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OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-3-72

RELEASE: Immediate

#1

Governor Ronald Reagan today announced the following bill has been signed with specified deletion:

AB 1527 - Moretti Enacts the Employment Opportunity Act of 1971.  
(Chapter 1819) Authorizes and requires the Advisory Coordinating Council on Public Personnel Management to perform designated functions relating to coordinated procedures for public service employment, to provide specified assistance, including grants, to eligible agencies, as defined, and to pay all or a part of the cost of demonstration public service projects. The bill appropriates \$4,750,000 to the council for purposes of the act.

DELETION: "I am reducing the appropriation contained in Section 5 of Assembly Bill No. 1527 from \$4,750,000 to \$150,000 in the following manner:

"The appropriation contained in Section 5 (a) is reduced from \$350,000 to \$50,000.

"The appropriation contained in Section 5 (b) is reduced from \$2,200,000 to \$100,000.

"The appropriation contained in Section 5 (c) is deleted.

"Approximately \$180 million is being allocated to California for the purposes of the Public Employment Program under the Federal Emergency Employment Act. The \$150,000 will allow the Coordinating Council to perform the coordinating, evaluating and planning functions," the governor said.

The governor also announced the following bills have been signed:

AB 2723 - Waxman Revises the law relating to the Democratic presidential  
(Chapter 1821) primary.

AB 2329 - Lanterman Provides that a legislator who was first elected prior  
(Chapter 1820) to December 31, 1969, may retire during or at any time after the term in which the boundaries of his district are altered during his term of office pursuant to a reapportionment of legislative districts. The bill also provides that the rate of contribution for a legislator electing to vest this right of immediate retirement and legislators first elected after the effective date of this provision, is 8 percent.

AB 20 1st Ex. - Bagley A "trailer" bill to AB 1 (71 1st Ex). The bill  
(Chapter 2) merely corrects technical and drafting errors found in AB 1 (71 1st Ex).

AB 21 1st Ex. - Burton Increases the membership of each Democratic  
(Chapter 3) county control committee from 6 members to 8 members.

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OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-3-72

MEMO TO THE PRESS

C O R R E C T I O N

On Press Release #1 the final item should read as follows:

AB 21 1st Ex. - Burton (Chapter 3)	Increases the membership of the San Francisco Democratic County Central Committee from 6 members to 8 members.
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OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-3-72

RELEASE: Immediate

~~1-3-72~~ 2

Governor Ronald Reagan announced today that the state-operated California Industries for the Blind and the Opportunity Work Center programs have been transferred to non-profit private corporations.

The move will result in increased vocational rehabilitation opportunities for the blind and the physically handicapped, he said.

In making the announcement, the governor said "the transfer of these workshops to private operation is a prime example of functions which can best be performed by the private sector instead of by government."

The governor also commended Wells Fargo Bank and its officials for their cooperation and assistance in providing a loan of \$300,000 to one of the organizations which will enable it to apply for a federal grant to establish the workshops under private operation.

Six workshops operated by the State Department of Rehabilitation are involved. Five are being transferred to California Industries for the Blind, Inc., a private, non-profit organization, and one to Goodwill Industries of Santa Clara County, Inc. The action has the approval of the major blind organizations in the state.

The California Industries for the Blind program, which the state has operated for the past 80 years, involves plants in Berkeley, Los Angeles and San Diego. Each employs blind and handicapped workers in the manufacture of a wide variety of products for sale.

The Opportunity Work Center program also involves three plants, in Berkeley, San Jose and Los Angeles, which employ blind and handicapped workers in the production of work under subcontract with the private sector.

Under the transfer, all plants of the California Industries for the Blind will be operated by the California Industries for the Blind, Inc. The organization will also absorb the workers of the Opportunity Work Centers in Berkeley and Los Angeles.

The Opportunity Work Center in San Jose is being closed with its workers being transferred to Goodwill Industries of Santa Clara County, Inc. in San Jose. The Goodwill organization will establish an expanded program of services for the blind.

The Department of Rehabilitation will monitor the operation of the workshops for five years and report its findings annually to the legislature.

All the plants employ handicapped persons whose primary disability is blindness or visual impairment, although other disabled persons are employed also. The transfer assures continued employment of about 250 blind or otherwise handicapped persons currently working in all plants. Approximately 70 percent of the handicapped workers are members of minority races.

The programs to be conducted by the new management are planned to increase employment opportunities for many more blind and other handicapped persons. Vocational rehabilitation services will be provided in the workshops to prepare the employees for work in competitive occupations in outside industry.

The California Industries for the Blind, Inc. will have its headquarters at 840 Santee Street in Los Angeles. President of the corporation is James C. Gibson, formerly the administrator of Industrial Rehabilitation Services in the Department of Rehabilitation. Chairman of the board of directors is Anthony G. Mannino, president of the National Federation of the Blind in California. Other board members include Mrs. Catherine Skivers, president of the Associated Blind of California, Inc., and one worker from each workshop.

# # # # #

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-3-72

RELEASE: Immediate

#3

Governor Ronald Reagan today proclaimed a State of Emergency in Santa Barbara County as a result of floods, mudslides and heavy winds that began on December 27.

Damage caused by heavy winds, rains flooding and the runoff of mud and silt has been estimated at \$2,354,000 by county authorities.

The proclamation, requested by the Santa Barbara County Board of Supervisors, will allow the county to seek federal assistance for disaster victims and damages to public property.

# # # # #

WAS

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-4-72

RELEASE: Immediate

#4

Governor Ronald Reagan today reappointed Charles A. Soderstrom of San Pedro and James C. Snapp of El Cajon to four-year-terms on the California Aeronautics Board, subject to Senate confirmation.

Soderstrom, a retired businessman, civic leader and private pilot for more than 40 years, has served on the board since 1967. He lives at 1801 West Ninth Street, San Pedro.

Snapp, an insurance agent, is an Army Air Force veteran of World War II and has served as a member of the San Diego County Airport Commission and is a former president and board chairman of the San Diego Aerospace Museum. He has served on the board since 1967. His home is at 2027 Windmill View Road, San Diego.

Both men are Republicans.

Members of the board receive \$25 per day for attending official meetings.

# # # # #

WAS



OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-4-72

RELEASE: Immediate

#5

Governor Ronald Reagan today asked President Nixon to declare Santa Barbara County a major disaster area as a result of storms that caused more than \$2,654,000 in damages to public facilities and private property.

In his letter to the President, Governor Reagan pointed out that he has proclaimed a State of Emergency in the county as a result of storms that began on December 27.

"I have directed that every resource within the state be applied to assist in relieving the conditions created by the disaster," the governor said in his letter, transmitted to the President through Ralph D. Burns, Regional Director of the Federal Office of Emergency Preparedness in San Francisco.

# # # # #

WAS



Here are the 38 major points Governor Ronald Reagan made in his State-of-the-State message to the Legislature:

Health-Catastrophic Insurance

1. Announced his Administration is exploring the potential of a system of health insurance that would "protect every Californian against the economic catastrophe that often accompanies extended illness," a program which could help working taxpayers who, he said, in some ways, are "becoming the truly disadvantaged".

Consumer Protection

2. Declared that the widely-discussed concept of no-fault automobile insurance might accomplish several desirable ends, including savings in premiums for consumers, eliminating red tape in claims and relieving court congestion. "We must find that system of automobile insurance that will best meet the needs of our citizens," the Governor said..

Corrections Reform

3. Announced a program to "continue improving our correctional system will be presented" during this legislative session.

4. Asked for continued funding of 405 additional security and other corrections system positions added following a special study of violence in prisons.

5. Announced plans are under way for new maximum security facilities.

6. Disclosed that the 1972-73 budget will "take the first step toward closing San Quentin Prison." Inmate population, which once reached 5,000, will be held at 1,500 during fiscal year. Goal is shutdown of San Quentin by end of 1974.

Economy-Jobs

7. Urged continued efforts to stimulate job-creating industries, "to help provide prosperity in the generation of peace that is now a major national goal."

8. Disclosed that the Administration is asking leaders of labor and the private sector to join state government in "re-evaluating the economic needs of California citizens and to determine what we in state government can do -- or stop doing -- to further improve the economy of our State and thus improve the economic well-being of all Californians."

Agriculture

9. Declared that it is "absolutely imperative that we enact in this session legislation guaranteeing California's agricultural workers the right to choose, by secret ballot, whether they want to be represented by a union and if so, by which union."

Manpower Policy

10. Urged the State to "come to grips, once and for all, with the hodgepodge accumulation of federally-mandated manpower programs,"

## Welfare

11. Called the 1971 Welfare Reform Act the "most significant social legislation in California's history, but said additional legislation is needed to:
12. Improve enforcement of child support laws involving absent parents.
13. Establish system of fairly apportioning welfare funds to assure increased aid to truly needy and to keep those with significant outside income off welfare rolls.
14. Impose tighter and more realistic standards on amount of property a recipient may own and still be eligible for welfare.
15. Increase incentives for able-bodied recipients to work, including implementation of proposed California Work Experience Program.

## Public School Finance

16. Asked the Legislature to work with the Executive Branch and State Superintendent of Public Instruction Wilson Riles to develop "sweeping changes in the present system of financing local schools to:
17. --Reduce reliance on the property tax.
18. --Simplify the method of distributing educational funds.
19. --Equalize educational opportunities for all Californians by providing a basic amount of financial support for each student in every district."

## Property Tax Relief

20. Urged comprehensive property tax reform...to "eliminate the chronic crisis in public school finance by shifting the burden from the homeowner" to broader based taxes.

## Education

21. Urged every school district to institute venereal disease prevention education courses and said \$200,000 is earmarked for helping train teachers and to provide casefinders in the fight against VD.
22. Proposed "realistic" educational priorities in education to give every high school graduate at least an entry-level "salable skill" in the world of work.
23. Announced he would again support legislation to establish a pilot voucher plan program--providing a grant for students to use at the school of their choice.

## Higher Education

24. Suggested having "all state financed student aid programs handled through the Scholarship and Loan Commission."
25. Urged Legislature to give State College Trustees authority to establish tuition at State Colleges and decide how funds are to be spent.
26. Urged action to "assure free tuition" at the University of California and State Colleges for sons and daughters of Americans who are prisoners of war or missing in action in Southeast Asia.

### Taxes-Tax Reform

27. In addition to property tax relief, said State must "recognize the need for new sources of revenue for local government."
28. Declared there should be "no need for any general state tax increase for new spending."

