

OF THE NATIONAL GOVERNORS' CONFERENCE 1966

FIFTY-EIGHTH ANNUAL MEETING CENTURY PLAZA HOTEL LOS ANGELES, CALIFORNIA JULY 4-7, 1966

THE NATIONAL GOVERNORS' CONFERENCE 1313 EAST SIXTIETH STREET CHICAGO, ILLINOIS 60637

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EXECUTIVE COMMITTEE

1965-66

Honorable John H. Reed Governor of Maine, Chairman

Honorable John A. Burns, Governor of Hawaii
Honorable John B. Connally, Governor of Texas
Honorable Clifford P. Hansen, Governor of Wyoming
Honorable Philip H. Hoff, Governor of Vermont
Honorable Harold E. Hughes, Governor of Iowa
Honorable Paul B. Johnson, Governor of Mississippi
Honorable William W. Scranton, Governor of Pennsylvania
Honorable John A. Volpe, Governor of Massachusetts

EXECUTIVE COMMITTEE

1966-67

Honorable William L. Guy Governor of North Dakota, Chairman

Honorable William H. Avery, Governor of Kansas
Honorable William A. Egan, Governor of Alaska
Honorable Daniel J. Evans, Governor of Washington
Honorable Harold E. Hughes, Governor of Iowa
Honorable Warren P. Knowles, Governor of Wisconsin
Honorable George Romney, Governor of Michigan
Honorable Hulett C. Smith, Governor of West Virginia
Honorable John A. Volpe, Governor of Massachusetts

OTHER COMMITTEES OF THE NATIONAL GOVERNORS' CONFERENCE, 1966*

Advisory Committee to Executive Committee on Federal-State-Local Relations

Governor Robert E. Smylie, Idaho-Chairman Governor John Dempsey, Connecticut-Vice Chairman Governor William H. Avery, Kansas Governor William A. Egan, Alaska Governor Warren P. Knowles, Wisconsin Governor H. Rex Lee, American Samoa Governor George Romney, Michigan Governor Carl E. Sanders, Georgia Governor Grant Sawyer, Nevada Governor John A. Volpe, Massachusetts

Advisory Committee to Executive Committee on the National Guard

Governor Otto Kerner, Illinois-Chairman Governor Tim Babcock, Montana-Vice Chairman Governor Roger D. Branigin, Indiana Governor Edward T. Breathitt, Kentucky Governor John W. King, New Hampshire Governor Calvin L. Rampton, Utah Governor James A. Rhodes, Ohio Governor Karl F. Rolvaag, Minnesota Governor George C. Wallace, Alabama

Committee on Economic Resources

Governor Haydon Burns, Florida-Chairman Governor William W. Scranton, Pennsylvania-Vice Chairman Governor William H. Avery, Kansas Governor Otto Kerner, Illinois Governor John A. Love, Colorado Governor John J. McKeithen, Louisiana Governor James A. Rhodes, Ohio Governor Roberto Sanchez-Vilella, Puerto Rico Governor Hulett C. Smith, West Virginia Governor J. Millard Tawes, Maryland Governor Charles L. Terry, Jr., Delaware

^{*}As of July 4, 1966—opening date of Conference.

Committee on Human Resources

Governor Richard J. Hughes, New Jersey-Chairman
Governor Mark O. Hatfield, Oregon-Vice Chairman
*Governor Edmund G. Brown, California (Chairman of Sub-
committee on Juvenile Delinquency)
*Governor Nils A. Boe, South Dakota
Governor John H. Chafee, Rhode Island
*Governor Frank G. Clement, Tennessee
*Governor Daniel J. Evans, Washington
*Governor Warren E. Hearnes, Missouri
Governor Robert E. McNair, South Carolina
Governor Frank B. Morrison, Nebraska
Governor Ralph M. Paiewonsky, Virgin Islands
Governor Karl F. Rolvaag, Minnesota
Governor Carl E. Sanders, Georgia

Committee on Natural Resources

- Governor Edward T. Breathitt, Kentucky-Chairman
- Governor Henry Bellmon, Oklahoma-Vice Chairman
- Governor Daniel J. Evans, Washington
- Governor Mills E. Godwin, Jr., Virginia
- Governor Manuel F. L. Guerrero, Guam
- Governor William L. Guy, North Dakota
- Governor Philip H. Hoff, Vermont
- Governor John A. Love, Colorado
- Governor Frank B. Morrison, Nebraska
- Governor Grant Sawyer, Nevada
- Governor William W. Scranton, Pennsylvania

^{*} Members of Subcommittee on Juvenile Delinquency (Governor Richard J. Hughes is also ex-officio member).

Committee on Public Safety

Governor Nelson A. Rockefeller, New York-Chairman

- [†]Governor Jack M. Campbell, New Mexico-Vice Chairman and Chairman of Subcommittee on Civil Defense and Post-Attack Recovery
- *Governor Clifford P. Hansen, Wyoming (Chairman of Subcommittee on Highway Safety)
- *Governor Henry Bellmon, Oklahoma

[†]Governor John H. Chafee, Rhode Island

- *Governor John B. Connally, Texas
- *Governor Orval E. Faubus, Arkansas

[†]*Governor Samuel P. Goddard, Jr., Arizona

Governor William L. Guy, North Dakota

[†]Governor John W. King, New Hampshire

[†]Governor Dan K. Moore, North Carolina

*Governor Charles L. Terry, Jr., Delaware

Special Study Committee on Revenue Sources of State and Local Governments

Governor George Romney, Michigan-Chairman Governor Edmund G. Brown, California-Vice Chairman Governor William H. Avery, Kansas Governor Daniel J. Evans, Washington Governor William L. Guy, North Dakota Governor Warren E. Hearnes, Missouri Governor Philip H. Hoff, Vermont Governor Carl E. Sanders, Georgia

Special Study Committee on Riot Control

Governor John W. King, New Hampshire-Chairman Governor James A. Rhodes, Ohio-Vice Chairman Governor Edmund G. Brown, California Governor Harold E. Hughes, Iowa Governor Nelson A. Rockefeller, New York

* * *

Governor John H. Reed, Maine-Chairman of the National Governors' Conference-is an ex-officio member of all committees.

* Members of Subcommittee on Highway Safety.

[†]Members of Subcommittee on Civil Defense and Post-Attack Recovery. (Governor Rockefeller is ex-officio member of both subcommittees.)

ATTENDANCE

George C. Wallace, Governor of Alabama William A. Egan, Governor of Alaska H. Rex Lee, Governor of American Samoa Samuel P. Goddard, Jr., Governor of Arizona Orval E. Faubus, Governor of Arkansas Edmund G. Brown, Governor of California John A. Love, Governor of Colorado John Dempsey, Governor of Connecticut Charles L. Terry, Jr., Governor of Delaware Haydon Burns, Governor of Florida Carl E. Sanders, Governor of Georgia John A. Burns, Governor of Hawaii Robert E. Smylie, Governor of Idaho Otto Kerner, Governor of Illinois Roger D. Branigin, Governor of Indiana Harold E. Hughes, Governor of Iowa William H. Avery, Governor of Kansas Edward T. Breathitt, Governor of Kentucky John J. McKeithen, Governor of Louisiana John H. Reed, Governor of Maine J. Millard Tawes, Governor of Maryland John A. Volpe, Governor of Massachusetts George Romney, Governor of Michigan Karl F. Rolvaag, Governor of Minnesota Paul B. Johnson, Governor of Mississippi Warren E. Hearnes, Governor of Missouri Tim Babcock, Governor of Montana Frank B. Morrison, Governor of Nebraska Grant Sawyer, Governor of Nevada John W. King, Governor of New Hampshire Richard J. Hughes, Governor of New Jersey Jack M. Campbell, Governor of New Mexico Dan K. Moore, Governor of North Carolina William L. Guy, Governor of North Dakota James A. Rhodes, Governor of Ohio Henry Bellmon, Governor of Oklahoma Mark O. Hatfield, Governor of Oregon William W. Scranton, Governor of Pennsylvania Roberto Sanchez-Vilella, Governor of Puerto Rico John H. Chafee, Governor of Rhode Island Robert E. McNair, Governor of South Carolina Nils A. Boe, Governor of South Dakota John B. Connally, Governor of Texas Calvin L. Rampton, Governor of Utah

Philip H. Hoff, Governor of Vermont Mills E. Godwin, Jr., Governor of Virginia Ralph M. Paiewonsky, Governor of the Virgin Islands Daniel J. Evans, Governor of Washington Hulett C. Smith, Governor of West Virginia Warren P. Knowles, Governor of Wisconsin Clifford P. Hansen, Governor of Wyoming

GUESTS

Hubert H. Humphrey, Vice President of the United States

I. W. Abel, President, United Steelworkers of America

Alan S. Boyd, Under Secretary of Commerce

Farris Bryant, Director, Office of Emergency Planning

Erwin D. Canham, Editor in Chief, Christian Science Monitor

Robert M. Crocker, Associated Press, Maine

James Flinchum, Managing Editor, Wyoming State Tribune

John W. Gardner, Secretary of Health, Education, and Welfare

General Andrew Goodpaster, Secretary, Joint Chiefs of Staff

W. Averell Harriman, Ambassador at Large

Bert T. Kobayashi, Attorney General of Hawaii

- William H. Lawrence, American Broadcasting Company
- Dr. Norman Vincent Peale, Marble Collegiate Church, New York City
- Walter Rostow, Special Assistant to the President

Lawrence E. Spivak, "Meet the Press"

- G. Joseph Tauro, Chief Justice of the Massachusetts Superior Court
- James Vorenberg, Executive Director, President's Commission on Law Enforcement and Administration of Justice

Orlando W. Wilson, Superintendent, Chicago Police Department

Most Reverend John J. Wright, Bishop, Catholic Diocese of Pittsburgh

PROGRAM

Monday, July 4

- 2:30 p.m. Briefing Session for Governors' Aides, Los Angeles Room
- Evening Independence Day Spectacular, Los Angeles Memorial Coliseum "Salute to the States"

Tuesday, July 5

- 12:00 noon Executive Luncheon for Governors only, Westwood Room
 - 2:00 p.m. General Session, Los Angeles Room

Invocation: Reverend Sergei Glagolev, St. Innocent Orthodox Church, Encino

Address of Welcome: Governor Edmund G. Brown

Address of Chairman: Governor John H. Reed

Consideration of Proposed Amendments to Articles of Organization

Adoption of Rules of Procedure

4:00 p.m. "The Integrity of American Society"

Presiding: Governor John H. Reed

Guest Speakers:

Most Reverend John J. Wright, Bishop of Catholic Diocese of Pittsburgh

I. W. Abel, President, United Steelworkers of America

- 6:00 p.m. Hawaiian Reception for all Conference Participants, Los Angeles Ballroom
- 7:15 p.m. Private Dinner and Entertainment for Governors and Wives only, Westside Room

Wednesday, July 6

8:00 a.m. Prayer Breakfast (Governors and Wives only), Beverly Hills Room

Presiding: Governor Harold E. Hughes

Guest Speaker: Dr. Norman Vincent Peale

9:15 a.m. General Session, Los Angeles Room

Invocation: His Eminence, Cardinal James Francis McIntyre, Archdiocese of Los Angeles

Report of Advisory Committee on Federal-State-Local Relations: Governor Robert E. Smylie, Chairman

"The States and the Federal System"

Presiding: Governor John H. Reed

Panelists: Governor John A. Burns Governor Clifford P. Hansen Governor Haydon Burns Governor William W. Scranton

Discussion by all Governors

- 10:45 a.m. Report of Special Study Committee on Revenue Sources of State and Local Governments: Governor George Romney, Chairman
- 11:30 a.m. Address by the Vice President of the United States
- 12:00 noon Recess for Lunch
- 2:00 p.m. General Session, Los Angeles Room "Law Enforcement"

Presiding: Governor John W. King

Guest Panelists:

Bert T. Kobayashi, Attorney General of Hawaii

G. Joseph Tauro, Chief Justice of the Massachusetts Superior Court James Vorenberg, Executive Director, The President's Commission on Law Enforcement and Administration of Justice

Orlando W. Wilson, Police Superintendent of Chicago

Discussion by all Governors

4:00 p.m. Report of Subcommittee on Juvenile Delinquency: Governor Edmund G. Brown, Chairman

> Report of Subcommittee on Highway Safety: Governor Clifford P. Hansen, Chairman

- Report of Advisory Committee on the National Guard: Governor Otto Kerner, Chairman
- 5:30 p.m. "Early California" Barbecue at 20th Century-Fox Studios
- 9:00 p.m. International Movie Preview

Thursday, July 7

9:15 a.m. General Session, Los Angeles Room

"News Media Respondibilities"

Moderator: Erwin D. Canham, Editor in Chief, Christian Science Monitor

Guest Panelists:

Robert M. Crocker, Associated Press, Maine

James Flinchum, Managing Editor, <u>Wyoming</u> State Tribune

William H. Lawrence, National Political Editor and White House Correspondent, American Broadcasting Company

Lawrence E. Spivak, Producer, "Meet the Press"

Discussion by all Governors

- 11:30 a.m. Report of Committee on National Resources: Governor Edward T. Breathitt, Chairman
- 12:00 noon Recess for Lunch

- 1:30 Executive Session for Governors only, Los Angeles Room
- 3:00 p.m. Business Session

Presiding: Governor John H. Reed

Report of Subcommittee on Civil Defense and Post-Attack Recovery: Governor Jack M. Campbell, Chairman

Report of Committee on Economic Resources: Governor Haydon Burns, Chairman

Report of Committee on Human Resources: Governor Richard J. Hughes, Chairman

Invitations for Site of 1967 Annual Meeting

Consideration of Other Business

Election of Officers

Adjournment

7:30 p.m. State Dinner and Ball, Los Angeles Ballroom

Invocation: Rabbi William Spigelman, Temple Shaarei Tefila, Los Angeles

Remarks: Governor John H. Reed Governor Edmund G. Brown Governor William L. Guy

Entertainment

AFTERNOON SESSION—Tuesday, July 5

<u>Governor John H. Reed</u>: I declare the Fifty-eighth Annual Meeting of the National Governors' Conference in session. At this time I would ask all of those in the room to observe the quiet atmosphere that is necessary for an orderly conduct of our affairs. I am sure you appreciate that this is necessary in order for us to properly conduct this very important session. It is now my real pleasure to call upon a distinguished religious leader to present the invocation. May I present at this time Reverend Sergei Glagolev of St. Innocent Orthodox Church of Encino, California.

<u>Reverend Sergei Glagolev</u>: O Holy God, hear us. Thou hast been merciful to us and we have placed our trust in Thee. Help us to overcome adversity and bless us with freedom, trusting not in our own righteousness as we worship Thee. Let all of the nations see that Thou art God and there is none beside Thee. Therefore, as our hearts are fixed upon Thee, we rejoice in Thy salvation. May we henceforth praise and magnify Thy holy name. Confer Thy good will upon those who govern so that we may have peace and dignity. Be merciful to those who have known Thee. And to those who are not seeking Thee, reveal Thyself to all tribes and nations and let all of the people, from the rising of the sun unto the going down of the same, cry out with praise unto Thee and rejoice. Amen.

<u>Governor Reed</u>: On behalf of the National Governors' Conference, I wish to extend our deep appreciation to Reverend Glagolev for pronouncing the invocation. At this time, gentlemen, I have an important announcement in regard to participation in the discussions. The privilege of speaking at meetings of the National Governors' Conference is limited to members, officers and invited program speakers recognized by the chair. Our spectators in the audience should take note of this rule, and we hope they will understand that we are unable to include any of them as speakers or discussants at any time. I would like to repeat once again that any type of excess noise will not be tolerated. We have found in the past that our discussions have sometimes been interrupted. I did want to make sure that the rules are thoroughly known before we commenced.

At this particular juncture in our program it has been traditional for the Host Governor to address the Conference. I am sure I speak for every Governor when I say that already the warm spirit of hospitality in which we have been received by the citizens of the great State of California has been evidenced from the first moment that we arrived in this wonderful State. I know that we are going to enjoy the remarks of our host in which he will bring to us the greetings of his fellow citizens who have put in so many long hours in preparing for our visit. It has been a great pleasure for me to be associated with our Host Governor, who has been working unceasingly since our last Conference to perfect every last arrangement so that this Conference can go down in history as one of our finest. So at this time I am indeed honored, as Chairman of the Conference, to present a good friend of every Governor, a man who is admired and respected, who will now bring the greetings of California along with his personal greetings to all of us.

<u>Governor Edmund G. Brown</u>: Thank you very much, Governor Reed. My fellow Governors and ladies and gentlemen: Before I say anything I want to present the General Chairman of the Host Committee. I think every single one of you knows the assistance that we must have from public-spirited citizens who leave their work and homes to aid us in the various things that we do in our official capacity. I take great pleasure in presenting to you the General Chairman, Howard Edgerton. Howard, would you stand up, please? And the Vice Chairman, who back at Minneapolis really laid the groundwork for this Conference in California, Mr. Richard Pittenger.

Welcome to California!

The National Governors' Conference last honored our State by meeting here in 1933.

Then there were not yet six million Californians. Today there are over eighteen million of us.

That year there were 65,000 students in our colleges. Today we have nearly 800,000.

California is growing at the rate of over 600,000 new citizens a year-over half of them, I might add, people that you send to us.

Some Aspects of Growth

But mere numbers cannot describe the rate at which our state grows. Perhaps this will help: When you voted to come to California this year, an architect was still carrying this hotel around in a briefcase. And concrete was still being poured for the freeway you took to get here from the airport.

When the nation's Governors were last here, Californians were delivering the latest thing in airplanes—the DC-1. This year Californians delivered a spacecraft to the moon.

And in ten years, we are told, half the children in grade school today will be working in fields that science has yet to discover. California is now growing faster and changing more sharply than most other States. But the growth and change we are experiencing will almost certainly spread across the rest of this nation in years to come.

By the end of this century-just thirty-four years from now-there will be 150 million more Americans than there are today. Where one house stands, we must build another next door. We must double the number of hospitals and schools. And so it will go with all our public services—and likely new ones still not clearly perceived.

Because of massive, relentless growth, California has become the cutting edge of America. We are regarded by many as a preview of coming attractions—or distractions—for other States.

We in California believe we are moving to meet the challenge of modern society in ways that could usefully be considered by other States.

I want to take just a few minutes this afternoon to describe to you several of our efforts that have potential for better government not only in this State but in others as well.

The Aerospace Studies

About two years ago we took a hard look at a paradox of the space age.

We believe that in California we have the greatest scientific and engineering community in the world. Its members have created and built machines to land on the moon, photograph Mars and circle the sun, explore the bottom of the oceans and very soon, perhaps, decipher the genetic code of life.

Yet at the same time, the rest of us in California are still struggling to solve economic and social problems as old, in many cases, as civilization itself.

So we asked California's aerospace industries to explore the application of space-age system analysis to problems close to home. At our request, they assigned teams of engineers to study transportation, waste disposal, law enforcement and even government paperwork.

Just one of these studies will give you an idea of the dramatic potential of this experiment.

Lockheed surveyed the way government in California gathers and exchanges information. The first thing it told us was that if we do not change the paperwork system that has long prevailed, we will need 400 miles of filing cabinets to hold public records in twenty-five years.

Government at all levels in California is already turning to electronic data processing to cut down the paperflow. But the engineers proposed a simple next step: tie all of this equipment into a master information system with a central index.

As the system engineers put it: "Machines would talk to machines throughout the length and breadth of the State." They tell us they could even code the system so that memory banks would refuse to talk to any machine that was not authorized to have certain information.

Sound fantastic? Of course it does. So does the idea of a three-legged camera sitting on the moon taking color pictures and sending them home by television.

But the best news from the engineers—for the taxpayers and for the government—is the money we will save.

The information system would cost \$130 million. But in its very first year of operation, the system would save \$415 million in current costs for our state and local governments. And the savings would go on year after year.

In another study, North American Aviation surveyed the air, sea and surface movement of people and goods in California over the next fifty years.

Because Californians are a people on the move and because our economy depends so completely on fast, efficient transportation, this study could be the most important of them all in the long run.

The information system, transportation project and other studies are part of a display in the Beverly Hills room of this hotel. I hope you will have an opportunity to take a look at them during the Conference.

Help from Higher Education

In California, however, the aerospace studies are but one example of our continuing effort to apply science to the persistent and vexing challenges of government. We are fortunate in this state to have one of the world's greatest systems of public and private higher education—a system that has drawn more Nobel laureates to California than are found in the entire Soviet bloc of nations.

We use this vast resource of brainpower in California not only to advise government but to engage actively in studies that can have constructive impact on our economy and society.

For many years, the University of California has contributed more than any other single source to the prosperity and well being of this State.

Science and Law Enforcement

In keeping with that tradition, I am calling on the University of California to assist in implementing the aerospace industry's law enforcement study that I mentioned earlier, and to bring some of the State's top scientists to bear for us in the fight against crime. The University's Department of Criminology is one of the most renowned in the world.

I am confident that dramatic new concepts in law enforcement can emerge from a closer working relationship between scientists and our aerospace industry, on the one hand, and California's dedicated law enforcement officials, on the other.

Two weeks ago, a national symposium was held in Washington, D.C. to bring science, the electronics industry and law enforcement officials together to consider the development of new communication systems, pioneering crime laboratory possibilities, and even effective new non-lethal weapons to advance the fight against crime.

Here in California I want our best scientists to take up the initiative begun there. Under the direction of Attorney General Thomas Lynch and the University of California's Department of Criminology, I believe that at least three significant areas can usefully be considered.

<u>First</u>, bold new technology-new electronic and other instrumentation-to strengthen the fight against crime and lawlessness;

<u>Second</u>, new concepts and methods to increase the effectiveness of our law enforcement agencies;

And third, new services and voluntary pooling of sophisticated equipment that can be made available to aid local law enforcement agencies.

Let me indicate this overall matter in terms of the officer on the beat.

He has a suspect in custody but is not certain how best to handle the situation, and particularly whether the circumstances of the arrest are in accord with changing laws of search and seizure. Science can bring us near the day when he has only to quickly summarize the circumstances of the arrest by radio to a central computer and almost immediately receive back specific legal and other instructions.

In the same way computers will eventually be able to examine the modus operandi of major crimes and come up almost instantly with the names of the most likely suspects and their probable course.

In many communities the fight against crime continues to be waged with much the same weaponry and methods of fifty or seventy-five years ago. We must help get the war against lawlessness beyond primary reliance on the pistol and billy club and into the electronic era.

Just yesterday, a high official of the Los Angeles Police Department commented that funds for additional personnel are fairly readily obtainable, but money for basic new equipment is all but impossible to come by. What he was really making clear is that there is need for not only new tools but new thinking in support of our law enforcement officers.

As a former District Attorney for seven years and Attorney General for eight years, I believe that the primary responsibility for law enforcement properly belongs at the local, not state, level. But modern communications and rapid transportation, the multiplicity of jurisdictions, and the high cost of the latest electronic equipment, require that the states recognize a special obligation to assist law enforcement officers even beyond our traditional responsibilities.

Fresh Insights Required

I have emphasized law enforcement here not only because of its own urgent importance. I believe it also suggests the tough, complex tasks that face government today at every level and the pressing need to get beyond a yesteryear mentality.

In the field of law enforcement, as in so many areas, the horizons of public endeavor for our state governments are now more exciting—and more exacting—than ever before.

Yes, the problems are also greater—sometimes they are staggering. But so are the opportunities for significant action.

As we begin this fifty-eighth annual meeting of the National Governors' Conference we are confronted by a long agenda of challenges and problems. But I hope we will move to meet them with fresh insights and new initiatives.

Let no one think we can retreat to a simpler, slower time, no matter how attractive that sometimes might seem. History shows that the only bulwark of states' rights is state responsibility.

In closing, let me again welcome you to our State. We are proud to have you here. You represent the energies and dedication of a people that lead the free world. You are serving in a time of awesome challenge. But if together we meet the challenge, it can also be a time of great advances for those we represent and for the free society and democratic government in which we all believe.

Governor Reed: Thank you very much, Governor Brown.

It has been a distinct honor and a privilege for me to serve as Chairman of this distinguished body. I have thoroughly enjoyed this past year, working closely with my fellow Governors. The experience of becoming personally acquainted with the Governors of the several States has been a rewarding one and an encouraging one.

Congratulations are in order for Governor Edmund G. Brown of the Host State of California and to the California Host State Committee for their excellent preparations for this Conference. The spirit of cooperation between California officials and the Executive Committee has been outstanding.

I would like to take this opportunity to introduce this year's only new member of the Conference, Governor Mills E. Godwin, Jr., of Virginia.

The past year has been an active as well as an interesting one. The members of the Executive Committee have diligently discharged their duties. I would like to present the committee members at this time:

Governor John A. Burns, Hawaii Governor John B. Connally, Texas Governor Clifford P. Hansen, Wyoming Governor Philip H. Hoff, Vermont Governor Harold E. Hughes, Iowa Governor Paul B. Johnson, Mississippi Governor William W. Scranton, Pennsylvania Governor John A. Volpe, Massachusetts

A review of the committee's work during the past year shows that five meetings were held. On July 29, 1965, the committee held a session aboard Air Force One en route to the White House for a meeting with President Johnson. Governor Connally graciously hosted the committee on December 10-11, 1965, at Bruni, Texas. The third meeting was held in New York City on February 11, 1966, followed by a meeting in Washington, D.C., on March 12, 1966. Our most recent session was held here in Los Angeles.

