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OFFICE OF THE GOVERNOR
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STATEMENT BY GOVERNOR RONALD REAGAN TO THE LEGISLATURE

Mr. President, Mr. President Pro Tem, Mr. Speaker and Members:

It is indeed an honor for me to be here today and let me assure you I am looking forward to meeting with you not only jointly but also as individuals as collectively we work together to meet and solve the tremendous problems that confront this great and growing state.

The people of California last fall took a major step in helping the executive and the legislative branches deal with these problems.

Just as it was necessary to revise and revamp the Constitution to allow the Legislature the opportunity to function better and more efficiently, so do I believe that substantial reorganization of the executive branch is necessary if we are to serve the people efficiently and economically.

The state government has increased in size enormously in recent years. It is my intention to reduce the executive branch as much as is consistent with the effective provision of needed governmental services.

The agency plan adopted in 1961 was designed to enable the Governor to transmit his policies to the many agencies of the state government effectively and quickly and to ensure that those policies would be adopted in a coordinated way. These results have not been achieved.

The only way governmental services can be provided in a useful, effective and economical way is through coordinated action of a unified, well-organized executive branch carrying out policies established after proper consultation with all who are affected. Our executive branch

cannot operate in this way unless the many agencies, bureaus and departments are grouped together in a logical manner and their day-to-day activities are coordinated by executives operating out of the Governor's Office.

I also believe that far more effective fiscal control and management can be obtained if we have a Director of the Budget working out of the Governor's Office, performing overall review of programs, budgets and expenditures.

It is my hope, too, that such an officer will speed adoption of program budgeting by all agencies so that we will have a far better idea of how much particular activities of government are costing the state on a year-to-year basis, and whether or not we might not obtain more for our money.

I am convinced both by the unanimity of the recommendations that have been made over the years and by the logic of the proposal itself that we should consolidate all of our tax collecting agencies into a responsible, streamlined Department of Revenue with a Director appointed and removable by the Governor and removable for cause by the Legislature.

Proposition I-A, which was adopted by the voters by an overwhelming margin, authorized the Legislature to grant to the Governor the duty to draft plans to reorganize the executive branch of the state, and it is my earnest hope that the Legislature will adopt legislation allowing us to proceed with this vitally needed work as soon as possible.

I recommend that we follow the Hoover Commission model under which these reorganization plans, once drafted, will take effect unless disapproved by a vote of both houses of the Legislature.

Inaugural Invocation
and Prayer breakfast
Invocation delivered
by The Reverend Donald
J. Moomaw.

TRANSCRIPT OF GOVERNOR RONALD REAGAN'S REMARKS

Oath Taking Ceremony
State Capitol Rotunda
~~Tuesday~~, January 2, 1967
~~Monday~~

12:14 A.M.

Well, George, here we are on the late show again.....

(laughter).

I couldn't help that. I want you to know that this moment is not taken as lightly as such a remark might indicate.

Somehow, I'm sure you can all imagine envisioning ahead something that was going to take place, and, somehow, it didn't in my mind or my imagination turn out this way. When the decision was made to do this at this hour, and I don't know what the stars prescribed, we had our reasons for doing it at this hour, I had a vision of a few of us here quietly doing this in a minute and a half and being on our way. Now, even though the picture has changed, I'm happy the way it has changed.

I'm deeply honored, Justice McComb, that you would come here at this odd hour and this inconvenient time to do this. And I'm very proud and happy, thanks to Bob (Finch), and his relationship, too, that Senator Murphy could be here, because his friendship and mine is of long standing.

I am here with those I love the most in all the world and with friends who have come to share this moment. And I am fully cognizant of the importance of this and what it means to so many people.

I wouldn't be able to figure or state how this moment arrived, or by what course or plan I found myself in this position.

(Wilbur Choy)
Reverend, perhaps you weren't a part of my imagining of what this moment would be, but I am deeply grateful for your presence because you remind us, and bring here, the presence of someone else, without whose presence I certainly wouldn't have the nerve to do what I am going to try to do.

Someone back in our history, I wasn't too good a student, but I think it was Benjamin Franklin who said, "If ever someone could take public office and bring to public office the teachings and the precepts of the prince of peace, he would revolutionize the world and men would be remembering him for a thousand years." I don't think anyone could ever take office and be so presumptuous to believe he could do that or that he could follow those precepts completely. I can tell you this, I'll try very hard. I think it is needed in today's world.

Inaugural Message of
RONALD REAGAN
Governor



Delivered during Inaugural Ceremonies
at the State Capitol

January 5, 1967

INAUGURAL ADDRESS

RONALD REAGAN

GOVERNOR OF CALIFORNIA

Lieutenant Governor Finch, fellow Constitutional Officers, Justice McComb, Honorable Members of the Congress, President pro Tem Burns and Members of the Senate, Speaker Unruh and Members of the Assembly, Distinguished Guests:

To a number of us, this is a first and hence a solemn and momentous occasion, and yet, on the broad page of state and national history, what is taking place here is almost commonplace routine. We are participating in the orderly transfer of administrative authority by direction of the people. And this is the simple magic which makes a commonplace routine a near miracle to many of the world's inhabitants: the continuing fact that the people, by democratic process, can delegate this power, yet retain custody of it.

Perhaps you and I have lived with this miracle too long to be properly appreciative. Freedom is a fragile thing and is never more than one generation away from extinction. It is not ours by inheritance; it must be fought for and defended constantly by each generation, for it comes only once to a people. Those who have known freedom and then lost it have never known it again.

Knowing this, it is hard to explain those who even today would question the people's capacity for self-rule. Will they answer this: If no one among us is capable of governing himself, then who among us has the capacity to govern someone else? Using the

temporary authority granted by the people, an increasing number lately have sought to control the means of production as if this could be done without eventually controlling those who produce. Always this is explained as necessary to the people's welfare. But, "The deterioration of every government begins with the decay of the principle upon which it was founded." This is as true today as it was when it was written in 1748.

Government is the people's business, and every man, woman and child becomes a shareholder with the first penny of tax paid. With all the profound wording of the Constitution, probably the most meaningful words are the first three, "We, the People." Those of us here today who have been elected to constitutional office or legislative position are in that three-word phrase. We are of the people, chosen by them to see that no permanent structure of government ever encroaches on freedom or assumes a power beyond that freely granted by the people. We stand between the taxpayer and the taxspender.

It is inconceivable to me that anyone could accept this delegated authority without asking God's help. I pray that we who legislate and administer will be granted wisdom and strength beyond our own limited power; that with divine guidance we can avoid easy expedients as we work to build a state where liberty under law and justice can triumph, where compassion can govern and wherein the people can participate and prosper because of their government and not in spite of it.

The path we will chart is not an easy one. It demands much of those chosen to govern, but also from those who did the choosing. And let there be no mistake about this: We have come to a crossroad—a time of decision—and the path we follow turns away from any idea that government and those who serve it are omnipotent. It is a path impossible to follow unless we have faith in the collective wisdom and genius of

the people. Along this path government will lead but not rule, listen but not lecture. It is the path of a Creative Society.

A number of problems were discussed during the campaign and I see no reason to change the subject now. Campaign oratory on the issues of crime, pollution of air and water, conservation, welfare and expanded educational facilities does not mean the issues will go away because the campaign has ended. Problems remain to be solved and they challenge all of us. Government will lead, of course, but the answer must come from all of you.

We will make specific proposals and we will solicit other ideas. In the area of crime, where we have double our proportionate share, we will propose legislation to give back to local communities the right to pass and enforce ordinances which will enable the police to more adequately protect these communities. Legislation already drafted will be submitted, calling upon the Legislature clearly to state in the future whether newly adopted laws are intended to preempt the right of local governments to legislate in the same field. Hopefully, this will free judges from having to guess the intent of those who passed the legislation in the first place.

At the same time, I pledge my support and fullest effort to a plan which will remove from politics, once and for all, the appointment of judges . . . not that I believe I'll be overburdened with making judicial appointments in the immediate future.

Just as we assume a responsibility to guard our young people up to a certain age from the possible harmful effects of alcohol and tobacco, so do I believe we have a right and a responsibility to protect them from the even more harmful effects of exposure to smut and pornography. We can and must frame legislation that will accomplish this purpose without endangering freedom of speech and the press.

When fiscally feasible, we hope to create a California crime technological foundation utilizing both

public and private resources in a major effort to employ the most scientific techniques to control crime. At such a time, we should explore the idea of a state police academy to assure that police from even the smallest communities can have the most advanced training. We lead the nation in many things; we are going to stop leading in crime. Californians should be able to walk our streets safely day or night. The law abiding are entitled to at least as much protection as the lawbreakers.

While on the subject of crime . . . those with a grievance can seek redress in the courts or Legislature, but not in the streets. Lawlessness by the mob, as with the individual, will not be tolerated. We will act firmly and quickly to put down riot or insurrection wherever and whenever the situation requires.

Welfare is another of our major problems. We are a humane and generous people and we accept without reservation our obligation to help the aged, disabled and those unfortunates who, through no fault of their own, must depend on their fellow man. But we are not going to perpetuate poverty by substituting a permanent dole for a paycheck. There is no humanity or charity in destroying self-reliance, dignity and self-respect . . . the very substance of moral fiber.

We seek reforms that will, wherever possible, change relief check to paycheck. Spencer Williams, Administrator of Health and Welfare, is assessing the amount of work that could be done in public installations by welfare recipients. This is not being done in any punitive sense, but as a beginning step in rehabilitation to give the individual the self-respect that goes with performing a useful service.

But this is not the ultimate answer. Only private industry in the last analysis can provide jobs with a future. Lieutenant Governor Robert Finch will be liaison between government and the private sector in an all-out program of job training and education leading to real employment.

A truly great citizen of our state and a fine American, Mr. H. C. McClellan, has agreed to institute a statewide program patterned after the one he directed so successfully in the "curfew area" of Los Angeles. There, in the year and a half since the tragic riots, fully half of the unemployed have been channeled into productive jobs in private industry, and more than 2,600 businesses are involved. Mr. McClellan will be serving without pay and the entire statewide program will be privately financed. While it will be directed at all who lack opportunity, it offers hope especially to those minorities who have a disproportionate share of poverty and unemployment.

In the whole area of welfare, everything will be done to reduce administrative overhead, cut red tape and return control as much as possible to the county level. And the goal will be investment in, and salvage of, human beings.

This administration will cooperate with the State Superintendent of Public Instruction in his expressed desires to return more control of curriculum and selection of textbooks to local school districts. We will support his efforts to make recruitment of out-of-state teachers less difficult.

On the subject of education . . . hundreds of thousands of young men and women will receive an education in our state colleges and universities. We are proud of our ability to provide this opportunity for our youth and we believe it is no denial of academic freedom to provide this education within a framework of reasonable rules and regulations. Nor is it a violation of individual rights to require obedience to these rules and regulations or to insist that those unwilling to abide by them should get their education elsewhere.

It does not constitute political interference with intellectual freedom for the taxpaying citizens—who support the college and university systems—to ask that, in addition to teaching, they build character on accepted moral and ethical standards.

Just as a man is entitled to a voice in government, so he should certainly have that right in the very personal matter of earning a living. I have always supported the principle of the union shop even though that includes a certain amount of compulsion with regard to union membership. For that reason it seems to me that government must accept a responsibility for safeguarding each union member's democratic rights within his union. For that reason we will submit legislative proposals to guarantee each union member a secret ballot in his union on policy matters and the use of union dues.

There is also need for a mediation service in labor-management disputes not covered by existing law.

There are improvements to be made in workmen's compensation in death benefits and benefits to the permanently disabled. At the same time, a tightening of procedures is needed to free business from some unjust burdens.

A close liaison with our congressional representatives in Washington, both Democratic and Republican, is needed so that we can help bring about beneficial changes in social security, secure less restrictive controls on federal grants and work for a tax retention plan that will keep some of our federal taxes here for our use with no strings attached. We should strive also to get tax credits for our people to help defray the cost of sending their children to college.

We will support a bipartisan effort to lift the archaic 160-acre limitation imposed by the federal government on irrigated farms. Restrictive labor policies should never again be the cause of crops rotting in the fields for lack of harvesters.

Here in our own Capitol, we will seek solutions to the problems of unrealistic taxes which threaten economic ruin to our biggest industry. We will work with the farmer as we will with business, industry and labor to provide a better business climate so that they may prosper and we all may prosper.

There are other problems and possible problems facing us. One such is now pending before the United States Supreme Court. I believe it would be inappropriate to discuss that matter now, but we will be prepared with remedial legislation we devoutly hope will be satisfactory to all of our citizens if court rulings make this necessary.

This is only a partial accounting of our problems and our dreams for the future. California, with its climate, its resources and its wealth of young, aggressive, talented people, must never take second place. We can provide jobs for all our people who will work and we can have honest government at a price we can afford. Indeed, unless we accomplish this, our problems will go unsolved, our dreams unfulfilled and we will know the taste of ashes.

I have put off until last what is by no means least among our problems. Our fiscal situation has a sorry similarity to the situation of a jetliner out over the North Atlantic, Paris bound. The pilot announced he had news—some good, some bad—and he would give the bad news first. They had lost radio contact; their compass and altimeter were not working; they didn't know their altitude, direction or where they were headed. Then he gave the good news—they had a 100-mile-an-hour tailwind and they were ahead of schedule.

Our fiscal year began July 1st and will end on the coming June 30th—six months from now. The present budget for this 12-month period is \$4.6 billion, an all-time high for any of the 50 states. When this budget was presented, it was admittedly in excess of the estimated tax revenues for the year. It was adopted with the assurance that a change in bookkeeping procedures would solve this imbalance.