### Budget-State Employees

29. Officially confirmed that 1972-73 budget will include \$95.8 million for salary increases and correcting salary inequities for state employees. (Equivalent to 5 per cent salary increase for civil service employees and 7 1/2 per cent for academic employees of the University of California and State Colleges).
30. Disclosed the budget also would include \$65 million of new state support for schools.

### Law Enforcement

31. Announced that California Council on Criminal Justice is exploring the possibility of establishing regional Criminal Justice Training academies--to improve criminal justice system.
32. Again proposed electronic surveillance under strict court controls to "give law enforcement the technical tools they need to fight organized crime."
33. Renewed his call for legislation to make the killing of a law enforcement officer while on duty first degree murder.

### Drug Abuse

34. Announced a Comprehensive Drug Abuse Treatment plan would be presented this year.

### Transportation

35. Called for a State Department of Transportation within the Business and Transportation Agency "to help plan and develop the proper combination of transportation systems to meet the needs of our people."

### Environment

36. Said further legislation would be necessary to carry on the battle for air quality control.
37. Proposed "environmentally balanced actions to protect our coastline and to establish a process for the selection and approval of power plant sites".
38. Proposed the creation of a Department of Environmental Protection "including an effective program for solid waste management."

Governor Ronald Reagan today announced that scenic, historical and recreational land valued at more than \$8 million was added to the State Park System in the closing days of 1971 at no cost to the state.

Acquisition of the land--parcels totalling 5,896 acres--was made possible through money and property donations by private citizens and business firms and through the assistance of the Federal Bureau of Outdoor Recreation and with matching funds from the Federal Land and Water Conservation Fund, he said.

"All Californians are indebted to those who made these gifts possible," Governor Reagan said. "This land will be enjoyed by future generations because of the generosity of many private citizens and the efforts of dedicated public servants at the federal, state and local level.

State Parks Director William Penn Mott, Jr., explained that since the Federal Land and Water Conservation Fund program was begun in 1965, the state of California has directly benefited in the amount of \$48 million of matching federal funds, of which more than half was allotted to local recreation projects and the remainder to state projects.

The parcels acquired by the state are:

BIG BASIN REDWOODS STATE PARK--A 320 acre inholding valued at \$1,300,000 was added in the Berry Creek area of Big Basin Redwoods State Park in Santa Cruz County. The property is in virgin redwood timber land and was owned by the Santa Cruz Lumber Company.

The acquisition was made possible by a \$500,000 donation from the Save the Redwood League, \$500,000 in matching funds from the Land and Water Conservation Fund, and a property gift valued at \$300,000 from the Santa Cruz Lumber Company.

MOUNT TAMALPAIS STATE PARK--This state park in Marin County was expanded by 1,300 acres valued at \$1,440,000. The new property begins at the west boundary of the existing park and extends down the west slope of the Coast Range behind to the town of Stinson Beach.

George Leonard of Stinson Beach, owner of the parcel, donated half the property--660 acres--to the state, and money for the remaining half was provided as matching funds from the Land and Water Conservation Fund.

ANNADEL FARMS--The 4,100 acre Annadel Farms property is adjacent to the city of Santa Rosa in Sonoma County. A brand new unit of the State Park System, it is appraised at \$4,100,000 and was acquired through donations by citizens to the State Parks Foundation, a non-profit, private corporation set up to handle gifts and donations for use by the State Park System, and by matching funds from the Land and Water Conservation Fund.

The new property is ideally suited for state park purposes because of its proximity to the San Francisco-Bay Area Metropolitan complex. Its addition to State Park System will preserve one of California's most beautiful natural areas with gentle hills, tree-shrouded canyons, lush meadows and lakes.

LOS OSOS OAKS--Los Osos Oaks in San Luis Obispo County is another new addition to the State Park System. Consisting of 90 acres valued at \$489,500, the property is located inland between the cities of San Luis Obispo and Morro Bay. This acquisition will preserve an outstanding grove of native California oak and will be set aside for nature and archeological study. Additional acquisitions in the area will be made to establish camping and picnic sites.

The Dart Industries, Inc., of Los Angeles, donated half the money for the property, and the remaining half came from Land and Water Conservation matching funds.

RUSTIC-SULLIVAN CANYON--SANTA MONICA MOUNTAINS--This vital property in the heart of the Los Angeles Metropolitan Complex consists of 86 acres of wooded canyon land with an appraised value of \$956,000. It is just north of Will Rogers State Historic Park in the Pacific Palisades area of Los Angeles, and was originally part of the former Huntington Hartford estate.

The property was acquired by a donation of half the property by the owner, Jack Morehart of Los Angeles, and with matching funds from the Land and Water Conservation Fund.

# # # # #



OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-7-72

MEMO TO THE PRESS

The Local Assistance portion of the 1972-73  
budget will be available through the Press Office  
shortly after noon.

# # #

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-7-72

RELEASE: MONDAY P.Ms.  
January 10, 1972  
PLEASE GUARD AGAINST PREMATURE  
RELEASE

#8

(NOTE TO THE PRESS: Following is the text of the first part of Governor Reagan's 1972-73 budget message to the legislature. Here, the governor discusses his Local Assistance budget.

The remainder of his message will accompany the 1972-73 state Operations budget which will be made available to the press Tuesday morning, January 11 and embargoed for use in Wednesday, January 12, P.Ms.)

To the Members of the Legislature of California:

"The fiscal plan of California is really two separate and quite distinct budgets. The first, and by far the largest, is made up of monies which the state collects from its citizens and then sends back to cities, counties, other governmental jurisdictions, and most significantly school districts. State assistance to local agencies represents about two-thirds of all our expenditures.

"The second budget comprises the remaining one-third of the money collected to run the traditional functions of state government, such as the University and college systems, beach and park development and operations, mental hospitals, and highway construction.

"As I mentioned in my budget message in 1970, I have long felt that the fiscal plan for the State of California should be prepared as two separate budgets to more dramatically emphasize the state's two distinct funding roles.

"Therefore, this year I have asked the Director of Finance to submit (1) a local assistance budget, and (2) a state operations budget. While they will be bound together in a single volume for convenience, I am hopeful that the executive and legislative branches will consider each one separately in order that Californians may better understand the extent to which state government merely acts as an efficient tax collector for the benefit of local government.

#### LOCAL ASSISTANCE

"State contributions for local assistance in 1971-72 were \$4,329,191,284. For the budget year of 1972-73, the state will assist local government \$4,899,<sup>670</sup>~~690~~,225, an increase of 13.2 percent. This increasing state support for local governmental agencies is in recognition of the vital role they play as the very backbone of our governmental system.



EDUCATION

"The local assistance budget I am submitting reflects the high priority I believe education must continue to receive in the allocation of our scarce tax resources. In both local assistance and state operations, we again have endeavored to give first consideration to the needs of educating our young people.

"We are suggesting one of the largest budgeted year-to-year increases for the support of local schools in California's history. Particularly pleasing to me is the reform of the Teachers' Retirement System. Legislation passed and signed during the 1971 session after 3 years of extensive administrative-legislative effort, marks a giant step forward in assuring the kind of long-term financial security our local school teachers and their families deserve. The landmark legislation provides for an actuarially sound funding basis for the first time in the history of the Teachers' Retirement System. This budget reflects the first of thirty annual payments of \$135 million as set forth in this reform bill and \$42 million in increased local school apportionments.

"In addition, I am pleased to be able to recommend \$65 million in new money for California's local schools. This is the fourth time under this administration that state support for local schools has been increased, representing a net annual increase of \$560 million in new money for local schools.

"While recommending the \$65 million in new school funds, it is important to recognize that a recent California State Supreme Court opinion has indicated the necessity for rethinking the financing of our public systems of elementary and secondary education. In my tax reform proposals during the past few years, I have advocated a move toward more equitable school financing. These proposals have not yet been enacted into law. In the coming year, we expect to work closely with the legislature, the superintendent of public instruction, and interested local groups to revise the funding for local schools in order to achieve a more equitable educational financing system.

MEDI-CAL

"Based on preliminary welfare caseload projections compiled earlier this year, the proposed Medi-Cal budget for 1972-73, as printed, is \$655 million (general fund). This represents an increase of only nine percent over the \$597 million Medi-Cal budget signed by the governor for the current fiscal year. In contrast, during the previous four years, approved Medi-Cal budgets rose three times as fast---by an average of 31 percent per year.

"However, due to a steadily declining welfare caseload during the past eight months, it now appears that there will be an \$80 million general fund savings in the Medi-Cal budget for the current fiscal year. This would reduce Medi-Cal expenditures this year to \$517 million---only six percent above the previous year's spending level (\$484 million).

"And, if California's welfare caseload---to which Medi-Cal is tied directly---should continue to decline or generally level out in the year to come, it is entirely possible that a similar savings in Medi-Cal expenditures could be made in 1972-73. If this were to occur, it would reduce the budgeted \$655 million for Medi-Cal.

"Caseload projections which, for the first time, will take into account the continuing effects of our administrative reforms and those resulting from the new welfare reform law, will provide the basis in June for whatever readjustment may be necessary in next year's budget.

#### WELFARE

"As a result of the enactment of the new welfare reform law and the far-reaching administrative reforms implemented by this administration, the rate of increase in General Fund expenditures for Social Welfare in 1972-73 will amount to only a third of what it was each year during the past three years.

"While the average increase in the General Fund budget for welfare has been 20 percent a year over the past three years, the expenditure program I am proposing for 1972-73 in Social Welfare will go up only 7.3 percent, or \$54 million above the current welfare budget.

"Because the Welfare Reform Act of 1971 requires the state to pick up a percentage of the local cost of administering welfare---a burden previously borne by county property taxpayers---the great bulk, or \$49 million of the \$54 million increase, will be returned to the counties to cover their administrative functions.

"Had this administration not moved energetically to reform California's welfare system, the additional state, local and federal costs to the taxpayers this fiscal year (1971-72) would have been \$338 million greater (\$147 million more in General Fund monies) than they actually will be.

"And, without these same reforms, we estimate that the increased welfare burden on the people in 1972-73 (federal, state and local costs) would amount to nearly three quarters of a billion dollars more than we believe it will be under the budget I am proposing. Without reform, General Fund costs for welfare in the coming fiscal year would be \$262 million higher than the budget I am submitting to you.

"Translated into caseload, this means that had we not reformed welfare, there would be 3.1 million persons on the rolls in June of 1973, at least 700,000 more than the number we can now look forward to in that same month.