Revised Committee Structure

One of the early actions of the Executive Committee was to reorganize the committee structure of the Conference, thus implementing the intent of the Conference when it amended the Articles of Organization in 1964 at Cleveland to permit such action by the Executive Committee. The basic change was to establish four broad subject-matter committees. These committees are:

The Committee on Economic Resources, Governor Haydon Burns of Florida, Chairman.

The Committee on Human Resources, Governor Richard J. Hughes of New Jersey, Chairman.

The Committee on Natural Resources, Governor Edward T. Breathitt of Kentucky, Chairman.

The Committee on Public Safety, Governor Nelson A. Rockefeller of New York, Chairman.

These committees can encompass any subject of pertinence.

At this time I might also mention our other committees and their chairmen: the Advisory Committee to the Executive Committee on Federal-State-Local Relations, Governor Robert E. Smylie of Idaho, Chairman; the Advisory Committee to the Executive Committee on the National Guard, Governor Otto Kerner of Illinois, Chairman; and lastly two temporary, one-year special study committees—on Revenue Sources of State and Local Governments, Governor George Romney of Michigan, Chairman, and the Committee on Riot Control, Governor John W. King of New Hampshire, Chairman.

I want to compliment both chairmen and committee members for the outstanding job turned in during the past year. During the course of the annual meeting we will have an opportunity to hear from the several committee chairmen.

Action on Other Directives

Last year at Minneapolis the Conference adopted a policy motion requesting the Executive Committee to study ways and means of improving state influence in Washington. This matter was carefully reviewed by the committee at four out of its five sessions. I named a special subcommittee of Governors, John A. Burns of Hawaii, Clifford P. Hansen of Wyoming and Philip H. Hoff of Vermont, to prepare a report on this subject.

Much constructive background work was done by the Burns Subcommittee, but your Executive Committee has been unable to reach agreement on definitive conclusions and recommendations. We are asking that the Executive Committee to be elected at the conclusion of this annual meeting continue to study this important subject, and that all Governors be advised just as soon as agreement can be reached regarding specific steps to be taken to improve our influence in Washington.

The Executive Committee followed through on the implementation of two special conferences that were directed at the Minneapolis meeting. First was a National Conference on Community Mental Health Programs, with Governor Otto Kerner spearheading the effort. It was held December 14-15, 1965. The second special conference, the National Conference on Comparative Statistics, was held February 23-25, 1966, with Governor Henry Bellmon serving as Keynoter.

Changes for the Articles

The Executive Committee has prepared two proposed amendments to the Articles of Organization which will be taken up and acted upon this afternoon. The first will reestablish a regular procedure for handling resolutions without the necessity of suspending the rules for each individual resolution. The second will set forth for the first time a series of "ground rules" to govern the appointment of the Nominating Committee and its operations.

Last fall a delegation of ten Governors visited Japan. Viet-

nam and Okinawa. As Chairman I was privileged to participate in this exchange visit program. Other Governors making the trip were Tim Babcock of Montana, Henry Bellmon of Oklahoma, John A. Burns of Hawaii, John H. Chafee of Rhode Island, Clifford P. Hansen of Wyoming, Philip H. Hoff of Vermont, Harold E. Hughes of Iowa, George Romney of Michigan, and Carl E. Sanders of Georgia. I attach great importance to these exchange visits. Our visit to Japan was an excellent method of improving relations with this most impressive Far East country.

The Japanese are, of course, highly industrialized, and I was impressed by visits to various factory complexes throughout the country. As our tour progressed, I became increasingly aware of efforts to promote tourism in Japan. The materials used by the Japanese for publicity purposes are of the highest quality and represent notable effort. Each of the several States in America promotes tourist attractions in one way or another, with some states, such as Maine, depending more upon tourism to support their economy than others.

As larger aircraft come into greater use, with drastically reduced fares, we in America who presently compete primarily with our sister States for a good percentage of the tourist business, will find increased competition from countries such as Japan. The Japanese are great travelers. They are curious and interested in visiting new places. It is evident that in the future, great opportunity exists for both Japan and the United States in the area of vacation travel and tourism.

It was brought to my attention early during the visit that the Japanese are most anxious to learn what is being done in the United States to combat air and water pollution. Pollution appears to be an increasing problem in Japan, much as it is in our country. The Japanese, like us, are eager to cope with pollution in every possible way. I found the exchange of ideas in this regard to be a most valuable part of my visit.

Because of the stringent economic situation in Japan, it was necessary for the Japanese Governors to postpone their return visit to the United States in the Spring of 1966. However, we look forward to their visit sometime next year.

Following our visit to Japan, we journeyed to South Vietnam for a brief tour of that war-torn land. I believe all of the Governors agreed that our insight into the problems of this war was broadened as we saw for ourselves, first hand, just what conditions are like.

We have a twofold mission in our struggle in this Southeast Asian country. We must first secure the peace; but the struggle will not end there. We must initiate a greater number of meaningful self-help programs which will contribute toward the development of this nation and will result in the elevation of living standards throughout the country.

On the heels of my return from the Far East, I changed suitcases and flew to Mexico for a meeting with President Licenciado Gustavo Diaz Ordaz, in which I joined a delegation of our Governors who had just completed a visit with a number of Mexican Governors.

The President was an excellent host and expressed his country's warm hospitality in a most impressive manner.

Mexico, our southern neighbor, has made outstanding progress in recent years. I believe it is essential for the United States to improve relations with Mexico whenever and wherever possible.

Following the Mexican visit, the Conference prepared memorial plaques for presentation to all of the Host Governors of that country.

At this point, I would like to note that there is the possibility of a visit by United States Governors to Spain sometime later this year. As I mentioned earlier, I am firmly convinced that these visits do much to improve relations between the countries involved. Further details will be made available as they materialize.

A Central Theme: Integrity

The program that is before us for this Conference represents a great deal of hard work and I am sure that the fruits of these labors will accrue to all of us. Our general theme, "The Integrity of American Society," will be stressed throughout the annual meeting of the Conference. Virtually all of our business sessions are geared to it.

I would like, also, to make mention of a time period which has been set aside for an executive session in which the Governors can bring up any matters that they wish without the necessity of prepared remarks. These comments will be strictly off the record.

Since our last annual meeting here, the Executive Committee and all of the Governors have had an opportunity on several occasions to meet personally with President Johnson. It is my belief that these sessions are of genuine value to all of us because I feel that the closer we work with the officials at the federal level, the better relationship there can be and the closer working rapport will be developed as we work to strengthen these ties.

In concluding my remarks to you, I would like to express my confidence to the Governors of our States and territories for the highly significant leadership that they have demonstrated. We all know that the basic foundations of this nation have led to greatness. We accept challenges and obligations and each of us in our own way has tried to deal effectively with them. I feel that we have a commitment—a commitment to develop to the fullest our goal that was established by the Founding Fathers. This commitment is an important one and I would like to state that I feel that the theme for the Conference this year, "The Integrity of American Society," is an apt one. I feel that great value can accrue from close adherence and close observation to each and every session of this particular Conference.

I also want to thank our very able and effective Executive Secretary, Brevard Crihfield, for his untiring and unceasing effort to provide assistance to the Chairman, to the Executive Committee and to all members of the Conference; and also to the fine members of his staff. They have assisted us at every turn.

And so, with these brief remarks, may I say that I have indeed been honored and delighted to serve you this past year as Chairman of our Conference. With a sincere hope that this will be indeed a pleasant Conference and a very productive one, I want to thank you, each and every one of you, for the great cooperation that you have extended to me during my tenure as Chairman.

At this point I believe our Secretary has a few announcements for us. I will ask him to come to the rostrum to deliver these announcements.

[Several announcements were made by Secretary Crihfield.]

<u>Governor Reed</u>: As I mentioned earlier in my remarks, we do have two recommended amendments to the Articles of Organization. These, of course, have been distributed to you. I am sure you are aware of them. We will now proceed to consider these changes.

I will ask our Secretary to read the amendments; whereupon we will consider to move to consider each one, of course, individually.

<u>Secretary Crihfield</u>: These two amendments were distributed on May 13, and in accordance with the advance notice, you will be able to act on them by a simple majority vote.

The first amendment is to be added to paragraph five of Article V of the present Articles which you have in front of you on the yellow sheets:

"The Nominating Committee shall consist of five members, three of whom shall be of a political party other than that of the person who shall be elected as next Chairman of the Conference. The Nominating Committee shall present a single slate of nominees for the offices of Chairman, members of the Executive Committee, and Secretary-Treasurer. Additional nominations may be made from the floor, and election shall be by secret ballot in all cases where the number of nominees exceeds the number of officers to be elected. Elections shall be conducted in executive session."

You will notice a footnote there which says: "The Executive Committee further recommends that this amendment become effective as of the 1967 Annual Meeting."

<u>Governor Reed</u>: You have heard the proposed amendment to our Articles of Organization.

<u>Governor John B. Connally</u>: Mr. Chairman, I move the adoption of the amendment.

Governor Philip H. Hoff: I second the motion.

<u>Governor Reed</u>: It has been moved and seconded that this proposed amendment be adopted. Is there any discussion? If not, all those in favor will say "Aye." All those opposed?

<u>Governor Connally</u>: Point of information. I would like to move—and I don't think it should be a part of the original motion—that this amendment become effective as of the 1967 Annual Conference. That was on the notice that was sent out to the various members. To be sure that no one misunderstands this, I think we should explain that the Executive Committee feels that it should not be made effective this year but rather in the year 1967 in order to be fair to the members of the Republican party in the light of what happened last year with respect to nominations.

<u>Governor Reed</u>: Governor Connally, on the first motion that we adopt the proposed amendment, I will so declare that this is approved.

<u>Governor Connally</u>: I now move this amendment become effective as of the 1967 Annual Meeting.

Governor Hoff: I second that motion.

<u>Governor Reed</u>: It has been moved and seconded that the change that has just been made become effective at the 1967 Annual Meeting.

<u>Governor Robert E. Smylie</u>: I wonder if the motion is in accord with the Articles of Organization; notice of this proposed amendment not having been given in due time?

<u>Governor Reed</u>: I would point out to the Governor of Idaho that this was also included with the announcement that was mailed out. So, therefore, the stipulation has been complied with. Is there any further discussion? If not, all those in favor of the motion will say "Aye." Those opposed? The motion is carried. We will now proceed with the reading of the second proposed amendment.

<u>Secretary Crihfield</u>: The Executive Committee proposes that there be inserted a new Article VII to read as follows:

"The Executive Committee, by a unanimous vote of

its members, may recommend resolutions for considera-

tion by the Conference. A resolution shall be deemed adopted upon obtaining a three-fourths favorable vote of the Conference. Consideration of any resolution not offered in the above manner shall require unanimous consent."

<u>Governor Reed</u>: You have heard the amendment as read by our Secretary.

<u>Governor William H. Avery</u>: Could we have a clarification on the three-fourths vote? Does this mean three-fourths of those voting or three-fourths of the entire membership?

<u>Governor Reed</u>: This would be three-fourths of those present and voting.

<u>Governor Avery</u>: Should not that be included to preclude any misunderstanding such as occurred here a year ago on the matter?

<u>Governor Reed</u>: I would read from the Rules, which say: "The proportion of votes required for passage of any proposition or motion, as set forth in these rules of procedure, refers to the number of members present and voting." I recognize the Governor of Pennsylvania, Governor Scranton.

<u>Governor William W. Scranton</u>: On behalf of the Executive Committee, I would like to move that we adopt the amendment as read by the Secretary.

Governor Harold E. Hughes: I second it.

<u>Governor Reed</u>: I recognize the Governor of Michigan, Governor Romney.

<u>Governor George Romney</u>: I would like to offer an amendment to the end of the first sentence of the resolution, which would read as follows: "Providing such resolutions are germane to the functions and responsibilities of the States." That would make the first sentence read: "The Executive Committee, by a unanimous vote of its members, may recommend resolutions for consideration by the Conference, providing such resolutions are germane to the functions and responsibilities of the States."

I would like to say by way of explanation that I favor the main amendment. I think it is highly desirable to reestablish a method by which we can adopt resolutions. But I also think we should avoid the abuse of our resolutions procedure, which for partisan reasons in the past has sometimes tended to impede the functioning of our Conference. I happen to believe that the States must reassert themselves or cease to fulfill their vital role in our federal structure. And I think at Minneapolis we came closer to serving this purpose. At other Conferences we were diverted from our efforts to a considerable extent by the injection of international and national issues beyond our control. I think it is very important that we not be diverted at this Conference. We do have available at this Conference reports and recommendations that are ready for action, bearing directly on the responsibilities of the States. I am hopeful that we can concentrate our attention on those things about which we can do something and thus contribute to preserving the functions of the States in our federal structure. So I offer this amendment for the purpose of limiting our official actions to those resolutions that are germane to the functions and responsibilities of the States.

<u>Governor Reed</u>: The chair recognizes the Governor of California, Governor Brown.

<u>Governor Brown</u>: Governor Romney, what would not be germane under your proposed amendment?

<u>Governor Romney</u>: I think foreign policy matters, things beyond the control of the States. There are a number of areas of distinct national responsibility that we cannot do anything about.

<u>Governor Reed</u>: You have heard the amendment offered by the Governor. Do I hear that amendment seconded?

Governor Smylie: I second it.

Governor William A. Egan: Mr. Chairman, who would determine what was germane and what was not germane? Wouldn't this in itself evoke much discussion and debate in the Conference?

<u>Governor Reed</u>: The chair would have to rule whether it was germane. From my parliamentary experience, the chair would rule. I will now recognize the Governor of Michigan, Governor Romney.

<u>Governor Romney</u>: If I may respond to the Governor of Alaska, the amendment that I proposed would limit our resolutions to subjects that are within the responsibility of the States to deal with. The presiding officer would have to decide whether any resolution was germane on that basis. We should deal in the process of resolutions with those things over which States have some control and over which they have some authority and responsibility and thus keep ourselves from being constantly diverted into consideration of matters beyond our control which impedes the work of this Conference. I really believe that the States are in the process of being wiped out in the federal structure, and we need to take steps as Governors to enable the States to fill a role that is more needed today than, I think, ever before in the history of the country.

<u>Governor Connally</u>: Mr. Chairman, with reference to the proposed amendment, I think I might say in behalf of the Executive Committee that we are pretty much in accord with the Governor of Michigan, that we have tried by the language being used here to cover all of the possibilities. We recognize that in the past there have been difficulties with respect to so many resolutions offered on so many different subjects. They became a flood on this Conference. We are trying to avoid this. We have done so, I think, by the language: "The Executive Committee, by a unanimous vote of its members, " That is the language that is being offered here. Now, this simply means that a representative of either party, for any reason, can simply object to a resolution and it automatically dies. So I think we have tried to provide safeguards. I have no specific objection to Governor Romney's amendment except I think it opens up grounds for argument where it says that it must be germane. I rather think that almost anything that happens in this country is germane to the operation of our States in one form or another. We are certainly affected by foreign policy. It seems to me that this provision for a unanimous vote of the Executive Committee in recommending a resolution for consideration by the Conference is about as tight as we can get it without being involved in a big argument as to what is germane to the business of the States.

<u>Governor Egan</u>: Mr. Chairman, it seems to me that we are defeating the purpose of the Governors and the responsibility of the Governors if we put this amendment in. I agree with Governor Connally that this kind of amendment merely opens up a way in the Resolutions Committee for bitter argument and dissension.

<u>Governor Romney</u>: Just two additional comments on the amendment and the matter of germaneness. One is the description of the functions of this Conference itself. Article II defines the functions as follows: "The functions of the Conference shall be to provide a medium for the exchange of views and experiences on subjects of general importance to the people of the several States; to foster interstate cooperation; to promote greater uniformity of state laws; to attain greater efficiency in state administration; and to facilitate and improve state-local and statefederal relationships." In addition, I think we might use the Constitution of the United States as a guide as to what is germane in terms of state functions and responsibilities.

<u>Governor Reed</u>: Is there any further discussion? The chair recognizes the Governor of Idaho, Governor Smylie.

<u>Governor Smylie</u>: If I might, sir, I would like to address a question to Governor Connally on behalf of the Executive Committee. Did I understand correctly that this proposed amendment, as submitted by the Executive Committee and before Governor Romney's proposal, would provide the only route to the floor?

<u>Governor Reed</u>: Governor Smylie, the Governor of Idaho, addressed through the chair a question to the Governor of Texas, Governor Connally, and he can answer if he chooses. <u>Governor Smylie</u>: Would this provide the only route to the floor for resolutions or would we still be open to unanimous consent machinery? I think it is crucial to the issue involved.

<u>Governor Connally</u>: I think the question must be partly answered by the chair. I think we can still suspend the Rules. But so far as resolutions per se are concerned, this would be the only vehicle by which they can be offered to the Conference. We can, even with this, still suspend the Rules for the adoption of a resolution just as we do now. Am I correct in that?

Governor Reed: That is correct, Governor Connally.

Governor Smylie, even if this is adopted, a provision still remains whereby a three-quarters vote to suspend the Rules will permit consideration of a resolution. The chair recognizes the Governor of Georgia, Governor Sanders.

<u>Governor Carl E. Sanders</u>: Point of information. If the amendment is adopted, as now proposed, is there any requirement whatsoever with reference to notification to Governors of the intended resolution to be offered? And if not, what was the rule or were the rules prior to the 1963 convention with reference to the introduction of resolutions?

<u>Governor Reed</u>: I believe prior to 1963 that any Governor could submit resolutions and there was apparently no deadline. Under the new change, we recommended at the Executive Committee meeting this morning that the new Executive Committee establish ground rules as to when a deadline could be set, so that at the last minute we would not be inundated with resolutions.

<u>Governor Sanders</u>: My recollection was that there was a deadline as to the consideration of resolutions and this had to be done thirty days prior to the Governors' Conference. And unless the resolution was actually submitted to the other Governors prior to the Conference, it could not be considered without the suspension of the Rules. This gave the Governors an opportunity prior to coming to the convention to be familiar with and have some notice of the type of resolution that might be offered. If we adopt this proposal of the Executive Committee that is now before the Conference, there is no deadline. There will be no notification to any Governor of the type of resolution that he might be called upon to vote on prior to the Conference. And the Conference will be wide open for any and all types of resolutions without any notification. Is that correct?

<u>Governor Reed</u>: This was discussed this morning, Governor Sanders, and it was the feeling of the Executive Committee that ground rules could be established by the new Executive Committee, setting up a timetable as far as the presentation of resolutions is concerned. Is that satisfactory?

Governor Sanders: Yes.

<u>Governor Reed</u>: The chair recognizes the Governor of Nevada, Governor Sawyer.

<u>Governor Grant Sawyer</u>: Do I understand, Mr. Chairman, that in the event this proposed amendment passes the Executive Committee would then meet and set up certain rules of procedure that would apply to this Conference?

<u>Governor Reed</u>: No. The proposed amendment would not be effective until 1967. That is the effect of Governor Connally's motion. The chair recognizes the Governor of Texas, Governor Connally.

Governor Connally: Actually, that was not the effect, Mr. Chairman, of my last motion. The Executive Committee unanimously agreed that this particular provision should become effective at the 1967 Annual Meeting. If it were immediately effective, the Executive Committee might be deluged during this session with resolutions and would really not have the machinery by which to handle them. By becoming effective at the 1967 Annual Meeting, the new Executive Committee can prescribe the time limit that it desires for the submission of resolutions. Whether it will require them to be submitted a week in advance or two days in advance, the thought was expressed in the Executive Committee this morning that the new Executive Committee might want to meet a day earlier to consider all of the resolutions. This is something that the Executive Committee would have to work out. If this particular amendment is adopted, a second motion will be made calling for it to become effective at the 1967 Annual Meeting. That means we go through this 1966 Conference operating under the same rules that we presently have.

<u>Governor John A. Volpe</u>: Mr. Chairman, would a motion to suspend supersede the adoption of this amendment which in the last sentence says, "Consideration of any resolution not offered in the above manner shall require unanimous consent"? In other words, a resolution is taken before the Executive Committee and there is one person who objects, then it is dead. And then it goes before the floor and it says here that it requires unanimous consent. It has also been stated here that you can move to suspend and get a three-quarters vote and get your resolution approved.

<u>Governor Reed</u>: I will ask our Parliamentarian to address himself to that question.

<u>Secretary Crihfield</u>: The Governor of Massachusetts is correct. The basic document is the Articles of Organization. Actually, you should use the phrase "suspension of the Articles." This would supersede the unanimity provision. You can prevail by a three-quarters vote.

Governor Frank B. Morrison: Is this limiting our discus-

sion to the merits of Governor Romney's amendment or are we discussing the merits of the main amendment?

<u>Governor Reed</u>: The pending question before the Conference is Governor Romney's amendment. His amendment is to insert the words, after the first sentence in the proposed amendment: "Providing such resolutions are germane to the functions and responsibilities of the States." That is the pending question and we are continuing the discussion on it. Is it the pleasure of the Conference that the amendment to the main motion, the amendment reading, "Providing such resolutions are germane to the functions and responsibilities of the States," be adopted? All those in favor will say "Aye." All those opposed? The motion is lost. The chair recognizes the Governor of Hawaii, Governor Burns.

<u>Governor John A. Burns</u>: By direction of the Executive Committee, I move a further amendment: "Amendments shall also require a three-fourths majority vote."

<u>Governor Reed</u>: Do I hear that motion seconded? [Seconded] It has been moved and seconded to insert the stipulation: "Amendments shall also require a three-fourths majority vote." Is there any discussion on the amendment? Is it the pleasure of this Conference that this be adopted? All those in favor will say "Aye." All those opposed? The motion is carried.

The pending question is now on the adoption of this resolution as amended. Is it the pleasure of the Conference that this resolution as amended be adopted? All those in favor will say "Aye." Opposed? The chair is in doubt. I will ask for a show of hands on the adoption of the resolution. Will the Secretary please take a count? All those in favor of the adoption of the resolution as amended will raise your hands and keep them raised until the count has been made. All those opposed will raise their hands and keep them raised until the count is made. Twenty-two having voted in favor of the resolution and eleven in opposition, the motion is carried. The chair recognizes the Governor of Texas, Governor Connally.

<u>Governor Connally</u>: I move this provision be made effective at the 1967 Annual Meeting.

Governor Roger D. Branigin: I second the motion.

<u>Governor Reed</u>: Motion made and seconded that this provision be made effective at the 1967 Annual Meeting. Is there any discussion? The chair recognizes the Governor of Illinois, Governor Kerner.

<u>Governor Otto Kerner</u>: I might comment that the hour is late and we are not yet through on resolutions. To me this indicates the future of this Conference by the adoption of this change.

<u>Governor Reed</u>: If there is no further discussion, the motion before the Conference is the motion of the Governor of Texas that the provisions of the amendment just adopted take effect with the Conference of 1967. All those in favor of this motion will say "Aye." All those opposed? The motion is carried.

At this time I would like to inform the Governors that we are having distributed the Rules of Procedure that prevailed at the 1965 Conference. If readopted, they will be in effect throughout the 1966 Conference. At this time, gentlemen, a motion will be in order to adopt the Rules of Procedure for the 1966 Conference.

<u>Governor Volpe</u>: Mr. Chairman, I move the Rules of Procedure, as shown on the green sheets, be adopted.

Governor Hoff: I second it.

Governor Reed: It has been moved and seconded that we adopt the Rules of Procedure as distributed to you via the green sheets. All those in favor of the adoption of these rules will say "Aye." Those opposed? The motion is carried and we have adopted the rules as distributed.

Gentlemen, we have proceeded on in good order here. We are on time. I would like to announce that Bishop Wright and Mr. I. W. Abel, our two distinguished keynote speakers will be here forthwith. We will appreciate it if each Governor will remain in the room pending the arrival of our two speakers.

[A short recess was taken.]

<u>Governor Reed</u>: Governors, if you will resume your seats, we will continue with the program. I will call the Conference to order. Let us please have quiet in the back. We are ready to resume our session. As I mentioned to you during my opening remarks, this year's Conference has been geared to the theme of "The Integrity of American Society." It was the feeling of your Executive Committee that the Conference could receive value from having speakers of great note address us on the question of integrity of life in America. So we set about diligently to secure individuals of stature and accomplishments to speak to us. I feel that we have been honored by the caliber of the individuals who have accepted our invitation.

Our first speaker this afternoon has indeed gone to great lengths to be with us. I understand that he commenced early this morning to fly down from Vancouver and because of fog conditions that existed in that area he was grounded. At any rate, our speaker has arrived and we are most happy to welcome him to this Conference. I am sure that we will benefit immensely from the message that he will deliver to us. I understand that he is not only a renowned leader in the religious world but is also a very warm and pleasant human being, who has endeared himself to everyone with whom he has come in contact. His current assignment of great import is that of Bishop of the Diocese of Pittsburgh. I am sure that I speak for every Governor and indeed everybody who is in the Conference room this afternoon when I say that we are indebted to the Bishop of Pittsburgh for being present. At this time I am most honored to present to this Conference His Excellency Bishop John J. Wright.