With half the year gone, and faced now with the job of planning next year's budget, we have an estimate provided by the experienced personnel of the Department of Finance. We have also an explanation

of how a change in bookkeeping could seemingly balance a budget that called for spending \$400 million more than we would take in.

Very simply, it was just another one-time windfall—a gimmick that solved nothing but only postponed the day of reckoning. We are financing the 12-month spending with 15-month income. All the tax revenues for the first quarter of next year—July, August, and September—will be used to finance this year's expenses up to June 30th. And incidentally, even that isn't enough, because we will still have a deficit of some \$63 million.

Now, with the budget established at its present level, we are told that it, of course, must be increased next year to meet the added problems of population growth and inflation. But the magic of the changed bookkeeping is all used up. We are back to only 12 months' income for 12 months' spending. Almost automatically we are being advised of all the new and increased taxes which, if adopted, will solve the problem. Curiously enough, another one-time windfall is being urged. If we switch to withholding of personal income tax, we will collect two years' taxes the first year and postpone our moment of truth perhaps until everyone forgets we did not cause the problem—we only inherited it. Or maybe we are to stall, hoping a rich uncle will remember us in his will.

If we accept the present budget as absolutely necessary and add on projected increases plus funding for property tax relief (which I believe is absolutely essential and for which we are preparing a detailed and comprehensive program), our deficit in the coming year would reach three-quarters of a billion dollars.

But Californians are already burdened with combined state and local taxes \$113 per capita higher than the national average. Our property tax contributes to a slump in the real estate and building trades industries and makes it well nigh impossible for many citizens to continue owning their own homes.

For many years now, you and I have been shushed like children and told there are no simple answers to the complex problems which are beyond our comprehension.

Well, the truth is, there are simple answers—there just are not easy ones. The time has come for us to decide whether collectively we can afford everything and anything we think of simply because we think of it. The time has come to run a check to see if all the services government provides were in answer to demands or were just goodies dreamed up for our supposed betterment. The time has come to match outgo to income, instead of always doing it the other way around.

The cost of California's government is too high; it adversely affects our business climate. We have a phenomenal growth with hundreds of thousands of people joining us each year. Of course the overall cost of government must go up to provide necessary services for these newcomers, but growth should mean increased prosperity and thus a lightening of the load each individual must bear. If this isn't true, then you and I should be planning how we can put up a fence along the Colorado River and seal our borders.

Well, we aren't going to do that. We are going to squeeze and cut and trim until we reduce the cost of government. It won't be easy, nor will it be pleasant, and it will involve every department of government, starting with the Governor's office. I have already informed the Legislature of the reorganization we hope to effect with their help in the executive branch and I have asked for their cooperation and support.

The new Director of Finance is in complete agreement that we turn to additional sources of revenue only if it becomes clear that economies alone cannot balance the budget.

Disraeli said: "Man is not a creature of circumstances. Circumstances are the creatures of men." You and I will shape our circumstances to fit our needs.

Let me reaffirm a promise made during the months of campaigning. I believe in your right to know all the facts concerning the people's business. Independent firms are making an audit of state finances. When it is completed, you will have that audit. You will have all the information you need to make the decisions which must be made. This is not just a problem for the administration; it is a problem for all of us to solve together. I know that you can face any prospect and do anything that has to be done as long as you know the truth of what you are up against.

We will put our fiscal house in order. And as we do, we will build those things we need to make our state a better place in which to live and we will enjoy them more, knowing we can afford them and they are paid for.

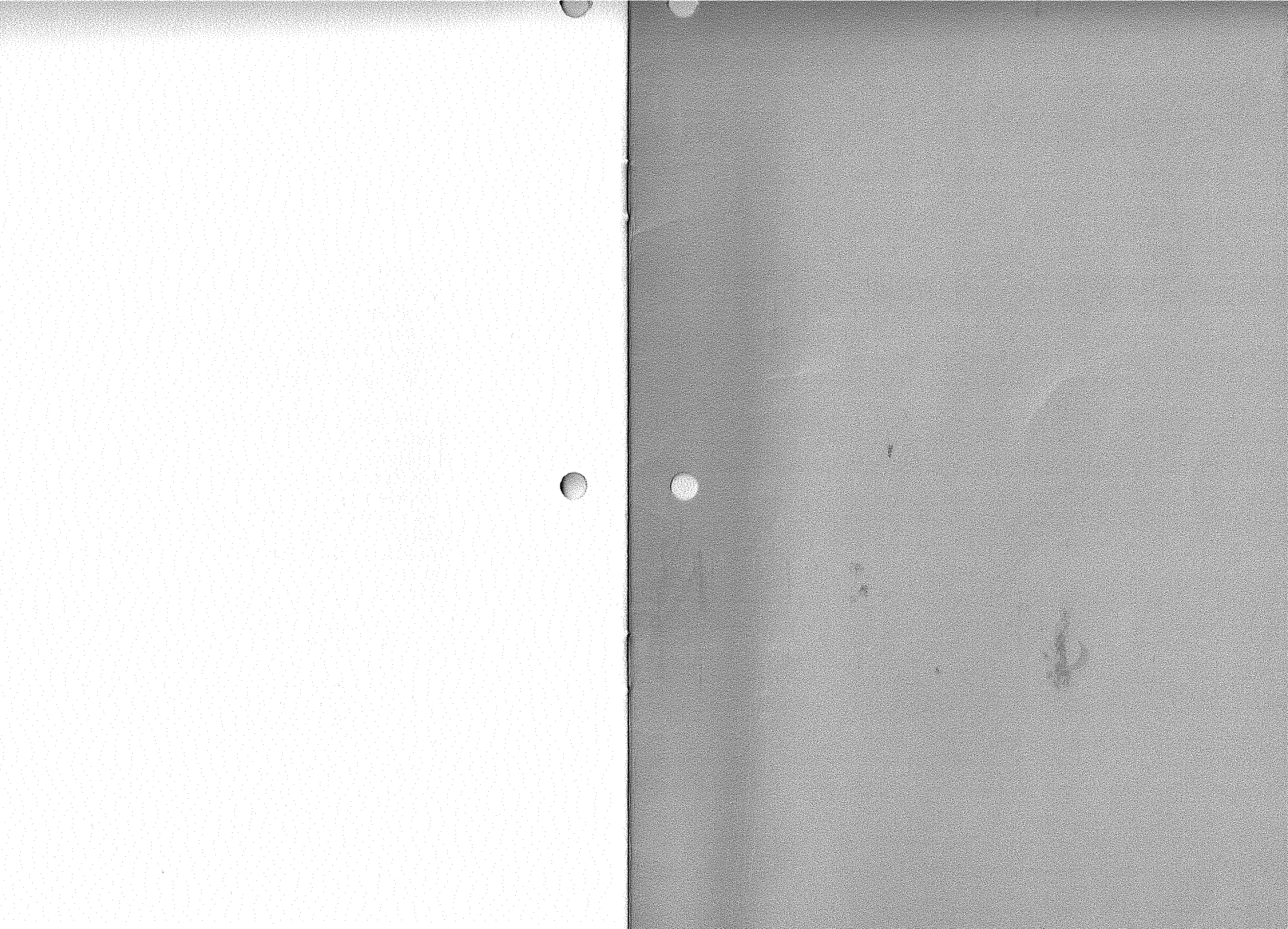
If, in glancing aloft, some of you were puzzled by the small size of our State Flag . . . there is an explanation. That flag was carried into battle in Vietnam by young men of California. Many will not be coming home. One did—Sergeant Robert Howell, grievously wounded. He brought that flag back. I thought we would be proud to have it fly over the Capitol today. It might even serve to put our problems in better perspective. It might remind us of the need to give our sons and daughters a cause to believe in and banners to follow.

If this is a dream, it is a good dream, worthy of our generation and worth passing on to the next.

Let this day mark the beginning.

Ronald Reagan

Governor



1/11

Address by
Gov. Ronald W. Reagan
California Teachers Association Legislative Seminar
Sacramento, January 11, 1967

Fellow members of the Administration, the Legislature, ladies and gentlemen of the California Teachers Association, ladies and gentlemen of the press: I am accompanied by familiar faces here and not only from the Administration. I had the pleasure of meeting your Executive Secretary, Jack Rees, sometime ago and having a visit with him. I appreciated this.

I know that education, which should be the subject of this evening's few remarks by me, is a very broad subject and, therefore, I am sure you will understand that it is only in the interest of time that I confine myself to those parts of education that stop short of the university and college system. Stick around, I'm working up to getting hung in a hospital.

I'm trying to get some comfort from the story of a man who was going down the road one day with his son, leading a burro, and they met a man who said to them, "Don't you realize you shouldn't both be walking on this hot day? You have that burro. One of you at least should be riding."

So the father thought it was a good idea and put his son on the burro and continued to lead the burro until they met another man. The second man said, "Don't you realize the burro is a beast of burden, perfectly capable of carrying both of you. There is no reason why either one of you should walk."

And they both got on and rode, until they met a third man, who said, "How can you do that on a hot day like this? How can you be so cruel to a poor dumb animal? The two of you should be carrying the burro."

So they tied his feet together, swung him over a pole, put it on their shoulders, and went down the road. And then they came to a bridge. And starting across the bridge with this unaccustomed and concentrated load, the bridge collapsed and they were plunged into the torrent below. Well, they both managed to make it to shore, but the burro, with his feet tied together, drowned.

And the moral is . . . you can lose your burro trying to please everyone.

There is another version of that story, but . . .

I'm sure that you are wondering many things, not only about me, but also about what kind of an Administration I am going to bring to the state. And I think this is normal and to be expected after a campaign as heated and lengthy as the one we have just been through.

A candidate sometimes indulges him- in the fallacy that everyone must be aware of his stand, his philosophy of government, and, in this case, his approach to education. Of course this is

not so . . . first, because, even with the miracle of electronic communications, it is impossible to reach and personally regale even a fraction of the populace with your many charms and virtues, and, second, because, due to the nature of a campaign, there are others abroad who are more or less vocal with a somewhat different evaluation of those charms and virtues.

Now there is one label that I do accept out of all that have been applied recently. I am a Republican. But I am a Republican without a hyphen. I am neither a Left, nor a Right, nor a Mainstream, nor even an over-there-in-the-ripples-and-shallows-Republican.

It is my belief that the Party which I represent is polarized around a policy of adherence to constitutional limits on the power of government, and fiscal responsibility, and that government, to be effective and to be just, must be kept close to the people . . . and that includes that segment of government known as public education.

Now, let it also be understood that I am a firm believer in public education. We have been brought together tonight—I think all of us—because we have a share in common with the idea that we have here the greatest public school system in all the world. Now this might come as a surprise to some of you, and I wouldn't wonder at that because I have heard a few of my own words come back at me considerably out of context.

For example, some of you might have heard or read that I am a fellow who said that it is a strange paradox that, in the society created on individual freedom, parents should be compelled to send their children to school. Now I said that; but, at the same time, I said it is a paradox we gladly enjoy or put up with because we know we can not have a free society unless we have an educated and literate public or citizenry. This is a part of the quote that somehow has been overlooked here and there.

Now, you might even have heard that I have described public education, or aid to education—it has come out both ways—as a tool of tyranny. Well, I did say something similar. I said education is the bulwark of freedom, but removed too far from the control of parents and local government, it can become the tool of tyranny.

Public education, in my opinion, is the responsibility of state and local governments. I believe that a diversity in education makes for a strong overall educational system, and I believe it minimizes the danger of an educational system becoming a propaganda system. And that brings me to my posi-

tion with regard to federal aid to education.

I am only too aware that the federal government has preempted much of the tax base, and this has made it necessary for us to turn to the federal government for aid. Since the federal government created the need in the first place, it follows that the federal government has the responsibility to help meet that need, and in truth, it would seem that they are doing just that . . . except that when we have federal aid to education . . . when it is forthcoming . . . the gift is not unconditional. It comes with some strings attached.

This is a country that was founded on the idea that when a lower echelon of government has difficulty meeting its responsibility, the next higher echelon of government has the responsibility to try to help, in whatever way it can, that lower echelon accomplish its purpose.

It does not have a responsibility to automatically take all the authority and the function away from that lower echelon of government.

Now we in California, I believe, know better than a bureau or agency in Washington what the educational needs are of California. By the same token, we in Sacramento should recognize that you at the district level know better than we do the problems and the needs of your district. Now one of the reasons that school districts have a financial problem, perhaps is because, in recent years, Sacramento has imposed conditions and requirements on the local districts without, at the same time, providing the money to pay for those programs and those requirements.

(Applause) The legislators will report in the morning whether they joined in that applause.

In consequence though, our state support of public schools has dropped as low, in some areas, as 27 percent and in the overall average for the state, I understand the figure is 37 percent. Now I hope that we will be able to restore the historic 50-50 ratio, but now I have to ask everyone to be a little patient. We are in a very deep hole and first we must climb out.

I am sure some of you heard some whispered rumors to the effect that we have some financial problems. But, we are going to do everything we can to solve these problems because there are so many things that need doing and there are none of us here, regardless of Party lines, either in the Legislature or in the Administration, who do not want to get at the job of doing these things that do need doing.

There is, not least among these problems, the problem of teachers' retirement. No provision has been made for a cost of living increase. A teacher who retired ten years ago finds today that inflation alone has cut the income by 23 percent, and it continues to go down as inflation continues, and a pro-

vision must be made to meet this particular problem.