PROPERTY TAX RELIEF

"During the 1971 session we were successful in achieving \$46 million in senior citizens' property tax relief, a continuation of the 30 percent reduction in business inventory relief and, for the first time, meaningful state support for preserving California's open space. For these programs, our budget reflects increased property tax relief amounting to \$170 million. Total tax relief for 1972-73 when combined with the state relief given to California's homeowners' will total \$464 million. While much more must be done to provide the kind of substantial and lasting property tax relief which our beleaguered California homeowners urgently need and deserve, the shifts from the property tax provided last year are a step in the right direction."

# # # # #

EJG

#9

HIGHLIGHTS  
LOCAL ASSISTANCE BUDGET

The governor's proposed Local Assistance Budget increases state contributions to local government by 13.2 percent, from \$4,329,191,284 (1971-72) to \$4,899,670,225 (1972-73).

Education (K-14)

The governor's proposed 1972-73 budget includes approximately \$1.865.7 billion for financing public schools (K-14), the highest amount in the state's history. During the 1971-72 fiscal year, total expenditures for K-14 are estimated at about \$1.641 billion. This represents a 13.7 percent increase.

The 1972-73 total includes \$65 million of new school financing over and above the amounts allocated under existing formulas. This is the fourth time since 1967 that the state has provided new school financing---totaling an annual net increase of \$560 million in new money for California's public schools.

Tax Relief-Shared Revenues

The proposed 1972-73 budget will provide \$464 million in on-going tax relief programs. This includes \$250.3 million for homeowner property tax relief (\$750 exemptions), an increase of \$19.8 million over the \$232.3 million allocated during the previous budget year. Property tax relief for senior citizens will total \$55.2 million, an increase of \$46.4 million. This reflects the additional relief authorized under the revenue measure enacted during the special legislative session.

In addition the revenue measure (AB 1) enacted during the recent special session of the legislature included about \$13 million to reimburse local government for the "open spaces" program.

Shared revenues (money collected by the state and returned to local governments to finance various programs) will total approximately \$676.3 million during 1972-73. (Local programs and governments receive part of the state cigarette tax, about half the state's gasoline tax revenues and revenues from liquor license renewal fees).

Since 1967, state-financed tax relief has totaled more than \$1.5 billion.

Mental Hygiene

As the number of community mental health programs in the state has increased over the past 5 years additional funds have been made available by the state to support this effort. This administration, operating under two basic premises---(1) that treatment closest to the patient's home is more effective, and (2) that state institutional care is the least desirable form of treatment---has brought about a tremendous reduction in the number of patients in our state hospitals. When the governor took office in 1967, there were 23,209 such patients. But, by June 30, 1973, it is estimated that this population will be reduced to only 7,000, a 69 percent decrease.

The governor's proposed 1972-73 Local Assistance budget for mental hygiene is \$268,185,734 (\$201,437,283 General Fund), an overall program increase of \$38,334,957 over 1971-72. The new budget provides an overall General Fund increase of \$8,621,567.

The 1972-73 budget continues to place great emphasis on local mental health services with the state contributing 90 percent of the net cost of these services. Programs for the mentally ill are being increased some \$22,053,442, from \$229,850,787 this year (1971-72 estimated expenditures) to a total of \$251,904,229 (1972-73). Of the total, \$201,437,283 is in General Fund (1972-73), or <sup>/a</sup> \$6,498,956 General Fund increase over the 1971-72 budget of \$194,938,327. These increases reflect the success we have experienced from shifting patient care to the <sup>/level</sup> community under the Lanterman-Petris-Short Act which allowed for the reduction in the number of mentally ill patients institutionalized in state hospitals.

Youth Authority

In the past five years, California's probation subsidy program---which enables counties to provide intensive rehabilitation programs at the community level for probationers being re-integrated into society---has assisted significantly in reducing commitments to state correctional institutions.

The governor's proposed 1972-73 General Fund budget for probation subsidy is \$18,931,300, an increase of approximately \$2.5 million above the 1971-72 appropriation. In addition, a further augmentation of the <sup>/ing</sup> 1971-72 budget, amount to approximately \$1.5 million, will be required.



Crippled Children

In order to provide services to an increasing number of patients in the crippled children's services program, the governor's proposed 1972-73 budget will be increased by \$580,900, bringing the total program to \$15,061,300. The governor also is proposing a general fund augmentation of \$1.2 million in the current year's budget which will bring the General Fund total for 1971-72 to \$14,480,400.

Welfare

See governor's budget message.

Medi-Cal

See governor's budget message.

# # # # #

EJG

*Delivered to Press 1-7-72 - 5 p.m.*

LOCAL ASSISTANCE --

Consists of those monies collected under the taxing authority of the State and returned to cities, counties, and other local governmental jurisdictions -- most significantly, school districts.

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STATE OPERATIONS --

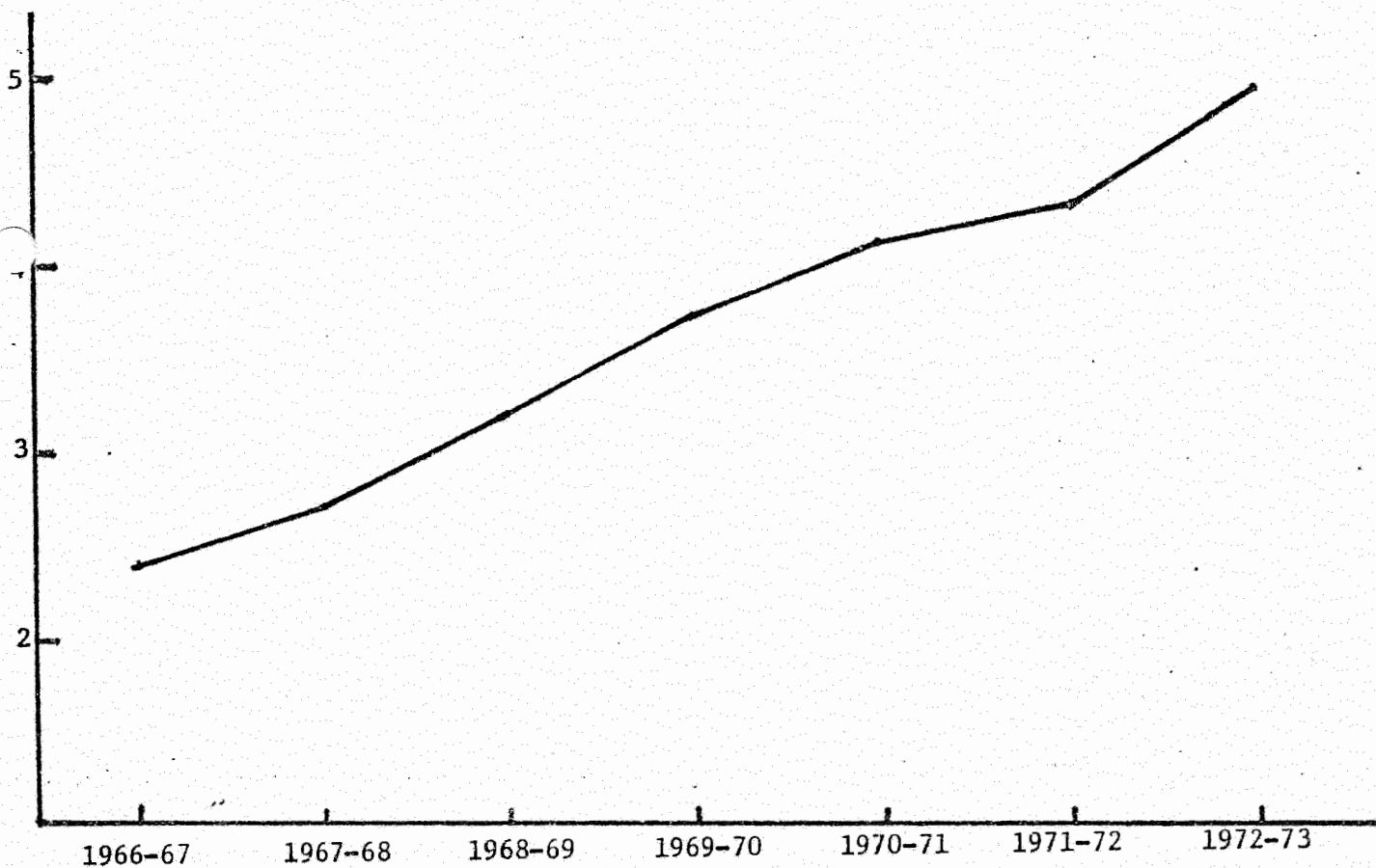
Consists of those monies collected under the taxing authority of the State and used to finance the traditional functions of State Government such as the University and State College Systems, beach and park development and operation, mental hospitals, highways construction, etc.

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INCREASE IN LOCAL  
ASSISTANCE  
1966-67 to 1972-73



LOCAL ASSISTANCE EXPENDITURES

GENERAL FUND

(million dollars)

	<u>1971-72</u>	<u>1972-73</u>	<u>Percent Increase</u>
Totals	\$3,516.7	\$4,059.6	15.4

LOCAL ASSISTANCE EXPENDITURES

ALL FUNDS

(Million dollars)

	<u>1971-72</u>	<u>1972-73</u>	<u>Percent Increase</u>
Totals	4,329.2	4,899.7	13.2

LOCAL ASSISTANCE EXPENDITURES

MAJOR AREAS OF INCREASE

GENERAL FUND

1972-73

(Million dollars)

<u>Area</u>	<u>Increase</u>	
	<u>Amount</u>	<u>Percent</u>
Schools	\$223.9	13.7
Property Tax Relief	91.3	24.5
Social Welfare	54.4	7.3
Mental Health	8.6	4.5
Health Care Services	57.5	9.7
Program Savings (71-72)	80.0	

LOCAL ASSISTANCE

ALL FUNDS

Areas of Expenditure

1972-73

<u>Areas</u>	<u>Dollars</u>	<u>Percent of total</u>
Schools	\$1,877.8	38.3
Social Welfare	804.0	16.4
Shared Revenue	676.3	13.8
Health Care Services	654.9	13.4
Property Tax Relief	464.0	9.5
Other Human Relations	267.2	5.4
All Other	155.5	3.2

LOCAL ASSISTANCE

GENERAL FUND

Areas of Expenditure

1972-73

<u>Areas</u>	<u>Dollars</u>	<u>Percent of total</u>
Schools	\$1,854.6	45.7
Social Welfare	804.0	19.8
Health Care Services	654.6	16.1
Property Tax Relief	458.5	11.3
Other Human Relations	267.2	6.6
All Other	20.7	0.5

ADDITIONAL ASSISTANCE  
FOR LOCAL SCHOOLS

GENERAL FUND

1972-73

(Million dollars)

Funds in Addition to Existing Apportionments	65
Added Apportionments to Schools for Teachers' Retirement	42
Added Contributions to Teachers' Retirement Fund	<u>115</u>
Total	222



PROPERTY TAX RELIEF

ALL FUNDS

(Million dollars)

	1971-72	1972-73		Total
		Prior to Ch.1, 1st E.S. 1971	Ch. 1, 1st E.S. 1971	
Senior Citizens	8.8	9.2	46.0	55.2
Business Inventory	110.4	53.5	67.0	143.5
Reimbursements to Counties for Losses on Business Inventory	21.0*	--	23.0	
Open Space	--	--	13.0	13.0
Homeowners	<u>232.5</u>	<u>252.3</u>	<u>--</u>	<u>252.3</u>
Total	372.7	315.0	149.0	464.0

\*Also due to Ch. 1, 1st E.S., 1971

IMPACT OF SOCIAL WELFARE REFORM

LOCAL ASSISTANCE

ALL FUNDS

(GENERAL FUND)

See page L-45 of the Budget.