<u>Most Reverend John J. Wright</u>: As Governor Reed was kind enough to remind you and cruel enough to remind me, I have been flying since 5 o'clock this morning. I have seen many of the jurisdictions over which you are the executives. The fog in Vancouver was apparently a piece of Canadian nationalism to keep me from getting here. I would like to state that there were much more favorable conditions in the landing field and I want to thank Governor Evans of Washington for having the Seattle field open. My thanks to Governor Hatfield of Oregon, particularly for the unusually pretty girl who ran out to give us a welcome to Oregon, which we had not intended to visit; and to Governor Brown of California for the speed walks in the San Francisco Airport that enable you to get from the plane you didn't want to take to the one that you have to take in order to make the connection.

The gathering of so distinguished a group of men responsible for the order, prosperity and general well-being of our natural community provides a welcome opportunity for public meditation upon some timely point of moral philosophy of special interest to those who love the Law. I propose such a point to you this afternoon: Does society exist for each one of us, or does each one of us exist for society? Which, if either, of two goods provides the criterion of right or wrong, of morality and legality: the good which the <u>individual</u> needs and seeks for himself or the good which the <u>State</u> requires and seeks for itself?

Does the State, the organized society, exist for me; or do I, the individual citizen, exist for the State? It is largely by their answers to these questions that many in our generation align themselves to the "Left" or to the "Right" on the social, economic and political questions which agitate our thought. Moral and legal philosophies at the moment tend to polarize around one or the other of seemingly contrary and sometimes conflicting goods: the good of the <u>individual</u> and the good of the <u>collectivity</u>. Those who are preoccupied with the primacy of <u>individual</u> good tend to take their stand or find themselves accounted with the parties of the "Right" in our era of State Socialism. Those who opt for the <u>collective</u> good, and consequently give place of primacy to the rights of the State, turn up in our day in the ranks of the "Left."

Unfortunately the social philosophies to the "Left" and those to the "Right" have polarized at their extremes, with a consequent antagonism, bitter in its sharpness, between those in both camps who might normally be reasonable moderates. This antagonism is reflected in the spirit of suspicion with which men approach one another who disagree, however slightly, on social legislation. It is reflected also in the intemperate name-calling by which men of "conservative" instinct or judgment increasingly find themselves dismissed as "Fascists" or "Reactionaries," while those of more "liberal" impulse or vision find themselves decried as if they were all "Revolutionaries" or "Anarchists."

Even more disastrous is the manner in which, as a consequence, extremists on every side become the symbols and spokesmen of the camps with which they are identified, even when they are neither typical nor worthy representatives of these camps, being more often than not unwelcome nuisances to their own side of "center."

Unfortunate, too, is the widespread sense of guilt, of "guilt by association," among sincere political "conservatives" and honest social "liberals" who find themselves isolated from equally honorable and sincere citizens in opposite political or social camps, isolated from good men to whom they are inhibited from stretching out the hand of collaboration because of the sharply polarized divisions of contemporary opinion to which I refer. This paralyzing sense of guilt is intensified, to the great hurt of all concerned, by the embarrassment these same men find in the intellectual and moral company which they must keep on their own side as a result of this the polarized condition of which they are themselves the victims. And so, high-minded so-called "liberals" are too often associated in popular opinion, if not always in fact, with actual or potential traitors; while great-hearted "conservatives" are frequently distressed to find themselves tarred with the same stick as bigots, misanthropes and the hard-of-heart generally.

Hence it comes to pass, to the very great hurt, I repeat, of all concerned, that upright men find themselves unable to meet with one another on questions of either public or personal good, while they appear compelled to associate with evil companions almost fatally acquired in the pursuit of good:-<u>individual</u> good in the case of the political "conservative," the <u>collective</u> good in the case of the social "liberal." Conscientious citizens find themselves discredited because they sought to "liberalize" where a broader, more generous mood in social legislation was clearly necessary, or to "conserve" where a more cautious or critical spirit was the manifest need of the hour.

What to do? How find a formula which can reconcile goods apparently in conflict, a formula under which we can rally to the service of America all the spiritual energies and intellectual resources which are now dissipated by polarized divisions

disastrous alike to personal interest and to collective well-being. What to do? The time-tested philosophy of Christendom, blending the Hope of Hebrew prophecy, the Wisdom of Greek speculation, the Sanity of Roman Law and the Charity of Christian Revelation, had a phrase which provides the saving word. That philosophy spoke of a third good, a good wider than that of the individual and more warm than that of the collectivity; a good with richly personal elements, yet truly public in its nature. That third good, conciliating and unifying, is more humane than the mere good of the State; it is more generous than the good of the mere individual. It is, to repeat, both personal and public, though not merely individual on the one hand nor merely political on the other. It is what the scholastic philosophers of Christendom and the founding fathers of America called "the common good," Perhaps it is time to ask for a reaffirmation of its nature and its claims.

We are not met this morning for a class in philosophy, and so we may only suggest points for meditation elsewhere on the notion of the "common good." You will find it in Aristotle, who strove to set a happy balance between the general good and private good, between the obligation of the individual to yield to the honest good of the political State and the obligation of the political State in turn to serve the individual good of what he called the "contemplative," i.e., the "spiritual" person. You will find it in St. Thomas, who emphasizes the primacy of the "common good" in the practical or political order of the life of the community, but points out how the collective good and the State itself must ultimately subserve the nature and needs of the immortal person. Both the pagan Greek and the Christian philsopher understood that there is a sense in which the good of the whole is "more divine" than the good of the individual, but they also understood how the good of the social whole must be subordinated to the good of personality. They found the middle term for the equation between individual good and collective good, between the spiritual good of the person and the political good of the State, in the term "the common good," a good which is not identified with any individual and yet which is not so identified with the collectivity, above all with the State, that it becomes detached from the good of the person.

What is this "common good" devotion to which may yet rally in a single cooperative effort generous "conservatives" and thoughtful "liberals." It is not, we have said, merely <u>indi-</u> <u>vidual</u>, though it is <u>personal</u>; it is not coldly political, though it is shared by all the body politic and includes many political elements. That which constitutes the "common good" of political society, Maritain reminds us, is not only the collection of public commodities and services—the roads, ports, schools,

etc., which the organization of common life presupposes; it is not merely a sound fiscal condition of the state and its military power; the body of just laws, good customs and wise institutions which provide the nation with its structure; the heritage of its great historical remembrances, its symbols and its glories, its living traditions and cultural treasures. The common good includes all of these and something much more besides-something more profound, more concrete and more human. For it includes also, and above all, the whole sum itself of these; a sum which is quite different from a simple collection of juxtaposed units. Even in the mathematical order, as Aristotle points out, six is not the same as three plus three. A victorious army is immeasurably more than the mere physical total of the strength or even the valor of the individuals who compose it. A symphony orchestra is made up of so many players plus the director, but the whole in this case is much more than the mere sum of its parts.

So the "common good" includes the sum or sociological integration of all the civic conscience, political virtues and sense of right and liberty; of all the activity, material prosperity and spiritual riches; of unconsciously operative hereditary wisdom; of moral rectitude, justice, friendship, happiness, virtue and heroism in the individual lives of its members. For these things all are, in a certain measure, communicable and so revert to each member, helping him to perfect his life and liberty as a person. The "common good" so conceived is not only a collection of advantages and utilities, it is strongly moral and ethical in its content. It includes elements of rectitude and honor, of morality and justice. Only on condition that it embrace these is the "common good" truly such, namely: the good of a people living in a community, the good of an organized human city, rather than the mere booty of a pack of thieves or common hoard of a mob of gangsters. For this reason, perfidy, the scorn of treaties and of sworn oaths, political assassination and unjust war, even though they may be useful or advantageous and in this sense practically good, actually contribute to the destruction of the true "common good," the bonum honestum of which the ancients spoke.

Let the French philosopher be here again our guide. The "common good," he reminds us, is always ethically good. Included in it, as an essential element, is the maximum possible development, here and now, of the persons making up the united multitude to the end of forming a people organized not by <u>force</u> alone but by <u>justice</u>. Historical conditions and the still inferior development of human society make difficult the full achievement of the ends of social life. But the end to which it tends is to procure the common good of the multitude in such a way that the individual as a <u>person</u> gains the greatest possible measure, compatible with the good of the whole, of real independence from the servitude of nature. The economic guarantees of labor and capital, political rights, the moral virtues and the culture of the mind, all these contribute through the "common good" to the realization of this individual independence.

The "common good" includes, we have seen, the cultural, historical and spiritual heritage which is shared by the group, as opposed to the heritage particular to any individuals within the group. It is difficult to analyze the elements of this heritage, impossible to do so in a half hour. But every now and again someone speaks out above the general din of dissident individual voices and utters ideals common to us all, words expressive of our heritage of "common good." When such a one so speaks, his individual characteristics fade out completely; his words sum up a good that <u>all</u> deeply cherish; only the utterance is his alone, that and perhaps the beauty of the particular words by which he gives expression to the common thought.

For example, Abraham Lincoln was a Republican; he lived in a specific period of American history; he presented strongly individualistic traits; he was a partisan of the Northern cause in the War between the States; it is difficult sometimes to appreciate that millions of sincere Americans profoundly disliked some of his ideas, deplored many of his policies, distrusted him personally. But when he spoke at Gettysburg, he spoke for us all; for all Americans, for our citizens in every epoch, every political party, every part of the country. There is no American who does not sense that the very stuff of our national "common good"—all its elements, its spiritual fibre and its political pattern, are woven into the things that Lincoln said at Gettysburg.

Woodrow Wilson was a Democrat. He, too, lived in a particular period of our national history and a specific phase of our emergence into the international community. He had marked individual traits, many of which his friends found amiable, others of which his critics found distasteful. Whole areas of his political philosophy were unacceptable to millions of his fellow citizens and some of his policies provoked the resentment of many. Yet in his public pronouncements he frequently transcended the inevitable limitations of himself, his times and his political context. There is no one in this land who does not feel the tug of a common chord which runs through the hearts of us all when he reads the magnanimous phrasing of Wilson's declaration of War against the German Government and not the German people; or the exalted address to the Military Academy at West Point in which Wilson summarized so many of the elements of our "common good" and linked them, as the common

good must always be linked, to the benign purposes of God and to the secrets of God's Providence. Do you remember his words?-

"... America came into existence for a particular reason. When you look about upon these beautiful hills and up this stately stream, and then let your imagination run over the whole body of this great country from which you youngsters are drawn, far and wide, you remember that while it had aboriginal inhabitants, while there were people living here, there was no civilization which we displaced. It was as if in the Providence of God a continent had been kept unused and waiting for a peaceful people who loved liberty and the rights of men more than they loved anything else, to come and set up an unselfish commonwealth. It is a very extraordinary thing. You are so familiar with American . . . history that it does not seem strange to you, but it is a very strange history nonetheless. There is none like it in the whole annals of mankind-of men gathering out of every civilized nation in the world on an unused continent and building up a polity exactly to suit themselves, not under the domination of any ruling dynasty or of the ambitions of any royal family; doing what they pleased with their own life on a free space of land which God had made rich with every resource which was necessary for the civilization they meant to build upon it."

So the "common good" is all the heritage from the past and all the hope for the future which good men share under God. Common to many, it is therefore <u>public</u>; perfective of the individual, it remains somehow <u>personal</u>. It calls the individual out of himself to share things with the general community, but it puts the resources of the general community at the service of the things closest to the personality of the individual. That is what Cicero meant when he defined the "common good," the <u>res</u> <u>publica</u>, in terms of a nation's altars and hearths, of the <u>spiritual</u> and <u>domestic</u> values which center about these and which serve personality: in aris et focis est res publica.

It was out of this concept of the "common good" that our forefathers derived their notion of the great object of the State's existence. Hence their fine old phrase "the common weal," a phrase perpetuated in the name by which they designated this civil community, not by the cold, collective name so dear to the totalitarian, "The State," nor with any name of special interest or partisan emphasis as "The Duchy" or "The Realm,"-but "The Commonwealth"-"The Commonwealth of Massachusetts." It is the concept behind warm words like "mutual" in the preambles of our National and State Constitutions, as that of Massachusetts which provides "that all shall be governed by certain laws for the common good."

It is the good which is preserved and promoted by the nurse

who braves individual infection in order to serve the common good; by the scientist who forfeits individual convenience in order to increase that good; by the parent who foregoes individual advantage in order to rear future citizens to enhance that good; by the saint who renounces individual pleasure in order to sanctify the common good; by the soldier who disciplines individual preference in order to defend the good; by the party or regime or even the National State which abdicates particular claims or narrow prerogatives in order to conciliate those who share a common good.

It is the good which King St. Louis of France loved when he subordinated both the instincts of self and the claims of his State to a higher "common good" shared with others. Perhaps you remember the incident; one thinks of it with wistful admiration as he reads the daily news. His counselors unanimously rebuked St. Louis for excessive generosity in giving to the English King land which the French had regained from British conquest. King St. Louis did not concede the English claims and he could easily have vindicated his own by force, but still he freely yielded the land. He said: "My Lords, the land that I give him I give not because I am under obligation either to him or to his heirs, but so that there may be mutual love between my children and his. And it seems to me that I am making good use of what I give him, since it makes us join hands in common love who were before at odds." It is the good which another Catholic saint meant when he lamented those frozen words "mine" and "thine"-frigida ista verba meum et tuum-and rejoiced in the warm word nostra: the things that are ours.

The "common good": it is the mutual bond of all who love the good, the true and the beautiful; who seek good things, not evil; who seek the private good of persons and the collective good of the State, but the good of both in and under and through the Supreme Good, which is God. It is the good which God gives us all in order to keep us together, as opposed to the good that He gives us each to keep to ourselves. It is the good before which, on due occasion, both individual and State are obliged to bow: the "common good." Out of a reaffirmation of the reality and claims of the "common good" there would come many results greatly to be desired. A quickened appreciation of the "common good" would turn the tide against the reckless setting of class against class, the irresponsible incitement of group against group. It would coordinate anew the interests and the efforts of labor plus management, tradesmen plus intellectuals, statesmen plus generals, as against the present so frequent pitting of good men against other good men in the conflicts of labor versus management, intellectuals versus tradesmen, statesmen versus generals within the same nation and presumably seeking the same good.

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Such an appreciation of the "common good" which unites, as against-or, rather, as <u>above</u> all particular or factional or partisan goods which divide, would make possible the "Vital Center" for which certain political philosophers are pleading; a "Vital Center" which can exist only when honorable moder-ates of "Right" and "Left" prefer working with each other in behalf of the "common good" to working with extremists of their own respective camps, extremists who seek only the particular good after which their side aspires. Thus the present polarized condition of society would be eased and social "conservatives" anxious to preserve the heritage out of the past would have a common ground on which to meet and work with social "liberals" anxious to enlarge the hope of the future. The "common good" includes, in the phrase of Scripture, <u>nova et</u> vetera: the old heritage and the new hopes. Thus the conscientious citizen who walks a little Left of center, freed from the embarrassment of constant association with senseless Revolutionaries, should be able to make common cause in the quest for the common good with the no less honorable citizen who steers his course a little Right of center and who is too often condemned as the friend of soulless Reaction.

A clearer concept of the reality and the rights of the "common good" may also suggest a formula for planning a better international order, an order which will conserve the values of the established nations, but be enriched by other, perhaps more basic and more humane supra-national values, as little by little we come to appreciate how much, how very much of our heritage out of the past and our hopes for the future are shared within other nations by millions who seek the true "common good" of mankind.

Gentlemen, I submit that by the revival of its ancient commitment to the "common good" with all its ethnic and spiritual overtones, America will affirm the principles of its moral integrity and social integration while giving the world dramatic and spiritually needed examples of how under God the many become one, the divided become united and the scattered become collaborators for salvation. Thank you very much.

<u>Governor Reed</u>: Thank you very much, Bishop Wright, for a most inspiring message that has captured the spirit which we hope to achieve at this Conference. I am certain that the tone has been set, and we are greatly indebted to you, Your Excellency, for being here, under difficult conditions, to present this inspiring and marvelous message that you have just rendered.

It was the desire of your Executive Committee to draw upon leaders of varied pursuits in America to bring to us messages pertaining to their particular endeavor, and to assure that the working men and women of America would be repre-

sented at this Conference and have an outstanding leader from the ranks of labor. We found two great leaders, the first of whom has just spoken to you, from Pittsburgh. And in the question of the second speaker, we once again turned to the Commonwealth of Pennsylvania to select an individual whom we were confident could deliver an excellent message concerning integrity in the labor field. We were delighted to have acceptance from a man who has been a long-time executive in the labor movement, a man with the reputation of integrity and responsibility. So to give us our second keynote address on this particular theme, I am delighted now to present to you this gentleman who has compiled an enviable record in the field of labor, a man who was recognized for his talents in being elevated to the most important post of President of the United Steel Workers of America. My fellow Governors, it is a singular honor to present to you today The Honorable I. W. Abel.

<u>Mr. I. W. Abel</u>: Governor Reed, Honorable Governors, your gracious wives and distinguished guests: It is hardly necessary for me to say that I consider it a very great honor to occupy this platform today. The invitation to be here, which was extended on behalf of your Executive Committee by Governor Scranton of my home State, is deeply appreciated.

Your kindness in asking me to speak is both an act of tolerance and an act of courage. Tolerance, because I cannot bring you the sharp insights of either a scholar or a statesman. I am a steel worker by trade-more specifically a molder-and only recently elevated to the profession of an International Union President. Courage, because any view of mine almost certainly will bring some distress. Notwithstanding, you and I have in common rather large voting publics, with common problems and common hopes. We are elected by these publics to do a job of serving the people and promoting their general welfare. Therefore, honest thoughts spoken plainly and candidly, in my judgment can bring nothing but good.

As Governors, it surely is expected that you proudly raise high the ancient banner of "States Rights." As a spokesman for a movement which since New Deal days has generally found more solutions for its problems in Washington than in state capitols, I expect, in turn, to be labeled a "Federalist." It is my opinion, however, that both labels today are rather obsolete. The realities of 1966 are too grim for anyone to indulge in meaningless loyalties. It is time to stop firing futile guns of ideology and much more necessary to begin accepting the facts as we find them.

Big industrial unions are a necessity in an age in which our 500 largest corporate giants already account for more than half of America's total industrial output. Our union grew in response to the changing character of industry. As a defensive measure, workers in our jurisdiction had to counteract the bigness and increased economic strength which they found arrayed against them. Yet, the local union is still our firm bedrock. There are some 50,000 local unions in the United States and it is at these 50,000 work places that unionism lives or dies. This is where our members work and live. It is there—at the local level—and not in the office of the International President—that the quality of industrial relations in these United States is essentially determined.

In addition to bargaining for higher wages and better conditions, workers seek solutions to many problems as citizens rather than as employees. Long ago, therefore, local unions organized local and state federations so that they could be heard at city halls and state capitols. Ultimately, our members realized there were vital issues, beyond the scope of the bargaining table, which even the States and localities would not or could not resolve alone. And so they formed a national labor federation—the AFL-CIO—through which they could confront those who preside over the affairs of the entire nation.

While the presence of organized labor in Washington is a necessity today, we are not strangers at state houses and city halls. We are well aware how much we still must count on state and local governments to perform functions vital to the daily lives of our membership. We know that it is the direct tax levies of the States and localities themselves—and not those of Washington—that are financing two-thirds of all civilian public service outlays in the United States. We are cognizant of this because working people bear most of this tax load.

Organized labor, therefore, is not alarmed by the fact that the federal government increasingly helps States and localities to meet their staggering financial needs, just as state-collected revenue is increasingly used to help local governments finance vital local functions. America's wealth-both corporate and individual-is highly concentrated in certain areas. We need to use the superior tax leverage of Washington not only to see that a fair share is collected to meet public needs, but also to dispense some of it to the hard-pressed States and localities. Please remember that the concept of federal grants-in-aid was no devilish invention of Franklin D. Roosevelt or of the CIO. It was over a century ago that Congress enacted the Morrill Actand thus ensured every State with the blessings of a land grant college-and Abraham Lincoln signed that legislation. It astonishes me no end to hear some leaders in poorer States continuously berate the federal government in the name of "States Rights" when their citizens so largely benefit from the federal grants-in-aid. Moreover, federal grants do not destroy state

and local functions. On the contrary, this aid provides the means by which traditional and newer state and local functions can be successfully fulfilled.

I do not contend that all present divisions of power and responsibility between governments-federal, state and localshould forever remain unchanged. As a matter of fact, as new needs emerge the frozen concepts of power and responsibilities must yield to new patterns of mutual responsibility. Maybe I do not precisely understand what President Johnson means by "creative federalism," but if this is it-I applaud him. Working together, governments at all levels must work toward a number of fresh goals: new cooperative solutions must be found for the unresolved problems of metropolitan areas, such as rapid transit, air pollution and the growth of crime; new federal-state ventures are needed to clean up and effectively utilize the great potential of our rivers and streams, some of which thoughtlessly meander beyond the legal confines of a single State; and new multi-county and multi-state compacts-like that for Appalachia -are required to jointly implement economic programs for areas with mutual needs. If this, indeed, is creative federalism, organized labor has long been for it.

It is noteworthy that most of the Great Society programs although initiated in Washington—must depend on the States and localities for implementation. No war on poverty, no effort to help the distressed areas, no projects to improve life in urban or rural America, and no undertakings to raise the quality of public education can be fulfilled in Washington. As we get on with the job of providing vast public services, the American people will demand and expect the role of States to be enlarged. Not too many years ago, liberal social and economic legislation used to originate at the state level. Only forty years ago, the seat of reaction—as far as labor was concerned—was centered in Washington. This was when Calvin Coolidge proclaimed that "The business of government is business."

The State of Massachusetts, for example, pioneered in the field of labor legislation. It enacted the first law to restrict the hours of work for women, back in 1879. In 1911, it was the State of Wisconsin which put into effect the first Workmen's Compensation Law. This State also introduced the income tax as a more equitable method of financing the costs of government. Child labor laws, unemployment compensation, minimum wage standards, and regulations covering the safe operation of factories, mines and mills were first introduced on the state level, along with a lot of other necessary legislation.

Gradually, however, the States lost the initiative and the vacuum created, realistically, was filled by the federal government. It is fact that today our state governments lag considerably in meeting the social and economic needs of the people. It wasn't until 1948 that the last of the States put a workmen's compensation law on their books, and even today the inadequacy of these laws-with few exceptions-remains a national scandal. The first minimum wage law was passed in 1912 and there are still twelve States with no such laws at all. Legislation which prohibits discrimination in employment based on race, creed, color, national origin, or ancestry was initially enacted in 1945. More than twenty years later, there are still fifteen States without such laws. Unemployment compensation laws have in many ways retrogressed from their original aims and standards in the States. For instance, unemployed workers received a larger share of average weekly earnings during layoffs in the late 1930's than is the case today. The average of unemployment compensation in the United States currently is only about 35 per cent of average weekly earnings.

In the area of taxation, the States have made a decided shift in transferring the tax burden from corporations to the low wage earner. A short time ago, in a typical State, corporations supplied 35 per cent of the State's taxes and consumers paid 44 per cent. Last year, in that same State, corporate taxes were down to 27 per cent and consumer taxes climbed to 57 per cent. These developments, together with failure to reapportion legislatures, the archaic state structures, the low state salaries, the inadequate professional staffs, and a universal fear of antagonizing big business, combined to retard government at the state level to an alarming degree. In the face of a surging outcry on the part of the people for greater protection and service, it was only natural that the federal government began to fill the void and assume leadership in social and economic progress.

There are indications today that the States may again revert to their traditional role in the vanguard of solving the problems of people-thanks to the reapportionment revolution. The United Steelworkers of America was an active and ardent participant in the "one man-one vote" movement. We initiated a lawsuit in Illinois which resulted in the reapportionment of the Illinois Senate on the basis of equal representation. We were actively involved in the bellwether Alabama reapportionment litigation. Why has labor devoted so much time and effort to the reapportionment issue? We are fully mindful that good state government is not only important but essential. Each of our members is a citizen of one of your States. We look to state government for the satisfaction of our needs and for the protection of our rights. Unfortunately, because of the gross malapportionment that has existed in state legislatures during the past, our pleas have gone largely unanswered and our needs have gone largely unmet. Narrow, parochial interests have during the past half century captured and shackled state legislatures. Labor undertook the reapportionment struggle to free state government and thereby to make it a meaningful and effective instrumentality. I hope and I have reason to believe that successful conclusion of the reapportionment battle will lead to a new era of enlightened and respected state government. It is most encouraging to note that a reapportioned legislature has repealed the Indiana "Right-To-Work" law. In several States, such as in New Jersey, for example, reapportionment has already resulted in major improvements and innovations in the area of social legislation.

Labor union members are no different than other citizens. We ask only that our pleas be heard and that our justifiable complaints be remedied. We look to you for objectivity and justice. But justice and objectivity have too often been lacking in state government. Instead we have frequently encountered cruel and hypocritical rebuff. We of labor are constantly amazed at how quickly some States will forget the best interests of the worker and his family in an effort to create what is called "a favorable business climate." Today, too many of our States resort to desperate means in a frantic attempt to attract new industry at the expense of labor. All States, of course, should seek economic growth. We of labor don't quarrel with that. All have natural or man-made advantages that should be exploited or offered as inducement to industry. All States are entitled to proclaim, proudly, their legitimate attractions.