We are not only aware of this, but we also are aware of the problem that 50 percent of our teaching staff comes to us from other states, and we must, and will, find an answer to the provisions that are necessary for their retirement program.

The Fisher Bill, an admitted noble goal for improving the quality of teachers, hasn't worked out as well as could be hoped by those who passed it. Recruitment problems have multiplied and now we must review what changes are needed if we are to have enough qualified and dedicated teachers.

But let me return briefly to the area of finance. The state must bear a fair share and a larger share of the school cost. It must bring relief to the property taxpayer in so doing, and bring an end to what has become virtually a taxpayers' revolt. Bond issues based on sound policy have been voted down by people who are simply expressing—in the only way left open to them—their objection to the ever-growing cost of government. I am sure that they, in their own hearts and minds, know the justification for many of these issues, but, as I say, they have only one way of expressing a disapproval in this one area. This is why all of us must have some patience and must cooperate to achieve a sane, fit fiscal position.

Education must be sustained and improved and money to make this possible must come from a system of taxation whereby all the citizens bear equitably a share of this burden.

Now, much as I may wish to learn about the intricate details of California's vast educational system, I am sure that no one person has, or can have, a complete knowledge of the school system that has been designed to educate millions of young people, children, and adults . . . a program that is costing billions of dollars a year. Nor can one man find the answers to all the problems by himself. I will seek the advice and counsel of many, but high on the list will be the counsel of those who teach. I depended on you too many years for the answers to quit now.

But I want to see more problems solved at the local levels. I want to see teachers, administrators and school board members working together with regard to curriculum, selection of textbooks, student discipline, assignment, salaries and benefits.

I think all of us are aware of the problems that I think are being improved which only a few years ago so desperately needed attention. The problem of teachers' pay . . . I don't know whether we can ever reach as much as a teacher should receive. Every parent knows on every Saturday afternoon: teachers are underpaid.

I am sure that most adults carry through life, and are influenced by, the memory of at least one stand-out teach-

er, and I know that this is true of me. I question whether this would have been true—I know it wouldn't be true of me—and I wouldn't perhaps have that same memory or have that influence—if I had seen that teacher in a picket line engaged in a strike. (Applause)

But, if this is true, then it is equally wrong for a school board to ignore the counsel of educators and not meet with them in a mutual atmosphere of good faith to arrive at a fair answer with regard to the problems of professional pay and working conditions.

You know, talking about some of these things and about my concern of government, and government power . . . I have been accused of being too fearful of the power of government. But I don't think that any of us should rule out as extremism of one kind or another a reasonable concern that government should always be aware that its power is no more than the people give it. What I must not do, government must not do. And let me illustrate this idea—why I am fearful—with a little item that came to my attention . . . that appeared in the press recently.

Catherine B. Ottinger, who is the Chief of the Children's Bureau of the Department of Health, Education and Welfare in Washington, has written a letter, quite widespread, soliciting subscriptions to the Bureau's journal. The journal is entitled "Children."

And in this letter, Miss Ottinger said, "Articles in the journal are by specialists in child development, mental health, child welfare, education, related fields . . ." etc. And then in the letter, she goes on to say, "Because most of these specialists are not associated with the federal government, these articles reflect their free opinion."

Now, is it impossible for us to maybe envision or dream of a day when specialists who are associated with the federal government will be able to reflect their free opinion? How hollow rings the cry for academic freedom if there is someone who says, "Well, I agree with your position, but publicly I must come out against it."

Children learn by example. Nowhere is understanding, mutual respect and cooperation more essential as an example than in our schools, the place which society has established for the teaching of its young. This training must encompass more than reading, writing, and arithmetic. I think the school is a place for training and discipline, and responsibility; and, yes, if we carried on with all other things. I believe in love for country. And I don't say that in any narrow, chauvinistic sense, but I think that it is proper to instill devotion, for the dreams that are as old as mankind are dreams that have advanced farther here in this country of ours than in any society heretofore known to man.

School is a place to learn basic morality, without which no society can exist.

I know this is supposed to be the prime duty of the home. But sometimes the home fails, and even when it does not, I think that school and home should not be working at cross purposes. They should be working together so that constantly there is this example.

Of all your many obligations . . . administration, and school boards, and taxpayers . . . you know that the highest . . . the highest and the one that sets you apart as having a calling . . . is the place that you have in the lives of other people's sons and daughters.

I know there must be many times when you are tempted to cry out that a satisfying inner glow doesn't pay the rent. But at the same time, I think down in your hearts you also know that money alone can't buy that kind of inner glow.

Knowledge is the essence of education, but it is a two-edged sword. It can be good, or bad. It can be believed, or disbelieved. It can be wisely or foolishly used. The key is the integrity of the source. And you happen to be in that position.

You are the source and you are the example. It is, at one and the same time, a holy trust and an overwhelming and mighty challenge. I am sure that you will meet that challenge.

And I would like to promise you that we who have been meeting with you here, and those who have been meeting with you in this seminar on government . . . that we will try to meet our challenge . . . try to give you examples that you can use in executing your public trust . . . examples you can point out to the children.

There is great concern today, I am sure, among you, among us, and among parents throughout this land, of a decline in morals, a decline in standards, of a weakening of the social structure that has been a long time building.

And I wonder if we — if we really look at it — don't have the greatest opportunity, and the greatest responsibility, because I know of no two places that can be found where it is more important to have the examples of maintenance of the social fabric, maintenance of principles and morals and standards, than in the halls of government and in the halls where you are engaged each day with our children.

All of us have such a limited time to determine how, and in what manner, we are going to be remembered by the coming generation and I believe you, representing a segment of government — the public education field — and those of us who have been chosen to represent the people, do have this one thing in common. It is a very sacred trust.

Between us, let us have a mutual pledge to try and meet our challenge and our responsibility, and perhaps if we sweep the walk in front of our own front door, we will find out one day that all the streets are clean all over.

1/16

STATEMENT OF GOVERNOR RONALD REAGAN ON CRIME

To the Senate and Assembly of the Legislature of California:
Legislation is being introduced in the Senate and Assembly today that represents a comprehensive "crime and law enforcement" package.

This package is an effort to strengthen "soft spots" in the state's laws and crime prevention programs.

California is the leading state in terms of major crimes. On a percentage basis, we have nearly twice our share--nine percent of the population and about 17 percent of the crime.

We are convinced that enactment of this proposed legislation will help deter crime, will slow the flood of pornographic material now available on our news stands, will speed and strengthen the administration of justice and will assure California citizens the best and most efficient law enforcement agencies in the nation.

We are asking for this legislation:

1. An effective law to restore to the cities and counties the ability to enact local laws designed to meet local problems. This is commonly referred to as the "implied pre-emption issue."

Such a law will allow local law enforcement agencies to more thoroughly police their jurisdictions, especially in the areas of vice, sex offenses and offenses against public decency.

2. Laws increasing penalties for those criminals who, during the commission of either a robbery, burglary or rape, inflict great bodily harm upon their victims using dangerous weapons. Society must be protected from those who would inflict personal violence on its members. Three measures identical to those to be introduced today were passed by both houses of the Legislature in 1965 but were pocket-vetoed.

3. As mentioned earlier, comprehensive legislation dealing with pornography and obscenity, with special emphasis on prohibiting dissemination to minors of "harmful" material. A careful effort is being made to avoid any suspicion of censorship.

(MORE)

4. We recognize that from time to time persons are arrested unjustly or as victims of circumstances. Yet, despite, their innocence, they must live the remainder of their lives with a public police record. We are offering a comprehensive legislative approach that will provide relief for such persons while, at the same time, preserving such records for use by law enforcement agencies and other authorized persons.

5. We also are proposing that a California Crime Foundation be created as a public corporation. Such a Foundation would be financed and served by both the private and public sectors.

Its purpose will be to develop a coordinated state, local and private effort that would develop new scientific techniques to combat crime, initiate research projects in the area of police management, administration and basic research in the field of crime, and encourage engineers and scientists to devote themselves to careers in crime research.

Financing would be accomplished by channeling to the Foundation funds now appropriated for certain existing state law enforcement efforts and by participation by private foundations and the business community.

6. It is imperative to seek and maintain the highest standards of judicial excellence in order to make sure that all our citizens receive equal justice under the law. For that reason, legislation is being presented which will assure the Governor the opportunity to name only the most qualified attorneys to the bench.

Five of the above six proposals must be passed by the Legislature to make them effective. The proposal on the selection of judges must be approved by a vote of the people as it is an amendment to the Constitution.

However, the Governor's Office, by executive action, expects to take one more step in the near future that will ease the law enforcement burden that rests on our various crime-fighting agencies.

From time to time, statewide conferences will be called as a means of making the public more aware of the crime problem and the citizen more cognizant of his responsibilities. Such conferences will be attended by members of the mass communications media, local civic and political leaders, students and other interested citizens.

Without respect for law, the best laws cannot be effective. Without respect for law enforcement, laws cannot be carried out. We must have respect, not only for the law, but also for the many who dedicate their lives to the protection of society through enforcement of the law.

1/17

STATEMENT OF GOVERNOR RONALD REAGAN ON TUITION

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

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

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

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

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

But let me make it plain; I don't pretend the economies will be easy for any of us. Some will---we will find unneeded fat that can be whittled away without scratching a single muscle fibre, but like any family faced with this problem, we will all have to give up some things we would like. This is a temporary thing. If professors take on an

added work load, this isn't a permanent change in policy. I share their hopes for continued progress in educational standards and achievement, but I ask them now to share in the burden with the rest of us until we can put our house in order.

This brings me to the furor over our suggestion that among the several possibilities for minimizing the effect of budget costs is tuition.

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

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

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

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

Let me read from the text of a letter sent to one of our newspapers by three economics professors at UCLA:

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

Incidentally, the full text of that letter also is attached. Now, let me summarize.

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

The answer lies with all of us. There are no exceptions.

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

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

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

1/23

STATEMENT OF GOVERNOR REAGAN ON WELFARE

In the days ahead members of both the Senate and the Assembly will introduce bills on my behalf in the field of welfare.

In addition, I expect to take a series of steps over the next several months that will also change our approach to this problem.

There is a growing recognition that welfare programs, as we have known them in the past, tend really to perpetuate poverty to the point where there are cases where families have been on one form or another of the public dole for three and even four generations.

We hope to change this approach--to give people the opportunity and the responsibility of earning their own livings. A welfare program, to be successful, should aim not at getting people into the program but at seeing how many people can be made self-supporting so that they no longer need the program.

The able-bodied and many of our handicapped need, want and should have jobs, not handouts.

As you know, we have already taken a major step in this direction. We have begun a program under the direction of H. C. (Chad) McClellan, of finding jobs in private industry for those among us who want to work but who have lacked the training or the opportunity.

This program, begun last year in Watts, is being expanded state-wide. While it takes advantage of state agencies, it does not use state funds. Thus, while having unofficial state backing, it is not, in fact, a state program.

However, because it has already proved its value in one area, I strongly urge all Californians to give it their wholehearted cooperation and support.

To work closely with Mr. McClellan, I propose establishment of a Governor's Job Training and Placement Council. This will be a temporary body chaired by the Lieutenant Governor and composed of six public members and two members from each house of the legislature. Major goals for the council will be to:

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Enlist strong and active support of private industry in developing a state-wide system for making jobs available to trainees following successful completion of training programs;

Develop an administrative system to insure that all public funds now being spent on job training and adult basic education are channeled into a single rehabilitative and placement program;

Develop controls to insure that no training programs are entered into except as labor market needs are determined to exist;

Establish criteria both for admission to training and for the type and nature of training to be given;

Support and encourage joint funding programs in this area;

Develop a valid and acceptable cost-benefit formula for application to the various training programs now in progress or proposed by the council.

Investigate methods to re-engineer job placement in private industry in order to improve opportunities for unskilled workers.

We will ask legislative approval for this program.

In another area, where action can be taken without need for further legislation, I intend to conduct a comprehensive review of the state's welfare program, focusing on administrative and organizational improvement.

Using cost-effective analysis as a guideline, the Social Welfare Board and the new department director shall examine what State resources are needed to actually reduce long-run welfare expenditures and to restore individuals to maximum self-support and independence.

The new director and new members of the Social Welfare Board should also thoroughly study ways to streamline welfare administration. This would include:

Investigation of ways to increase flexibility and cooperation in County-State administration of welfare;

Utilization of systems analysis in considering administrative and organizational changes;

Examination of various ways in which volunteers could aid in the conduct of public welfare programs.

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Finally, in the area of executive action, I want it clearly understood that this administration will work toward more effective enforcement of laws already on the books which govern the misuse of welfare grant money.

The truly deserving must not be short-changed because of welfare chiselers and cheats. And the taxpayer, who bears the load, must be able to know with reasonable assurance that his money is not going to support the lazy and the indolent.

In conjunction with this approach, legislation will be introduced requiring the Department of Social Welfare to assist County Welfare departments in establishing fraud investigation units and services. Such legislation will free case workers and counselors from handling fraud investigation and will concentrate this work in a single unit.

In another piece of legislation we seek to establish a central registry in the Department of Justice showing specified information regarding parents who have or who appear to have abandoned children who are recipients of public assistance or who are likely to become such.

This legislation is aimed primarily at finding deserting fathers before the wife and children have to turn to welfare for aid.

In summary, through both executive and legislative action, the principal aims of this administration in the field of welfare will be to provide jobs instead of welfare wherever possible, assure adequate aid for the deserving, cut administrative costs and return as much control as possible to the Counties.