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-7-72

MEMO TO THE PRESS

#10

GOVERNOR'S SCHEDULE  
January 10, 1972  
through  
January 16, 1972

Monday, January 10

Office appointments.

Overnight - Sacramento

Tuesday, January 11

8:00 a.m. Prayer Breakfast at Senator Hotel

Overnight - Sacramento

Wednesday, January 12

Office appointments.

Overnight - Sacramento

Thursday, January 13

1:30 p.m. PRESS CONFERENCE

Overnight - Sacramento

Friday, January 14

Office appointments

Overnight - Sacramento

Saturday, January 15

Afternoon Pacific Palisades Town Meeting, Pacific Palisades.

Overnight - Sacramento

Sunday, January 16,

No appointments scheduled.

Overnight - Sacramento

# # # # #

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-10-72

RELEASE: Immediate

#11

Governor Ronald Reagan today reappointed Dr. Carolyn L. Vash, a staff psychologist for the Rancho Los Amigos Hospital in Downey, to a four-year-term on the Vocational Rehabilitation Appeals Board, subject to Senate confirmation.

Dr. Vash, who lives at 35 East Las Flores Drive, Altadena, has served on the board since 1969. She is a Republican.

Board members receive necessary expenses.

# # # # #

WAS

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-10-72

MEMO TO THE PRESS

Copies of the Governor's State Operations budget for 1972-73 will be available to the press in the Governor's Press Office tomorrow (Tuesday, January 11) at 9 a.m.

State Finance Director Verne Orr will conduct a briefing for newsmen on the budget at 10 a.m. in News Conference Room 1190.

(THE STATE OPERATIONS BUDGET IS EMBARGOED FOR RELEASE WEDNESDAY P.M.s, JANUARY 12.)

# # #

NOTE: There will be no sound permitted at the briefing.

EJG

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-10-72

MEMO TO THE PRESS

At the request of the Prayer Breakfast Committee, no picture taking, filming, or taping will be permitted during the actual prayer breakfast program tomorrow, January 11.

However, it will be permitted prior to the breakfast, during the time breakfast is being served and after the program.

# # # # #

EJG

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-10-72

RELEASE: Immediate

#12

Governor Ronald Reagan today reappointed Thorvald T. Brown of Oakland to a four-year-term on the Narcotic Addict Evaluation Authority.

A retired captain with the Oakland Police Department, Brown has served on the authority since 1970. He receives an annual salary of \$11,970. He is a Democrat.

## ##

WAS



OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-11-72

RELEASE: Wednesday P.Ms.  
January 12, 1972  
PLEASE GUARD AGAINST PREMATURE  
RELEASE.

#13

HIGHLIGHTS  
STATE OPERATIONS BUDGET

Comparison of 1971-72 Budget with  
Governor's proposed 1972-73 Budget

(In millions of dollars)

	<u>State Operations</u>		<u>Local Assistance</u>	
	<u>All</u>	<u>General</u>	<u>All</u>	<u>General</u>
	<u>Funds</u>	<u>Fund</u>	<u>Funds</u>	<u>Fund</u>
1971-72 as submitted by governor February 2, 1971	2,495.7	1,420.7	4,243.0	3,454.7
1971-72 as signed by governor July 3, 1971	2,546.7	1,429.9	4,284.5	3,495.9
1971-72 Revised January 12, 1972	2,543.4	1,459.3	4,329.2	3,516.7
1972-73 Proposed governor's budget	2,717.0	1,597.5	4,899.7	4,059.6
Increase	173.6	138.2	570.5	542.9
Percent	6.8	9.5	13.2	12.6

- - - - -

HIGHER EDUCATION

University of California

Governor Reagan is proposing an overall general fund support budget\* for the University of California of \$376.5 million in 1972-73, an increase of \$39.4 million over the current (1971-72) level of support.

This represents an 11.7 percent increase over the 1971-72 budget--- compared to an average 7.2 percent yearly rate of increase during the last five years.

State University and Colleges

During the same five year period (since 1967-68), the average rate of increase per year in total authorized general fund support\* for the newly named State University and Colleges system has been nearly 11.5 percent.

The governor's proposed general fund support budget for 1972-73 provides an increase of nearly 17 percent over the current spending level, up \$53.4 million from the present \$318.7 million to \$372.1 million as proposed for next year.

\* Includes state operations and salaries

Financial Assistance to Students

Governor Reagan's proposed 1972-73 budget reflects an overall 7 percent increase in combined federal-state financial assistance to students enrolled in California's public and private universities and colleges---up from \$270.4 million in the current year to \$288.7 million next year. Included in the \$288.7 million are funds for scholarships, educational opportunity programs, work/study assistance and student loans.

Since the governor took office five years ago, general fund support for the State Scholarship and Loan Commission has climbed fully 500 percent---from \$4,700,985 in 1966-67 to \$28,225,056 in the proposed 1972-73 budget. The proposed increase in support next year over the current year (1971-72) totals \$8.2 million. The commission provides assistance to needy students and scholarship awards to academically deserving students attending both public and private universities and colleges in California.

Overall state-federal support for Educational Opportunity Programs in California's public and private colleges and universities during 1972-73 is expected to increase by \$3.6 million, or 14 percent above the current (1971-72) funding level of \$25.2 million. This includes a \$1,705,151 increase in the state-funded College Opportunity Grant (COG) program, up from \$2,955,239 this year to \$4,660,390 in 1972-73.

(See Table C, Page A-58, Governor's budget)

Community Colleges

The governor's proposed 1972-73 general fund support budget for California's 93 community college campuses and its Board of Governors is up \$25.6 million, or 13 percent higher than the current state support level---from \$193,136,000 this year (1971-72) to \$218,717,000 next year.

State support for the community colleges has gone up 203percent since Governor Reagan assumed office.

Real Estate Education

The new budget includes a \$500,000 endowment from the Real Estate Education, Research and Recovery Fund to the University of California in order to establish an on-going permanent real estate teaching and research program, beginning in 1972-73.

STATE EMPLOYEE-FACULTY SALARY INCREASES

The governor's proposed 1972-73 budget contains some \$95.8 million for salary increases and for correcting salary inequities. This includes \$74.2 million in General Fund money and \$21.6 million in Special Funds.

Approximately \$53.2 million is for state employees, \$20.7 million for employees of the University of California and \$21.9 million for the State College System. The amounts proposed in the budget equate to the amount of money necessary for a 5 percent increase for state employees and a 7½ percent salary increase for faculty.

This year, the state also will increase its contribution of employee health insurance premiums from \$12 to \$16 per month per employee. In addition, the state also will continue funding for night differential, time and one-half for overtime and unemployment compensation for state employees---three fringe benefit programs enacted during the 1971-72 fiscal year.

CALIFORNIA HIGHWAY PATROL

The governor's proposed 1972-73 budget increases support for the California Highway Patrol by \$3,066,796---from \$130,484,449 this year (1971-72) to \$133,551,245 next year. The new funds will provide for additional highway patrolmen to man freeways which are scheduled to open next year in the San Diego, San Jose and Bakersfield areas, and will help cover increased costs of operation statewide.

PARKS AND RECREATION

The number of visitor days Californians and out-of-state visitors will spend in our state parks during 1972-73 will total more than 45 million---an increase of almost 2 million over the current year. Over 400 new campsites will be available in these parks and beaches.

The governor's new budget will provide \$1,054,000 in additional general fund support for the operation of our growing state park system. The largest single item in this category is the opening of another section of the Pismo Beach area which has recently been acquired with park bond funds. The Border Field area, recently obtained by the state, will be staffed for operation on a day-use basis.

The 1972-73 capital outlay budget for the department proposes gross expenditures in excess of \$20 million. Over \$4.6 million of this total is from the State Beach, Park, Recreational and Historical Facilities Bond Act of 1964. Over \$11 million is proposed from the Recreation and Fish and Wildlife Enhancement Fund authorized by Proposition 20. Some of the major areas proposed for development in 1972-73 include Point Mugu State Recreation Area, Del Valle Reservoir, Frenchman Lake, Perris Reservoir, San Luis Reservoir, and Sawpit Canyon at Silverwood Reservoir.

The governor's proposed budget for the Department of Corrections in 1972-73 is \$112,815,914---up \$4,861,507 over the 1971-72 budget (\$107,954,407) as signed by the governor.

This represents a 4.5 percent increase.

However, the governor is asking the legislature to approve an additional \$2,063,221 for the current year in order to bring the 1971-72 Corrections Budget up to \$110,017,628. The additional funds allow the department to add 405 new positions at state operated correctional facilities. The added positions will help to strengthen prison security and expand psychiatric care for violent inmates (88 of the positions are for psychiatric treatment personnel).

The funding increases for both this year and 1972-73 also will permit the department to assure that no cell will hold more than one prisoner, and to develop an improved parole program aimed at preparing prisoners for their return to society.

The 1972-73 budget also allocates \$150,000 to Corrections to begin preliminary planning for new correctional facilities. In his State of the State Message, when the governor announced plans for a phase-out of San Quentin Prison over the next few years, he said he would provide the new planning money.