What bothers me and the rest of the labor movement, however, is the depths to which this competition for industry among the States has sunk. Many try to entice new plants or factories on the basis that theirs is a low-wage State. Others do it with substandard welfare legislation. Still more boast they have the most regressive tax systems highly favorable to corporate entities. And among nineteen of our fifty States, there is an open invitation for union-busting, complete with a so-called "rightto-work" law. When any State vies for industry on a plea of exploiting human beings through low wages, sub-standard conditions or union-busting, we of organized labor believe firmly that the bounds of decency are being violated. We believe that there are many ways to compete under our free enterprise system but trading in human misery should not be one of them. This only violates the integrity of our American society. It is fraught with danger because it threatens not only to undermine our nation but, ultimately, will also ruin the States that foster it.

Industrial piracy between the States, which is designed to take advantage of wage-earners, should be abolished under jointly agreed upon ground rules adopted by the States. I implore you to take such action . . . promptly. It is urgently needed because this practice threatens the well-being of workers everywhere and it demoralizes the decent competing employer who wants to treat his employees fairly and equitably. It also subverts the standard-lifting efforts of progressive States and, in the aggregate, is inimical to the welfare of all the people of the United States. We appeal to you to take voluntary steps to halt this unsavory policy. It can and must be brought within bounds. If the States, through conferences of this type, are powerless to enforce rigid prohibitions against this practice, we hope the majority of you will join organized labor in a concerted effort to end it through federal intervention.

American workers have always had to face the grim fact that unavoidable economic circumstances-changing product markets or dwindling raw material supplies-sometime make a plant closing and its relocation unavoidable. At least 60,000 Steelworkers in the past three years have suffered the personal catastrophe of plant migration or plant shutdowns. The files of the AFL-CIO provide additional proof that hundreds of thousands have been victimized by plant piracy spurred by sweat shop wages, substandard state labor and welfare laws and the inducement of governmentally subsidized industrial bond financing. Plant relocation based on these lures is bad for workers, for settled communities, for decent employers and ultimately even for most of the localities that profit temporarily by these vicious enticements. Labor is determined to fight such practices and we must win. What is more, I respectfully submit that we have a right to expect the support of every right-thinking Governor in this effort.

I realize that I have covered much ground in my remarks today but they have been on my mind for some time and I could not allow such an opportunity to pass without saying them. What I have said I have said with only the best intentions and the utmost sincerity. I believe that new and quick solutions must be found to the frustrating problems that plague our urban areas. I believe that States alone cannot solve many of the nagging problems, so we need coordinated attacks, involving the States and the federal government, and these too must come quickly. Somehow the process of government must be speeded up without any sacrifice of the desirable checks and balances. New resolve alone could do much to help us along that direction. I believe that the States must regain the initiative they once had on the social legislative front or resign themselves permanently to more activity by the federal government. I believe that the States must, while regaining the initiative in some areas, also realize that answers in other areas can be met only by the federal government.

State tax structures must be made progressive, and be

based on ability to pay rather than inability to pay. States must snatch back from the front steps of state capitols the welcome mat that has been placed down for special interests too often in the past. Organized labor prefers that States do the job of promoting the general welfare. But, if reapportionment does not bring a realignment of old priorities and new concerns, then organized labor will continue to concentrate on Washington for the desired solutions. Above all else, I believe that the States must halt the exploitation of workers and stop encroaching on human dignity in the pursuit of industry.

I believe sincerely that my business and your business and the nation's business—is people. Let there be competition for industry, but let it be clean and decent and let it be done without workers as pawns, or the needy as innocent victims. If the States, under the leadership of their Governors, do not stop the type of inter-state raiding parties that have been going on, then once again the answer will have to come from Washington.

I believe that the States can return to the Golden Age they once enjoyed as caretakers of the States' welfare and as leaders in promoting economic and social justice within their boundaries. I wish you well in this regard. In evaluating the integrity of our society, we should ponder the almost unbelievable truth that 34 million Americans still are living under the "poverty" line and another 16 million are living right above it. These are facts which warn that even a slight economic recession could bring suffering to fully 50 million Americans.

In the eyes of the world, we in the United States are the great hope because we have the ability to demonstrate that a free society does work; that we can—through decisive joint action and decisive joint responsibility—do together what has to be done. I have unlimited faith that we can be equal to this challenge. I am positive that we can find a way to harness our efforts, adjust our nation's abundance to the needs of the human community and, together, contribute increasingly to expanding the frontiers of human betterment and fulfillment.

In conclusion I again want to express my appreciation, and the appreciation of the union I am privileged to serve, to Governor Scranton and your Executive Committee for inviting me. I trust that this dialogue between organized labor and the elected heads of the States will continue and prove beneficial to all concerned. Thank you very much.

<u>Governor Reed</u>: Mr. Abel, I certainly want to thank you on behalf of all the Governors here for your very frank and candid address. You have indeed given us much food for thought. I am confident that every Governor here will examine the contents of your speech, in which you dramatically explained your position and expressed your views in an important field.

MORNING SESSION—Wednesday, July 6

<u>Governor Reed</u>: The Conference will come to order. At this time I am privileged to present for the invocation His Eminence Cardinal James McIntyre of the Archdiocese of Los Angeles.

Cardinal James Francis Aloysius McIntyre: The United States of America stands forward this day among governments throughout the world. We recognize the evident blessings that can only be attributed to divine assistance. These blessings evoke our expressions of gratitude. They enhance a spirit of loyalty and they confirm a well established and universal expression that all authority comes from God, the Creator of all things. Now, if authority comes from God, it means necessarily those administering authority in the name of government should conform their administration to the principles and the directions of divine laws. Thus is established the criterion of law and the norm of authority for which we are governed. With some degree of apprehension do we recognize the trend of our times and the thinking of some of our leaders who would depart from the traditional. In this we perceive a decided inclination to depart from the basic concept of foundations. This basic concept from its beginning is the existence of God as a necessary law and a guide to all peaceful living. The continuance of the evident blessings of Almighty God has been bountiful throughout the years in our land. Therefore, and, consequently, it is our desire that this august body assembled in conference join in exploring most fervently a perpetuation of the abundant blessings and benefits we have enjoyed. And, besides, it is appropriate that we pledge our resolution and our intention to further at all cost the retention and the dedication of our land and our wonderful people under God.

<u>Governor Reed</u>: Thank you very much, Cardinal McIntyre, for a very appropriate invocation. We appreciate your being with us. Thank you, Governor Brown, for inviting the Cardinal here for the invocation.

At this time, gentlemen, the chair would like to announce the appointment of a Special Committee to receive and to escort the Vice President to the rostrum for his appearance before us later this morning. The chair names the Governor of Rhode Island, Governor Chafee; the Governor of Idaho, Governor Smylie; the Governor of New Hampshire, Governor King, and the Governor of Nevada, Governor Sawyer. You will be informed later when the Vice President arrives. The first order of business on the regular agenda for the morning session will be the Report of the Advisory Committee on Federal-State-Local Relations. The chairman of this particular committee, of course, has long worked diligently on this important subject and has been a veteran chairman in this area of consideration for many Governors' Conferences. For this particular report, I would like now to call upon the Governor of Idaho, Governor Robert Smylie.

<u>Governor Smylie</u>: Mr. Chairman and Gentlemen: No one can lay any great claim to fame these days by pointing out that intergovernmental relations are of tremendous importance. And it requires no gift of prophecy to see that intergovernmental relations will become increasingly complex. The Report of the Committee on Federal-State-Local Relations that is before you makes these points. They have been made repeatedly by earlier reports to this Conference. In the vernacular, "So wnat else is new?"

Although it is not new business in a strict sense, your Committee on Federal-State-Local Relations takes this opportunity to add emphasis to the urgent need for perfection of governmental mechanisms or organizational arrangements to cope with them. In the most recent decade for which we have data-1955-1964-state-local expenditures, revenues from their own sources and debt all rose by more than 100 per cent. During this period, federal grants-in-aid increased from \$3 billion to \$10 billion. We may anticipate rates of change of a similar magnitude in these indices over the next decade. These are, however, only the most easily calculated data. Other more subtle, more meaningful, developments of a qualitative nature are described in the report. It concentrates on what appear to be trends in federal enactments that will have a major impact on federal-state-local relations. They illustrate some of the factors and some of the consequences of changes in our society.

Without going into detail and without attempting to justify or to evaluate, we all recognize that there is need for programs with a peculiarly or predominantly urban orientation. We are aware that our best approach to possible solutions to certain problems is through regional arrangements. We may anticipate larger federal financial participation in certain programs as well as the entry of the federal government into new program areas. To avoid duplication and waste and to realize the optimum value of our resources, it is evident that we must improve our planning capabilities and provide for a greater measure of coordination in our activities.

To what extent are we realizing these objectives? Obviously

in some individual cities, counties, states and functional activities, a considerable degree of progress can be shown. Obviously, too, in devising appropriate intergovernmental administrative apparatuses, considerable ingenuity has been displayed. Much remains to be done, however, At the federal level, the typical approach of an agency or a department—and some departments are little more than aggregations of agencies—is to concentrate on a single function. Interagency coordination to achieve multi-purpose objectives is rare—interdepartmental coordination rarer still. Involvement of non-federal officials in major policy decision-making in programs administered cooperatively by federal, state and local governments is achieved only with the utmost difficulty.

In the Congress, the situation with respect to uni-functional concentration is no better, and possibly worse, than in the Executive Branch. Committees, and in many instances subcommittees, guard their respective jurisdictions jealously. As to non-federal participation in decision-making, it is true that in recent years both Houses have established Subcommittees on Intergovernmental Relations, but their labors to date have not yielded substantial results. At the state level, information is harder to come by, but it is conceivable that there has been a greater measure of progress than at the federal level. Certainly there is widespread realization of the need for interlevel decision-making. Many of the programs authorized in recent years by the federal government, including some designed to be multi-purpose, had their origin at the state level.

What conclusions can we draw from these brief remarks? One is that the growth in number and magnitude of federal grants-in-aid programs and others affecting the states and local communities has produced a jungle of conflicting purposes and administrative chaos. In the one area of community planning, there are five federal agencies—the Office of Economic Opportunity, the Economic Development Agency, the Department of Housing and Urban Development, the Department of Agriculture and the Appalachian Regional Commission. Each differs from the others in legal authority, territorial jurisdiction and particular purposes to be served.

A second is that the present haphazard pattern has builtin limitations. Some of these limitations have acquired names by which they may be recognized. They include bypassing the States, duplication, overcentralization, overstimulation in some program areas, understimulation in others, lack of coordination. By whatever name they may be called, they represent a wasteful use of human and material resources. A third is that the States are or can be the key elements in restructuring and redirecting our federal system. The States are regions. They have jurisdiction to create smaller regions or to cooperate in creating larger ones. They are multi-functional. They possess the capacity to plan and to coordinate. Their fiscal resources exceed those of any combination of local governments.

Implicit in these remarks are certain recommendations. Some are addressed to the federal government-to its executive and legislative branches. Some are addressed to the individual States. Here, however, we are gathered as representatives of all the States. What need we do in concert? To the extent that it may be possible and as often as it may be possible. we need speak as one. To some extent our problems are of our own making. We tend to overemphasize our disagreements, underemphasize our agreements. We have made little effort to speak in harmony. At present we have only the most rudimentary machinery to become informed of federal proposals, to estimate their impact upon us, to compose our differences so that we may react in harmony, or to offer alternatives when they may be desirable. We need to strengthen several times over our individual capacities and our collective capacity to deal with federal proposals in their formative stages. This will entail additional expenditures of thousands of dollars. But to the faint-hearted, if there be such, I say it is false economy to boggle at expenditures of thousands if, by so doing, we can expend more wisely millions and even billions.

In the very near future, federal grants-in-aid will surge past the \$20 billion mark. These grants are matched by state and local governments. Other programs for which additional billions of dollars are appropriated are affected by expenditures for grant-in-aid programs. In the running of this tide, we cannot rest on our oars. Strenuous effort is needed in every state. An equally strenuous effort needs to be made by this Conference. Mr. Chairman, I ask that the report of the committee be accepted and filed for the record.

Governor J. Millard Tawes: I so move.

Governor Volpe: I second it.

<u>Governor Reed</u>: It has been moved and seconded that the report be accepted and placed on file. Is this the pleasure of the Conference? The motion is adopted.*

The next agenda item is a panel discussion on the subject of the States and the federal system. Our panelists today are the Governor from Hawaii, Governor Burns; the Governor from Wyoming, Governor Hansen; the Governor from Florida, Governor Burns, the Governor from Pennsylvania, Governor Scranton. I am going to ask each Governor in order to come to the rostrum to deliver his remarks. Following this, there will

For text of the committee report, see Appendix VIII.

be an open discussion and exchange of information.

I would first like to call to the rostrum our first panelist, the Governor from Hawaii, Governor Burns.

Governor John A. Burns: Mr. Chairman, to begin this discussion on the States and the federal system, it may be in order to take the question in its context. The United States federal system is an involved network of fifty separate States and their counties and subdivisions. Any discussion of state relations must be made within the total perspective. The federal system in the United States has not been a static pattern of intergovernmental relationships but rather has displayed its nature and its excellence through the ability to adapt to changing conditions. The evolutionary character of the relationship has been and continues to be a shift from relative simplicity to complexity. The underlying concept is well expressed in an oft-cited post-Civil War Supreme Court decision, in which it was observed that not only can there be no loss of independence to the States through their Union and under the Constitution, but also that the preservation of the States and maintenance of their governments are as much within the design and care of the Constitution as the preservation of the Union and the maintenance of the national government. The Constitution in all its provisions looks to an indestructible Union composed of indestructible States. Although we are concerned here, as such, only with relationships between the States and the national government, these relationships are intertwined in the web of interstate, regional, federallocal, state-local, inter-local and inter-agency relationships. In recent times, just as reforms and progressive steps were getting under way in state governments, the national crisis of two world wars and a great depression swung the balance in favor of national government at the expense of the role played by the States. The crisis subjected the States to burdens and responsibilities which they were unable to discharge adequately. As a result, a number of indictments have been lodged against the States, among them: that the States are not homogeneous entities from an economic standpoint; that the States are in a position of relative fiscal weakness; that the States are basically weak in policy formulation; that lack of responsible political parties is a serious handicap to effective state government; and that the States have a poor sense of identification with many aspects of public life and the welfare of all who live within their jurisdictions. But the point should be made that the States are still important. During the post-war years, in fact, state and local government grew at a faster rate than the federal government. Between 1946 and 1963, state and local expenditures multiplied by more than five times-from fourteen billion to seventysix billion dollars-while federal expenditures rose from sixtysix billion to one hundred nineteen billion dollars.

The needs of growing and shifting populations are generally felt first by state and local governments. However, to pay for public services-transportation, welfare, health, housing, recreation and, above all, education-the States have been increasingly aided by federal grants, guidance and initiative. The federal grant-in-aid is a way of life for the States. There were 80 grant-in-aid programs by the end of 1964. Of these 80 programs, 57 have been established since World War II. This illustrates the trend of changing relationships between levels of government and the trend has increased since 1964. There is some feeling that with this proliferation of aid programs and the resulting complexity of intergovernmental relationship, the States are frequently relegated to the role of a silent partner or even bypassed as a governmental entity. As a result, many States have established their own liaison officers in Washington to stay abreast of developments involving federal-state relationships. There are signs also of increasing awareness in Washington of the need to bring federal-state relationships closer together or at least to promote greater understanding of the problem. The President has designated former Governor Farris Bryant, Director of the Office of Emergency Planning, as his ambassador to the Governors. Governor Bryant's effort to carry out this assignment has been, in my judgment, most commendable. Congressional recognition of the problem has meant the introduction of the Intergovernmental Cooperation Act of 1965, which has passed the Senate and is now before the House. This bill would provide more effective executive control of grant programs at the state level. And it may be timely for this Conference to reaffirm our support of this act. But perhaps the most effective means of achieving the desired end of having a stronger voice in Washington is to start at the source from whence each of us seeks to assert this influence. It may be appropriate then for the States to take a closer look at their respective executive structures. The thought is offered that dispersed authority of the executive branch in some jurisdictions may be at the root of the loose relationship with Washington and the charge that the States are being bypassed in federal-aid programs. It is suggested that a stronger voice in Washington may be achieved by first streamlining those executive branches and by placing relatively autonomous agencies in state government under the direct supervision of the chief executive. The "little federal system" adopted by some States, wherein the Governor and the Lieutenant Governor are the only elected officials in the executive branch with full responsibility for the State's administration, may be a desired goal for all of us. A recommendation from an outside body would lend impetus to

this reform movement. If this can be accomplished, it should then follow that the States would be able to more fully and effectively assert their sovereignty.

<u>Governor Reed</u>: Thank you very much, Governor Burns, for that interesting report on the States and the federal system. Before I introduce the next speaker, I would like to make one announcement. It is in reference to the special briefing team that the President is sending to Los Angeles to address us in Executive Session this afternoon, in the conference room immediately following the Report of the Committee on Public Safety. Our next speaker on the States and federal system is the Governor of Wyoming, Governor Clifford P. Hansen.

<u>Governor Clifford P. Hansen</u>: Mr. Chairman, we here can agree, I am sure, that the excellence and continuing viability of the federal system are dependent upon effective state government. Americans historically have had greater faith in government close to home, and have viewed with mistrust the growth of ever more centralized, ever more distant and impersonal government. As Governors, we are very much aware of our responsibility to do all we can at the state level to meet the needs of our people.

In my own State of Wyoming, we find that federal programs are often not adapted to our needs. Matching requirements sometimes result in a State's using tax monies for a matching program in order to get maximum federal benefits, when without the pressure of those requirements, we would be better advised to use that local money to meet a need greater than or different from the need that will be treated by the federal solution. As a consequence, we have previously recorded our belief that categorical federal aid is not a satisfactory method of financing these federal programs within the States. Greater latitude should be given state administrators in implementing programs so as to fit specific needs, through the device of general, noncategorical aid. Unquestionably, we need better liaison between the States and the federal government. The States should be consulted earlier by the Congress in considering legislation that undermines the authority of state governments, while at the same time impressing upon them new burdens of administration, coordination and enforcement.

Peter Drucker predicted in <u>Harper's Magazine</u> last year that "the focus of domestic politics is likely to shift to two new areas: the metropolis and the school." We are seeing that happen. These are areas that respond well to local experimentation. They provide the opportunity for innovation at reasonable cost that can be found only at the local level. Now, with the reapportionment of state legislatures, any previous questions as to the responsiveness of state government would seem to be well on the way to solution. Thus, the States are in a better position than ever to accept and discharge their responsibilities, except for one obstacle: It seems to me that the one thing that looms over all our problems of rapport and communication is still the question of the imbalance of revenues.

With the levying of a federal income tax, the Congress hit upon a flexible and lucrative revenue measure that has been imitated by more than half the States. There is little question, however, that the federal government can collect those taxes at a much lower administrative cost than can any State. You will recall that last year at Minneapolis, we endorsed a study of the proposal made in 1964 for sharing of federal tax revenues with state governments, as a method of enabling States to accept more responsibility in providing needed services-a method which would also tend to decrease the trend toward complete federal domination. Last October, Senator Javits of New York introduced a bill which would establish a "Tax-Sharing Fund" in which one per cent of the aggregate federal taxable income from individuals would be deposited; and beginning in July, 1967, the fund would be allocated to the States, primarily on the basis of population, per capita income and the States' own revenueraising effort. The funds would be available for use in health, education and welfare programs, with a minimum of federal supervision.

It is my belief that if state and local governments are to meet their responsibilities as they should, it is both proper and necessary that they share more realistically in the tax take. It does not seem to me that setting up another Washington office is the answer to the problem. There would be little benefit derived from adding another structural layer to the present arrangement. If that office were to represent all fifty of the States in any matters of importance—and why else would we want to establish it?—the idea that all Governors should agree on a unanimous approach opposes our basic assumption that among the fifty of us there is a variety of needs, of views, of problems. I see little merit in establishing an office to proclaim our unanimity, when one of our primary problems is the very differences that make us dissent from the idea of monolithic federal solutions.

It is my belief that a number of improvements can be made within the present structure. We can make better use of The Council of State Governments, of the Advisory Commission on Intergovernmental Relations, and very possibly of our own Congressional delegations. We cannot abdicate our own duties and responsibilities with the excuse that the federal government is moving in and taking over. With an eye to economies and efficiency, to progressive, responsive administration, we can make improvements at home, in our own States.

<u>Governor Reed</u>: Thank you, Governor Hansen, for your excellent report of this important subject. Our third panelist this morning is the Governor from Florida, Governor Haydon Burns.

Governor Haydon Burns: Mr. Chairman, my fellow Governors and ladies and gentlemen: There is considerable repetition in my prepared remarks as to those that have preceded me. Rather than to dwell on repetition. I would select these few moments to point out a slightly divergent view from those that have been expressed. Certainly, the complexity of government is growing day by day. There was the day when we could depend with greater certainty upon our representation in Congress to carry out our missions and in expediting problems of federal administration. Today, the halls of Congress are so overburdened that the members are virtually in a year-round session. Our Senators and our Congressmen and their staffs find themselves pushed to the limit just in trying to keep up with proposed legislation and trying to lend their talents to make it equitable and effective. And so we have lost in recent years a very valuable adjunct in the relationship between state and federal governments. We at the level of Governors are obviously the executive branch of government. Our relationship quite properly should be with the executive branch of the federal government. We should also tend to make our wishes and our recommendations effectively known in the halls of the national legislature. As we complain repeatedly about the encroachment of the federal government upon the States, I wonder if we are not doing our complaining in our respective States rather than at the place where it would be really effective? I suggest that there could be independent efforts on the part of the several Governors that could effectively result in the recognition of the chief executive's office at the state level. And through this, we could eliminate the bypasses that have become so evident in so many of our purposes- in the areas of welfare, education and in many other areas that not only bypass state government but in some instances bypass government in its entirety. I believe if we were to concentrate our individual efforts in a coordinated manner, not as an organization, but by making our views known through our proper avenues, our own delegations to Washington, that in time much of this could be corrected. We heard one speaker at our Executive Luncheon yesterday allude to some programs that come under his department. As we are knowledgeable of the complexity of these programs, we can readily see that the administrative branch at the Washington level has a challenge and a problem of which few men are capable of meeting. Thus, as we see our respective needs, I think it behooves us to move independently to see that these needs are met, either through existing programs and existing legislation or through the advocating of that which specifically and more appropriately meets our requirements.

<u>Governor Reed</u>: Thank you, Governor Burns, for your report and comments on the subject at hand. Our fourth panelist at this session of our program is the Governor of Pennsylvania, Governor Scranton.

<u>Governor Scranton</u>: Our federal system of government has during the past few years been the subject for much concentrated thought by scholars, journalists, politicians, and ordinary people. "Federalism" has become almost as popular as motherhood and the Fourth of July among institutions that all of us defend. At the same time, there has been a good deal of private and some public—skepticism over the federal system's ability to endure. A nationally celebrated television commentator has happily proclaimed the "decline and fall of the fifty States," and just the other day, James Reston, writing in the <u>New York</u> <u>Times</u>, declared, "The Governors of the American States almost sound these days as if they were going the way of the modern kings."

What is the true situation? During the thirties and forties, state governments were sleeping giants. Washington began preempting their responsibilities. But now the giants have awakened. Most state governments have shown tremendous vitality during the past ten years-far more than ever in their previous history. In that period, expenditures for state programs have increased at a rate almost double that of the domestic expenditures of the national government. States have begun to display a capacity for making institutional reforms in their structures. and a willingness to increase activity in their traditional functions and to take on a vast area of new ones. Education, transportation, conservation and recreation, human services, housing, and increased aid to cities, to name a few, have all been vastly accelerated. In my opinion, the need for the federal system of government in the United States is greater today than ever in our history. To be sure, it was extraordinary vision on the part of our forefathers that established "Federalism" in our Constitution, but far more important today is the practical need for a successful and efficient system of government in this modern age.

The United States is expanding at the greatest rapidity in its history, both economically and population-wise. The predictions for the coming generation and century are prodigious, almost beyond the grasp of our vision and certainly beyond our practical calculation. To have efficient government under such conditions demands that all three levels of government-local, state and national—work well, efficiently, without waste and duplication or overlapping. This is why federalism is so important today, not just because it is an American tradition. The need to put our governmental house in order on all levels is now acute. This need cannot be met nor the problems of people solved by the States alone. We must work these out within the combined structures of the three levels of government—local, state, and national.

And that brings us directly to where we are today and what must be done now. Strictly on the state level, many state constitutions desperately need revision and reform, and this is and should be a first order of business. Further, States must give far more attention to their metropolitan regions than they presently are and have the courage to do things for those areas and in many other fields that we have been reluctant to do in the past. Of all our problems, perhaps the easiest to solve is the need for improved relationship between the State and its local governments. Yet even this will require much dedicated and enlightened effort. Recently my own State established the first Cabinet-level Department of Community Affairs in the United States. We have now a direct voice for local government within the highest councils in the State, and we expect that both levels of government are going to be significantly strengthened by this innovation. I recommend this to all of you.