Welfare is a responsibility our society willingly accepts but the burden it places on our wage earners must be set at acceptable levels.

It is this administration's intention to assume this responsibility for the deserving and at the same time recognize our responsibility to those who bear this immense financial burden.

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1.23.67/LN

1/24

MEMO TO THE PRESS: This is made available for your information

Theodore R. Meyer, Chairman of the Board of Regents, today made the following statement concerning contradictory published reports as to whether Dr. Clark Kerr asked for a vote of confidence at the Regents meeting last Friday:

Dr. Kerr's status has been the subject of discussions and speculation for several years. His relations with the Regents were adversely affected by his handling of the Berkeley campus disorders in the fall of 1964. They deteriorated further as a result of his action the following spring in announcing his intended resignation to the press without prior consultation with, or notice to, any of the Regents. Some subsequent events did not improve the relationship. The resulting uncertainty and controversy have been harmful to the University in many ways.

Several Regents suggested to me that Dr. Kerr's position be discussed at the Regents meeting of December 6, 1966, and again at the meeting of January 19 and 20, 1967. I took the position in discussions with these Regents and with Dr. Kerr that the matter should not be brought up at this time.

A few minutes before the convening of last Friday's Regents meeting, Mrs. Dorothy Chandler, Board Vice Chairman, and I met with Dr. Kerr at his request. He told us that he could not carry on effectively under existing conditions and that if the question of his continuing in office was likely to come up at any Board meeting in the near future, he thought the Regents should face up to it and decide it now one way or the other. We expressed our doubts as to what action the Board would take and our concern as to the consequences and asked him whether he would be willing to tender his resignation. He said that he would not do so and that it was the Board's responsibility to make the decision.

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About noon on Friday I suggested an Executive Session of the Board with only Regents present. Dr. Kerr left the meeting having previously told me that he would prefer to do this if he was to be the subject of discussion. I asked the Regents whether they wished to discuss Dr. Kerr at that time and Mrs. Chandler and I informed the Board of our conversation with him before the meeting including his statement that he would not resign. The Board had discussed the matter for approximately two hours, concluding by a vote of 14 to 8 to terminate Dr. Kerr's services as President. A number of Regents who voted with the majority expressed regret that the parting had to come in this way. At the Board's direction Mrs. Chandler and I again met with Dr. Kerr informing him of the Board's action and told him of the Board's hope that before it was made public he would reconsider his refusal to resign. He said that he would not do so and that the Board must take the responsibility. Mrs. Chandler and I then returned to the Regents meeting and told the Board of Dr. Kerr's position. The Chancellors and other University officials were called in and informed and an announcement was made to the press. Under these circumstances the question whether Dr. Kerr requested a "vote of confidence" or a "clarification of his status" appears to be more a question of semantics than one of circumstances.

No one appreciates more than I Dr. Kerr's great contribution to the University or regrets more than I the manner in which his departure had to come about.

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1.24.67/LN

1/26

OFFICE OF THE GOVERNOR
Sacramento, California
Contact: Lyn Nofziger
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IMMEDIATE RELEASE

STATEMENT BY GOVERNOR REAGAN ON UC INQUIRY

During the recent campaign I said, and have since reiterated my belief, that in order to restore confidence in the University of California to the people of California an inquiry by a citizens' committee was necessary.

I had asked John McCone to head such an inquiry.

I believed then, and I still believe, that such an inquiry could be conducted without the danger of political interference.

Now, however, in view of the unrest at the University because of requested budget cuts, the possibility of tuition, and the dismissal of Dr. Kerr, and because it would be unfair to ask a new University president to take office in the midst of such an inquiry, this inquiry will be postponed until such a time as these problems have been resolved and a new president installed.

John McCone is in full agreement with this statement.

1.25.67/RR

ADDRESS BY GOVERNOR RONALD REAGAN
California Newspaper Publishers Association Banquet
Hilton Hotel - San Francisco
Friday, February 3, 1967 7:30 p.m.

RELEASE:
A.M.'S, Saturday,
February 4

It is always a privilege to appear before the ladies and gentlemen of the press whether they be the people who write the stories or the people who publish them.

Now I've been reading a lot of your papers lately and you must be making the news more exciting or something because I find myself reading the front page before I look at Peanuts.

Seriously, to one who reveres our tradition of a free press, it is reassuring in a day when managed news is a reality to see that some of you welcome the changes we are trying to make and understand the problems we face. Others would like to return to the good old days that preceded last November 8. That of course is your right and privilege. Of course it's also your right and privilege to change your mind, and if you did so, it wouldn't shake my faith in a free press one bit.

I'm grateful for the great quantities of advice I find in your editorial pages---advice on everything from how to balance the budget to how to be happy without an honorary degree from the University of California.

Believe me I appreciate that advice. I know it is well-intentioned and constructive. I've learned one basic truth already that will help me keep a sense of balance.

We are truly anxious to please the good people of this great state. With that in mind we are not only listening to advice; we are seeking it.

But after we get ^{this advice} / we have to sift it and weigh it and then come up with decisions that of necessity mean ignoring some of it---no matter how well-meaning---if to follow it means turning away from promises made during the campaign.

You know, there is a story that actually happened involving a defeated presidential candidate.

He was called before a Senatorial committee to testify on a federal policy. He spoke out in defense of that policy.

Then one of the Senators said to him, "but that isn't what you said when you were running for president?"

He protested, "those were just campaign promises. I really didn't mean them." If he was expressing a political truism - it is one I cannot follow.

I ran on certain issues and made certain promises, and I have to believe the people agreed that these were the issues and those promises would be kept.

During the campaign I said I thought there was an umbrella issue, the issue of simple morality in government. I still think that this is a fact. Morality should always be an issue in government.

Morality to me means dealing in truth and living up to your word, whether it be a personal promise or a campaign promise.

Let me say, however, I recognize all campaign promises cannot be kept. Not because one falters at the task of following through but simply because the people do not vest all the power it is their right to bestow in only one individual.

Many promises depend on implementation by the Legislature and some on the will of the people. This means trying to understand the will of the people.

There have been many interpretations and much speculation as to the meaning of what took place on November 8, not only here but across the nation. It is my personal conviction that much of what happened was a protest. The people voted against^{it.} They voted against the fallacy that we collectively can pile up a debt without eventually having to pay our pro-rated share of that debt individually. They voted against the compulsory sharing of their earnings with those who could but wouldn't work.

They voted against the stultifying hand of government regulation in every facet of their lives and they voted against government that was neither responsible^{nor} / responsive to the people.

They expressed a belief that government has grown too far away from the people. And they denied a theory grown up over the years that says a little clique of so-called intellectuals in Sacramento or in Washington can decide better than the people how to solve the people's problems.

This administration does not believe that a man in Sacramento can outline the best route for a freeway in Newport Beach, or a bureaucrat in Washington reach the right decision on how many harvest workers a farmer needs in Fresno or in Florida.

Big business has already found that the answer to its problem lies in decentralization.

Many of California's problems can be solved in the same way. We have already taken a number of steps to bring state government closer to the people and are working to return some of the powers usurped by the state government over the years to local governments.

Already two new offices have been opened--one in San Diego and one in Fresno. Members of the administration including myself, my executive secretary, Phil Battaglia, and others, are visiting those offices regularly as well as the ones in Los Angeles and San Francisco.

In addition, we have set up in the Governor's Office a special liaison section. Currently, designated staff members are working as liaison between the state and county and city governments as well as between the Governor's Office and minority groups.

We have had introduced in the Legislature bills that would return to the local governments specific regulatory powers that have in recent years been judged by the courts to belong to the state.

We are working to give counties more control of their welfare programs and we are looking at other areas where it might be possible for local controls to supersede state controls or where the state can work in partnership with local governments.

I mentioned the budget a moment ago in regard to what might be called a credibility gap.

Let me talk about it now in terms of what it is and what we are trying to do.

As many of you know, I will go on television Sunday evening (in some areas we may even be pre-empting Death Valley Days) to talk in detail about it. But just for a moment, let me discuss the problem briefly.

It is very simple and the way to solve it is simple, too, if we have the will and fortitude to do it.

The problem is this: the current year's budget was predicated on spending 15 months' income in 12 months and then in borrowing an additional 180 million dollars.

I am shocked when I read accusations that we are in some way exaggerating our fiscal situation and darkening the picture for political purposes.

Once again, let me state a simple fact---every 24 hours California government spends \$1,000,000 more than it takes in. To balance a budget for next year that actually is \$250 million lower than the current budget means we have both to cut costs and increase taxes by about 250 million more dollars in new revenues. That balances the budget but it still leaves us unable to pay off 180 million dollars in additional funds the state has borrowed this fiscal year.

Now the federal government can get away with this. But under the California Constitution that is illegal, which means that we are going to have to find another 180 million dollars--guess where--from your pockets. And while you are digging, see what you can find for property tax relief.

Another promise we will try to keep is cutting California crime rate. Legislation in this area has already been introduced on behalf of the administration. So has legislation to control the flow of pornography and smut.

We expect shortly to seek legislation allowing for reorganization of the executive branch to give us better lines of communication with department and bureau heads and to make the executive branch function more efficiently.

In the executive area we have asked nearly one hundred of the state's leading businessmen and industrialists to provide us the manpower--about 150 top executives in specialized areas--for a thorough study of our state government.

The idea is to streamline government to make it operate more efficiently, to help prepare our state to meet the problems of the next 20 years. A side benefit could well be the saving of several million dollars.

I said we have asked business and industry to help. We have, and their response has been enthusiastic. At our first meeting we were pledged almost the manpower we need. This study will begin shortly. It will not be financed by tax dollars.

Neither will another program I have mentioned before--the program aimed at providing jobs for our untrained manpower, especially those able-bodied men and women in minority groups who want to work but who, because of lack of training or education, have not been able to find jobs.

This program, which during the last year proved so successful in Watts has now been expanded on a statewide basis. Its success, we are convinced, will go a long way toward easing racial tensions.

Its success should also cut welfare costs and add to our tax rolls instead of our tax burden.

These are just some of the things we are trying to do, some of the promises we are trying to keep.

Many people of both parties have told us it can't be done. Frankly, we don't believe them. The American dream was not built on this kind of cynicism, this kind of fatalistic outlook. We believe it can be done. We are convinced that Californians want it done.

We are convinced that most of the legislators in both parties also want it done.

They know there is a limit to the tax burden they can ask the people to bear.

They, too, have felt the breeze of the people's discontent and they know that the last election was a reflection of that discontent.

I suppose any political party too long in power grows soft, contented, self-satisfied, and, in a sense, indifferent to the will of the people.

I pray that that affliction will not strike this administration.

But if it does, we will count on you people out there, and the papers you represent to make that fact clear, to take the story to the people and then let the people decide.

All we ask of you is that you seek out the story and the stories of this administration and that you print them fully and accurately.

If you do that, you will have fulfilled your obligation to California just as we are trying to fulfill ours.

I believe it was Harry Truman who said, "If the people know the facts they will never vote against themselves."

They must count on you to give them the facts. You must--and can--count on us to make sure the facts are available. Nobody believes more strongly than I in the people's right to know.

And I am sure that if the people do know, they will make the right decisions.

I am confident of their judgments. And I will welcome them and yours now and in the years ahead.

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Note: Since Governor Reagan speaks from notes, there may be changes in the above text. However, he will stand by any quotes taken from the above. Also, the Governor may make additional impromptu remarks.

2/9

STATEMENT OF GOVERNOR RONALD REAGAN ON AGRICULTURE

To the Senate and Assembly of the Legislature of California:

Today, I shall ask for the introduction of legislation directed at improving California's largest industry--agriculture. At the same time, I shall take executive action in this area.

By the combination of executive order and legislation, I intend to seek:

Additional housing for migrant farm families;

Establishment of a mediation service for legitimate disputes between farmers and farm workers;

More quality protection of out-of-state agricultural products;

A newly identified farm-labor placement service;

Implementation of Proposition 3;

Removal of the 160-acre limitation;

Establishment of an agricultural youth corps; and

Eradication of the pink bollworm which threatens California cotton.

I shall ask both local and State governments to participate in the enforcement of existing statutes and regulations to aid farm labor in education, health, housing, welfare and sanitation, in that it appears to me that sufficient legislation now exists in these areas. However, it also appears to me that an additional 600 family units are needed for migrant farm families and I shall accordingly request the sum of \$5.5 million from the federal government to build these units.

Farm labor disputes have increased significantly in the past several years with the intensified efforts of labor to organize agricultural workers. No adequate machinery now exists for

resolving labor disputes in agriculture. I shall ask the State Board of Agriculture to study the problem, looking toward my appointment of conciliators with agricultural labor knowledge who will be given general authority to look into serious labor disputes, bring the parties together and recommend a disposition of the problem for the good of the public interest. I would ask that the Mediation Board receive its administrative assistance through the Department of General Services.

California leads the nation in enacting and enforcing laws aimed at making California-grown commodities meet the highest standards in quality, sanitation and freedom from pesticide contamination. California consumers deserve the same protection from out-of-state products. To accomplish this goal, we will ask the Legislature to authorize inspections of fruit and produce entering the State. The cost of inspection would be borne by the shipper importing the produce.