#### REHABILITATION

The proposed 1972-73 budget provides a \$5,654,343 increase in federal and state funds for the Department of Rehabilitation raising its total budget to \$64,426,756. The new monies will enable the department to place even greater emphasis on rehabilitation welfare recipients.

#### MENTAL HYGIENE

##### Children and Adolescent Treatment Programs

The governor is proposing a \$950,000 increase in state support for Children and Adolescent Treatment programs operated by the Department of Mental Hygiene---from \$3,568,000 this year to \$4,518,000 in 1972-73, a 26.6 percent increase. The new funds will enable the department to add 87 treatment positions, thereby further improving staffing levels and permitting additional youngsters to be treated.

##### Programs for the Mentally Retarded

The new budget proposes \$1,782,810 in additional (General Fund) support aimed at enabling the state to reach 100 percent of staffing standards for the mentally retarded at state hospitals in California.

Programs for the Mentally Retarded (Continued)

The additional monies will make possible new nursing positions and thereby lift care for the mentally retarded from 91.5 up to 96 percent of staffing standards---precisely according to schedule.

The schedule calls for the state to reach 100 percent of these staffing standards in the 1973-74 budget year.

PUBLIC HEALTH

The governor's proposed 1972-73 General Fund Support budget for the Department of Public Health has been increased to \$11,953,739---\$956,008 more than the current year's budget---an increase of 10 percent.

The increase will enable the department to continue its battle against venereal disease through improved education and case finding techniques. In addition, the new money will enable the department to step up its measles control education program, permit more food and drug plant inspections, and provide for the development of improved water quality plans and inspection of water systems in the state.

# # #



BUDGET - 1972-73

TOTAL EXPENDITURES

ALL FUNDS

(Million dollars)

	<u>1971-72</u>	<u>1972-73</u>	<u>Percent increase</u>
Totals (Including Bonds)	6,872.6	7,616.7	10.8

TOTAL EXPENDITURES

GENERAL FUND

(Million dollars)

	<u>1971-72</u>	<u>1972-73</u>	<u>Percent increase</u>
Totals (Including Bonds)	4,976.0	5,657.1	13.7



STATE OPERATIONS

ALL STATE FUNDS

(Million dollars)

	<u>1971-72</u>	<u>1972-73</u>	<u>Percent increase</u>
Totals	2,543.5	2,717.1	6.8

STATE OPERATIONS

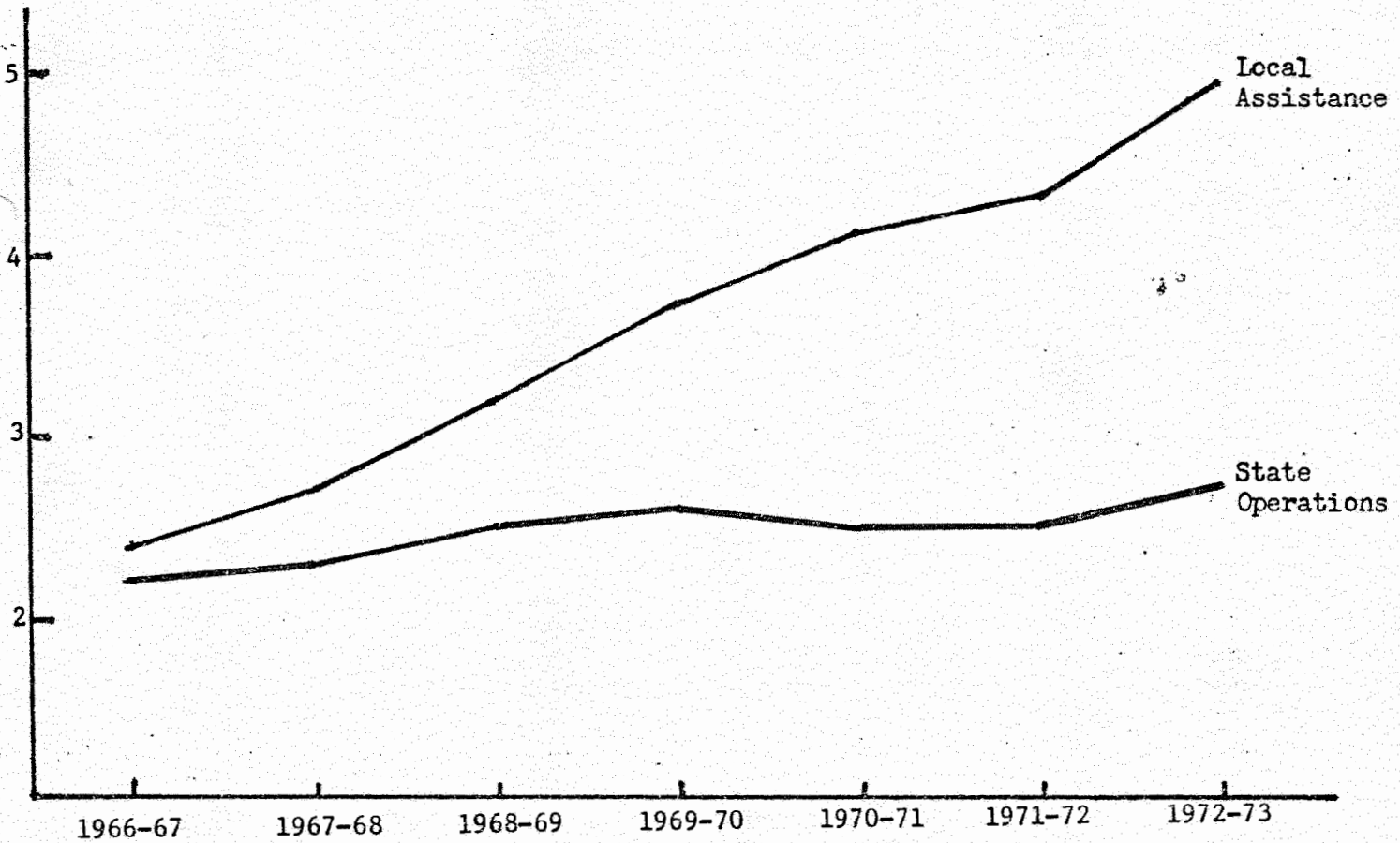
GENERAL FUNDS

(Million dollars)

	<u>1971-72</u>	<u>1972-73</u>	<u>Percent increase</u>
Totals	1,459.3	1,597.5	9.5

INCREASE IN LOCAL  
ASSISTANCE  
*INCREASE IN STATE OPERATIONS*  
1966-67 to 1972-73  
*(INCLUDING CAPITAL OUTLAY)*

Billion  
dollars



STATE OPERATIONS  
MAJOR AREAS OF INCREASE

GENERAL FUND

1972-73

(Million dollars)

<u>Area</u>	<u>Amount</u>	<u>Percent</u>
State Colleges	53.4	16.8
University of California	39.4	11.7
Scholarship and Loan Commission	8.2	41.0
Salary Increases (Other than Higher Education)	31.7	5.0
Health Benefits (\$14 to \$16)	2.1	14.3
Corrections	2.8	2.5

# HIGHER EDUCATION

## GENERAL FUND

(Million dollars)

	<u>1971-72</u>	<u>1972-73</u>	<u>Percent increase</u>
University of California	337.1	376.5	11.7
State Colleges	318.7	372.1	16.8
Scholarship and Loan Commission	<u>20.0</u>	<u>28.2</u>	<u>41.0</u>
Total	675.8	776.8	15.0

UNIVERSITY OF CALIFORNIA

GENERAL FUND

(Million dollars)

	<u>1971-72</u>	<u>1972-73</u>	<u>Percent increase</u>
Program	337.1	355.8	5.6
Salary Increase	<u>--</u>	<u>20.7</u>	<u>--</u>
Total	337.1	376.5	11.7

New Faculty Positions

159

STATE COLLEGES

GENERAL FUND

(Million dollars)

	<u>1971-72</u>	<u>1972-73</u>	<u>Percent increase</u>
Program	318.7	350.2	9.9
Salary Increase	<u>--</u>	<u>21.9</u>	<u>--</u>
Total	318.7	372.1	16.8