But the relationship between the state and national governments is more complex and even more crucial to the healthy use of our balanced system of government. There are some efforts that could be made immediately by States to help on this. For example, most of us are attempting to establish a means for central coordination within the state government for the implementation of federal programs. This has been tried in various ways within different States; in time, we will find the best method. Also, a number of States have established offices in Washington, for their selfish interests, yes, but also to help coordinate federal-state programs. In addition, we should do much more than we are doing in the halls of Congress on legislation that seriously affects state government. A very successful recent effort in this regard was accomplished by our working together on the Unemployment Compensation Bill in the House of Representatives. But in essence, there are three main problems with regard to federal-state relationships:

1. The fiscal needs of the States demand new thinking and new methods in federal-state revenue sharing. The Governors' Conference has been working on this for some time, and our Special Committee reports today, so I shall not dwell on this subject except to say that if and when a satisfactory fiscal relationship is worked out between the States and the federal government, as helpful as this would be, it will by no means solve all the problems inherent in our governmental relationships.

2. The fact is that many complex and difficult administrative problems have arisen. Some of these problems are pressing urgently upon us right now. The federal government very recently began to launch a basically new kind of program that will have a very significant influence on federalism. These programs are called "developmental programs" because they provide for comprehensive development of specified areas. They are unlike conventional federal programs, most of which either supply funds or offer direct services. They are designed to have a maximum effect in bringing about improvement of a whole region or area of society. These programs may have very beneficial results for our people. They may go a long way in providing, not specifically better education or better medical care, but better all round existence. It is obvious they will have a great impact on the state and local governments in the areas in which they operate. Unless the programs are carefully structured, and unless there is considerable tact and willingness to cooperate at all levels of government, there is bound to be a good deal of confusion-in fact, there already is-with resulting ill effects on the programs themselves as well as on state and local government. So far, four of these programs are on the books-Appalachia, the Economic Development Program, the Housing and Urban Development Program, and the Economic Opportunity Program. A fifth, the Rural Community Development Program, is in the offing. All of these programs have considerable involvement with state and local governments. All of them are spawning hosts of bureaucrats with whom our own officials will have to deal. The disturbing thing, from the standpoint of the States, is that all of these programs are set up differently. There is no uniformity in the geographic regions through which they are administered, and each approaches state government along its own separate channels. This creates a geographic jigsaw and an administrative nightmare. Recently, the representatives of the States participating in the Appalachia program discussed this entire situation. The staff members, our representatives, unanimously requested that I immediately bring to you the need for action by the Governors-to see to it that the States obtain the right to coordinate these federal "developmental programs" through common geographic areas and a single administrative agency. This does not of course mean that the programs should be combined in Washington. Each has its unique goals and its particular techniques. But in the field, where contact is made with the state and local governments, we are going to have a much more efficient operation of all the programs if their work is coordinated. The alternative will not only be bad for the programs. It would be very bad for state government as well. Our officials would have to learn at least five different sets of ground rules. Our regions would be swarming with federal bureaucrats, often competing with each other. I suggest that a conference with the White House be held to iron out this entire problem. I hope the Governors' Conference will authorize our Committee on Federal-State-Local Relations to arrange such a meeting with the President and with other concerned federal officials. I shall make a motion to that effect at the conclusion of this presentation. Hopefully, this will solve the problem of the developmental programs. This is but one pressing example. We have many immediate administrative problems. They must be solved for federalism to survive and do its job in this modern era. And there will be many more.

3. The problem of revenue sharing is acute. The problem of administration of present programs is equally acute right now. In addition, there is a third area in federal-state relationships that demands our best thinking and our best efforts. In the long run, it is the most important of all, and the most difficult: What should be the guidelines for the future course of federalism? What should local government do? What should state government do? What should the national government do? Guidelines are essential so that once we put our governmental house in order, it doesn't get out of line again. Government of some kind is going to address itself to the needs of our people from now on in more and more areas. It already is moving in where it never was before, and the demands of people continue and indeed accelerate. Control of air and water pollution, restoration of natural beauty, the elimination of poverty, are recent additions-still just in their beginning stages. Because of its superior financial resources, the national government is certain to be drawn into many of these future efforts. But if modern government is to do the best possible job for America, the States and localities must continue to play their roles. It is worthwhile to remember that of the great federal programs launched during the Progressive and New Deal eras, the ones that have best endured-Unemployment Insurance, Old Age Assistance, Vocational Training, the Agriculture Extension Service-have been those that are administered through the States. The programs run directly from Washington-NYA, CCC, PWA-have with few exceptions perished.

The federal government is no ogre. The state governments are not pipsqueaks. Neither is motivated primarily by lust for power. All levels of government have a common interest in fulfilling the needs of the people with maximum efficiency and effectiveness. Therefore, besides our work on revenue-sharing and the additional suggestion just made about present administrative problems, I suggest that our Committee on Federal-State-Local Relationships work to develop the establishment of guidelines for an effective federalism in the future. The time is now-to give our best in minds and our best work to this modern important governmental problem that confronts America.

<u>Governor Reed</u>: At this time, Governor Scranton has a motion. I will ask him to present it to you.

<u>Governor Scranton</u>: Mr. Chairman, I move that the Advisory Committee on Federal-State-Local Relations be instructed by this Conference to meet with appropriate federal officials for the purpose of clarifying for the state and local governments the administration and implementation of "the development programs," especially as to geographic areas and administrative agencies involved. The purpose of this motion is so that we can move to try and head off an administrative problem for us and at least talk with the federal government about it. I have the support of all twelve States of the Appalachian Program.

Governor John Dempsey: I second the motion.

<u>Governor Reed</u>: It has been moved and seconded that this motion receive passage. Is there any discussion? If not, all those in favor will say."Aye." Those opposed? The motion is carried.

I will alter slightly the arrangement of the program because I feel that the report of the Special Study Committee on Revenue Sources of State and Local Governments is so closely related to the States and federal system that it would be helpful to have this presentation from the chairman, following which we could have general discussion on all five of the presentations.

At this time it is my pleasure to present the hard working chairman of this special study committee. No committee in our Conference this year worked harder. I am happy to present the chairman, the Governor of Michigan, Governor Romney.

<u>Governor Romney</u>: Thank you, Mr. Chairman. You have before you a copy of our committee report and if you will turn to it, I can save a lot of time.^{*} I might say by way of preface that this report was approved unanimously by all members of the committee. We met yesterday, as we have met previously in the year, and this was approved unanimously by all members of the committee. The committee considered the following broad subjects: the state-local fiscal situation; possible solutions; policies and objectives; and recommendations. The state-local fiscal situation involves problems of the States. The States have been in a tight financial squeeze during the past fifteen years, and, as we know, the outlook is for a continued squeeze. Moving

For text of the committee report, see Appendix XVI.

on, there is also a section on state-local revenues with the figures that are pertinent to that situation. You then come to a section on state-local debt and a section on federal aid. These give you the basic financial picture with respect to revenues for state and local governments. Federal financing is then dealt with and there is a projection of state expenditures. In that projection we have undertaken to deal on the basis of a study made by an outside group in which we had sufficient confidence to include their figures. And beyond those previously dealt with, including increased urbanization and discussion of things related to the problem of increased urbanization, a section then on higher standards and to upgrade public services, which you can glance through faster than I can read it. After enumerating some of those programs, we come to the possible offsetting factors: a reduced birth rate; new cost control methods to increase government efficiency; scientific advances to save money, such as mental health care; federal welfare aid, as in the case of Medicare, which may reduce state-local welfare spending; smaller rates of increase in required capital facility requirements. You then find a section on the elasticity gap-the difference between the growth in the Gross National Product and the income of the state and local units of government.

The next section deals with possible solutions. We dealt with all of the basic possible solutions, as indicated by points 1, 2, 3, 4 and 5. We rejected the fifth one: the federal government could relinquish certain taxes, so that the States could assume them. We rejected that because we think the opportunity for that is pretty well over in light of what has happened in the excise tax reduction.

There are two mechanisms which might improve efficiency in state tax collections or federal-state tax relations. One is federal collection of state taxes. And the second one is federalstate consultation in initiating and administering federal-state programs, which has already been extensively discussed by members of the previous panel.

We recognize that most future needs described in this report are logically the responsibility of state and local government, and that state and local governments must meet these responsibilities. We are not suggesting programs here that are intended to remove from us the primary responsibilities in this field.

1. We think the States must be prepared to meet part of the need through raising additional revenue.

2. Constant efforts must be made to reduce expenditures through more efficient administration.

3. Part of state needs can be met by increased borrowing, especially for capital improvement projects.

4. The States must see that additional revenues from both state and federal sources are fairly apportioned among the state and local governments.

You then find a section on policies and objectives. I would like to review those.

1. Federal-state consultation in the development of national programs affecting state-federal relationships and responsibilities.

2. Greater freedom in state-local employment of federal funds.

3. Maintaining state responsibility for local government.

4. More adequate methods of meeting state-local revenue needs.

5. Strengthening state responsibility in order to maintain the federal system.

6. Increased efficiency in the expenditure of available federal revenues for public programs.

7. Increased efficiency in the collection of revenues.

8. Coordination of functional responsibilities among units of government to assure to each function an adequate level of total expenditure while avoiding inter-level fiscal competition.

The final section of our report contains specific recommendations, as follows:

1. The federal government could distribute funds to the States based solely on the amount of federal individual income taxes collected in the States; or

2. The federal government could distribute a portion of federal income tax collections to the States on a formula based on such factors as population, tax effort and tax capacity.

By way of comment, this alternative would provide revenue while allowing States considerable flexibility in expenditure. There would be, however, some dilution of state responsibility in tax administration. The less wealthy States would tend to benefit more under (2). The committee places top priority on the tax sharing approach.

The next is the tax credit approach. Under the tax credit device, federal law would allow the taxpayer to take credit against his federal income tax for a substantial percentage of his income, sales or other state taxes. Under this system each State would levy and collect its own taxes, taking advantage of the fact its taxpayers can receive credit against the federal tax.

Now, the tax credit device, if enacted by the federal government, would allow States to increase their own taxes without increasing the burden on the taxpayer and without harmful interstate competitive effects. This solution meets the objective of providing revenue while leaving maximum responsibility and flexibility in the hands of the States.

Next we considered federal assistance in state tax collections. We think the state tax collection might be improved, where the income tax is used, through central collection. The State would add a percentage to the federal income tax collected in the State, to be collected by the federal government and turned over to the State. This particular approach would not necessarily be a method of raising additional revenue.

The next thing we felt should be considered is the improvement of federal grant programs. Categorical grants have traditionally been accompanied by federal supervision over state decision making and administration. We recognize the probability that additional grant programs will be enacted in the future. We urge that any new grants <u>not</u> be enacted by categories, but rather that block grants be used. Block grants do not adequately meet all our objectives, but are preferable to categorical grants in that more discretion in allocation of funds is left to the States and we believe more effective use will be made of the funds available.

We recommend increased consultation between federal and state governments in initiating and administering federal-state programs. Federal grant programs are usually enacted without adequate consideration of state needs and administrative practices. A mechanism should be established or existing mechanisms utilized for systematic consultation so that state requirements are given proper attention. I do not believe that these complicated programs, including federal-state-local participation, can be soundly developed without meaningful consultation on the part of the Federal Administration as well as the Congress itself.

Our fifth and final recommendation is that the Special Study Committee on Revenue Sources of State and Local Governments be continued and that the committee be directed to represent that National Governors' Conference in its efforts to implement the recommendations contained in this report. Specifically, the committee would be directed to promptly seek the appointment of a presidential task force on revenue sources of state and local governments to work with the Special Committee of the National Governors' Conference; we would be further directed to work with the United States Congress and its appropriate committees toward securing statutory implementation of these recommendations; and the special committee would also be directed to report to the 59th National Governors' Conference its progress and any additional recommendations or actions that may prove necessary. Mr. Chairman, I would like to move the approval of the guidelines as outlined here for dealing with this problem and the continuation of the special committee with the authority indicated in the text.

I want to express personally my great appreciation to Governor Brown of California, Governor Avery of Kansas, Governor Evans of Washington, Governor Guy of North Dakota, Governor Hoff of Vermont and Governor Sanders of Georgia. They may have additional comments. But in any event, I move the approval of our recommendations as indicated.

<u>Governor Reed</u>: Thank you. Do I hear a second to the motion?

Governor Hoff: I second it.

Governor Reed: Thank you for your tremendous application and effort and determination in heading up this important committee this year. It has been moved and seconded that we adopt the guidelines as outlined in this report of Governor Romney's. Is there any discussion? The chair recognizes the Governor from Kansas, Governor Avery.

<u>Governor Avery</u>: Mr. Chairman, I would just like to direct the attention of the Governors present here this morning to the seriousness of this whole problem. This comment was suggested by the <u>Wall Street Journal</u> this morning, which says that the House Committee is probably going to recommend and the House will pass the Willis Bill on state taxation substantially as it has been prepared. Now, the only reason I mentioned this is that I don't know of anything that we were more forcefully together on than we were in our opposition to the Willis Bill. But yet we read this morning that it may be passed. So if we are going to be confronted by this sort of thing, I think it points up the very immediate necessity of following through on the subcommittee's recommendations on this matter of fiscal resources. And I would urge the adoption of the motion by the Governor from Michigan.

<u>Governor Reed</u>: The chair recognizes the Governor from Pennsylvania, Governor Scranton.

<u>Governor Scranton</u>: Mr. Chairman, I am very much in favor of the recommendations here, but I would like to raise one subject which I think we ought to consider. In this specific motion that is made here, we talk about "the committee would be directed to promptly seek the appointment of a presidential task force on revenue sources of state and local governments to work with the Special Committee of the National Governors' Conference." This, I think, is excellent. What I would like to point out to you is that our Advisory Committee on Federal-State-Local Relations should have the same type of arrangement. It would be very helpful. I point out to you in Governor Romney's committee recommendation the fourth one: increased consultation between federal and state governments in initiating and administering federal-state programs. And I think this rightfully would belong to that type of committee.

Governor Reed: Thank you, Governor Scranton.

The chair recognizes the Governor of Nevada, Governor Sawyer.

Governor Sawyer: Mr. Chairman, I, too, want to commend the committee. This is an excellent job and one that we have been struggling with for a long time. I am concerned, however, about one portion of the report of Governor Romney's and this may be a local concern, although I do not believe it is. The tax credit plan in the report is, I believe, identical to the one issued by the Advisory Committee on Intergovernmental Relations last October. I assume that that report was considered by this committee. That report concerned itself with the matter of a state income tax which we do not have in Nevada. The people in my state are very strongly opposed to it. I assume that you used this report. Last year this Conference adopted a resolution noting that the federal government is collecting seventy cents out of every tax dollar and asking for a return of some of this to the States. I supported that proposal. I think it is valid today. That is why I strongly support the committee's emphasis on revenue sharing. Now, there may be some instances where the States have not met their tax responsibilities. I am sure there are. But I feel that on the whole the American people are being taxed enough and, certainly, the tax structure of the respective States should be left to the States. There are exactly fifteen States that do not have an income tax. There are three western States that do not have a personal income tax. Your tax credit plan would force all of these States to impose a personal income tax. I think that these other States that do not have personal income tax feel, as we do in Nevada, that if we want to do so we want to do it voluntarily. We do not want to be forced into it by any such proposal as this. There is no justification, in my opinion, for forcing the States to bear the administrative cost for raising and instituting new taxes and inconvenience its citizens, or to blackmail the States that do not have a personal income tax. So I object only to this portion of the recommendation. I think the rest of the report is excellent. I note, Governor, that you are strongly recommending revenue sharing, which I agree with, and you are also specifically recommending that the study committee be continued and certain other things be done, that this matter be considered. I would want to state now, if I may do this, that I strongly would oppose tax credits under any section.

Governor Reed: The chair recognizes the Governor from Michigan, Governor Romney. <u>Governor Romney</u>: By way of clarification, your situation in Nevada does not greatly differ from our situation in Michigan, as far as personal income tax is concerned. We do not have a personal income tax in Michigan. It has become a highly controversial subject in Michigan. I think, if you will take a look at this recommendation, you will see that we do not limit ourselves to tax credit on the personal income tax. We purposely include sales and other state taxes because we, in our deliberations, intended that there should be a choice on the part of the States in the case of the tax credit approach and they should not be put in a position where their only approach is the income tax. If we only were recommending the personal income tax, then, I think, what you have said would be valid.

<u>Governor Reed</u>: The chair recognizes the Governor from California, Governor Brown.

Governor Brown: Mr. Chairman and my fellow Governors: Two years ago, in an article in Harper's Magazine, I outlined my proposal for a Council of Governors as a new instrument in federal-state relations. I suggested that this mechanism could serve as a sort of domestic hot line over which we Governors could send and receive suggestions and criticisms on a wide range of subjects before rather than after federal policies have been established. And now, today, Governor Scranton spoke of these five different bureaucracies that will be created as a result of federal action. I believe the States need a better voice in developing federal programs in which the States frequently have the administrative responsibility. Of course, we have our Congressmen and they are very jealous of any interference with their work in Washington. But I believe that, particularly in the larger States that are so diverse and divided, as the nation itself, the Congressmen must be primarily for their districts and they rarely can speak for the whole State. Only the Governor, among state officials, represents all elements of the State-cities and farms, suburbs and slums, rich and poor.

I propose, therefore, that a Council of Governors be established to give the nation's Governors a needed voice in the nation's affairs. The precise mechanism is certainly open to argument and refinements, but I suggested that the members be named by the President so that it would have that executive symbolism so as to make it official. I do not intend to offer any resolution on this at this Conference. But I certainly believe that everything that has been said here today indicates that there should be some official body that will work with the President of the United States directly to see that there is some consultation with the Governors. I think if we had done this two years ago and had this commission, we might have made more progress. I spoke to President Johnson about this and asked him what he thought. He told me that he would like to look into it but he was a little bit concerned as to the appointment of the Governors by the President, that this might be resented by the Governors' Conference. So unless there is some official move, either at this Conference or at a later one, I do not think any President will take the initiative of doing this. I just throw it out to you. I still think it is just as good an idea as when I presented it in Harper's Magazine two years ago.

<u>Governor Reed</u>: The chair recognizes the Governor from Washington, Governor Evans.

Governor Daniel J. Evans: Mr. Chairman and fellow Governors: This is only the second National Governors' Conference that I have attended. But I have had some opportunity to read the reports of the previous Conferences. I have heard several Governors this morning remark on the problems of the individual States and their relationship with the federal government-especially the problem of shortage of funds to take care of the growing needs. We have talked about this problem for years. We have petitioned. We have begged. I think we have just about talked ourselves to death. Grants-in-aid and their rapid growth at the federal level have led, I think, to an imbalance in the proper relationship between federal and state government. Federal control must of necessity be imposed on the basis of the lowest common denominator, without sufficient regard for the wide variance between States. The existence of federal "minimum standards" applied to the administration of programs has detracted from state efforts to individually seek greater quality and higher standards. I think the excessive mandates exercised by departments of our federal government, perhaps not at cabinet level but down where the jobs are done, make these programs rigid where they should be flexible. I think the grants-in-aid, principally through the matching funds device, have had the effect of distorting priorities of need. Perhaps the most important thing is that these programs have dealt more and more directly from the federal government to individual communities, to cities and to local governments. This has permitted the splintering of local government and is helping to destroy the effectiveness of local and state governments.

I think one of the important roles that state governments could play and ought to play is in coordinating and trying to bring together local governments to work on a regional or an area basis. We have talked about this for too long and I think the time for action has come. I have searched for some months now as to how some effective action might be taken. I think there is one way Governors can effectively initiate action that would result in the prime program that Governor Romney's committee has proposed. I have a statement laid in front of each Governor that indicates how the States can initiate a call for a national constitutional convention, which in turn could insure the return of a share of federal income tax money to the individual States. I recognize that this is a drastic procedure but I think the time perhaps has come for the sort of action that would emphatically indicate to Congress and the present Administration that the States do mean business. So I lay it before you and hope that there will be some discussion.

<u>Governor Hoff</u>: I think in our action to get at the central core of federal-state relationships, we are wandering somewhat from the specific report that is now before our Conference. I would like to suggest that we vote on Governor Romney's report and then I think it would be in order to speak of the proposals by Governor Brown and others. But at this particular moment I think we are going rather far afield.

<u>Governor Reed</u>: The pending question is on the motion of Governor Romney that we adopt the guidelines as presented to us in his report. Discussion is in order with respect to that. The chair recognizes the Governor from Hawaii, Governor Burns.

<u>Governor Burns</u> [Hawaii]: I want to note a very grave reservation on the proposal. In my own State, the counties were obtaining money from the tax monies levied by the State. This had a net effect of breaking down responsibility of the counties. The legislature changed this and is giving taxing power to the counties to raise their own funds and spend their own funds.

Governor Nils A. Boe: Mr. Chairman, I would like to concur with the remarks made by the Honorable Governor from Washington. I think it is time, as the Governor from Washington has stated, that we take a practical and realistic approach to this problem of ransacking the pockets of the American taxpayer. I have been only at two National Governors' Conferences. but have also attended our Midwest Governors' Conferences. And it seems that we have enunciated platitudes of this same character at every meeting and we have gone back to face our taxpayers and say that we have tried. It is about time, Mr. Chairman and fellow Governors, that we do take some action and that we implement the policies enunciated from time to time at each of our meetings. We say, as Governors, that we should take affirmative action, that we should be leaders. I would suggest that we give further consideration to the recommendation made by Governor Evans and that we go to our own legislatures and to the people of our own States and ask them to declare themselves as to whether they would like an amendment to the Constitution of the United States guaranteeing to the taxpayer the right to the return of some of the money that is taken out of their pockets.

Governor Samuel P. Goddard, Jr.: Mr. Chairman, I, too, would like to express a great deal of appreciation to the committee for a fine job of exploring a very difficult matter. The States are all facing difficult financial responsibilities. Our people in Arizona have accepted a very high rate per capita of state taxation. We are at the same time attempting to reorganize our government so that we can assume greater responsibility and efficiency in trying to achieve our state needs. We, too, have come to the point of near desperation in searching for fund sources. However, I share Governor Burns' apprehension. Our States are immensely diverse in their various legislative processes; they are diverse in the ways that they apply their funds; they are diverse in the ways that they are developing. I submit it would be a grave responsibility to transfer to any State a sum of money, simply taken from federal collections, that has no basis in state responsibility. I am somewhat dismayed by those who advocate a strong federal system on the one side and then on the other side turn toward a rather collective idea which would in essence, I think, if we examine it thoroughly, lead to less state responsibility and possibly contain the seeds of destruction of the federal system, which, I think, we are all dedicated to develop and encourage.

<u>Governor Warren E. Hearnes</u>: Mr. Chairman, there is no amendment on the floor which pertains to the ideas proposed by Governor Evans or Governor Boe. I certainly would not want to see the possibility of the report being rejected with this type of amendment although I agree wholeheartedly with the gentleman who suggested it. I want to say that I disagree with the views of the Governor of Arizona and the Governor of Hawaii that any return of funds by the federal government would lessen the responsibilities of the States. I think in theory the argument which they have proposed sounds good but in practice it just won't work out. We do the best we can and work for the welfare of the State. This is one means and method that we can achieve. I certainly support and urge the adoption of the motion of the Governor from Michigan.

<u>Governor Henry Bellmon</u>: Mr. Chairman, I would like to agree with my colleagues from Hawaii and Arizona. Most of our States seek to balance the budget. In contrast, at the national level, the Congress is free to write programs and not be concerned about how they are paid for. I believe that we at the state level ought to be raising our own funds and not become dependent upon the federal government for money we use for our state government.

<u>Governor Reed</u>: Governor Romney, would you repeat your motion in the exact words so every member will be clear as to what he is voting on? <u>Governor Romney</u>: Let me comment on the basic points that have been made and preface it by saying that there are alternate guidelines presented here. The final recommendation is that the committee be continued for the purpose of exploring this further and report back to this Conference. Now, with respect to Governor Brown's recommendation for a Governors' Council, the exploration of this matter is covered in the report and it is contemplated that the committee would explore this possibility further. Regarding Governor Evans' constitutional amendment proposal—the committee considered that. We felt at this time, rather than to take a firm position on the proposal, that we ought to explore the possibilities of statutory action, and then the committee would be directed to report to the next National Governors' Conference its progress and any additional recommendations or actions that may prove necessary.

Now, as to Governor Burns' reservation and the reservation stated by the Governor of Arizona and the Governor of Oklahoma, this report and these guidelines do not undertake to resolve the question of whether we should move primarily in the direction of the States being responsible on their own for what they get. The recommendation gives priority to the tax sharing. On the other hand, the tax credit, which is clearly a part of the area to be explored, depends upon the willingness of the States to enact their own taxes and to benefit from the credit given by the federal government as a result of state enactment. I happen to share, basically, this viewpoint-and I don't appreciate having this report referred to as a collectivist report. I don't know of anybody who has fought harder for the strengthening of a cooperative federal system than I have. If you want to give greater priority to the tax credit approach, then you accomplish what you are talking about through state action. On the other hand, if you want to support the tax-sharing approach, you give the priority there.