With the termination of the Bracero Program under Public Law 78, and other changes in agricultural labor requirements, it becomes imperative that an increased effort be made to provide an adequate supply of agricultural labor. In light of the problems which have beset the Farm Labor Service in recent years, and the grave responsibilities for which it is charged, a review of the organization and function of the Farm Labor Service is in order at this time. A citizen commission should be established to examine the structure, function and performance of the Farm Labor Service and to make recommendations to the Governor, the Legislature, and the State Board of Agriculture by January 10, 1968. It is my hope that a truly-identifiable farm placement service (as directed by the Wagner-Peyser Act) within the Department of Employment, under the Deputy Director for Farm Labor, could be re-established. This would involve transfer of the Farm Labor Technical Section, as well as regional and local placement services, as

sound management policies and organization would dictate.

Agricultural employees have historically been excluded from coverage by unemployment insurance under federal law, although they may be covered by enactment of any state. California, with the most modern agricultural technology in the world, should also lead in developing a modern, stabilized work force, and should provide unemployment insurance coverage for certain permanent agricultural workers. Recognition must be given to the fact that agricultural employees, numbering 850,000 in California, include perhaps 150,000 with year-round identification with agriculture who should have insurance protection against the hazard of a period without work. In the event that I determine that the proposed federal program in this area is not imminent, I shall ask for such legislation to cover the permanent farm employee in California agriculture.

In another area involving farm labor, I believe the State should play an active role in bringing together agriculture's need for part-time labor and our young people who desperately need summer employment. Many young people remain uninformed of agricultural work opportunities and of the possibilities for earnings in this field. On the other hand, many agricultural employers remember only too well recent poorly organized, costly federal programs that failed.

However, I believe we can successfully recruit youth for agricultural work, using the services of schools, the Department of Employment and farm-oriented organizations. Such a program can be done through executive action and will not require legislation.

With the passage of Proposition 3 by the voters, the Legislature has been authorized to develop a program of open-space conservation through property tax assessment restrictions. I will ask the Legislature to institute studies leading to legislation imple-

menting the mandate of the people in this area.

While the 160-acre limitation is federal law, we still believe it is outdated in light of modern agricultural economics and was never intended by the Congress to apply to many California water projects. Therefore, I would urge the Legislature to pass joint resolution SJR 3 to memorialize Congress to remove the 160-acre limitation and I will instruct the Director of Agriculture and the Director of Water Resources to take up the matter directly with the California Congressional Delegation.

California's most important cash crop is cotton. Today, it is gravely threatened by the pink bollworm. We hope a number of steps can be taken, both executively and legislatively, which will alleviate this problem. These would include:

1. Directing the new Director of Agriculture to investigate the circumstances which permitted this disastrous infestation last year, and recommend improved procedures which will prevent the spread into the San Joaquin Valley and lead to eradication from the state;
2. Legislative action to stiffen the code requirements on "host free periods" and on uncultivated cotton;
3. A broad research program by the University of California to study the pink bollworm and control measures under California conditions;
4. Active cooperation--and leadership--with federal and neighboring states in suppression and eradication;
5. Stern suppression measures to protect the major cotton producing areas of the State, and to minimize losses in the desert area; and
6. Development of a broad base of financial support for the long-range eradication program, including State funding, matching federal funds and industry participation.

2/11

2/14

STATEMENT BY GOVERNOR RONALD REAGAN ON CUTBACKS OF
INTERSTATE AND FEDERAL AID HIGHWAY PROGRAMS

Today I have asked members of the California Congressional delegation and the California Legislature to join with me in seeking to reverse recent decisions in Washington that have seriously threatened our road-building program---both Interstate and regular highways.

One decision means the loss of approximately \$250 million for the Interstate Highway Program. The other concerns at least \$70 million held back for the federal-aid highway system.

Recently Washington informed us that we would be cut back by \$70 million between January and July of this year for federal-aid highways. A further reduction into the next fiscal year for an indefinite period also is under study in Washington and could amount to an additional loss of \$35 to \$40 million annually.

We have been told the curtailment is designed to stop inflation and assist the federal government in the financial problems caused by the war in Vietnam. I believe neither reason is valid.

California's highway users pay into a fund which is to be used only for highways---not for other purposes. In addition, the cutback will actually curtail further the construction industry which already is in a depressed condition with unemployment very high and going higher.

The indefinite nature of the cutback upsets highway planning on any sort of long-term basis. And it only delays replacing vitally-needed highways that are now obsolete---roads that cause the most accidents, the most injuries, the most fatalities.

Now for the Interstate Highway Program. Last year, the federal government deleted about 13 miles of California's Interstate Highway System because no agreement could be reached over location of freeways in San Francisco. So the state sought to substitute the Century Freeway in Los Angeles for the \$250 million San Francisco project. We have so far been turned down.

The Century Freeway is urgently needed to help solve congested traffic conditions around International Airport in Los Angeles. It also would serve vital defense industries.

In addition, loss of this money to California will result in a serious delay in the state's overall highway program. It should be pointed out that all state and federal funds for California highways go into the State Highway Fund and are then subject to the so-called north-south split.

In other words, Interstate funds---even though designated for a specific freeway--are not over and above the north-south split but are part of it. A loss of federal money to San Francisco and northern California, therefore, is a loss to Los Angeles and southern California.

It is important to remember that California already sends substantially more highway user money to Washington than it gets back.

Because of these reasons, I am asking every member of the California Congressional delegation and the Legislature to lend whatever assistance they can in restoring this money to our highway and Interstate highway programs. We intend to mobilize all the areas of California's economy affected by the "cutback", including labor and industry, and thus make our voice heard in Washington. California, being a major contributor of funds, and a major recipient, should lead the way in reversing these decisions.

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2/16

STATEMENT OF GOV. REAGAN ON THE CALIFORNIA WASTE MANAGEMENT PROGRAM

To the Senate and Assembly of the Legislature of California:

I am today submitting a proposal for a California Waste Management Program designed to end the pollution of our air, water and land. Such pollution is a major threat to public health, economic growth and the quality of our California environment.

Specific legislation will be introduced within the next few weeks which will make California the first state in the nation to adopt a comprehensive three-fold approach to the very critical problems of pollution.

As you are aware, there are serious gaps in state policy and a piecemeal fragmentation of governmental units which now characterize the waste management field. There is an absence of state policy goals aimed at improving the quality of our environment. And there is little ability now to control the major sources of pollution.

We must adopt a systematic program of action in this field.

To meet this need, we are proposing a policy that would:

1--Reorganize and consolidate the existing fragmented government systems by establishing single state governmental units in the fields of air resources, water resources and solid waste disposal. I cannot emphasize too strongly, however, that this consolidation must preserve local responsibilities.

2--Establish tough anti-pollution standards, especially in the field of air pollution.

3--Recognize that the related problems of air pollution, water pollution and solid waste disposal are part of the general problem of protecting the quality of California's environment.

I am, therefore, recommending legislation establishing a single

Air Resources Board. This Board would have jurisdiction not only in the field of motor vehicle emissions now covered by law, but also over air pollution from stationary sources such as open burning, burning dumps and industrial-commercial operations.

This legislation would authorize the Air Resources Board to adopt standards governing the composition of diesel and other motor fuels and would establish a statewide air monitoring system. Educational efforts on the very serious problems of air pollution would be stepped up.

In addition, a major requirement in the field of air pollution should be a provision that vehicle emission devices be designed to meet 1970 standards. This would give the automotive industry and others a three-year period in which to develop and improve emission devices that would meet a definite and minimum goal set for 1970.

Until now, limited responsibilities for air pollution control have been vested at all levels of government. The result has been an inability to develop a program that considers the total air pollution burden on the air resources throughout a region.

I am further recommending that legislation be enacted to establish a single unit of state government for liquid waste management. Responsibility for water quality control, according to a report by the "Little Hoover Commission", is diffused among the State Water Quality Control Board, nine Regional Water Quality Control Boards, the Department of Water Resources, the Department of Public Health, the Department of Fish and Game and waste discharges under self-monitoring arrangements.

The Assembly Water Committee, headed by Assemblyman Carley Porter, has recommended merging the State Water Rights and Water Quality Control Boards and I look with approval on this measure.

Finally, legislation should be enacted which would designate responsibility within the Department of Public Health for developing

solid waste management policies and standards and for undertaking research and development. In this field of refuse and sanitation, no state agency now has the statutory responsibility for planning and development of standards.

I would also suggest that legislation creating a California Waste Management Act of 1967 be enacted, establishing an Environmental Quality Board to provide a unified approach to solving the problems of pollution control and improving the quality of our environment.

Such a Board would resolve policy conflicts between air, water and solid waste disposal agencies and would make recommendations to the Governor and the Legislature to prevent pollution. Representatives on the Board might include those from the agencies in the water, air and solid waste fields. Other members could be representatives on the League of Cities, County Supervisors Assn., State Planning Office, the Legislature and the state Chamber of Commerce.

Such a Board, involving all segments of the population, would allow the needed ^{flexibility} ~~flexibility~~ necessary to implement pollution controls on the local and regional levels.

What I have outlined today will have a very limited immediate cost but will result in significantly improved programs for making our environment livable. As state responsibility broadens, and this unique approach results in a cleaner and better California, costs will increase. But federal grants can be expected in the future to finance this tremendously improved and vitally important program.

This "Waste Management Program" provides California with the opportunity to pioneer among all the states of this nation in the waste management field.

California cannot afford to lose its three most valuable

resources. If the air cannot be breathed, if the water is unfit for drinking, if the land is despoiled by our own refuse, we will have nothing. If we permit the befouling of our air, our water, our land, we shortly will be unable to live in this great state.

I am thoroughly convinced that we must act--and act now. At best, our current efforts are barely keeping even with the problem. Much greater effort must be put forth. Enactment of this program is the first step toward a brighter future.

PB

2/
28

STATEMENT BY GOVERNOR RONALD REAGAN
ON THE PROPOSED
CALIFORNIA JUDICIAL SELECTION ACT

I have today submitted to the State Legislature the proposed California Judicial Selection Act under which only the most qualified persons will be appointed to the courts of this State.

It is imperative that the State of California seek and maintain the highest standards of judicial excellence. Every citizen must be assured of receiving equal justice under the law and the highest possible standards for members of the bench must be constantly maintained.

Discussions have been held for many years in an effort to find the best method of removing the appointment of judges from any possible political considerations. Until now, however, no plan has truly succeeded in meeting that very laudable goal.

I am convinced that the California Judicial Selection Act will achieve that goal--that this proposed legislation will, once and for all, take the appointment of judges out of the political arena.

There can be no argument over the desirability--as a matter of fact, over the necessity--of instituting a plan that will assure the people of California of a judiciary composed of judges of the highest integrity and professional competence.

This plan, in the form of a Constitutional amendment and implementing legislation, is, in my opinion, one of the most important matters to be placed before the Legislature this year. I have asked Senator Donald L. Grunsky, chairman of the Senate Judiciary Committee, to carry this legislation.

Senator Grunsky has devoted long and hard hours to the California Judicial Selection Act and I am grateful for his diligent work. I would hope that under his leadership this legislation will receive the bipartisan support it truly deserves.

There are several key provisions in this legislation which I will briefly outline:

First, the procedure for selecting judges for appointment to courts on the appellate level will vary slightly from the procedure for appointing judges on the trial court level--the Superior and Municipal Court judges.

A Judicial Nominating Commission will be created, consisting of the Chief Justice of the State Supreme Court or the Acting Chief Justice, two attorneys selected by the State Bar and three citizens, appointed by the Governor, who are neither lawyers nor judges. Nominations for appointment to the appellate courts may be submitted by any person for consideration by the Commission. After review by the Commission, not less than two names will be submitted to the Governor. The appointment must be made from that list.

For appointments on the trial court level--Superior and Municipal Courts--the Commission will be augmented by three persons from the local community: a member of the local bar designated by the local bar president, a judge selected under the rules of the local court system, and a citizen, named by the Governor, who is neither a judge nor a lawyer. The Governor would be required to submit not less than three names to the Commission and the Commission in turn would then recommend not less than two persons for appointment by the Governor.

In cases where the names submitted by the Governor are not acceptable to the Commission, or where the Commission is unable to recommend two or more persons, the Governor would be required to furnish additional names for Superior and Municipal court appointments.

The final key provision of this legislation changes the re-election procedure for Superior and Municipal Court judges. When the term of a judge's appointment comes to an end, the voters would have the right to vote either "yes" or "no" as they now do on the appellate court level. If the vote is "no," the judge is not re-elected and another person is then appointed under the procedure set forth in the California Judicial Selection Act.

I am confident this plan will resolve all present conflicts and disputes and may well serve as a national model for selecting judges solely on the basis of their professional and personal competence.

STATEMENT OF GOVERNOR RONALD REAGAN ON
COLORADO RIVER AND NATIONAL WATER
COMMISSION LEGISLATION*

I welcome this opportunity to make known the official views of California's new administration on the important water legislation now before this Subcommittee. There is no need to recite in detail the importance of water to California and the West. And there is nothing I need add to reinforce the fact that the Colorado River Basin and the Pacific Southwest face imminent and widespread water deficiencies. The record compiled at previous hearings before this distinguished body established those facts beyond a shadow of a doubt.

The goals are clear, the need for action unmistakable -- what the entire Pacific Southwest needs now is legislation which satisfies the region's immediate needs through added development of the limited resources of the Colorado River, but recognizes also the area's longer range requirements and sets in motion a program to augment the supplies of the Colorado. It is my objective today to bring to your attention principles that California believes essential to this legislation.