New Faculty Positions

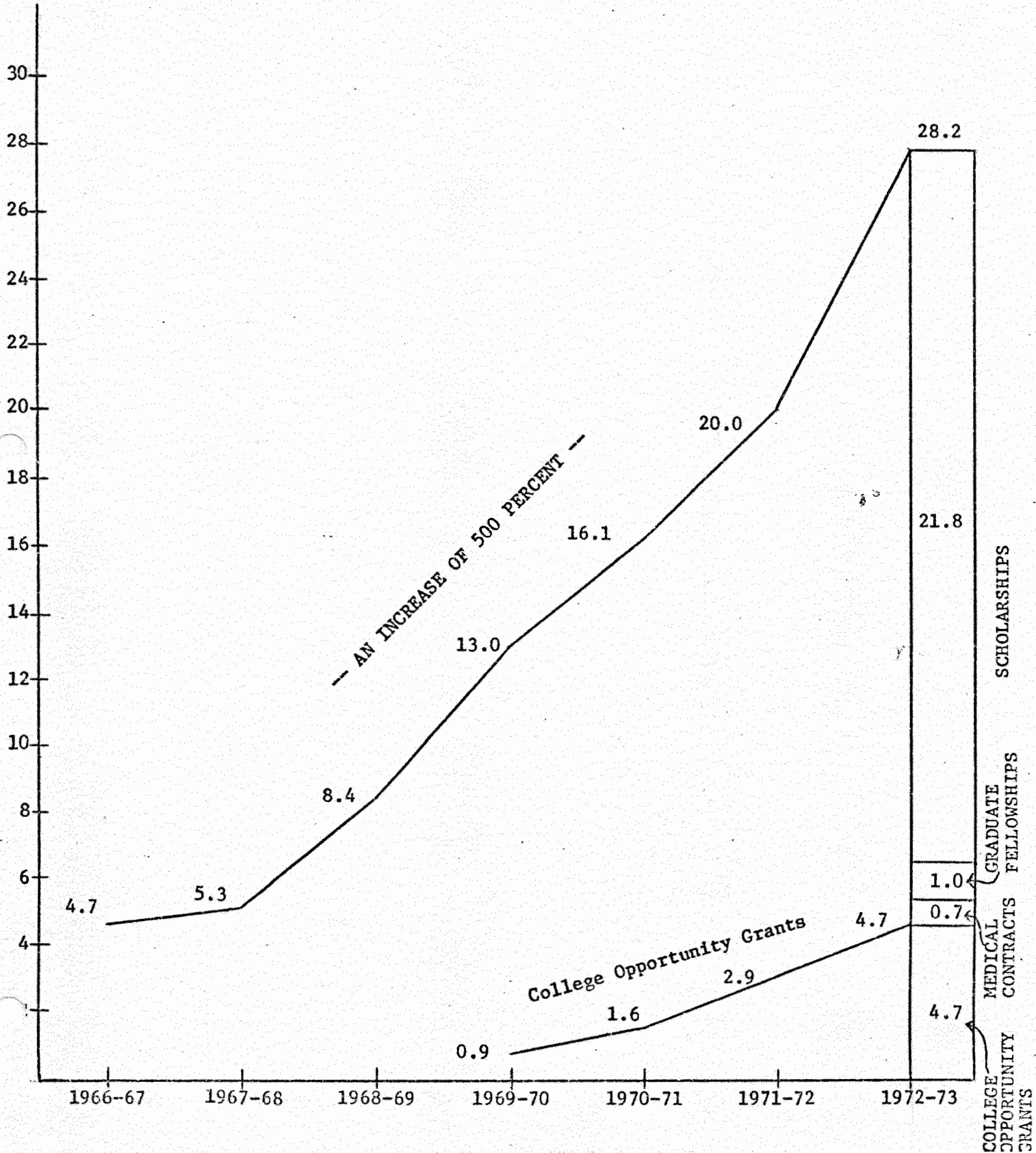
637

# STATE SCHOLARSHIP AND LOAN COMMISSION

## STATE GENERAL FUNDS

1966-67 - 1972-73

Million  
dollars





**Table C. California Higher Education  
Student Financial Assistance**

(in millions)

MILLIONS

300

250

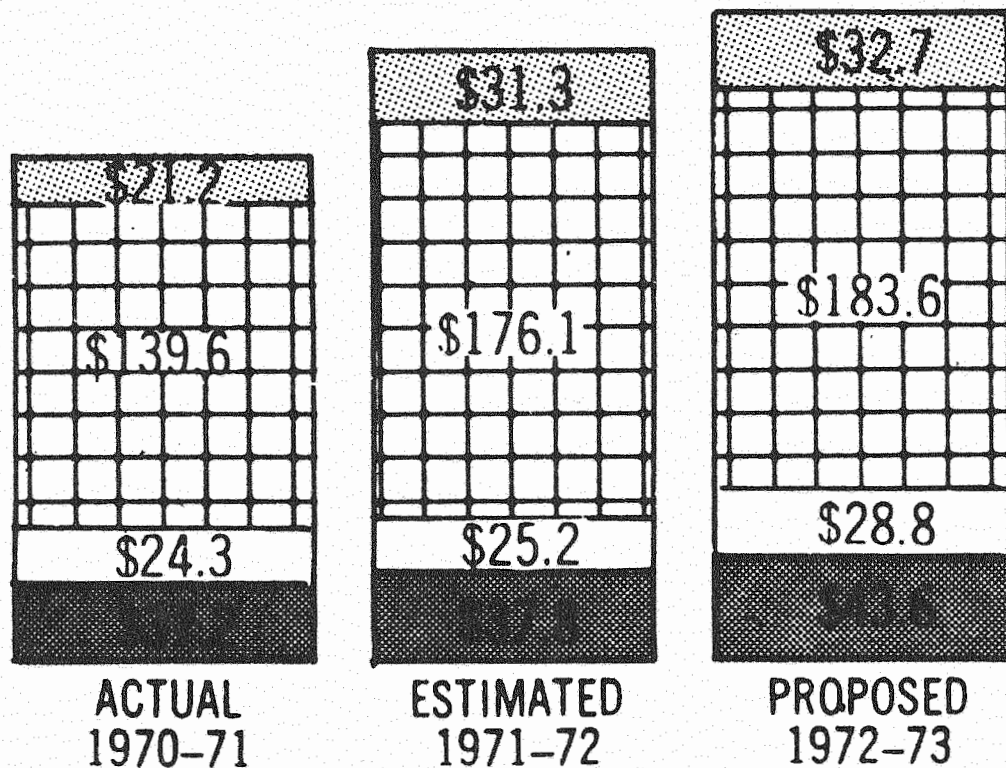
200

150

100

50

0



ACTUAL  
1970-71

ESTIMATED  
1971-72

PROPOSED  
1972-73

STATE

\$26.5

\$27.4

\$35.3

FEDERAL

168.2

204.1

211.8

INSTITUTIONAL  
SOURCES

27.6

38.9

41.6

TOTALS

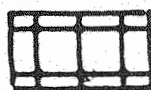
\$222.3

\$270.4

\$288.7



Scholarships



Loans



Educational Opportunity  
(Program and Grants)



Work/Study

COMPARISON OF 1971-72 BUDGET AS SUBMITTED  
AND CHANGES THERETO WITH 1972-73 GOVERNOR'S BUDGET

ALL FUNDS

(Million dollars)

	<u>State operations</u>	<u>Local assistance</u>	<u>Total (Including bonds)</u>
1971-72 as Submitted by Governor February 2, 1971	2,495.7	4,243.0	6,738.7
1971-72 as Signed by Governor July 3, 1971	2,546.7	4,284.5	6,831.2
1971-72 Revised January 12, 1972	2,543.4	4,329.2	6,872.6
1972-73 Proposed Governor's Budget	2,717.0	4,899.7	7,616.7
Increase	173.6	570.5	744.1
Percent	6.8	13.2	10.8

# REVENUE ESTIMATES

## GENERAL FUND

(Million dollars)

	<u>1971-72</u>	<u>1972-73</u>	<u>Change</u>	
			<u>Amount</u>	<u>Percent</u>
Sales and Use	1,973.0	2,110.0	137.0	6.9
Personal Income	1,747.0	1,880.0	133.0	7.6
Bank and Corporation	673.0	770.0	97.0	14.4
Inheritance and Gift	211.0	291.1	80.1	38.0
All Others	<u>704.9</u>	<u>726.1</u>	<u>21.2</u>	<u>3.0</u>
Total	5,308.9	5,777.2	468.3	8.8

COMPARISON OF 1971-72 BUDGET AS SUBMITTED  
AND CHANGES THERETO WITH 1972-73 GOVERNOR'S BUDGET

GENERAL FUND

(Million dollars)

	<u>State operations</u>	<u>Local assistance</u>	<u>Total (Including bonds)</u>
1971-72 as Submitted by Governor February 2, 1971	1,420.7	3,454.7	4,875.4
1971-72 as Signed by Governor July 3, 1971	1,429.9	3,495.9	4,925.8
1971-72 Revised January 12, 1972	1,459.3	3,516.7	4,976.0
1972-73 Proposed Governor's Budget	1,597.5	4,059.6	5,657.1
Increase	138.2	542.9	681.1
Percent	9.5	12.6	13.7

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact. Paul Beck  
445-4571 1-12-72

RELEASE: Immediate

#14

Governor Ronald Reagan today appointed Municipal Judge Pat Mullendore to the Los Angeles County Superior Court.

Judge Mullendore, a Republican, will receive an annual salary of \$35,080. He succeeds the late Judge James M. McRoberts.

Named to the Los Angeles Judicial District Municipal Court in 1968 by Governor Reagan, Judge Mullendore previously practiced law in the Los Angeles area for more than 15 years.

He is a graduate of Pasadena Junior College and Ohio State University and earned his law degree from the University of Southern California School of Law.

Judge Mullendore is a member of the California College of Judges, the California Conference of Judges, the American Bar Association, the South-East Bar Association and numerous civic, service and fraternal organizations.

He and his wife, Mary, have one son.

The family home is in Long Beach.

# # # # #

✓  
WAS

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-12-72

RELEASE: Immediate

#15

Governor Ronald Reagan today announced the reappointment of Howard A. Busby of San Diego and James E. Kenney of Pasadena to the California State Commission on Government Organization and Economy (The Little Hoover Commission).

Busby, 43, a Republican, is a Certified Public Accountant and president of a ceiling systems sales and engineering firm. He lives at 6363 Lambda Drive, San Diego.

Kenney, 60, a Democrat, is vice president and general manager of Pacific Telephone and Telegraph Company in Los Angeles. He lives at 1208 Rancheros Place, Pasadena.

Both men have served on the commission since 1967.

Commissioners receive necessary expenses.

# # # #

WAS

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-12-72

MEMO TO THE PRESS

Copies of the governor's 1,230-page 1972-73  
program budget supplement are now available to  
members of the Capitol Press Corps and can be  
picked up in the Governor's Press Office this  
afternoon.

# # #

EJG



OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-12-72

RELEASE: Immediate

#16

Governor Ronald Reagan today announced he has named Robert B. Hawkins, Jr., director of the State Office of Economic Opportunity.

Hawkins, 30, has served as acting director since last August when Lewis K. Uhler, the former State OEO chief, was elevated to the position of assistant human relations secretary.

Hawkins, who holds a Masters Degree and a Ph.D. from the University of Washington, joined State OEO as assistant director of the Northern California section in August, 1970. He was promoted to assistant director in charge of operations and technical assistance in January, 1971.

While working for his Ph.D., he served as a member of the Faculty Research Committee of the University of Washington's Political Science Department, from 1967-69. He previously taught part-time at San Francisco State College.

In 1966 he helped establish the Snohomish County Social Planning Council, an OEO-funded Community Action Agency in Everett, Washington. He is co-author of a book, Patterns of Issue Generation and Community Responses on Public Policy Concerning the Poor and Minorities, published in 1967 by the University of Washington Press.

In addition to being a Falk Fellow at the University of Washington, he was awarded a Woodrow Wilson National Dissertation Scholarship in 1969 to study the problems of low income citizens.

Hawkins worked as district representative and administrative assistant to former Assemblyman George W. Miliias of Gilroy from April, 1964 to September, 1965.

He is a Republican. His wife, Mary, is a research consultant in the State Office of Planning and Research.

# # # # #

EJG

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-14-72

RELEASE: Immediate

#17

Governor Ronald Reagan today appointed Mrs. Elsa Sandstrom of 1191 Buckingham Drive, Los Altos, to the American Revolution Bicentennial Commission of California. She succeeds Robert F. Beaver of Fullerton who has resigned.