I think we are going to continue to be ineffective in this area unless we can at least reach some areas of understanding and agreement and confront the federal government and the Congress with a unified determination of the States to get an equitable sharing of revenues. When you take a look at the erosion of our responsibility for local government; when you take a look at what the cities are deliberately doing to increase grants directly from the federal government; and when you examine the extent to which the federal government is beginning to move into such areas as education—I submit that the Governors of this country as a group better get together here and show that they mean business, or you are going to see state government rendered relatively meaningless in terms of basic policy determination.

My motion is that the Governors approve the guidelines of the report as a basis for the committee being continued, as indicated therein: "It is recommended that the Special Study Committee on Revenue Sources of State and Local Governments be continued and that the committee be directed to represent that National Governors' Conference in its efforts to implement the recommendations contained in this report." Specifically, the committee would be directed to promptly seek the appointment of a presidential task force on revenue sources of state and local governments to work with the Special Committee of the National Governors' Conference. The special committee, hopefully assisted by the presidential task force, would be further directed to work with the United States Congress and its appropriate committees toward securing statutory implementation of these recommendations; and the special committee would also be directed to report to the 59th National Governors' Conference its progress and any additional recommendations or actions that may prove necessary.

<u>Governor Boe</u>: Mr. Chairman, I want to say that I certainly will endorse wholeheartedly the report as made by the committee of Governor Romney. I do not want to belabor the point, gentlemen, but I am very deeply disturbed by the reference being made today—the distinction being drawn between federal taxes, federal revenues and state revenues. It would seem to me that we must recognize that the money comes from the taxpayers' pockets.

<u>Governor Reed</u>: Governor Boe, I will have to interrupt you. I will give you the floor upon the resumption of this discussion. I have just received word that the Vice President is here. I would like to have the escort committee assemble outside the meeting hall to greet and escort the Vice President.

[The Vice President was thereupon escorted into the meeting by the committee.]

<u>Governor Reed</u>: One of the real privileges of serving as Chairman of the National Governors' Conference is becoming acquainted with the highest elective officials in our country. So I feel our Conference today is singularly honored to have the Vice President of the United States here to address us. You will all recall the fact that we were the recipient of his generous hospitality during our 1965 Conference in Minneapolis.

Our guest's career is one of the real success sagas of our times. In climbing the heights to international prominence, he has indeed overcome great obstacles through determination, hard work, great native ability and dedication to American principles. I am certain that everybody in this room shares my pride in having the Vice President here. I am indeed greatly honored to present to the Governors of the United States and to this audience The Honorable Hubert Humphrey, Vice President of the United States.

<u>Vice President Hubert Humphrey</u>: Thank you very much, Governor Reed. I want to thank Governor Brown and this distinguished escort group that was so gracious and kind as to receive me-Governor Chafee, Governor Sawyer, Governor Smylie and Governor King. Distinguished Governors, one and all, Ladies and Gentlemen: First of all, may I say that Mrs. Humphrey and I miss you this year. Our little cottage out at Lake Waverly is in even better shape than it was last year because we had to rush the job for you then. I want to bring you a note of good news since I last saw you. Believing that every family ought to have two cars, I have added to my 1931 model a 1924 Model T. And I can assure you that it runs well. This is out of respect for tradition. It does not in any way indicate my philosophy, I want you to know!

We have been reading with great interest your deliberations. I come here as a friend and as a fellow public servant. I do not come here to expound what you and I might call the verities because that is rather difficult to do. But I do come here to thank you on behalf of a President and a Federal Government who are grateful for your cooperation, your understanding, your willingness to work together as a part of this great American government team. Needless to say, in a free society, such as ours, there are different approaches to common problems. But it is out of that diversity of approach that we find the answer, not the answer to dogma or even doctrine but through pragmatic experience, through trial and error and through the refinements of our approaches. I come here today to report to you as an official of your country on the state of our foreign policy and on the state of our defenses-our national security. I do hope that during the day I might be privileged to visit with some of you on matters that relate to federal-state-local relationships. This whole subject has been very close to my heart and I know that it is the very essence of your administration and of your needs. But let me today confine myself in a reporting session to you.

You are going to have later on, as you know, at our request and by the desire of the President of the United States, an executive briefing by three of the top officers of this government— Ambassador Harriman, Mr. Walter Rostow and General Goodpaster. I can think of no three men in government that can do a better job for you. And, as in the past, I believe at least on two other occasions in the past year or so, you will be given all information, not just part of it—the good and the bad, the sensitive and the nonsensitive, the secret and the nonsecret. It is an everlasting tribute and compliment to you Governors that not once has there been a violation of what we call the executive session. I think this is most remarkable. It is a further compliment to you and one richly deserved, that every session with the President, every meeting that you have had has been one that was helpful to him and, I believe, informative to you and of great comfort to the American people.

This week we celebrated the 190th anniversary of the adoption, in Philadelphia, by the Continental Congress, of the Declaration of Independence. What a glorious day for the cause of man's freedom.

But in the celebration of that day, we should not, I think, lose sight of the events that followed it.

A Lesson on the Long View

The seat of our government moved in those next months from Philadelphia to Baltimore and then to Philadelphia again; to Lancaster to York and back to Philadelphia; to Princeton to Annapolis to Trenton; to New York City and then to Washington.

The Articles of Confederation were adopted in 1777, but they were not ratified by all the states until 1781.

Then, in 1787, delegates from each state were invited to come to Philadelphia on May 14 to draft a Constitution. But it was not until May 25 that enough delegates had arrived to start the meeting-twenty-nine in all. Finally, several weeks later, some fifty-five delegates had arrived, representing twelve states. Rhode Island never did send anybody.

By September 15, it was time for a vote on a draft Constitution. By then, thirteen of the delegates had gone home.

The remaining forty-two argued all day, but they reached agreement. Even then, three of the delegates refused to sign. And it was another three years before Rhode Island finally decided to join the Union.

Well, it all came to something—although it wasn't until 1865 that we really knew we were in business as one nation.

My point is this: We have to take the long view.

I've been told that people who take a long view in public office often take a long rest—at request of the voters.

Yet we live in a world in which the impetuous act, the grasp for short-run gain, the sudden loss of judgment could plunge us all into disaster. And in such a world, it doesn't seem to make much sense to take anything but the long view.

It isn't always so easy to do it. Mention, for instance, Vietnam, and you get a response which makes me think of the lines from Horatius: "Those behind cried Forward! And those before cried Back!"

I am not here to debate with those who cry either "Forward" or "Back" in Vietnam. But I will give my case for why I think Vietnam must be seen in the long view and in the perspective of history.

Coherent, Bipartisan Policy

I believe our present policy in Vietnam to be part of a coherent, restrained and responsible bipartisan American foreign policy that has emerged over the past twenty years.

It is a foreign policy directed toward the building, day-byday, brick-by-brick, of a world of peaceful nations living together in the spirit of the United Nations Charter.

It is a foreign policy that has been successful both in preventing the expansion of Communist totalitarianism and of avoiding nuclear war—all the while working toward the time when political self-determination, economic well-being, and social justice might be more widely enjoyed through the world.

It is a foreign policy that has combined firm resolve in face of international bullying with the capacity to do international business in the cause of peace: resistance to nuclear blackmail in Cuba followed by the Test Ban Treaty; resistance to a Communist "war of national liberation" in Vietnam at the same time we propose a non-proliferation agreement on nuclear weapons and Mekong Valley development which could include a nonaggressive North Vietnam.

It is a foreign policy that has carefully avoided the dangerous courses either of appeasement or of nuclear risk-taking.

Hubert Humphrey is no "status quo" man. He is for change -change to meet the needs and priorities of the times. And I believe our foreign policy has, above all, met the need for change while still remaining true both to principle and national self-interest.

Two Decades of Achievement

The United Nations . . . the Marshall Plan . . . Point Four . . . the Alliance for Progress . . . the Peace Corps . . . the Asian Development Bank . . . the International Monetary Fund and World Bank . . . Food for Peace and Food for Freedom . . . the Nuclear Test Ban Treaty—all these things have come from American initiative since World War II.

Firmness in Berlin . . . aid to Greece and Turkey . . . the founding of NATO, CENTO and SEATO . . . the support of Iran when her integrity was threatened . . . resistance to aggression in Korea . . . the determination that nuclear missiles should not be introduced into the Western Hemisphere-these things, too, have come from our initiative.

In the past twenty years we have provided some \$120 billion of assistance to others. This has included billions of dollars in food-without which millions of our fellow men would have starved. In the past twenty years our armed forces have suffered more than 165,000 casualties on foreign soil.

We have faced the challenges of the past twenty years with the particular measures required to meet them.

During that time we have met many forms of Communist aggression.

In Greece, for instance, we saw the trial run of the war of national liberation—that split-level assault which combines external assistance and direction, from a "sanctuary," with internal subversion. We helped face that challenge.

President Truman and Secretary Acheson were abused for getting involved in a "civil war," as our President has been today.

We were told on the highest journalistic authority that the cause was lost, that the Greek people preferred Communist rule, and that, after all, Greece probably belonged in the Communist sphere of influence. They said we should get out.

But we saw it through and one day the Greek insurgency collapsed. The Yugoslavs, having broken with Moscow, closed the border and stopped underwriting the rebels. And subsequent elections showed the Greek Communists to be in a small minority.

To my knowledge, none of his critics wrote President Truman to acknowledge the courage or wisdom of his policy. Many of them were too busy attacking our stand in Berlin. (Other critics, at the same time, were calling for the launching of a preventive nuclear attack on the Soviet Union.)

In Korea we faced a different kind of Communist threat to power: conventional invasion. We met that challenge too.

There were those who wanted to withdraw from Korea when we were forced back into the Pusan perimeter. There were others who wanted to drop nuclear bombs on Communist China. But we stuck with the difficult middle course and saw it through, and the Communists saw again they could not work their will by force.

Over the next few years we lived with a dozen threats of a "hail of rockets," but we neither fell back nor responded with our own hail of rockets.

Then, in 1962, Chairman Khrushchev tried to alter the basic equilibrium of world nuclear power with his gamble in Cuba.

In those terrifying days President Kennedy, in the cool exercise of measured power, convinced Chairman Khrushchev to withdraw his missiles. Yet he did not fall victim to the temptations either to destroy Castro's Cuba or to press the Soviet Union into a tunnel of no return.

Our point was made and the peace was preserved.

A Position Defined

A year earlier, at the University of Washington in Seattle, President Kennedy set forth, on behalf of the Kennedy-Johnson Administration, what remains the position of the Johnson-Humphrey Administration today.

There are in our country, President Kennedy said, "two groups of frustrated citizens, far apart in their views yet very much alike in their approach. On the one hand there are those who urge upon us what I regard to be the pathway to surrender - appeasing our enemies, compromising our commitments, purchasing peace at any price, disavowing our arms, our friends, our obligations. If their view had prevailed, the world of free choice would be smaller today.

"On the other hand are those who urge upon us what I regard to be the pathway of war: Equating negotiations with appeasement and substituting rigidity for firmness. If their view had prevailed, we would be at war today, and in more than one place...

"The essential fact that both of these groups fail to grasp is that diplomacy and defense are not substitutes for one another. Either alone would fail. A willingness to resist force, unaccompanied by a willingness to talk, could provoke belligerence-while a willingness to talk, unaccompanied by a willingness to resist force, could invite disaster."

Pointing out that "while we shall negotiate freely, we shall not negotiate freedom," President Kennedy concluded "we are neither 'warmongers' nor 'appeasers,' neither 'hard' nor 'soft.' We are Americans, determined to defend the frontiers of freedom, by an honorable peace if peace is possible, but by arms if arms are used against us."

Vietnam Options

It is against this background of twenty years of confrontation, first with the Soviet monolith and subsequently with aggressive national communisms, that the current struggle in Vietnam must-be placed. Like the Greek insurgency, it is splitlevel attack from a sanctuary.

This assult was undertaken in an area which could not have been more unfavorable from the viewpoint of the defense. We could hardly, however, expect the Communists to attack us at a point of our choice nor do we have the option of moving the war to a preferable spot, say an island in the Indian Ocean.

You can get a good many frustrations out of your system by cursing history. But cursing history is no substitute for facing the options that exist in 1966.

There are, most basically, two options: Stay or get out. I believe that getting out could only encourage further Communist aggression in Asia and would jeopardize the integrity of the independent nations of that part of the world.

There are those who suggest that we should stay, but be quiet about it; that we should fight, but not vigorously. I am not sure whether they fully support a half-war, or give halfway support to a full war.

I say that we must stay and fight and work in South Vietnam until we have achieved our objectives—the halt of aggression from the north, the independence of South Vietnam, and peace in Southeast Asia.

President Johnson has repeatedly emphasized—and said again in Omaha only last week—that we have no designs against the sovereignty or territory of North Vietnam.

We seek one victory—self-determination for 15 million South Vietnamese. To seek less would be to abandon these people to the rigid totalitarianism of North Vietnam.

One thing which I think we can all accept-despite the efforts of a small minority to cloud the issue-there is nothing "liberal" or "conservative" about turning 15 million people over to communism.

At state is not merely the independence of the South Vietnamese, but the course of future events in Asia.

For, as the President of Singapore made clear a few days ago to the people of Europe: All the independent nations of Asia feel the pressure from the north; all of them feel they have a stake in what is happening in Vietnam.

I found on my mission to Asia and the Pacific that not one national leader opposed our presence in Vietnam or our role there.

We are fighting in Vietnam to convince the Communists again—as we have before—that the price of aggression comes too high . . . to convince them that just as nuclear blackmail failed and conventional invasion failed, wars of liberation too will fail.

The cost of educating them has been enormous over the past generation, but freedom from totalitarianism is hardly an item for cost accounting.

At the other end of the spectrum, there are those who argue we should get out of Vietnam and rely on nuclear weapons to contain Asian communism.

I frankly confess to you that I can not conceive of a more immoral and potentially disastrous policy.

If we are not able to contain aggression at less than the nuclear threshold, we will continually face in the years ahead this choice: risk nuclear war or capitulate.

It is a choise we do not-and must not-have to make.

Where We Stand

Now, for a moment, let us take stock of where we stand in our latest test in these postwar years.

When I returned from Asia and the Pacific earlier this year, I reported to the American people that I believed we had reason for measured optimism. I believe that this is more true today than it was then.

Asia is astir with the promise of the future. And there are tangible signs of progress.

In April, the Japanese were host to the Economic Ministers of Free Asia at a conference in Tokyo.

And two weeks ago nine nations of Asia formed a new organization to be known as the Asian and Pacific Council.

This organization was formed to strengthen these nations' cooperation and peaceful development, but also—as the final communique put it—"To preserve their integrity and sover-eignty in the face of external aggression."

This is but one of the things that can give us reason for encouragement.

Faced with the Communist pressure, the independent noncommunist states in Asia are today working together to strengthen themselves and to inoculate themselves against future aggression. Old quarrels and disagreements are being pushed aside.

Our allies, Australia and New Zealand, are working with their neighbors in Southeast Asia on a far greater scale than ever before.

Burma is emerging from her isolation.

Japan-our second trading partner-and South Korea, who three years ago were unable to agree on anything, have signed a treaty of friendship and commerce.

Indonesia and Malaysia are today ending their confrontation. The Communist thrust for power in Indonesia has been crushed.

India and Pakistan, less than a year ago at war, are today at peace and dedicated to investment in the works of peaceful development.

Ceylon increasingly looks West and to cooperation with her neighbors.

The Philippines is led by a dynamic new President, Ferdinand Marcos.

South Korea and Taiwan are enjoying startling economic growth-both above 7 per cent a year.

Thailand, while resisting Communist incursions into border areas of her own country, is enjoying growth that is almost as rapid.

Laos, written off by many people only a few months ago, is

gaining stability and is resisting, too, the Communist forces in her country.

Since the first of this year, Australia, South Korea, New Zealand, the Philippines and Thailand have made new military commitments in South Vietnam.

Communist China still looms as a powerful force in Asia. But today Communist China is being torn by power struggle—a struggle with other Communist nations, a struggle, too, from within. At the same time her neighbors are achieving a new unity of purpose and action.

Gains in Vietnam

In Vietnam we are gaining on all four major fronts—the economic front . . . the political front . . . the diplomatic front . . . and the military front.

On the economic front, Vietnam is taking the steps and decisions necessary to carry forward a program of economic development and defeat inflation.

Land is being redistributed. Wells are being dug. Schools are being built. Agricultural production steadily increases. Hospitals and roads are being completed. New leadership is being trained.

These things are not dramatic. But every day the Vietnamese economy—and the life of the Vietnamese citizen—becomes a little better, despite calculated Communist disruption and terror.

On the political front, work goes forward toward election this September for a constituent assembly. Representatives of all major South Vietnamese groups have been meeting to prepare the way for democratic government.

This is a nation trying to create stable, representative institutions in the midst of war and disorder—a nation with dozens of political, ethnic and religious groups—all seeking their own place in the future.

In this there is confusion and tumult. But is the tumult in the south not preferable to the icy silence in the Hanoi police state?

The Vietnamese people are finding their way toward selfgovernment, and they are doing it their own way and not under the direction of any Communist commissar.

In all the political ferment in South Vietnam there has been no call for a Communist government.

The people of South Vietnam know the Communists for that they are.

On the diplomatic front, we continue our search for a just and peaceful solution to the conflict.

We have repeated again and again our willness to come to

the conference table anywhere, anytime, under any auspices, in order to bring the violence to an end. Again and again we have said that there is no bar to the inclusion of the Viet Cong in any such negotiations.

But let us be clear about this: The obstacle to peace is not in Saigon or Washington. It is in Hanoi and Peking.

We shall continue these efforts. And we shall maintain our offer to aid the peaceful development of <u>North</u> as well as South Vietnam, if only Hanoi will leave her neighbors alone.

On the military front, we are gaining each day.

The American troops in Vietnam are the finest men who have ever worn this nation's uniform. They are superbly led. They are superbly trained. They are superbly equipped.

And they perform as brilliantly in civic action, in rebuilding villages, as they do in combat. They are great citizen soldiers.

A succession of smashing defeats has been dealt to the North Vietnamese and Viet Cong main force units in recent months. Clearly the initiative has shifted to the allied forces.

The enemy no longer remains undetected.

The jungle or cave is no longer a sure refuge. His supply can be cut off. He can no longer choose his own time and place to fight.

And, perhaps most important, he can no longer count on the discipline of his own troops—the rate of defection has sharply increased.

In the last six months of 1965 more than 8,000 Communist defectors left his ranks. In the first five months of this year he has lost more than 11,000 defectors—and more and more of them have been squad and platoon leaders and officers.

The recent bombing of the oil storage depots around Hanoi was a military action against clear military objectives. The decision was carefully weighed. It was designed for two purposes —to slow down the rate of infiltration, which has been taking a toll of allied lives; and to help convince the North Vietnamese leadership that their aggression in the south will be too costly to sustain.

Today there must be some hard thinking taking place in Hanoi.

Our adversary must know that time is <u>not</u> on his side—that what President Johnson said more than a year ago remains true today:

"We will not be defeated.

"We will not grow tired.

"We will not withdraw, either openly or under the cloak of a meaningless agreement. . . ."

Finally, may I say this: If we indeed take the long view, I

think we have good reason for pride, and encouragement, concerning the course of postwar history.

New Era of Opportunity

Despite the troubles of our time—and we read of them everyday—we have come to the threshold of a new era of opportunity.

In the past twenty years over one billion people have been freed from foreign rule. Over seventy new countries have been born-but none has turned to communism.

Western Europe-with our help-stands prosperous and secure, while the nations of Eastern Europe restlessly grope their way to new independence.

The Alianza moves forward in Latin America and the inter-American system grows and matures. The Dominican Republic -only a year ago the victim of violent revolution-is today led by a freely elected President and Congress.

I was in Santo Domingo only last weekend, to witness the installation of President Balaguer and to demonstrate the United States' immense satisfaction at the conduct of the Dominican people in carrying through this orderly change in government.

The difficult decision by President Johnson of May a year ago has been proven right by events.

In the Dominican Republic, as throughout this Hemisphere, there is increasing understanding of, and determination to initiate and carry through, the fundamental economic and social changes which have made the Republic of Mexico, for example, such a beacon of hope for others.

In this revolutionary effort, we stand with our friends throughout Latin America.

In Africa, millions of people-rejecting the lures of communism-are reaching out for "Freedom Now." And we are with them.

But what of Vietnam?

Vietnam is under attack, yet the great nations of the subcontinent, India and Pakistan, remain at peace; and other nations of Asia and the Pacific-with our help-come together in the cause of hope and progress.

Our own strong, rich land is alive with the great adventure of creation: creation of a society where the old barriers are being torn down, where every man stands next to his neighborunbowed, proud, healthy, free-ready to meet the world on its own terms and make it a better world. And to the north, across an open, unfortified border, stands our neighbor Canada.

Maintain the Perspective

There is good news in the world and, in our concern with crisis, we should not overlook it.

The Communists are wrong-History is not their ally.

Today, the making of history lies in our hands to a greater degree than has been afforded to any nation before.

No doubt, we shall meet in Asia, as in the rest of the world, frustration, disappointment, and disillusionment, time and again. With all our incredible economic and military power, the qualities which will be of greatest value to us are patience, persistence, courage, and tenacity.

We must never lose our perspective in the crisis of the moment. We must exercise American power to help those who cannot defend themselves from aggression—not in arrogance, not in passion, but in sober determination.

It is the powerful who can most afford compassion and humility.

It is the prosperous who can most afford patience and perseverance.

We are powerful and we are prosperous; we must be both compassionate and patient.

At this time of our history I am reminded of the words of Lincoln, which remain today as a standard of conduct for our international policy: "With malice toward none, with charity for all, with firmness in the right as God gives us to see the right . . . let us strive on to finish the works we are in . . . to do all which may achieve and cherish a just and lasting peace among ourselves and all nations."

Those are the words to live by and they constitute the key to the future of a world in which nations, large and small alike, may live in peace and freedom.

<u>Governor Reed</u>: Mr. Vice President, on behalf of all the Governors and this audience, I would like to express our appreciation for your being here and for giving such a remarkable address—frank and candid, an honest appraisal of the international situation. I would like you to know that the theme of our Conference this year is "The Integrity of American Society." In my mind, your speech was indeed a symbol of the basic foundations of our free American society. It certainly has added great luster and a high note in our Conference of 1966. We are deeply honored to have you, one of our great leaders, here on this occasion.

Gentlemen, we will proceed on to see if we can resolve the pending question.

Governor Romney: Mr. Chairman.

<u>Governor Reed</u>: The chair recognizes the Governor of Michigan, Governor Romney.

<u>Governor Romney</u>: Let me simplify the motion by simply moving that the Conference accept the committee's report.

Governor Hearnes: I second it.

<u>Governor Reed</u>: It has been moved and seconded. Is there any discussion? All those in favor will say "Aye." Opposed? The motion is carried.*

At this time the chair would like to appoint members on the Nominating Committee. I would name as chairman of the Nominating Committee the Governor of Minnesota, Governor Rolvaag, and the members: the Governor of New Hampshire, Governor King; the Governor of South Dakota, Governor Boe; the Governor of Michigan, Governor Romney and the Governor of Massachusetts, Governor Volpe. The committee will meet at the call of the chairman and discharge their duties. Secretary Crihfield has several announcements.

[Several announcements were made by Secretary Crihfield.]

<u>Governor Reed</u>: I now declare the Wednesday morning session of the 58th Annual Governors' Conference adjourned. We will reconvene at 2 p.m.

*For text of the committee report, see Appendix XVI.

AFTERNOON SESSION-Wednesday, July 6

<u>Governor Reed</u>: The Conference will be in order. To open our afternoon session, we have a panel of distinguished speakers on the general subject of law enforcement. This again is in keeping with the main theme of this year's Conference, "The Integrity of American Society." I want to compliment the members of the Executive Committee for making arrangements for speakers of stature and note in the law enforcement field. At this time I am privileged to turn over the rostrum to the distinguished Governor of the State of New Hampshire, Governor John W. King, who will preside.

Governor John W. King: Thank you, Mr. Chairman. Fellow Governors, I am certain that the subject of law enforcement is one of deep and abiding concern to every chief executive in this country today. To say that we all have problems is an understatement. Our national crime rate is rising five times faster than the rate of population growth. We have the problem of festering urban slums. The spirit of rebellion that has already been a hallmark of youth has taken on new dimensions. Riots and demonstrations have become the order of the day. We look to the police to crush crime and to enforce the law to which we are dedicated as a nation. The police themselves find their job more challenging than ever before in history because a new dimension to the problem has been added. The Supreme Court, as you know, has ruled invalid certain police procedures in the questioning of suspects and the extracting of confessions that have been utilized for years. This has brought an anguished cry that the Supreme Court has intolerably handicapped our police in the pursuit of their duties; that the rights of the criminal have been given priority over the rights of society to protect itself. There has been equally emphatic insistence that if we are truly committed to the Jeffersonian ideal of equal justice to all men, we must, whatever the cost, truly guarantee the rights of the individual.