We ask first that the legislation recognize the generally accepted fact that the dependable natural supply of the Colorado River is insufficient to meet all compact and decree apportionments to the seven states of the Colorado River Basin; and the further

*For presentation by William R. Gianelli, Director of the Department of Water Resources, before the House Subcommittee on Irrigation and Reclamation in Washington, D. C., the week of March 13-17, 1967.

fact that the dependable supply available to the Lower Basin will be unable to meet existing uses and the added burden of the Central Arizona Project beyond perhaps 1990 or the turn of the century, even with California's existing uses limited to 4.4 million acre-feet per year. While it appears that the Lower Colorado supply has the potential of satisfying existing uses and those of the Central Arizona Project for perhaps 25 years, this is the case only because several of the other states are not at this time using all of the water to which they are entitled and because California's present uses will be cut back from 5.1 to 4.4 million acre-feet per year when the Central Arizona Project goes into operation.

The only certain way of assuring continued development and prosperity in the Pacific Southwest and of bringing peace to the Colorado River is to increase the natural supplies of the region. The legislation then should contain a reasonable promise that the additional burden of the Central Arizona Project will be relieved within a quarter of a century by augmentation of supply of the Colorado.

While we are convinced in California that meaningful steps must be taken to bring about augmentation of the supply of the Colorado River as a part of the legislation before you, we recognize that there has been neither a westwide nor a national consensus on definition of these steps. A legislative position on this issue that is acceptable to the Southwest but is unacceptable to the Northwest has little, if any, utility. The converse, a solution acceptable to the Northwest but not to the Southwest, is no better.

As you know, the study provisions of Title II of HR 4671, as favorably reported by the House Interior and Insular Affairs Committee last year, were endorsed by the Southwest but opposed vigorously by the Northwest. These study provisions, we felt, were eminently fair in that they called for impartial analysis of all potential sources of Colorado River, including the rivers of our own North Coastal area. Nevertheless, spokesmen for the Pacific Northwest insisted upon their deletion from the Colorado River Basin Project legislation. Complete failure to deal with this aspect of the problem, however -- as I've already indicated -- would prove inimicable to the best interests and welfare of the Pacific Southwest. The West, then, faces an impasse, unless the states of both the Northwest and the Southwest and the Congress concentrate on expanding common ground.

The creation of a National Water Commission so strongly favored by the Northwest was accepted by the Southwest as part of last year's HR 4671. Both regions endorse the concept that when studies of river augmentation are undertaken, they must be objective and must encompass all real alternatives.

Expanding these two ideas, it appears that the essential ingredients of a viable augmentation study are that it be conducted under the supervision of an impartial body; that it be completed on a timely basis; that the rights of the states and regions be fully respected; that the affected states be permitted to participate effectively; that all related factors be considered, including those outside the purely engineering and economic fields; and that the expertise of existing state and federal agencies be used to the maximum extent possible.

It should be possible to reach agreement on each of these elements and I urge the Subcommittee to bend all efforts to do so and to obtain agreement on the augmentation studies issue.

We support authorization of the Central Arizona Project but ask that authorization include, in addition to studies of means of augmenting the supply of the Colorado, protection of existing uses until the River is adequately supplemented.

The merits of protecting existing water uses in the Lower Colorado River Basin, with California's uses being protected to the extent of 4.4 million acre-feet per annum, have been fully debated before this Subcommittee. The Colorado River Basin States struggled with this problem for months before resolving it early in 1965 in favor of protecting existing uses and rights. This solution was acceptable to this Subcommittee, the full Committee on Interior and Insular Affairs, and to the National Administration last year. Secretary Udall's report to Chairman Aspinall on HR 3300, dated February 15, 1967, states that "the questions of whether there should be statutory priority and of its terms are primarily for resolution by the states involved and the Congress. If agreement can be reached upon an interstate priority, the Administration would offer no objection. The Bureau of Reclamation water supply studies, financial analysis and feasibility determination for the Central Arizona project have been made in the light of a priority of 4,400,000 acre-feet per annum for California uses and for existing rights and uses in Nevada and Arizona". There is no cogent reason to upset the accord established last year and continued in the Secretary's report.

Some of the bills before you contain, in addition to the Central Arizona Project, authorizations for the construction, operation, and maintenance of five new projects in the Upper Basin. Since it is our understanding that these features are favored by the state directly affected; are economically justified on the basis of Bureau of Reclamation studies; and, on the basis of both entitlement and physical availability, can reasonably be expected to have an adequate water supply, we support their authorization.

We regard the National Administration's position as announced by Secretary Udall on February 1 as a long step backward from the regional approach which he initiated in 1963 and promoted before this Subcommittee throughout the Subcommittee's sessions during the last two years. The piecemeal approach now proposed by the Secretary avoids the fundamental water problem facing the entire West. The Administration's proposal would add materially to the burden of demand on the River without attempting to solve the basic problem of an insufficient supply in the Colorado. California urges the Subcommittee to reject the Administration's proposal and to continue to seek a regional solution to what is truly a regional problem.



EXCERPTS OF REMARKS BY GOVERNOR RONALD REAGAN
Before Citizens' Conference on the California
Merit Plan for Judicial Selection
Hotel El Dorado, Sacramento
March 18, 1968

First of all, I want to thank all of you for having come here today--for having taken time from your busy schedules--to join with Chief Justice Traynor and me in this Citizens' Conference on the California Merit Plan for Judicial Selection.

In accepting our invitation, you have expressed your support for the plan which will further up-grade the quality of our judiciary in the years to come. I believe that your support reflects a concern on the part of all Californians that the high standards of our judiciary be both maintained and improved upon in the future.

While our state has achieved an enviable reputation for the quality of its judicial system, there remains a chance, under our present system, that ^{at} some time in the future the selection of judges might be made without regard to merit, proven honor, ability and integrity. The California Merit Plan for Judicial Selection was developed with exhaustive care. It has the unqualified support of the State Bar, the Judicial Council and my administration. I believe that a judicial selection system, based solely on competence and not on possible political considerations, will insure that the administration of justice continues to be in the very best interest of the people of this state.

As you know, one of my campaign pledges was aimed squarely at taking the appointment of judges out of partisan politics. Appointment of the best possible judges to the courts of California is a matter of extreme and personal importance to every citizen of this state.

Ours is a government of laws, not of men. Yet, we must always remember that laws are written by men, interpreted by men and changed by men. Because of this, all citizens have an obligation to insure that those who write the laws, those who interpret them and those who judge over them are fair-minded men and women, of proven honor, ability and integrity. Because of this, the method of judicial selection in California is a subject of great concern. It is

essential that attorneys have qualified judges before whom to try their cases. It is imperative that all citizens have confidence that they can obtain from the judiciary equal justice under the law. And it is vital that judges themselves can serve with pride among colleagues of demonstrated quality and merit.

Under our doctrine of separation of governmental powers, a governor can recommend laws but he cannot make the laws or appoint those who do. By the same token, the governor, except in clemency matters, cannot judge under the law, but he can--in fact, under our system, he often must--appoint those who do judge.

This authority places an awesome responsibility and power in the hands of the governor. He, in fact, controls the administration of justice through the men he chooses. Justice can be good, bad or indifferent, depending on the judge--and thus, indirectly, on the man who appoints the judge. While judges must, in theory, be approved by a vote of the people, the fact is that most attorney who become judges seldom face a real test at the polls. Few judges are initially elected to office. Rather, most of them are appointed to the bench to fill an existing vacancy. And once appointed by the governor, a judge seldom faces opposition. As the incumbent, has a decided advantage over any opponent. Thus, with rare exceptions, the person who the governor selects for judgeship usually has a lifetime position.

It is with this appreciation of the governor's role in the selection of judges, and my responsibility for the executive administration of justice, that I so enthusiastically support this plan for judicial selection. For it would clearly take the selection of judges out of partisan politics. It would maintain the highest standards of judicial selection and insure that any governor could select only the most qualified candidate for appointment to the bench.

I am confident--and have been for a long time--that this plan is what the people of California want. I am pleased to know that you share my enthusiasm.

In last year's legislative session, plans were submitted by my administration and the State Bar to take the selection of judges out of politics. But, unfortunately, they did not gain the approval of the legislature.

The plan that will be explained to you today has been intro-

duced in the legislature by Senator Donald Grisky and co-authored by Assemblyman Bill Bagley.

The Chief Justice and I have asked for quick and favorable action by the legislature. We are sincerely hopeful that it will be approved by our lawmakers. The plan will then go to a vote of the people in November by means of a Constitutional Amendment.

Ladies and gentlemen, this is where you come in. You will form the nucleus of a statewide grass-root effort to enlist support for the plan by the people of this state. You and the local citizens' committees you will form in your communities will be able to carry this message to the people.

I believe that the massive public information program that you are about to embark upon will result in an overwhelming affirmative vote to change the law at the polls in November. Your charge is to explain the many merits of the plan before service clubs, community groups, business organizations and citizen bodies--and to answer those questions they may have with regard to it.

The workshops you will sit in on today will enable you to know much more about the plan yourselves and provide the groundwork for effective action in your communities.

Again, I want to express my sincere appreciation for your having come here today.

Thank you.

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(NOTE: Since Governor Reagan speaks from notes, there may be additions to, or changes in the above. However, Governor Reagan will stand by the above quotes.)

3/28

STATEMENT BY MR. PHILIP M. BATTAGLIA, EXECUTIVE SECRETARY TO
GOVERNOR RONALD REAGAN, TO THE SENATE STANDING COMMITTEE ON
BUSINESS AND PROFESSIONS:

I would like to thank you for the opportunity to testify before this committee and to assure you that the Governor's Office is always willing to assist legislative committees in seeking out the truth. All you have to do is ask us. Subpoenaes are not necessary.

I would like to point out, however, that some of the testimony given this morning did not appear to be concerned with the facts, but was, unfortunately, based on a certain amount of emotionalism.

Any statement--whether it is here in this committee or elsewhere--that directly or indirectly implies that there is a lack of concern for human needs by this administration is not only false but is the type of emotional outcry that disregards the facts.

As you have heard from Spencer Williams, this administration's proposals in regard to the Department of Mental Hygiene are based on the premise that present levels of care will be maintained. Comments to the contrary are not true.

For example, a statement this morning was said to have been based on facts but admittedly contained rumors. From these false rumors, predictions were made on what would occur in the future--predictions that cannot be based on facts. Such presentations do a disservice to this committee, to the State of California and to the mentally ill.

In addition, I would like to point out that irresponsible statements concerning the alleged "shattering of employee morale" are geared to cause such a shattering. They accomplish absolutely no positive effect.

I also would like to note that this administration intends to proceed with a positive program aimed at effecting economies for the taxpayers of California while at the same time maintaining a high quality of service for the people who need it. To do otherwise would, indeed, be foolhardy.

We urgently request that this committee consider the facts--facts minus rumors, innuendoes and emotionalism. We are confident that when the facts are known, the administration's program for the Department of Mental Hygiene will be agreeable to the Legislature and the people of California. Thank you.

3/29

OFFICE OF THE GOVERNOR
Contact: Lyn Nofziger
445-4571 3.29.67

IMMEDIATE RELEASE

To the Senate and the Assembly of the Legislature of California:

Within the next several days, I hope to send to the Legislature a series of measures aimed at improving our educational system and turning more control of it over to the local school districts.

At the same time, it is my intention to have the State support, in any way possible, a study of vocational education needs in California, to be financed by a grant of federal funds and already authorized.

The legislative proposals are in addition to the steps we have taken in the budget and revenue bills aimed at helping poorer districts, and eventually returning State support to its former 50 percent level. A resume of steps taken is attached.

Because of the present State fiscal situation, other programs needing extensive funding will be held to a minimum.

However, I am hopeful money can be found for an extension of the basic reading program. The budget now contains \$4 million for that purpose. However, if the Legislature loosens requirements so that additional school districts can participate, as much as \$9 million more may be required.

Other programs we are proposing have bipartisan support also.

In the area of school district unification, we propose legislation to:

Eliminate the existing requirement that a two-year repeat election be held in school districts where unification has been turned down by the voters;

Provide greater local autonomy by authorizing local officials, such as the county superintendent of schools or a majority of the governing boards in the area, to call a unification election;

Deal with the problem of immediate elections required by an Attorney General's opinion;

(MORE)

Relax present code requirements that boundaries of new unified districts coincide with existing high school district boundary lines so that districts can be formed that more accurately reflect local interests;

Require that a full statement of anticipated costs associated with unification accompany other data prepared for presentation to the voters in a unification election;

Authorize the State Board of Education to approve division of existing unified districts when proposed by the County Committee on School District Organizations.

In the area of teacher credentials, we seek legislation that will modify the Fisher Act so as to encourage teachers to enter the elementary education field.

We also recommend that a study be made to determine what constitutes necessary education for the elementary teacher; how teacher credentialing procedures can be simplified and streamlined, and how piecemeal changes in credentialing requirements can be ended.

We will ask legislation to establish an Education Code Revision Commission to reform the Education Code to provide for more local control and flexibility, especially in matters of school finance and budgeting, and seek ways to eliminate certain mandated programs which create an unnecessary burden on school districts.

We will also ask for legislation which will give school districts greater choice in the selection of textbooks.

We are looking forward to additional programs next year when, hopefully, our fiscal problems will have been solved and money will be available. We are thinking in terms of more support for vocational programs and kindergarten programs. Regretfully, these must be bypassed this year.