Board members receive necessary expenses.

# # # # #

WAS

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-14-72

RELEASE: 2 P.M. (PST) FRIDAY  
January 14, 1972  
PLEASE GUARD AGAINST PREMATURE  
RELEASE.

#18

Governor Ronald Reagan today announced plans for a "bold new experiment aimed at significantly improving the quality and availability of professional legal services to the poor in California."

In issuing a joint statement by the California State OEO Director Robert B. Hawkins, Jr., and Phil Sanchez, director of the Federal Office of Economic Opportunity which resulted from a series of negotiations over the past few months, Governor Reagan said that preplanning grants from federal OEO totalling approximately \$150,000 will soon be made available through state OEO for developing the program. The remainder of the grant, up to \$2.5 million, already has been designated for the experiment by federal OEO.

The State of California reached initial broad agreement with federal OEO to make the project possible last summer. At that time, Frank Carlucci former head of federal OEO said:

"It is not surprising that the State of California should be leading the way in attempting to find innovative ways of developing legal institutions and programs which will serve the needs of the poor. The governor is determined that his administration shall play a major role in finding new ways to improve the legal services program and expand its impact."

Carlucci, in describing the project as being "designed to test a variety of models for the delivery of legal services to the poor in California," also said: "Under this plan, a new corporation established under the auspices of the state OEO, interested attorneys and local bar associations, and known as the California Legal Services Foundation, will in cooperation with the State Bar begin to design and implement a program to test various alternatives and supplementary methods of delivering legal services. Assuming the success of this experiment, a new combined program to provide comprehensive legal services within California would be instituted.

"In committing the resources of OEO to a partnership with California and its citizens in developing a model effort in legal services, I believe other states will ultimately turn to the California experiment for insight in meeting the legal needs of their own low-income citizens," Carlucci added.

Governor Reagan said that during the preplanning period (up to 90 days), views regarding the makeup of the governing board of the California Legal Services Foundation will be solicited by state OEO from all interested parties. Then, the State of California---with the concurrence of the director of federal OEO---will select the foundation's board of directors.

"I am confident that this bold new experiment can result in significantly improving the quality and availability of professional legal services to the poor in California," the governor said.

# # # # #

JOINT STATEMENT BY ROBERT B. HAWKINS, JR., DIRECTOR,  
CALIFORNIA STATE OFFICE OF ECONOMIC OPPORTUNITY AND  
PHIL SANCHEZ, DIRECTOR, FEDERAL OFFICE OF ECONOMIC  
OPPORTUNITY, WASHINGTON

The State of California and the Federal Office of Economic Opportunity have concluded negotiations leading to the beginning of a bold new experiment in professional legal services. We jointly welcome the California Experiment. We will expect it to chart new ways to actively involve the private bar. We will insist on hard-headed administration and scientific evaluation. We expect that it will lead to perfected systems of delivery of legal services to the poor.

The California Experiment will begin by proceeding immediately in the following manner:

(1) Pre-Planning Grants

In order to provide for comprehensive planning, several short-term planning grants, not to exceed more than 90 days in duration, will be made for the purposes outlined below to such grantees as:

- The California State Office of Economic Opportunity, to engage consultants and to consider the objectives and methods of conducting the experiment, the means of coordinating its various phases and models, the evaluation of the experiment, and the make-up of the board of directors of the California Legal Services Foundation. The views of all interested parties will be solicited and will be reported to OEO and the Foundation, with recommendations, upon conclusion of the planning stage.
- The National Bar Foundation, which shall include participation of Mexican-American attorneys, to consider and propose ways of involving members of the minority bars in delivering legal services in California.
- Representatives of the State Bar or local bar associations, to study and recommend ways of integrating the private bar into the experiment to facilitate the delivery of professional legal services to the poor.

Grants for these planning purposes will not exceed approximately \$150,000. The above groups (organizations) shall be funded for these purposes as delegate agencies by a grant from Federal OEO's Office of Legal Services. The State Office of Economic Opportunity shall serve as the Grantee to receive funds for such delegate agencies. Applications by these delegate agencies for funding should be submitted by February 14, 1972 to State OEO Director Robert B. Hawkins, Jr., and to Fred Speaker, Director of Legal Services for Federal OEO.

(2) Evaluation

In addition to producing an experimental design consisting of contrasting models subject to controlled comparisons, it will be necessary for two other major tasks to be completed during the planning phase. The first of these is the development of a built-in system for the collection of data concerning all models being tested and compared. Along with an analysis of the various methods

selected to test the delivery systems, attention will be given by the evaluators to the overall fiscal administration of the various delivery systems. This will require the complete cooperation of all parties to operate the various models and this will require that a third party be responsible for the collection of systematic data concerning each of the models. The last stages of the planning phase will require the development of an evaluation system which will function simultaneously with the operation of each of the models. After a national invitation to bid has been issued, a third-party contractor will be chosen to conduct the evaluation prior to instituting the models at particular sites.

### (3) Operational Phase of the Experiment

The operational phase will last a minimum twelve months, during which time the constituent models are expected to attain the goals claimed for them in alleviating the legal problems of the poor. During the entire operational phase, data concerning each of the models will be systematically and automatically collected and the third-party contractor shall conduct periodic analyses of the performance of each of the models. National OEO and State OEO will provide technical assistance and monitor the operation of each model to see that it conforms to the design that had been determined for it during the planning phase. The production of information aimed at improving the quality and availability of professional legal services for the poor is the primary reason for the experiment.

### (4) Grantee for the Experiment

The grantee for the experiment--the California Legal Services Foundation--has been designated but has not yet been formed. Upon completion of the pre-planning phase, the California Legal Services Foundation shall be constituted to plan and coordinate the various models to be funded as part of the operational phase of the experiment. The Foundation shall have a board of directors which shall be announced by the Foundation within 30 days following the expiration of the term of the pre-planning grants described in paragraph (1), and which shall be composed of national and local representatives of the organized bar, local minority bar groups, legal services organizations, private attorneys and law firms, and representatives of the poor. The size and role of whatever staff may be hired by the Foundation will be determined after the basic structure for the administration of the experiment has been determined. In view of the interest of National OEO and State OEO in receiving complete fiscal management information on the various methods selected to test delivery of legal services, the Assistant Director of the California Legal Services Foundation shall have a fiscal-management background.

In the broadest sense we wish to learn whether there are effective and efficient ways to provide legal services to the poor beyond the traditional OEO-funded legal services programs as they are now constituted. The best resources of the private bar have not yet been tapped in efforts to alleviate legal problems of the poor. If we are to be effective and efficient in the war against poverty, we must find means by which private attorneys can join in this effort.

The experiment is not to be designed to provide a forum for advocacy of any particular model. It is to be designed rather to provide an opportunity for the objective study and evaluation of all models, for their comparison with one another and with traditional Legal Services programs, in terms of their value in assisting poor people with their legal problems. In order to succeed in reaching this goal, it will be necessary for all participants to view their interests as being just one part of a very large and complex effort. We are determined that the experiment shall take place in an open and objective manner and look forward to the full cooperation of all interested parties.



OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-14-72

MEMO TO THE PRESS

#19

GOVERNOR'S OFFICE  
January 17, 1972  
through  
January 23, 1972

Monday, January 17

Office Appointments

Overnight - Sacramento

Tuesday, January 18

12:30 p.m.

Presentation of awards to Goodwill Industries,  
Cosmopolitan Hotel

Overnight - Sacramento

Wednesday, January 19

Office Appointments

Overnight - Sacramento

Thursday, January 20

10:30 a.m.

PRESS CONFERENCE

Overnight - Los Angeles

Friday, January 21

a.m.

Regents Meeting, Los Angeles

Overnight - Los Angeles

Saturday, January 22

10:30 a.m.

Remarks to L.A. County Campaign Round-Up  
Kick Off for the 1972 election, Biltmore  
Hotel

Overnight - Los Angeles

Sunday, January 23

No Public Appointments Scheduled

Overnight - Los Angeles

# # #



OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-14-72

RELEASE: Sunday, January 16

#20

Governor Reagan said today that federal officials have approved an advance allocation of \$16,024,000 to support the state's 1972 program under the Omnibus Crime Control Act.

The funds are being forwarded to the California Council on Criminal Justice as a first installment on a total block grant of \$40 million which the state will receive this year from the Law Enforcement Assistance Administration of the U.S. Department of Justice. Balance of the state's share in the nationwide anti-crime program will be received after completion in April of the 1972 Statewide Comprehensive Plan for improving the criminal justice system.

Governor Reagan said:

"This program represents the first real partnership between the federal, state, and local governments to bring the maximum amount of resources to bear on the state's crime problem, particularly in the crime-ridden urban population centers."

California Council on Criminal Justice has funded more than 500 projects to improve the police, courts, and correctional system with grant awards in excess of \$43.3 million since start of the federal block grant program in mid-1969.

The governor said that 75 percent of the funds are funneled directly to cities and counties for local crime reduction programs, with the other 25 percent going toward statewide improvements in the criminal justice system.

The 29-member council, headed by Attorney General Evelle J. Younger, has voted to give the problem of narcotics and related crime the highest priority in the state's Omnibus Crime Control program.

Governor Reagan said that this effort will be linked to the council's recently approved "Crime-Specific Program" under which major law enforcement agencies will join in a coordinated attack on the crime of burglary.

Other major 1972 projects of the council include a program to establish regional criminal justice training academies throughout the state in cooperation with local law enforcement agencies. The first center was opened last year in Modesto under a \$235,675 first-year grant approved by the council.

Governor Reagan said a statewide system of crime labs is being initiated by the State Department of Justice with the aid of a \$201,865 grant from the council. The system will eventually consist of two core laboratories, eight regional laboratories, and a number of smaller satellite laboratories for processing criminal evidence.

The Judicial Council of California is seeking new methods to make maximum use of electronic data processing to speed operations of the courts, with the assistance of a \$198,860 grant approved by the council.

The California Military Department is conducting a Civil Disturbance Operations School in San Luis Obispo with funding from the council. The school is providing training in riot control to law enforcement and civil authorities from throughout the state.

# # #

WAS

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-17-72

RELEASE: Immediate

#21

Governor Ronald Reagan today announced the appointment of Thomas M. McMurray as Chairman of the State Health Planning Council.

The council has responsibility for comprehensive health planning, including review of the location and construction of health facilities in California.