We have asked three of our four panelists who are expert in the legal field to give us the benefit of their opinions in this matter. After the panelists have concluded their presentations, questions may be directed to them. Our first panelist is the distinguished Attorney General of Hawaii. Born in Honolulu in 1916, he received his higher education on the mainland, taking his B.A. at Gettysburg College in Pennsylvania and his law degree at Harvard in 1943. He has served as Deputy Assistant County Attorney of Honolulu and as Deputy Public Prosecutor and Magistrate in that county. He was named Attorney General of the State of Hawaii in 1962. Gentlemen, it is with pleasure that I present General Bert T. Kobayashi.

<u>Mr. Bert T. Kobayashi</u>: Governor King, members of the Governors' Conference and Guests: Governor King, I appreciate the introduction and hope that I will not bore you with too long a speech. I wish to express my appreciation to the National Governors' Conference for inviting me to be a member of this panel on law enforcement. The subject of law enforcement brings up a problem as old as government itself—that of balancing the welfare and protection of society on the one hand, and the rights of the individual on the other. At first blush it may seem that any measure that is for the welfare of society would also be promotive of the rights of each individual, for the individual is but a unit component of society. In the long run this may be true, but in the immediate application of such measures the rights of the individuals affected may be considerably restricted.

In the field of property rights, for example, the individual may wish to put his land to whatever use he wants. But laws, such as those pertaining to zoning, designed to promote the public health, safety and welfare, prescribe what uses he may and what uses he may not make of his property. In this field, it appears that there is an increasing tendency to restrict the individual's rights in favor of what is deemed to be the greater interests of public welfare. In the field of criminal law, however, it appears that the trend is toward strengthening of the rights of the individual to due process and against self-incrimination at the expense, according to some authorities, of the protection of society. The difficulty of balancing the interests of society and the interest of the individual is brought into sharp focus in a series of cases decided by the U.S. Supreme Court within the past three weeks. On June 13, 1966, the Court decided Miranda v. Arizona by a 5 to 4 vote. There the Court held that "when an individual is taken into custody or otherwise deprived of his freedom by the authorities and is subjected to questioning, . . . [h]e must be warned prior to any questioning that he has the right to remain silent, that anything he says can be used against him in a court of law, that he has the right to the presence of an attorney, and that if he cannot afford an attorney one will be appointed for him prior to any questioning if he so desires. Opportunity to exercise these rights must be afforded to him throughout the interrogation. After such warnings have been given, and such opportunity afforded him, the individual may knowingly and intelligently waive these rights and agree to answer questions or make a statement. But unless and until such

warnings and waiver are demonstrated by the prosecution at trial, no evidence obtained as a result of interrogation can be used against him."

The majority opinion, as well as the dissents, devoted considerable discussion to the issue of balancing the interests of society and the rights of the individual. Said the Chief Justice: "A recurrent argument made in these cases is that society's need for interrogation outweighs the privilege. This argument is not unfamiliar to this Court. . . . [T]he Constitution has prescribed the rights of the individual when confronted with the power of government when it provided in the Fifth Amendment that an individual cannot be compelled to be a witness against himself. That right cannot be abridged. . . .

"In announcing these principles, we are not unmindful of the burdens which law enforcement officials must bear, often under trying circumstances. We also fully recognize the obligation of all citizens to aid in enforcing the criminal laws. This Court, while protecting individual rights, has always given ample latitude to law enforcement agencies in the legitimate exercise of their duties. The limits we have placed on the interrogation process should not constitute an undue interference with a proper system of law enforcement. As we have noted, our decision does not in any way preclude police from carrying out their traditional investigatory functions. Although confessions may play an important role in some convictions, the cases before us present graphic examples of the overstatement of the 'need' for confessions. In each case authorities conducted interrogations ranging up to five days in duration despite the presence, through standard investigating practices, of considerable evidence against each defendant.

The Court went on to state that the Federal Bureau of Investigation, which follows the procedure prescribed by the Court, has not found such procedure to be an undue impediment in its law enforcement activities. On the other hand, Justice Harlan in his dissent stated: "What the Court largely ignores is that its rules impair, if they will not eventually serve wholly to frustrate, an instrument of law enforcement that has long and quite reasonably been thought worth the price paid for it. There can be little doubt that the Court's new code would markedly decrease the number of confessions. To warn the suspect that he may remain silent and remind him that his confession may be used in court are minor obstructions. To require also an express waiver by the suspect and an end to questioning whenever he demurs must heavily handicap questioning. And to suggest or provide counsel for the suspect simply invites the end of the interrogation. How much harm this decision will inflict on law enforcement cannot fairly be predicted with accuracy. Evidence

on the role of confessions is notoriously incomplete . . . and little is added by the Court's reference to the FBI experience. . . . We do know that some crimes cannot be solved without confessions, that ample expert testimony attests to their importance in crime control, and that the Court is taking a real risk with society's welfare in imposing its new regime on the country. The social costs of crime are too great to call the new rules anything but a hazardous experimentation."

One week later, on June 20, 1966, the Supreme Court decided Schmerber v. California. This case involved the withdrawal of blood from the defendant, against his wishes and that of his counsel, and the chemical analysis thereof for alcoholic content and the admissibility of the results of the analysis. This time the minority in the Miranda case became the majority when they were joined by Justice Brennan. The Court held that the withdrawal of the blood and the use of the analysis, not being of a "testimonial or a communicative nature," was not violative of the defendant's privilege against self-incrimination. Chief Justice Warren and Justices Black, Douglas and Fortas, who had been in the majority in the Miranda case, dissented.

On the same day, the Supreme Court decided two cases involving admissibility of confessions and the retroactivity of the holdings in the Escobedo and Miranda cases. In Johnson v. New Jersey, the Court noted that the precise holding in Escobedo v. Illinois, 378 U.S. 478 (June 22, 1964), was that statements elicited by the police during an interrogation may not be used against an accused at a criminal trial where "the investigation is no longer a general inquiry into an unsolved crime but has begun to focus on a particular suspect, the suspect has been taken into police custody, the police carry out a process of interrogations that lends itself to eliciting incriminating statements, the suspect has requested and been denied an opportunity to consult with his lawyer, and the police have not effectively warned him of his absolute constitutional right to remain silent." The Court held that this holding in Escobedo is available only to persons whose trials began after June 22, 1964, the date on which Escobedo was decided. Likewise, it held that the guidelines established in the Miranda case are available only to persons whose trials begin after June 13, 1966, the date on which the Miranda case was decided. Justices Black and Douglas dissented.

In the other case, <u>Davis v. North Carolina</u>, the Court held that the confessions had been involuntarily given, and were therefore inadmissible. The Court noted that the case, having been tried before the <u>Miranda</u> decision, could not be reversed solely on the ground that the warnings against self-incrimination and right to counsel had not been given and that waiver was not shown. However, the Court went on to state that the facts of the case, including a sixteen-day detention with daily interrogations, showed that the confessions were involuntary. In that connection, the Court noted that the fact that a defendant was not advised of his right to remain silent or of his right to counsel at the outset of interrogation, as is now required by the <u>Miranda</u> case, is a significant factor in considering the voluntariness of statements later made. Justices Harlan and Clark dissented.

Generally speaking, police authorities, including those in Hawaii, have claimed that the Supreme Court's decision in the Escobedo and Miranda cases will hurt law enforcement. No doubt, there will be a decrease in the number of confessions obtained and in the reliance on confessions by the police. Be that as it may, the United States Supreme Court has decided, and its decision is the law of the land. It behooves us to obey it. Furthermore, I think it will be in the best interests of society that we not rely on a system of law enforcement that depends upon the utterances of an individual to convict himself. As one of Hawaii's noted criminal lawyers has pointed out, the fact of the matter is that experienced criminals never volunteer statements to the police and the well-informed and those represented by counsel-usually the more astute and well-to-do in the community-have no need to be reminded of their rights against self-incrimination. Consequently, a major effect of the Escobedo and the Miranda cases may be egalitarian-that is, to extend the privilege exercised by the hardened criminal and by persons with proper counsel to the uninformed, the less sophisticated and the poor.

The decrease in reliance on confessions will also mean that the police will have to rely more on independent investigation, expertise and new, scientific techniques to solve crimes. It will also mean that the quality, as well as the number of policemen, would have to be raised, and that the quality and extent of their training and education would have to be improved. These will require money and effort. However, the problem of law enforcement, important though it is, must be viewed in its context in society as a whole. Taking a long-range, overall view, I believe that the existence and extent of crimes and criminals are merely symptoms. They are symptomatic of a larger problem-the conditions and circumstances in our society which breed crimes and criminals. The apprehension and conviction of criminals will be mere palliatives if the larger problem is not attacked. The solution of these larger problems will require us to strengthen the family, to extend the role of religious institutions, to provide opportunities for better education for all of our children, and to provide a decent standard of life and a higher and more pervasive moral climate. This will require the best efforts of all of us and of many generations to come.

Governor King: Thank you, Attorney General Kobayashi. Our

next speaker is a native of Lynn, Massachusetts, and a distinguished jurist in the Bay State. He is a graduate of the Boston University School of Law and the recipient of honorary degrees from Boston University and Suffolk University. He is a past president of the Massachusetts Trial Lawyers Association and served as chief legal counsel to John Volpe in 1961. He is a charter member of the World Peace Through Law Center and first vice chairman of the National Conference of Metropolitan Courts. Ladies and gentlemen, I give you the Chief Justice of the Superior Court of Massachusetts, The Honorable G. Joseph Tauro.

<u>Mr. G. Joseph Tauro</u>: Governor King, my very dear friend Governor Volpe, and your Excellencies: May I express my appreciation for the opportunity afforded me to participate in this panel discussion on law enforcement. I believe we can agree that the subject matter presents one of today's greatest problems. I do not speak to you as an authority on constitutional law-parenthetically, I sometimes wonder if there is such a person-but rather on the basis of my own experience with law enforcement in its practical, everyday application to the trial courts. With this background, I present my own views on the subject.

This decade, in my opinion, will be recorded as one of the most important and most challenging in the history of American criminal jurisprudence. Never have greater demands been made on law enforcement officials in the face of an ever-increasing crime rate throughout the country. Ironically, these demands come at a time when many are contending that Supreme Court decisions reinterpreting the Fourth, Fifth, Sixth, and Fourteenth Amendments have significantly curtailed the authority of police to act and that of the state courts to convict. I will now discuss some of these cases and offer my own opinions as to their inherent merits as well as their impact on law enforcement.

Starting with Mapp v. Ohio in 1961 and followed by Gideon v. Wainwright in 1963, Escobedo v. Illinois in 1964, and most recently, Miranda v. Arizona, the Supreme Court of the United States has brought about a significant change in the old legal concept that constitutional guarantees afforded individuals in the Federal Bill of Rights applied only to the federal government and not the state government. The Mapp case held that the exclusionary rule, which forbids the use of unconstitutionally seized evidence, for nearly half a century a feature of justice in the federal courts, was now an inherent ingredient of due process of law and as obligatory on state courts and state officers as on their federal counterparts. Gideon v. Wainwright in 1963 accomplished the same results by ruling that the federal requirement of providing counsel for indigent defendants in all serious criminal cases, capital or non-capital, was mandatory upon the state courts as well. Escobedo v. Illinois in 1964 denied the admissibility of a

confession made by a prime suspect in police custody after he had requested counsel and his request was denied by the police. Underlying this opinion seemed to be the principle that once the police focused on an accused as a suspect, his right to counsel then matured. Finally, <u>Miranda v. Arizona</u> has carried the right against self-incrimination and the right to counsel to a logical conslusion by expounding conditions for meaningful and effective protection of these rights. As a result, in these areas, what was once a standard for federal authorities alone has now become a legal standard for all state courts as well.

These decisions have been both praised and damned by equally responsible authorities. They have been acclaimed as achieving fundamental fairness for the individual in society; yet, on the other hand, they have been condemned as a major step in the subordination of the public's rights to those of the accused criminal. It is my personal conviction that the basic principles expressed in Mapp, Gideon, Escobedo, and Miranda are sound and that they evolve from a logical and natural interpretation of the Constitution. In Mapp, for example, the police broke into the defendant's apartment in a flagrant disregard for all her fundamental rights in order to secure the evidence which would ultimately lead to her conviction. Likewise in Gideon, how can anyone intelligently and seriously argue that fundamental fairness and the right to a proper defense do not require that States provide counsel for those accused of serious crime and unable to afford one? Even in Escobedo, the basic unfairness and illegality of police action becomes manifest when one considers that the defendant was not permitted to consult with his attorney after each had requested to see the other and when they were just a few feet from each other. Finally, in the four cases encompassed by the Miranda opinion, the rights of the defendants were seriously jeopardized by the fact that once in custody each was held incommunicado for periods ranging from two hours to 5-1/2 days and subjected to police interrogation which was designed to, and in fact did, elicit confessions. If the constitutional right against self-incrimination and right to counsel are to have real meaning, it would seem that at this stage of the proceedings it is of the utmost importance that one should be apprised of these rights and be given an opportunity to exercise them effectively.

I have long shared the view that the protection which the Constitution affords is assured to the best of men only if it is insured to the worst, however distasteful the results may be. If such judicial mandates did not exist to protect criminals, they would not exist to protect any of us. I am firm in my belief that these recent Supreme Court decisions, by extending the blanket of federal constitutional safeguards to state courts, have elevated and improved standards of justice throughout the United States. In guaranteeing fundamental rights, there should be no double standard of justice, one for the federal courts and another for state courts. However, these landmark decisions of modern criminal jurisprudence have been interpreted and misinterpreted, quoted and misquoted, by lawyers and laymen alike. Marked divergence of opinion as to their thrust and meaning exists among members of the judiciary and chief law enforcement officers. As a result, the controversy they have generated has confused many of our citizens and caused them to wonder if the Supreme Court's rulings represent a desirable or undesirable trend.

I can only venture my own opinion, based on personal experience, especially that derived from almost constant sitting in the First Criminal Session at Boston during the past two and one-half years. My observations during this period of time have failed to disclose to any significant degree the existence of flagrant police misconduct in securing evidence or procuring confessions which could be characterized as willful and in deliberate disregard of the fundamental rights of the accused. Instead, it is my opinion that police misconduct in this jurisdiction may now in large measure be attributable to insufficient training, lack of sufficient police personnel and ancillary assistance, errors of judgment, misunderstanding of the applicable law, and, especially in the past, lack of definite judicial guidelines. Further, it is my belief that these recent opinions of the Supreme Court have materially contributed to the elimination of undesirable police practice. My views in this regard are shared by other responsible officials. Nevertheless, there are still those who, although agreeing in principle with the recent Supreme Court decisions, criticize what they see as an improper role of the Court in imposing federal standards in areas once left entirely to the States. It is my own view, however, that the responsibility for the expansion of the constitutional domain is a direct and inevitable result of the States' own abdication of their inherent law-making functions in the administration of criminal justice on both the judicial and the legislative levels and of their failure to provide sanctions in cases of misuse of police authority.

The Supreme Court itself almost twenty years ago in <u>Wolf v.</u> <u>Colorado</u> declined to extend the exclusionary rule to the States since it clearly recognized the latter's role in devising their own methods of best effectuating and enforcing the constitutional requirement which the Court was promulgating. The resulting <u>Mapp</u> decision demonstrated the extent to which that warning had gone unheaded by the States; consequently, in 1963 the Court in <u>Ker v.</u> <u>California</u> felt compelled to encourage the States again to develop "workable rules" governing arrests and searches and seizures to meet "the practical demands of effective criminal investigation and law enforcement" within established constitutional boundaries. Once more during the past month we have observed the Supreme Court in <u>Miranda</u> setting forth mandatory and universal guidelines while simultaneously exhorting the States to exercise their own "creative and rule-making capacities" to bring about independent and constitutionally permissible solutions. Will the States continue to ignore these admonitions and thus further relinquish their role in contributing to the development of criminal justice? Time will tell.

I submit for your consideration that there is a broad area in the administration of criminal justice not yet entirely regulated by constitutional considerations and therefore not within present Supreme Court mandates to the States. This provides a fertile field in the pre-arraignment area for the States to promulgate imaginative and constructive rules by court decision or by legislation or both. For example, questions of specific procedures involving the securing of warrants, searches and seizures, stop and frisk, arrests, and admissibility of competent evidence which has been tainted by technical error as opposed to a constitutional violation, are but a few of the myriad of law enforcement problems confronting the States and which do not necessarily reach federal constitutional levels. I feel certain that none of these areas differs so drastically among the several States that we cannot benefit by common approaches to our common problems. The disparity in the resources and levels of training and education between one state and another is far less than the obvious gap which exists between any given State and the federal law enforcement agencies. Therefore, the difficulty in joining in a cooperative venture along these lines should not be as insurmountable as might first appear. In fact, such a uniform enterprise might well enable state law enforcement eventually to approach the standards of efficiency and fairness which the Supreme Court has recently praised in the F.B.I. as the model of police practice.

The kind of study being undertaken by the American Law Institute and the American Bar Association in the area of prearraignment procedures, which I fully endorse, might well provide the fundamental approaches which all States can consider and hopefully embrace. Only through such attempts at uniform solutions can we hope to avoid the system of variable justice which until now has been left only for the Supreme Court to resolve. Rather than the negative reaction of criticizing the Court's expanding role, this would be the constructive way to forestall further extension of the Constitution into areas presently considered to be entirely within the States' domain. Had all the States exhibited the foresight of some following the <u>Wolf</u> case, there might never have been the need for the ruling in <u>Mapp</u>. I am most cognizant of the real and substantial difficulties in achieving this kind of ultimate solution. I am also aware of the existence of special situations in the various States which will prevent the total adoption of any proposed code. This can be best resolved in the adaptation of such a code by the individual state legislatures as has been done by the States in other attempts to adopt uniform codes. Nevertheless, I strongly feel that the goal of a uniform criminal code in the prearraignment area is a laudable one and one that should be the aspiration of every State. In this manner we can together fulfill the recently expressed admonition of the Supreme Court to "search for increasingly effective ways of protecting the rights of the individual while promoting efficient enforcement of our criminal law."

An additional major advantage of this collective effort would be to enable the States to perform the necessary balancing between the rights of the individual and those of society. Along with many others, I share the view of the judicial function which permits an interpretation of law at once fair to both the accused criminal and to the public. As the Supreme Court itself said last year in United States v. Ventresca, "Ours is a system of justice responsive both to the needs of individual liberty and the rights of the community." I believe it is realistic to recognize that there is a natural division of function between the Supreme Court and the States-readily conceded by the Court itself. By its very nature the Supreme Court has the obligation of interpreting and applying the Constitution and the Bill of Rights which are primarily concerned with protecting individual liberties in our society. Further, it exercises supervisory power over federal courts but not over state courts. For this reason, where there is a constitutional violation, there can be no balancing of interests. When it is necessary to protect his constitutional rights, the accused must go free. The States, on the other hand, have the major responsibility as well as the opportunity in the non-constitutional area of balancing individual rights against the protection of all its citizens. Moreover, this is appropriately so because of the States' unique vantage point in observing and dealing with their own practical aspects of law enforcement.

We all know that since <u>Mapp</u>, unconstitutionally seized evidence must be excluded in all courts—state as well as federal. Now the question for concern is what is to be done when through police error there is not a complete compliance with a statute or rule which by itself does not affect the constitutional rights of the defendant. Should the state courts be required in all cases to suppress the evidence involved and perhaps result in setting the defendant free? The Supreme Court of the United States has yet imposed no such requirement. The approach of a uniform criminal code for state adaptation, which I support and which is being proposed by the American Law Institute and the American Bar Association would no doubt increase the number of rules and require-

ments guiding and governing the conduct of the police. Hence, a word of warning to the States! This would make the question of what to do about violations of such procedures all the more pressing. Therefore, I would suggest that, in the final promulgation of these regulations and statutory adaptations, careful attention be given to the proper sanctions to be employed in the event of noncompliance and that this be made an explicit part of each regulation or rule. A blanket application of the exclusionary rule which would prohibit use of all evidence or confessions in case of violation, constitutional or otherwise, irrespective of the "totality of circumstances," would create a myriad of new problems and unreasonably tip the scales in favor of the accused. The American Law Institute, with the able assistance of Professor Vorenberg, in a recent first draft on the subject of pre-arraignment procedure, has given due recognition to this problem. The Institute has offered for discussion a formulation which deals with possible violations of the proposed code and their effect on the admissibility of evidence.

My own view is that where actions by law enforcement officers do not reach the level of federal constitutional violations. the state trial courts should retain their discretionary powers in deciding the question of suppressing evidence, giving due consideration to all the facts. For example, they would weigh whether there has been substantial harm to the defendant; whether this violation was intentional or inadvertent; whether the overall police action was fair and reasonable apart from the alleged violation; and whether the violation was merely a technical rather than a substantive one. In this way, the courts would adhere to the rule of reason which for centuries has well served the administration of justice. Conversely, if through legislative mandate or judicial decision it is made mandatory to suppress all evidence even where there is a non-constitutional violation, this would serve to create an unwarranted imbalance between the rights of the individual and of society and serve to thwart the true cause of justice. It is important to remember that suppression of evidence frequently destroys a case against the defendant and thereby results in setting him free. In prosecuting criminal activity, the Supreme Court does not require of the States, and I believe the public should not have to expect, that a defendant be released or acquitted merely because an error has been committed by the law enforcement officer which does not affect the substantial rights of the defendant. The search for technical police errors should not supplant a search for the truth. On the contrary, a decision by the court in such cases, based on a total evaluation and unhampered by a mandatory suppression of evidence, would lend itself to the maintenance of a proper balance between the rights of the accused and the rights of society.

In order to discourage repeated disregard of statutes and codes which are not enforced by the built-in deterrent of an exclusionary rule, I would suggest that an appropriate approach in the more flagrant cases might be to provide for and strictly enforce interdepartmental disciplinary measures or, in the alternative, the imposition of fines upon the offending officer. This latter sanction would, of course, require appropriate legislation. In this way, the rectification of police error would not result in either the sacrifice of effective law enforcement or an unwarranted acquittal. As a final word, may I suggest for consideration the setting up of legislative commissions in the States where this has not already been done to study the entire area of pre-arraignment procedure, possibly in cooperation with the American Law Institute and the American Bar Association projects. I believe such a coordinated effort is necessary in view of the importance and complexity of this vast problem and would provide for a valuable interchange of ideas and, eventually, a basis for uniform legislation. It is my hope, therefore, that, while remaining within the framework of constitutional law, all branches of state government can become more productive in securing "a system of justice responsive both to the needs of individual liberty and the rights of the community."

<u>Governor King</u>: Thank you, Judge Tauro. Our next panelist is the Executive Director of the President's Commission on Law Enforcement and Administration of Justice. He is a graduate of Harvard Law School. He served in the Office of the Air Force's General Counsel. He served as law clerk to the late Supreme Court Justice, Felix Frankfurter, in 1962. He was appointed a professor of corporation and criminal law at Harvard Law School and in the summer of 1964 he was appointed the first director of the new Office of Criminal Justice in the Department of Justice. As Director of the National Crime Commission, he and his staff are conducting the first systematic study of the entire system of criminal justice in this country in more than thirty years. I present to you The Honorable James Vorenberg.

<u>Mr. James Vorenberg</u>: Thank you, Governor King. For those -including myself-who believed that state legislative action was the most promising path out of the police interrogation-counseljudicial appearance maze, the Supreme Court's recent <u>Miranda</u> decision is a source of disappointment and concern. And yet, if we look at the entire criminal area and the problems it presents for us, it is clear that the hopes of those who feel that the Supreme Court has at last brought criminal procedure to the promised land-and the fears of those who see the end of effective law enforcement-are grossly overstated. Of course, problems in the confessions area are not behind us, notwithstanding the length and sweep of Miranda. Such questions as what constitutes an effective waiver of counsel and what is the status of threshold admissions immediately after apprehension are by no means fully resolved and will continue to agitate law enforcement agencies, courts, and perhaps legislative groups in the years ahead. But to the extent <u>Miranda</u> has resolved one of the most controversial issues in criminal law today, it may have an effect which has not been much discussed. It may help shift attention from this one burning issue to some of the things we can do which will really make a difference in the amount and seriousness of crime in this country and the effectiveness and fairness of our system for dealing with it.

In this sense, I am extremely encouraged by the reaction of responsible law enforcement officials across the country. Of course there have been cries of pain-they hardly can be begrudged under the circumstances. But the general tenor of reaction has been a recognition that the police and prosecutors must set about to revamp their procedures and find ways of living with the Court's new ground rules. Before <u>Miranda</u>-and before <u>Escobedo</u> two years earlier-crime was at unacceptably high levels, and it was rising. While <u>Miranda</u> will pose significant difficulties for law enforcement, the fundamental problems run far deeper.

The fact is we do not know much about crime-its causes, its extent, or the effectiveness of our system of control. In fact, the inability of the law enforcement agencies to offer hard data on the significance of confessions may have made the Court less reluctant to inhibit their availability. We do know that our programs of crime prevention and our police, courts and corrections systems have in most parts of the country been given resources of men, money and knowledge which are disproportionately small in relation to the importance of their task. We do know that the law enforcement field has been deprived of the important contributions that science and technology have been able to make in other areas of our national life such as agriculture, space exploration and defense. And, we do know that the public-partly because it tends to become transfixed by such emotionally charged issues as confessions-fails to understand the true complexity of crime and our society's efforts to control it.