RONALD REAGAN
Governor

CURRENT SUPPORT OF PUBLIC SCHOOLS

	(IN MILLIONS)			<u>DISTRIBUTION %</u>	
	<u>State</u>	<u>Local</u>	<u>Total</u>	<u>State</u>	<u>Local</u>
1964-65	\$1,048.9	\$1,582.6	\$2,631.6	39.9	60.1
1965-66	1,117.0	1,760.9	2,877.9	38.8	61.2
1966-67	1,247.5	2,002.7	3,250.2	38.4	61.6
1967-68 Budget	1,248.4	2,295.0 est.			
Low Wealth	35.0	0.0			
Add. Support	50.0	- 50.0			
Property Tax Relief	<u>120.0</u>	<u>- 120.0</u>			
Total	\$1,453.4	\$2,125.0	\$3,578.4	40.6	59.4
1968-69 Estimate	1,290.0	2,650.0			
Low Wealth	37.0	0.0			
Add. Support	75.0	- 75.0			
Property Tax Relief	<u>300.0</u>	<u>- 300.0</u>			
Total	\$1,702.0	\$2,275.0	\$3,977.0	42.8	57.2

EDUCATION COMPONENTS OF GOVERNOR'S TAX PROGRAM

1.	Extend the supplemental aid to low-wealth school districts	\$35,000,000
2.	Provide cost-of-living increase for retired teachers	10,000,000
3.	Improve the foundation programs and special allowances for physically handicapped and retarded	30,171,328
4.	Augment amounts provided for education of educationally handicapped	750,691
5.	Reduce class size in the first three grades	10,000,000
6.	Give additional supplemental support in low-wealth school districts	7,700,000
7.	Improve in other ways the quality of education offered in our public schools system	<u>1,093,006</u>
	Total	\$94,715,025

OFFICE OF THE GOVERNOR
Sacramento, California
Contact: Lyn Nofziger
445-4571 3.31.67

RELEASE: SATURDAY
April 1, 1967
9:15 pm

GOVERNOR RONALD REAGAN
TO
CALIFORNIA REPUBLICAN ASSEMBLY
LAFAYETTE HOTEL, LONG BEACH
APRIL 1, 1967

It is a pleasure to be here tonight, talking again to the members of the California Republican Assembly, California's oldest volunteer Republican organization.

I have that warm feeling a person gets when he knows he's among friends--friends who think like he does and have the same goals and aspirations. Could be I'm especially conscious of this for the same reason a man only realizes how thirsty he really is when he takes a cooling drink. Besides that, the members of the CRA have always put their money and their energies where a lot of people are content merely to put their mouths. And, believe me, that is appreciated.

You have supported and worked actively and hard for the principles in which we believe and the candidates who represent those principles--Republican candidates and principles, if you will.

It is the work and support given by you and the members of the other Republican volunteer groups which, in large measure, were responsible for our party's success last November.

I, for one, am grateful, and I know that that gratitude is shared by many others--winners and losers--who had your help.

That election has California again on the right road--in the interest of harmony, let me hasten to say I use "right" in the sense of meaning "correct"--not the road back, but the road ahead to a better, more responsible, more meaningful life for all our citizens, a life in which they are allowed to develop and pursue their aims and ambitions to the fullest, without the constant interference and domination of big spending, big brother government.

But we have just started down that new road. There is still much to be done and there are many problems yet to be solved.

We have just begun to put our State house in order. And every move we make brings a fresh protest from those who think that your money and mine is theirs to spend--as they see fit.

We intend to put an end to that kind of thinking--an end to the philosophy that government has a right to match taxes to whatever it

wants to spend instead of spending only what needs to be spent.

During the campaign it looked almost as if we could put our fiscal house in order without resorting to new taxes. We did not know just how bad the situation was then. Now we have had access to, and a chance to read, the fine print.

As a result, we have, as you know, submitted a revenue bill of nearly one billion dollars in increased taxes. Because there has been some editorial jumping-up-and-down-with-gee, holding that this makes a failure in our long-held belief in economy, let's set the record straight here and now.

Roughly half of that tax increase is necessary simply to pay off this year's deficit and put us on a pay-as-you-go basis. Half of the remainder is not a new tax so much as a broader based substitute tax to give, for the first time, direct property tax relief. Next year, with the deficit paid off, that relief can be more than doubled.

The remainder--about one-quarter of the total tax revenues--is for the normal increase to keep pace with population growth and increased prices and wages resulting from the Federal government's policy of planned inflation. This increase is about 7%, in contrast with the 16% increase of the past year and the 12% average increase over the last eight years.

We tried for some \$250 million in economies in the budgets requested by all the divisions of government. We ended up with more than \$127 million. I'm just stubborn enough to think we got the \$127 million because we tried for \$250 million and we will continue to follow that policy.

Incidentally, one of the most heartening signs we have had in this brief administration is the recent poll which indicates most of our citizens favor our revenue package and, of those who favor it, 70% do so because they see the need to balance the budget.

Perhaps the Federal government could take note of this.

But our aims go far beyond this. We do not intend to balance future budgets by increasing taxes. Instead, we intend to balance them by making government more economical, by streamlining it. Like this year, next year--and the years following--will be years where we do not intend to spend one dollar more than necessary of the people's

money to conduct the people's business.

Let me digress for a moment. During the campaign, I became a kind of Johnny-One-Note on the subject of government of, and by, the people--of building what I called a Creative Society by turning to the great power of the people instead of always creating additional bureaucracy. There did not seem to be much of a quarrel with this idea. In fact, once or twice I had to talk pretty loudly when it looked as if the opposition had claimed squatters rights on the idea and was making more noise about it than I was. They even appointed a few citizens' commission late in the campaign which, we hope, will surface one of these days for re-fueling.

But some who listened and endorsed before November 8th were pretty horrified to discover the campaign blossoms were bearing fruit. Somehow they remind me of an incident which occurred early in World War II.

A shipload of canned fish was interned in an Italian port and, when finally released for sale, the cargo brought \$25,000. It was then resold for \$50,000 and, as the war years went on, that shipment of canned fish kept changing hands until, finally, it brought \$600,000.

The last purchaser opened a can and tried the fish. Enraged, he got on the phone and demanded that something be done because the fish was spoiled. And he was told by the man who sold it to him, "But that fish isn't for eating; it's for selling!"

Well, our fish is for eating.

You would think that, when government can get things done without adding to the burden of the taxpayers, everyone would be happy. Unfortunately, that is not the case. Some reactionaries still think the only way to get things done is to soak the taxpayer--that, somehow, it isn't legal unless it's compulsory.

In pointing up the potential of a Creative Society during the campaign, attention was called to the cooperation between certain government agencies and private industry which resulted in 17,800 jobs for unemployed from the Watts curfew area in a 16-month period. These jobs were in private industry and two-thirds of them are still filled. Of the other one-third, half moved on to better jobs. The man who spearheaded this is Mr. H.C. McClellan and he is at work now setting up a similar program on a statewide basis at no expense to the tax-

payers. A Congressman from the area that benefitted most--motivated either by partisanship or a philosophical refusal to approve of private industry--has attacked this program on the basis that only government jobs and tax money should help the unemployed.

We have, as you know, a task force of 150 industrial and business executives--the best and most successful in the state--who will be working as full-time volunteers for the next several months. These men are bringing their special knowledge, skill and experience to bear on the structure of State government. They will go into every department and agency of the State to see how efficiency can be improved and costs cut. In short, they will tell us how we can bring modern business practices to government agencies. This study, incidentally, will cost the taxpayers only a few thousand dollars; the direct costs of it are being underwritten by public-spirited members of business and industry.

Strangely enough, at least one metropolitan paper finds something sinister in private citizens wanting to help out. The same paper can editorialize itself into a state of euphoria about the civic duty of citizens to contribute to Community Chest, an art museum or a music center...but, if those same citizens want to help the government under which they live, they must have ulterior motives. Of course that is right, if a desire for better government can be termed an ulterior motive.

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Other citizens will soon be embarked on a total study of our tax structure.

We have probably the most beautiful capitol of any of the states and soon we will have a new residence for California' governors in keeping with our California heritage. This too will be provided by the people voluntarily. A bipartisan group has formed a non-profit corporation to build, in the city of Sacramento, a dwelling to be donated to the State of California for use as an official residence for the governors. Gifts of not more than \$500 and not less than \$1

will be solicited on a broad statewide basis. Yet, even this has been distorted to appear as if a small band of so-called "fat cats" are doing something undercover and not quite nice.

Fortunately, the members of CRA, like most of our private citizens, do not follow this line of thinking. We have been brought together by a belief that one of our problems is too much government and too much compulsion...that we, as citizens, have a right to participate in our government in ways other than just paying taxes, running for office or seeking appointments.

But suddenly some, who apparently shared this concept prior to November 8th, are opposed to the practice of that concept. Suddenly, the concept of economy in government has also become wrong to some, especially to some whose particular pet oxen have been gored by some of the proposed economies.

Now our economies are not aimed at eliminating needed services or programs. But they are aimed at trimming fat and waste, at cutting out the frills, at keeping government to the size where it remains the servant, and does not become the master, of the people.

And they are aimed at reducing the tax burden on the people. You have read some of the things we are doing, and have heard the outcry of the wounded. \$5 million has been saved by cutting down on out-of-state travel by public servants who like to roam...\$20 million a year saved by cutting out unneeded workers in some of our institutions where the number of patients has dwindled by 40% but where, until now, there has been no reduction in the numbers of employees.

Other millions are being saved because we have been able to persuade our colleges and universities to face up to the fact that as public institutions they have a public responsibility not to spend beyond the public's means.

Now none of this should have surprised anyone, for just as we promised to bring government back to the people, so did we also promise to bring frugality and thrift back to government.

But we also promised to do this without hurting the truly needy and the truly deserving. That is why extra funds for the crippled children's program were approved...why money was left in the budget for needed salary increases...why extra funds to help teachers who

retired on inadequate pensions and who have not had the raise needed to combat inflation were provided...why the State employment office has been instructed to make special efforts to find jobs for those State employees laid off through no fault of their own.

There were a few more promises, such as to take steps to cut California's soaring crime rate. Well, an anti-crime legislative package instituted by this administration has already received preliminary approval in the Legislature.

And something was said about eliminating government by hacks and cronies and relatives--my only brother hasn't even asked for a job.

An issue discussed in the campaign was taking the appointment of judges out of politics. While waiting for the Legislature to act in this area, we have set up special screening committees composed of representatives of the bar associations, the presiding judges of the various judicial districts and lay representatives to insure that only qualified attorneys are picked as judges. To date, we have selected only the number one recommendation for each judgeship.

In addition to proposed legislation that will take away the compulsory aspects of the school district unification law and other laws that have foisted costly programs on school districts without providing the funds for their financing, we have made a start toward restoring the 50-50 State and local financing of schools.

We are also moving forward on our agriculture program and on programs aimed at improving the business climate and at conserving our land, air, water and oceanographic resources.

Do not be fooled by the special interest propagandists. We will maintain our redwood forests, but we will not give them to the Federal government without getting something of equal value in return, and we will not act in such a way as to endanger the economy of our northwestern California counties.

We will make provision for maintaining our wilderness areas, but we will not blindly set aside huge tracts so they cannot be used to meet the recreational and industrial needs of our expanding population.

We will press ahead on our State water program, but we will also cooperate in the fresh water program of the future--desalinization.

We will work to keep industry in California and to entice more

industry here, but we will also work to diversify industry and to build new industries in new fields such as those offered by the ocean, so that California will not continue to be so heavily dependent on defense and other government contracts.

We will work to make and keep California number one...not only number one in terms of growth and economy, but also number one in terms of the kind of government that best suits a free people--a government oriented to their needs, but also a government oriented to their rights and their responsibilities.

We will work also to make the state an effective bulwark between the people and an ever-encroaching Federal government. That government is best which remains closest to the people, but almost daily the Goliath that is the Federal government moves to gather more power unto itself and to minimize the functions of both the Congress and the states.

In recent weeks, the Secretary of Labor has set discriminatory minimum farm wages--\$1.50 in California...as low as \$1.00 elsewhere. Yet, California farmers are expected to compete under this differential on the national market despite the additional high cost of shipping produce from the West Coast.

Only two weeks ago, the President called the governors together to tell them the Federal government wished to work more closely with the states in distributing Federal monies and Federal programs.

This was obviously an attempt to minimize efforts in the Congress to provide string-free money to the states. If Congress were to take this action, only Congress could repeal it. But what the White House gives, the White House can take away without regard to the Congress or the states.

While Cabinet officials were making promises to governors, lower echelon officials were disclosing plans by the Federal government to bypass Sacramento in setting up new job programs and the Interior Department was going ahead with its efforts to make Imperial Valley farmers adhere to the outmoded 160-acre limitation.

It is not enough for our Senators and our Representatives to seek to pass legislation involving the several states, they must also work to insure that legislation does not infringe on the rights of the

individual states and they must be wary lest they trade those rights for the Federal dollar, which, after all, is merely what is left of the citizen's dollar after it has been strained through the Washington bureaucracy.

I have met with our Congressman, on both sides of the aisle; I have talked with both our Senators. I have assured all of them that the administration in Sacramento will work with them and cooperate with them wherever the interests of the State are involved.

And I have urged them to guard carefully those interests against the encroachments of the Federal government. There is little use in saving our freedom at the local and State levels if we lose it on the national level.

When we first suggested tuition for the University and College systems, one of the University chancellors in a rash moment cried out that he would not preside over the dissolution of a great University. I join him in that. But at the same time I have no intention of presiding over the dissolution of a great State. Our aim--yours and mine and our party's--is, instead, to build an even greater State.

As I said earlier tonight, it is the volunteer Republican organizations such as the CRA that have provided so many of the workers and so much of the enthusiasm and support for our party in California.

All of us, including myself, have much to be grateful to you for. We could not have won without you last November, nor will we know victory in 1968 without your wholehearted and undivided support.