McMurray, 32, will continue in his present position as assistant to the secretary of the Human Relations Agency for program and management activities, a post he has held since January 1971.

The agency consists of the departments of Health Care Services, Social Welfare, Mental Hygiene, Rehabilitation, Public Health, Human Resources Development, Corrections, Youth Authority and various boards, commissions, and councils.

Currently McMurray is serving as vice chairman of the Health Reorganization Committee in the Human Relations Agency. He is involved in all aspects of the health planning, evaluation and budgeting required for implementation of the new Department of Health.

Before moving to the Human Relations Agency, McMurray served in the governor's office from June 1968 to January 1971 as assistant cabinet secretary and as special assistant to the governor.

Prior to joining the Reagan administration, McMurray was a Legislative Assistant to Congressman Robert Michel of Illinois. During this assignment, his responsibilities centered on the programs and expenditures of the U.S. Departments of Health, Education and Welfare, Agriculture, and Labor.

McMurray, a native of Peoria, Illinois, and a University of Notre Dame graduate, also has been associate publisher and editor of Mid-County Press, a central Illinois publishing firm. He and his family reside in Sacramento. He is a Republican.

# # # # #

EJG

OFFICE OF THE GOVERNOR..  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-17-72

RELEASE: Immediate

#22

Governor Ronald Reagan today sent the following telegram to President Nixon:

"I am informed that the west coast longshoremen's strike has resumed as of 9 a.m. today, January 17. The resumption of this strike will cause great damage to our economy and endanger the livelihood of thousands of innocent persons in California as well as other states.

"The only solution apparently left is prompt congressional action to protect this state and the nation against further disruption and suffering. Accordingly, I strongly urge you to take whatever action is necessary for the immediate solution of this problem," the governor's telegram said.

# # # # #

EJG

Governor Ronald Reagan today named three new members to his Consumer Fraud Task Force.

At the same time, Donald G. Livingston, Director of the Department of Consumer Affairs, disclosed that a total of \$37,320 in funds, including a \$24,000 grant from the California Council on Criminal Justice, has been made available for task force studies.

The new members are Peter D. Hannaford, 39, of Piedmont, vice president of a San Francisco and Los Angeles advertising agency, Judge Marie L. B. Collins of Piedmont, and Vincent W. Jones, 41, of Long Beach, assistant secretary and general counsel for Sears, Roebuck and Company in the nine western states.

Hannaford, 39, of 2083 Oakland Avenue, Piedmont, vice president of Wilton, Coombs and Colnett, Inc., is active in numerous Bay Area civic and service organizations. He has served as a director of the Better Business Bureau of Alameda and Contra Costa Counties, the Piedmont Park Commission and the California Roadside Council.

Judge Collins, 41, named to the Oakland-Piedmont Judicial District Municipal Court in 1970 by Governor Reagan, is a former Alameda County Deputy District Attorney, who headed the fraud department which investigates business and investment fraud cases and consumer complaints.

In addition to numerous legal and professional organizations, she has served on the executive committee of the Bay Area Prosecutors Association Fraud Committee and the Federal Trade Commission Consumer Protection Coordinating Committee. She and her husband, Leonard, live at 220 Highland Avenue, Piedmont.

Jones, 41, who earned his law degree at Stanford University, is a member of the Los Angeles Central City Association, a director of the California Retailers Association, chairman of the Consumer Legal Remedies Committee of the California Chamber of Commerce, in addition to numerous civic, service and professional organizations. He lives at 5300 El Prado, Long Beach.

The appointment of the three new members brings the task force's strength to 14 members. The force was appointed early this year by Governor Reagan to seek ways and means of providing additional protection for the state's buying public and to determine whether law enforcement agencies have enough legal tools to effectively protect consumers.

Livingston also announced that Timothy F. Comstock, 25, a special consultant to the Department of Consumer Affairs, will serve as executive director of the task force.

Comstock, who earned his law degree from the University of California at Davis last year, joined the governor's staff in January, 1971 as a special assistant to education advisor Dr. Alex Sherriffs. He has been serving as a special consultant to the Department of Consumer Affairs since December.

Comstock and his wife, Nancy, live at 2517 U Street, Sacramento.

Judge Collins is a Democrat. Hannaford, Jones and Comstock are Republicans.

# # # # #

WAS

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-18-72

MEMO TO THE PRESS

Dr. J. W. Stubblebine, Director of the State Department of Mental Hygiene, will discuss charges in a report issued by CSEA today relating to the Lanterman-Petris-Short program in California, in Room 1190 at 4:00 p.m. today.

# # # # #

EJG

OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-18-72

RELEASE: Immediate

#24

Governor Ronald Reagan today issued the following statement:

"While the court upheld my vetoes of the attempted partisan gerrymanders of the Senate and Assembly, they fell short of accepting the responsibility to insure once and for all a reapportionment fair to all the people. I am deeply disappointed in their acceptance of the equally gerrymandered Congressional plan which I had also vetoed. The result will be that Californians cannot be fairly represented during the next session of Congress.

"A number of legislators have voiced the opinion that the legislative reapportioning itself is in actuality a basic conflict of interest. I agree with this view and regret the court was lacking in the statesmanship to resolve this problem once and for all.

"The matter of reapportionment has been returned to the legislature. I'll do everything I can to assist them in developing as quickly as possible a reapportionment plan fair and equitable to every Californian."

# # #



OFFICE OF THE GOVERNOR  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-19-72

RELEASE: Immediate

#25

Governor Ronald Reagan today appointed Ernest S. Wong, a Los Angeles insurance company owner, to a three-year term as a public member of the state board of barber examiners in the Department of Consumer Affairs.

Wong, 58, who lives at 812 Ridgcrest Street, Monterey Park, will succeed Vincent P. Cicone of Glendale who has resigned.

The appointment is subject to Senate confirmation. Members of the board receive \$25 per diem while on official duty.

Wong, who is active in Chinese-American community affairs, is a Republican.

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WAS

Governor Ronald Reagan today named Sheldon H. Sloan, a Los Angeles attorney, and Harold E. Nissen, a Los Angeles petroleum engineer, to four-year terms on the state board of registration for professional engineers in the Department of Consumer Affairs.

Sloan, a partner in the firm of Brown and Brown, will serve as a public member of the board, succeeding John R. Winzler of Eureka, whose term has expired.

Nissen, who is employed by Signal Oil and Gas Company, will represent petroleum engineers on the board. He succeeds Edmund C. Babson of Whittier, whose term has expired.

Sloan lives at 9950 Kip Drive, Beverly Hills and Nissen lives at 5167 Vista Hermosa Street, Long Beach. Both men are Republicans.

Board members receive \$25 per diem while on official duty.

# # # # #

WAS

OFFICE OF THE GOVERN  
Sacramento, California  
Contact: Paul Beck  
445-4571 1-19-72

RELEASE: In diate

#27

Governor Ronald Reagan today reappointed three members to four-year terms on the Cancer Advisory Council.

They are Dr. John W. Cline, San Francisco physician and surgeon; Emanuel H. Fineman, Honorary President of the City of Hope, and Dr. Joseph F. Ross, U.C.L.A. School of Medicine.

Dr. Cline, who lives at 3467 Pacific Avenue, San Francisco, will represent physicians and surgeons on the council. He is a Republican.

Fineman, a resident of 332 North Palm Drive, Beverly Hills, will represent non-profit cancer research institutes. He is a Democrat.

Dr. Ross, who lives at 11246 Cashmere Street, Los Angeles, will represent the U.C.L.A. Medical Center. He is a Republican.

The three men have served on the council since 1970.

Council members receive necessary expenses.

# # # # #

WAS

Governor Ronald Reagan today named three new members to the Board of Medical Examiners of the State of California in the Department of Consumer Affairs.

They are Dr. Theodore Nussdorf of Whittier, Dr. John E. Vaughan of Bakersfield and Dr. Julius Levine of Hayward.

Dr. Nussdorf, an orthopedic surgeon and instructor of orthopedic surgery at the University of California at Irvine, succeeds Dr. George C. Andersen of Hermosa Beach, whose term has expired.

A graduate of the University of Virginia Medical School, Dr. Nussdorf is a member of the American Board of Orthopedic Surgery, a Fellow of the American Academy of Orthopedic Surgery, a member of the Western Orthopedic Association and a Fellow of the American College of Surgeons.

He lives at 8604 Via Santa Cruz, Whittier. He is a Republican.

Dr. Vaughan, Chief of Staff of the Greater Bakersfield Memorial Hospital, is a specialist in obstetrics and gynecology. He succeeds Dr. Genest D. de L'Arbre of Stockton, whose term has expired.

Active in numerous medical, civic and service groups, Dr. Vaughan is a founding member and past president of the Houchin Community Blood Bank and a past president and chairman of Kern County Medical Society, a trustee of the Foundation for Medical Care of Kern County, the California and American Medical Associations and is a Fellow of the American College of Obstetricians and Gynecologists.

He is a graduate of the University of Virginia School of Medicine and has completed post-graduate studies at the University of Southern California School of Medicine.

He lives at 2300 Cedar Street, Bakersfield. He is a Republican.

Dr. Levine, a physician and surgeon and owner of Levine Hospital in Hayward, will succeed Dr. Sachio J. Takata of Monterey Park, whose term has expired.

Named as Hayward's "Man of the Year" in 1970, Dr. Levine is active in numerous civic and service organizations. He is a past president and chairman of the board of the Hayward Boys Club, a past member and chairman of the board of the Eden Township District Hospital in Castro Valley, and a life term member of the board of Temple Beth Shalom in San Leandro.

He is also a member of the American and California Medical Association, the Academy of Ophthalmology and Otolaryngology, the American Academy of Plastic Surgery, the Aero-Medical Association and the National Ophthalmological Society.

Dr. Levine, a Republican, lives at 25051 Fairview Avenue, Hayward. Members of the board receive \$25 per day while on official duty.

Governor Ronald Reagan today announced the signing of his first bill passed by the 1972 legislative session.

The bill, SB 7 (Chapter 1), authored by Senator John A. Nejedly (R-Walnut Creek), allows units in cooperative housing corporations to qualify for the homeowners' property tax exemption commencing in 1972-73.

(SB 569 - Chapter 1752 - 1971, allows housing cooperatives to qualify for the homeowners' property tax exemption commencing in 1972-73. Due to the length of the 1971 session, the effective date of SB 569 will be after the 1972 lien date. SB 7 eliminates any doubts as to the operative date of SB 569.)

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