in various executive capacities, including chief of the state's Division of Medical Care.

Mulder is a graduate of St. Ignatius College, Amsterdam, Netherlands. He has served as guest lecturer on Medical Care Administration at the University of Michigan, Columbia University and George Washington University.

He is a member of the American Public Welfare Assn. and American Public Health Assn., past president of the National Conference of State Welfare Finance Officers, and the Medical Care Committee of APWA.

Prior to moving to Washington, Mulder was active in Sacramento civic affairs.

He and his wife Jeanette have eight children.

The position pays \$22,500 a year.

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PRESS



SACRAMENTO--Gov. Ronald Reagan has asked the Federal Office of Economic Opportunity to extend grants which support current migrant farm labor services.

The extension is sought to allow on-going programs to continue. The Administration, meanwhile, has undertaken a study to determine if it should apply for new grants.

In a wire to Sargent Shriver today, the Governor requested that expiration dates for two grants funding the California Migrant Master Plan be extended from Feb. 28 to March 31.

The California Migrant Master Plan provides temporary shelter, day care, health services, and compensatory education for children and adults who follow the crops.

Under a grant of \$3.485 million in 1965-66, migrant workers were provided with these basic services.

In the current fiscal year, a grant of \$4.707 million has financed an expanded program.

State matching funds for this \$8.242 million program have amounted to \$475,000 while local agencies have made in-kind contributions amounting to \$275,000.

The wire to Shriver also seeks authority to spend money available under the present grant for replacing housing units in the Southern San Joaquin Valley which have been lost due to recent storms.

Counties where housing units would be replaced are Kings, Tulare and Kern.