But do we want to be like the nostalgic old grad who lives in the fading memory of one championship team, or do we look ahead and anticipate successive new victories?

If we are going to live in the past--just remember, that past includes bitter defeats between 1958 and 1964. We could not have won with you if we had stooped to the intraparty warfare that characterized our years of defeat.

We have not won a war, or even complete victory in a battle. We stopped our opponent's advance and halted our own retreat. We cannot hold the present gains unless we move forward. Let me remind you: we did not win control of the Assembly; we did not win control of the Senate; we did not win the office of Attorney General even though we had good candidates and good organization.

The 11th Commandment kept our party unified; but we were, and are still, a minority party. There is still much to be done in party building, in convincing independents and members of the opposing party that the course we chart leads to fiscal sanity, strong local government and individual rights and responsibilities.

Maybe there once was a time when our two-party system was less a difference in philosophy than a contest between partisans loyal to the old school tie, but no more. Last November, millions of people voted to change, or at least pause to review, the philosophy of the party leadership now in power. They did not just decide to change hats and join the other club for a while.

Fortunately for those millions of concerned citizens, we too had paused to take inventory. We discovered we could no longer afford the luxury of internal fighting, backbiting and throatcutting. We discovered our philosophical difference with those presently in power was greater than any grudge or split within our own ranks. We were ready and in position to offer an alternative for those concerned citizens who wanted to join with others, not to win a contest, but to preserve a way of life.

We must keep the door open--offering our party as the only practical answer for those who, overall, are individualists. And because this is the great common denominator--this dedication to the belief in man's aspirations as an individual--we cannot offer them a narrow sectarian party in which all must swear allegiance to prescribed commandments.

Such a party can be highly disciplined, but it does not win elections. This kind of party soon disappears in a blaze of glorious defeat, and it never puts into practice its basic tenets, no matter how noble they may be.

The Republican Party, both in this state and nationally, is a broad party. There is room in our tent for many views; indeed, the divergence of views is one of our strengths. Let no one, however, interpret this to mean compromise of basic philosophy or that we will be all things to all people for political expediency.

In our tent will be found those who believe that government was created by "We, the People"; that government exists for the convenience of the people and we can give to government no power we do not possess as individuals; that the citizen does not earn to support government, but supports government so that he may be free to earn; that, because there can be no freedom without law and order, every act of government must be approved if it makes freedom more secure

and disapproved if it offers security instead of freedom.

Within our tent, there will be many arguments and divisions over approach and method and even those we choose to implement our philosophy. Seldom, if ever, will we raise a cheer signifying unanimous approval of the decisions reached. But if our philosophy is to prevail, we must at least pledge unified support of the ultimate decision. Unity does not require unanimity of thought.

And here is the challenge to you. It is the duty and responsibility of the volunteer Republican organizations, not to further divide, but to lead the way to unity. It is not your duty, responsibility or privilege to tear down, or attempt to destroy, others in the tent. As duly chartered Republican organizations, we all can advance our particular sectarianism or brand of candidates for the party to pass on openly and freely in a primary election.

But, as volunteer organizations, we must always remain in a position that will let us effectively support the candidates chosen by the entire party in a primary. To do less is a disservice to the party and, more importantly, to the cause in which we all believe.

Our 11th Commandment is perhaps more profound than we realize. "Thou shall not speak ill of any Republican." To do so means we are inhibited in the support we can give that Republican if he should become the nominee of our party. Certainly our task is harder if we must challenge and refute charges made by our opponents if those charges were first uttered by us.

It is my belief that, as Governor, I should neither endorse a primary candidate nor involve myself behind the scenes in primary campaigning. To do so is a misuse of the office with which I have been entrusted. When the primary is over, I believe I have a commitment--a contract if you will--to wholeheartedly support every candidate chosen by the party.

You, on the other hand, as individuals and as an organization, should be so involved. You, by your membership in a volunteer group, have proven you are activists--leaders in furthering the philosophy which brings us together. You must, therefore, be leaders in setting campaign standards--ready to endorse the party choice--just as ready to repudiate any candidate or campaign which refuses to abide by

those standards.

Fight as hard in the coming primary as you can for your candidates, but be against only those we must defeat in November of 1968. Let no opposition candidate quote your words in the general election to advance statism or the philosophy of those who have lost confidence in man's capacity for self-rule.

Just a year ago, we were a party almost totally without power. The two-party system existed only in theory. Out of sheer necessity, we achieved unity and victory. With that victory, we bought time--time to rally our forces for what may be our last chance.

As a result of our victory, we started something in this State. We are being watched...watched by those all across this land who once again dare to believe that our concept of responsible, people-oriented government can work as the founding fathers meant it to work. If we prove that here, we can, as I have said before, start a prairie fire that can sweep across this country.

But to start that fire, we must nurture the flame here at home or it will flicker and die and those who come after us will find only the ashes of lost hopes and dead dreams.

/RR/

OFFICE OF THE GOVERNOR
Sacramento, California
Contact: Lyn Nofziger
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UNIVERSITY OF CALIFORNIA
LOS ANGELES

APR 7 1967

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And something was said about eliminating government by hacks and cronies and relatives--my only brother hasn't even asked for a job.

An issue discussed in the campaign was taking the appointment of judges out of politics. While waiting for the Legislature to act in this area, we have set up special screening committees composed of representatives of the bar associations, the presiding judges of the various judicial districts and lay representatives to insure that only qualified attorneys are picked as judges. To date, we have selected only the number one recommendation for each judgeship.

In addition to proposed legislation that will take away the compulsory aspects of the school district unification law and other laws that have foisted costly programs on school districts without providing the funds for their financing, we have made a start toward restoring the 50-50 State and local financing of schools.

We are also moving forward on our agriculture program and on programs aimed at improving the business climate and at conserving our land, air, water and oceanographic resources.

Do not be fooled by the special interest propagandists. We will maintain our redwood forests, but we will not give them to the Federal government without getting something of equal value in return, and we will not act in such a way as to endanger the economy of our northwestern California counties.

We will make provision for maintaining our wilderness areas, but we will not blindly set aside huge tracts so they cannot be used to meet the recreational and industrial needs of our expanding population.

We will press ahead on our State water program, but we will also cooperate in the fresh water program of the future--desalinization.

We will work to keep industry in California and to entice more

industry here, but we will also work to diversify industry and to build new industries in new fields such as those offered by the ocean, so that California will not continue to be so heavily dependent on defense and other government contracts.

We will work to make and keep California number one...not only number one in terms of growth and economy, but also number one in terms of the kind of government that best suits a free people--a government oriented to their needs, but also a government oriented to their rights and their responsibilities.

We will work also to make the state an effective bulwark between the people and an ever-encroaching Federal government. That government is best which remains closest to the people, but almost daily the Goliath that is the Federal government moves to gather more power unto itself and to minimize the functions of both the Congress and the states.

In recent weeks, the Secretary of Labor has set discriminatory minimum farm wages--\$1.50 in California...as low as \$1.00 elsewhere. Yet, California farmers are expected to compete under this differential on the national market despite the additional high cost of shipping produce from the West Coast.

Only two weeks ago, the President called the governors together to tell them the Federal government wished to work more closely with the states in distributing Federal monies and Federal programs.

This was obviously an attempt to minimize efforts in the Congress to provide string-free money to the states. If Congress were to take this action, only Congress could repeal it. But what the White House gives, the White House can take away without regard to the Congress or the states.

While Cabinet officials were making promises to governors, lower echelon officials were disclosing plans by the Federal government to bypass Sacramento in setting up new job programs and the Interior Department was going ahead with its efforts to make Imperial Valley farmers adhere to the outmoded 160-acre limitation.

It is not enough for our Senators and our Representatives to seek to pass legislation involving the several states, they must also work to insure that legislation does not infringe on the rights of the

individual states and they must be wary lest they trade those rights for the Federal dollar, which, after all, is merely what is left of the citizen's dollar after it has been strained through the Washington bureaucracy.

I have met with our Congressman, on both sides of the aisle; I have talked with both our Senators. I have assured all of them that the administration in Sacramento will work with them and cooperate with them wherever the interests of the State are involved.

And I have urged them to guard carefully those interests against the encroachments of the Federal government. There is little use in saving our freedom at the local and State levels if we lose it on the national level.

When we first suggested tuition for the University and College systems, one of the University chancellors in a rash moment cried out that he would not preside over the dissolution of a great University. I join him in that. But at the same time I have no intention of presiding over the dissolution of a great State. Our aim--yours and mine and our party's--is, instead, to build an even greater State.

As I said earlier tonight, it is the volunteer Republican organizations such as the CRA that have provided so many of the workers and so much of the enthusiasm and support for our party in California.

All of us, including myself, have much to be grateful to you for. We could not have won without you last November, nor will we know victory in 1968 without your wholehearted and undivided support.

But do we want to be like the nostalgic old grad who lives in the fading memory of one championship team, or do we look ahead and anticipate successive new victories?

If we are going to live in the past--just remember, that past includes bitter defeats between 1958 and 1964. We could not have won with you if we had stooped to the intraparty warfare that characterized our years of defeat.

We have not won a war, or even complete victory in a battle. We stopped our opponent's advance and halted our own retreat. We cannot hold the present gains unless we move forward. Let me remind you: we did not win control of the Assembly; we did not win control of the Senate; we did not win the office of Attorney General even though we had good candidates and good organization.

The 11th Commandment kept our party unified; but we were, and are still, a minority party. There is still much to be done in party building, in convincing independents and members of the opposing party that the course we chart leads to fiscal sanity, strong local government and individual rights and responsibilities.

Maybe there once was a time when our two-party system was less a difference in philosophy than a contest between partisans loyal to the old school tie, but no more. Last November, millions of people voted to change, or at least pause to review, the philosophy of the party leadership now in power. They did not just decide to change hats and join the other club for a while.

Fortunately for those millions of concerned citizens, we too had paused to take inventory. We discovered we could no longer afford the luxury of internal fighting, backbiting and throatcutting. We discovered our philosophical difference with those presently in power was greater than any grudge or split within our own ranks. We were ready and in position to offer an alternative for those concerned citizens who wanted to join with others, not to win a contest, but to preserve a way of life.

We must keep the door open--offering our party as the only practical answer for those who, overall, are individualists. And because this is the great common denominator--this dedication to the belief in man's aspirations as an individual--we cannot offer them a narrow sectarian party in which all must swear allegiance to prescribed commandments.

Such a party can be highly disciplined, but it does not win elections. This kind of party soon disappears in a blaze of glorious defeat, and it never puts into practice its basic tenets, no matter how noble they may be.

The Republican Party, both in this state and nationally, is a broad party. There is room in our tent for many views; indeed, the divergence of views is one of our strengths. Let no one, however, interpret this to mean compromise of basic philosophy or that we will be all things to all people for political expediency.

In our tent will be found those who believe that government was created by "We, the People"; that government exists for the convenience of the people and we can give to government no power we do not possess as individuals; that the citizen does not earn to support government, but supports government so that he may be free to earn; that, because there can be no freedom without law and order, every act of government must be approved if it makes freedom more secure

and disapproved if it offers security instead of freedom.

Within our tent, there will be many arguments and divisions over approach and method and even those we choose to implement our philosophy. Seldom, if ever, will we raise a cheer signifying unanimous approval of the decisions reached. But if our philosophy is to prevail, we must at least pledge unified support of the ultimate decision. Unity does not require unanimity of thought.

And here is the challenge to you. It is the duty and responsibility of the volunteer Republican organizations, not to further divide, but to lead the way to unity. It is not your duty, responsibility or privilege to tear down, or attempt to destroy, others in the tent. As duly chartered Republican organizations, we all can advance our particular sectarianism or brand of candidates for the party to pass on openly and freely in a primary election.

But, as volunteer organizations, we must always remain in a position that will let us effectively support the candidates chosen by the entire party in a primary. To do less is a disservice to the party and, more importantly, to the cause in which we all believe.

Our 11th Commandment is perhaps more profound than we realize. "Thou shall not speak ill of any Republican." To do so means we are inhibited in the support we can give that Republican if he should become the nominee of our party. Certainly our task is harder if we must challenge and refute charges made by our opponents if those charges were first uttered by us.

It is my belief that, as Governor, I should neither endorse a primary candidate nor involve myself behind the scenes in primary campaigning. To do so is a misuse of the office with which I have been entrusted. When the primary is over, I believe I have a commitment--a contract if you will--to wholeheartedly support every candidate chosen by the party.

You, on the other hand, as individuals and as an organization, should be so involved. You, by your membership in a volunteer group, have proven you are activists--leaders in furthering the philosophy which brings us together. You must, therefore, be leaders in setting campaign standards--ready to endorse the party choice--just as ready to repudiate any candidate or campaign which refuses to abide by

those standards.

Fight as hard in the coming primary as you can for your candidates, but be against only those we must defeat in November of 1968. Let no opposition candidate quote your words in the general election to advance statism or the philosophy of those who have lost confidence in man's capacity for self-rule.

Just a year ago, we were a party almost totally without power. The two-party system existed only in theory. Out of sheer necessity, we achieved unity and victory. With that victory, we bought time--time to rally our forces for what may be our last chance.

As a result of our victory, we started something in this State. We are being watched...watched by those all across this land who once again dare to believe that our concept of responsible, people-oriented government can work as the founding fathers meant it to work. If we prove that here, we can, as I have said before, start a prairie fire that can sweep across this country.

But to start that fire, we must nurture the flame here at home or it will flicker and die and those who come after us will find only the ashes of lost hopes and dead dreams.

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