It was because of his desire to assemble and set forth what we do and do not know about crime and to develop a series of programs to do something about it that President Johnson last summer called upon nineteen distinguished Americans to serve on his Commission on Law Enforcement and Administration of Justice. Under the direction of Attorney General Katzenbach, this Commission is scheduled to submit its report to the President next January. Through the medium of state planning committees, which I will return to in a moment, a number of the States represented here are already working in collaboration with the Commission to see what practical steps can be taken to revamp our systems of criminal justice so that crime's frightful toll on the lives of victims, those who live in fear, and those who violate our laws can be lessened. I would venture that the success of this undertaking is far more important to safety in our nation today than are the effects of the recent decisions.

Everyone working in this field today is hampered by the lack of knowledge as to what really works and what just sounds good. Until we get answers to such questions, we do not know whether we are investing even our present inadequate level of resources properly. For example, no one has ever tried to assemble the accumulated wisdom of law enforcement agencies as to the success of various tactical crime prevention techniques. The Crime Commission is working with the 2000 largest police agencies in the country to try to sift out the innovative, concrete and successful methods they have developed to prevent crime. Almost every city in the nation seems to have the problem of overcrowded courtsespecially those courts that handle the bulk of the routine criminal cases. And in many instances-our studies show-these courts are so busy that they are unable to make careful decisions about who should be released, who should be held and what treatment is most likely to be successful for those held. The result often is an unfairness to both society and the individual, and the conditions in many of our courts almost certainly promote disrespect for law.

The Commission hopes to develop new tools such as information retrieval systems to give prosecutors, judges and probation officers more and better data on the people who pass before them, computers to better manage the business of the courts and new procedures and new treatment techniques for such difficult populations as the chronic alcoholic and the mentally disturbed. In corrections, a major effort is being made to determine the cost and effectiveness of some of the newer community-based treatment programs. Of special interest to the Commission is a juvenile project now being operated here in the State of California where closely supervised young offenders are treated in the community rather than in institutions. The results so far show that the recidivism rate for those in the community is about half the rate for the control groups treated in more traditional penal programs.

The Commission's scientists are pursuing many goals—hard, specific goals like better alarm systems; cheap, light and effective walkie-talkies; and various protective devices. But we are hopeful the scientists can give us more than the new tools so dear to the heart of Dick Tracy and his colleagues. We hope they will help us spark a revolution in the techniques used in this area comparable to that which is taking place in other fields. We also are seeking improved ways for measuring the volumes and kinds of crime in our communities by trying to probe the extent of unreported crime. Only when we have that figure will we be able to measure the effectiveness of different techniques—let us say a new method of police patrol—in reducing crime. And such knowledge is essential to the public administrator who today often must allocate his resources with very little solid evidence of what his money actually is buying. Our early soundings indicate that there may be an enormous volume of larcenies, housebreaking, and commercial theft which take a huge toll in our society and which never get reported to or by the police. Of course, the whole Commission effort will go for nought if the knowledge and recommendations for change are not carried into action. The President has committed the federal government to work in collaboration with the States, cities, counties and private groups to develop a national strategy to deal with crime.

Law enforcement and criminal justice have traditionally been state and local responsibilities, and that is what they should remain. It was because of this that President Johnson last March asked the Attorney General to invite the Governors to form small planning committees to work with the Commission in developing information as to the needs for criminal reform and how they can best be met. The response to this invitation, which included a small matching grant to help the States meet the initial staffing expenses, has been very encouraging. More than half of the States have formed or are planning to form such committees. What is emerging is a network of individuals and groups throughout the country that can look at their own States' problems, draw on recommendations and information developed by the Crime Commission or by other States, and make proposals to overhaul those agencies of criminal administration in need of sweeping reform.

We also envision that as greater federal resources are made available to assist in this effort—the requested appropriation for the new Law Enforcement Assistance Act for the current year is almost double that of last year—these committees will be of great assistance in planning the wise use of such resources. Such difficult problems as the proper relation of federal, state and city levels are already emerging here as in other fields, and we need your advice and help. I feel confident it is in the building of an effective relationship for digging out information and applying it in this field, which has always been surrounded by darkness, that we will bring greater safety to our citizens.

<u>Governor King</u>: Thank you, Director Vorenberg. Our final speaker needs little introduction because of the national publicity given to him for the tremendous job he has done with the Chicago Police Force. He started his police career in 1921 as a beat patrolman in Berkeley, California, while earning his bachelor's degree. His professional reputation was built in the eleven years he was Chief of the Wichita, Kansas Police and for service in World War II as a Colonel in the Military Government in Italy and Germany. Six years ago he was named Superintendent of the then scandalridden Chicago Police Force. In those six years he has done an excellent job. Where once it was a fact of life that the police were corrupted by hoodlums and controlled by politicians, even the most cynical Chicagoan admits today that the Chicago system is honest. The net effect of this is revealed by the statistics. While much of the rest of the country is experiencing an increase in the crime rate, Chicago had a 12 per cent decline in major crime in 1965. I present to you the man responsible for this great record, Superintendent Orlando W. Wilson.

Mr. Orlando W. Wilson: Governor King, members of the Governors' Conference and Ladies and Gentlemen: Of the four panel members, three are lawyers and one is not. While we hear much of the Escobedo and Miranda decisions-and these matters have been discussed by the former panelists-I decided that I would not dwell on these problems but rather accept the Supreme Court's decisions as the law, which they are. But I would like, in passing, to say that it is my personal judgment that the Miranda decision is nothing but an expansion of the exclusionary rule and that we in this country are the only English speaking country in the world that imposes an exclusionary rule on law enforcement. I have difficulty in comprehending why the good citizens of this country in the face of the mounting crime rate must bear that cross. However, in the light of the Miranda decision, there is no remedy beyond amendments to our Constitution. In the light of the situation that we are confronted with. I will restrict my remarks to how the States might help local police departments in preventing crime in the face of the restrictions that have been imposed upon them.

In exploring the feasibility of state assistance to local police, consideration will be directed first to the causes of unsatisfactory police service and then to the measures that might be taken by state government to reduce those causes. I would classify the primary weaknesses in police departments under the following general headings: insufficient manpower; personnel deficient in intelligence, emotional stability and integrity; unwise use of manpower; ineffective supervision; disciplinary weaknesses; leadership deficiencies; inferior procedures; and inadequate equipment. Some of these weaknesses result directly from inadequate financial support. Most, however, can be traced to lack of financial support in combination with deficiencies within the department in the areas of personnel management and training, and research and planning.

It seems to me that the State can provide the needed financial support for city police departments and at the same time maintain control over the standards of police service by the simple device of grants-in-aid. The training programs that some States have

adopted are good examples of this type of activity. Incidentally, Illinois has recently inaugurated such a plan under the Illinois Police Training Act. Typically, under these programs the State. through a board or other group, establishes minimum training standards for police officers. The board then approves academies which offer a curriculum which meets the minimum standards. Finally, the State insures the attendance of local police officers at certified schools by subsidizing the cost of the training at those schools. The idea is not new, but it is a good one. Training, however, as I mentioned before, is only one area in which police deficiencies occur. The same type of state supported program should be utilized in other areas also. The failure to exercise control in the selection, promotion, supervision, and discipline of members of police departments is due to ignorance of the best standards and techniques in personnel administration and the consequences of the failure to use them, and to the lack of initiative and courage to insist that personnel requisites be met. These failures result in the selection of personnel that is basically deficient in intelligence, emotional stability and integrity and in the promotion of candidates who do not excel in leadership qualities. They also cause disciplinary weaknesses. Why can the State not establish minimum standards for recruitment, promotion, supervision, and disciplinary programs as it now does for training?

The failure to establish proof of police needs and to use department resources most effectively is due to ignorance of, or indifference to, the need for research and planning. These failures result in inadequate budgets, insufficient manpower, inadequate equipment, unwise use of manpower and equipment, and inadequate training. It appears that the State might remedy these failures by promoting planning and research. It would be far too cumbersome for the State to establish a separate board for each one of the aforementioned functions. It would be much more desirable to establish a central organization to coordinate and carry out all functions. In 1952 the American Bar Association adopted the recommendation of its Committee on Organized Crime that each State should create a police council. This is precisely the type of central organization which I am referring to.

There are two more principal points with regard to a state system of aid to local police departments through a State Police Council which I want to mention. The first of these is the fact that this type of system would actually be more economical than present systems. There are many police functions which virtually all police departments now undertake independently which could be done more efficiently and at an overall saving by a central state agency. This premise is based on the obvious axiom that where there is duplication of efforts there is a consequent duplication of expenditure, both in terms of labor and funds. The establishment of standards for training and personnel, budget planning, equipment management, and crime analysis are only a few examples of the functions which could be undertaken on a state level. This does not necessarily mean that the State Police Council would have to have the staff, experience and facilities to carry out these tasks. In many instances it would in fact be virtually impossible for the council to completely take over a police planning function, because actual police use is often the only proving ground for new ideas. There is no reason, however, why one local department could not serve as the laboratory for the council.

The other point I want to make concerns federal funds. Literally millions of dollars will be available to state governments through the Law Enforcement Assistance Act and other programs in the next few years. For example, on April first of this year the U. S. Department of Justice issued Report No. 16-175 entitled the "Report to the President and Congress on Activities Under the Law Enforcement Assistance of 1965." In Part V of that document future plans under the Act are enumerated. One item reads as follows: "Governors' Planning Committees on Law Enforcement and Criminal Justice Administration. This program will provide small planning grants on a matching basis for establishment and operation of state planning committees to assess local problems of law enforcement and crime control, gather data on state needs and promising solutions in cooperation with the National Crime Commission, and plan coordinated improvement measures for greater state and local effectiveness. Every State has been invited to participate."

I am aware of no State that presently has the machinery to undertake participation in such a program, and to obtain the maximum benefit from it. The functions of a Governors' Planning Committee could also be handled by a State Police Council which would be the ideal body to do the requisite planning and to channel the millions of dollars in funds available under this and other federal programs. It would be most unfortunate if any State, because of inaction, or lack of knowledge or understanding of these programs, failed to receive its fair share of federal assistance. I have stated the major causes of unsatisfactory police service by local departments and have suggested the ways in which the State might be able to reduce these causes and thereby improve the quality of police service. Of central importance in my suggestions is the establishment of State Police Councils. I hope I have been convincing in my presentation because I have long been convinced that the State can help the local police department.

<u>Governor King</u>: Thank you, Superintendent Wilson. If any of the Governors have any questions, would they please direct them to a particular panelist? I will recognize Governor Brown.

Governor Brown: My fellow Governors, I have been acting

as the chairman of the Subcommittee on Juvenile Delinquency. I think that this report has been given to all of you. I am not going to take your time today to read it. But I would ask that every one of you take a look at the work that has been done by our Advisory Committee on Juvenile Delinquency. I think everything we have heard this afternoon on national crime statistics and the population figures make two things very clear. First, it will take much more than conventional weapons to make any real progress in this battle against crime. Second, we must direct our programs more toward the younger age group where the crime statistics are now concentrated. To discover better ways to accomplish the second point, I would like to set aside more time than we can possibly give to it here at the Annual Governors' Conference and really explore this problem of delinquency. For this reason, I have asked the Council of State Governments whether they would be willing to undertake such a special conference. So what I want to do is to suggest that we schedule a National Governors' Conference on Juvenile Delinquency, bringing together the resources of all of the States, and mount an attack on this common problem. In California today, the 14-29 age group commits more than 50 per cent of all criminal acts. This age group is expected to increase 110 per cent in California within the next nine years. I do not think there is anything more important than the conservation of our human resources, helping our young people to live useful, constructive and happy lives. And we are doing a great deal locally, statewide and federally, but we must make this unified effort, pooling our energy and sharing the results of our progress and our ideas. So I suggest that the Council of State Governments sponsor a Conference on Juvenile Delinquency at an early date, probably after the report has come in from the National Crime Commission that was appointed by the President, so that we can develop better delinquency prevention programs.

I have submitted to all of you a resolution. It was submitted yesterday. I would like to ask the Governors' support in this twoday conference where you would appoint two members to attend. Of course, some of the Governors would attend. I am not going to read the entire resolution. But let me just read the resolved clause: "Now, Therefore, Be It Resolved, That the National Governors' Conference request the Council of State Governments to sponsor a Governors' Conference on Juvenile Delinquency to which each Governor would be requested to send two delegates for the purpose of exchanging information and ideas about present programs which might be of interest to other States and for the purpose of discussing with federal officials ways in which the States and the federal government might work together most effectively to reduce delinquency in the United States."

First, I would like to move the acceptance of the report on

juvenile delinquency. If there are any questions, I would be glad to answer them.

<u>Governor Reed</u>: Thank you, Governor Brown. Governor Brown has moved the acceptance of the report. Do I hear that motion seconded?

Governor Charles L. Terry, Jr.: I second it.

<u>Governor Reed</u>: It has been moved and seconded that the Report of the Subcommittee on Juvenile Delinquency be accepted. All those in favor will say "Aye." Those opposed? The motion is carried.*

<u>Governor Brown</u>: I would now like to move suspension of the rules for the purpose of the adoption of the resolution.

Governor Terry: I second it.

<u>Governor Reed</u>: It has been moved and seconded that the rules be suspended in order that a resolution may be offered for adoption. This, of course, requires a three-quarters vote. All those in favor of suspending the rules please raise your hands. All those opposed? The motion is carried. The resolved clause of the resolution having been read, Governor Brown moves that we adopt the resolution. Do I hear that motion seconded?

Governor Dempsey: I second it.

<u>Governor Reed</u>: The chair recognizes the Governor of Kansas, Governor Avery.

<u>Governor Avery</u>: Just for clarification, can that resolution be read for the benefit of the Governor of Iowa and the Governor of Kansas?

<u>Governor Reed</u>: Yes. I will ask our Secretary to read the resolution.

[Secretary Crihfield read the resolution, text of which is contained in Appendix VII.]

<u>Governor Reed</u>: Is there any discussion on the resolution? All those in favor of the adoption of the resolution will say "Aye." All those opposed? The resolution is adopted. At this time, on behalf of all of the Governors, I would like to thank the members of our panel on law enforcement. These gentlemen of renown, especially in their individual fields, have sacrificed time and effort to be present with us today to give us their various presentations. May I suggest to the Governors at this time that we give these four eminently qualified individuals a standing round of applause. I would also like to thank Governor John King of New Hampshire for presiding and for making arrangements to handle the program this afternoon. Thank you very much, Governor King. Our next agenda item is the Report of the Committee on Public Safety. Governor Rockefeller, who is the chairman of our Committee on Public Safety, is not present at the Conference. And so to give us

For text of the subcommittee report, see Appendix XII.

the report of this committee, I will call upon the two subcommittee chairmen. First, Governor Hansen of Wyoming for his section of the report.

Governor Hansen: Thank you, Mr. Chairman.

[Governor Hansen read the Report of the Subcommittee on Highway Safety, text of which is contained in Appendix XV.]

<u>Governor Hansen</u>: It is strongly recommended that the National Governors' Conference, by formal adoption of this report, declare its support and direct its Subcommittee on Highway Safety to take such measures as may be necessary to secure amendments to the pending federal highway safety legislation to provide that the formulation and approval of highway safety standards shall be a joint federal-state responsibility. It is recommended that the mechanism for approval of standards for programs including those dealing with accident records, driver education, licensing, performance and motor vehicle inspection, traffic controls, highway design, and maintenance and surveillance of traffic be modeled generally on that employed in the Appalachian Regional Development Act. Mr. Chairman, I move the adoption of this report.

Governor Reed: Do I hear a second?

Governor Mills E. Godwin: I second it.

Governor Reed: Is there any discussion? If not, is it the pleasure of the Conference at this time to adopt the report? All those in favor will say "Aye." Those opposed? The report is adopted. I will next call upon Governor Campbell of New Mexico for the Report of the Subcommittee on Civil Defense and Post-Attack Recovery.

<u>Governor Jack M. Campbell</u>: Mr. Chairman, I regret that the full report of the subcommittee is not on your desk. I think we overheated the mimeograph machine on the numerous resolutions that we are going to be called upon to consider. In the interest of time and in maintaining the schedule, I would ask, Mr. Chairman, if it is agreeable, after the full report is placed on the desks later this afternoon, that tomorrow morning I be given an opportunity to make an appropriate motion in connection with the adoption of the report.^{*}

<u>Governor Reed</u>: Thank you very much, Governor Campbell. I certainly will grant your request that when the complete report is ready you will be allowed to move for the adoption of the report. I would like once again to remind the Governors that immediately following the regular agenda items there will be an Executive Session for the purpose of a briefing on the international situation by the team coming in from Washington. At this time, to present the Report of the Advisory Committee on the National

^{*}For text of the subcommittee report, see Appendix XIV.

Guard, I would like to call upon the Governor of Illinois, Governor Otto Kerner, for this particular report.

<u>Governor Kerner</u>: Thank you. Governor Reed and my brother Governors: As we know, a year ago there was a considerable amount of commotion concerning the Guard, which required a rather large report. The report is on your desk and I will cover it very quickly.

[Governor Kerner read the Report of the Advisory Committee on the National Guard, text of which is contained in Appendix IX.]

<u>Governor Kerner</u>: Mr. Chairman, I submit this report and request that it be received and filed.

<u>Governor Reed</u>: Thank you very much, Governor Kerner, for an excellent report and for your leadership of this important committee of the Governors' Conference. It has been moved by Governor Kerner that this report be accepted and placed on file. Do I hear a second to that motion?

Governor King: I second it.

<u>Governor Reed</u>: All those in favor that the report be accepted and placed on file say "Aye." Those opposed? The motion is carried.

Gentlemen, we will be going into Executive Session very shortly. Ambassador Harriman and the briefing team have arrived. In approximately ten minutes the Executive Session will be under way. I am not declaring a recess but at this time I would ask that the news media and our other guests kindly exit from the room.

[Whereupon the Conference went into Executive Session.]

MORNING SESSION—Thursday, July 7

<u>Governor Reed</u>: The Conference will be in order. I would ask that everybody observe the request for quietness in the conference room during the official proceedings. The Governors will take their chairs. We are now prepared to start. You will notice in your official agenda that the first item on the morning schedule is "News Media Responsibilities." Your Executive Committee felt, in setting up the central theme for this year's Conference, that the integrity of American society is immensely important. We felt that it would be essential to include on the program representatives of the various news media services. So today we are delighted to welcome to our Conference a panel of distinguished reporters. This is indeed a rare, if not a first opportunity, for Governors to have a chance to question reporters rather than the reverse.

At this time I would like to present the moderator of the panel, Mr. Erwin D. Canham. Mr. Canham is the editor-in-chief of the <u>Christian Science Monitor</u>, a newspaper with a great reputation for integrity and unbiased reporting of news events. Mr. Canham, in addition to being editor-in-chief of the <u>Monitor</u>, is also president of the Christian Science Church. I would like to note with great pride that he is a native of Auburn, Maine. He is well prepared, of course, for his important role in the world of journalism, having been a Rhodes scholar. He does not confine his activities strictly to newspaper work. He is still moderator of a weekly television program in Boston. Mr. Canham will be the first speaker, following which he will present the other members of the panel for their presentations. I will then assume the rostrum to recognize each and every Governor who would like to direct questions to any member of the panel, individually or collectively.

At this time I am indeed honored and pleased to present the moderator of the panel session, Mr. Erwin D. Canham.

<u>Mr. Erwin D. Canham</u>: Thank you very much, Governor Reed. Your Excellencies and Guests: I do not have to say that it is a great privilege for us to be here. Up to a point it is a pleasure. Whether it will be a pleasure after we cease our filibuster and you begin your questions remains to be seen. The discussion will be informal and indeed we have little or nothing prepared. We will talk over in a very free way, and I hope, a very critical and frank way this urgent matter. I could not agree more with Governor Reed in his statement that integrity in American society depends in some considerable measure on integrity in the reporting of information to the American people. First, therefore, let me introduce my colleagues.

By an incomprehensible coincidence there are two of us from Maine at this table. Not only, as Governor Reed said, was I born in Auburn, Maine, but the first panelist whom I will introduce, Bob Crocker, sitting on my right, was also born in Auburn, Maine and, like myself, went to Bates College for his undergraduate work. Mr. Crocker, I think, is perhaps unusual in the newspaper realm because he began his work in connection with state government as a page in the Maine Legislature, in 1939. He jumped from being a page to being a reporter very quickly and went to work for the Lewiston, Maine, Sun Journal and then joined the Associated Press, covering the Maine Legislature. He later worked for the Worcester, Massachusetts, Evening Gazette and then joined the Associated Press staff in Portland. Since November of 1947 he has been correspondent in charge of the State House Bureau in Augusta, Maine. We are very glad to have on this panel a thoroughly seasoned state house reporter.

Going down through the list alphabetically, let me next introduce the experienced newspaper man on my left—Jim Flinchum of Wyoming. Mr. Flinchum was born in Oklahoma, went to the University of Oklahoma, worked for the United Press in Oklahoma City, spent four years in the Army, returned to the United Press and worked for them in various places, mainly in the West and the Southwest. He headed the bureau in Little Rock and the United Press Bureau in Denver where President Eisenhower spent a good deal of his time following his heart attack. There, the responsibilities on the wire service chief in Denver were very great at that time. He has been for some years editor of the <u>Wyoming State Tribune</u>, one of the oldest newspapers in the West. Jim, we are very glad to have you, as an editor and a long standing wire-service reporter, to lend your voice of experience to our panel.

Next, going on alphabetically, is Bill Lawrence. Bill, as I am sure everybody knows, is the American Broadcasting Company's news-political editor and White House correspondent. He, too, is an exceedingly seasoned veteran in the newspaper business, beginning with the printed media in the Midwest in the mid-30s, then progressing to Washington and a long period of service with <u>The New York Times</u>, both in this country and overseas. Bill was born in Lawrence, Nebraska, graduated from the University of Nebraska, and began his work on the <u>Lincoln Star</u> in 1932. His assignments have carried him not just to Washington but to the far corners of the world. During some of the grimmer years of the Second World War, he was <u>The New York Times'</u> correspondent in Moscow. He served in London and in the Western Pacific. He reported firsthand the Battle of Okinawa, the B29 raids over Tokyo and so on. He organized The Times' United Nations Bureau in 1946 and later traveled and reported in many parts of the world. It was in 1961 when he joined ABC News after his long service with <u>The New</u> <u>York Times</u>. We all hear him from Washington and from various other parts of the country nearly every day. It is a great advantage to have on this panel a newsman of such diverse, deep and rich professional experience.

The final member of the panel I scarcely have to introduce at all-Larry Spivak. His face is familiar to every watcher of the little magic box and his vigor as a moderator and as a questioner is very well known, indeed. Perhaps he ought to be moderating our discussion today instead of myself. But I think he will not mind this because he has a good deal on his chest which he wants to get off-his views, again based on firsthand experience as a professional, on news media responsibilities. His "Meet the Press" program is the oldest show on network television. Larry has been running this extraordinarily powerful program all that time. He had before that a long period of service in other forms of journalism, where he was for a period the owner and publisher of the American Mercury. As a publisher of the American Mercury, he set standards which were not always followed in the subsequent years. He also, interestingly enough, was a pioneer developer of the paperback. He got out the first 25-cent book a good many years ago and two years before anybody else in this country. As you all know, "Meet the Press" and Larry Spivak's bold and ingenious role in handling this contact between the American audience and American leaders, represent one of the most useful and significant areas in television. We are very fortunate to have Larry with us today.

That is the panel. We will get down to the theme in a minute or two. First, I would like to say a brief word about what is understood to be the job of the news media. It seems to me that the task is to provide readers, listeners and viewers with an accurate, adequate and interesting flow of information on what is happening in the world around them. The first and vital task-it seems elementary to say but I think it ought to be said-is to inform. Only as citizens are well informed can they make the right decisions concerning the many complex issues facing them. But just to report the bare facts of current events, it seems to me, is not enough. Sometimes, merely recounting the bare facts can be seriously misleading. The news also has to be put into some sort of analytical perspective, sometimes called "interpretation." Personally, I do not like the word "interpretation" or "interpretative writing." It smacks too much of editorializing, which is another, different function altogether. What I mean by analytical perspective could better be called reporting in depth. For example, the speech or action which some distinguished Governor made or took last night has to be viewed along with what he did or said on the same subject six months ago, or with other facts which bear upon his views as stated. It is a question of putting together all of the pertinent and relevant facts—not editorializing about them. The reporter is more important than the editor, it seems to me.

I do not think there is any such thing as total objectivity. We talk a great deal of objectivity and yet we live in a subjective world and our ideas cannot help but be subjective. All along the way the reporter, the headline writer, the editor, has to make subjective judgments, value judgments, which start with what to put in and what to leave out. But if human beings, being human, cannot be totally objective, they can try to be honest and fair and detached. They ought to feel as much as possible like the man from Mars. I think this should apply also to the columnists and so-called "interpretative writing," the editorials and in the realm of opinion, which is something else again. We are not really talking about editorials today. We are talking about the news media as purveyors of news and information. But in editorializing, the editor can state his opinion. Editorial opinions are becoming blurrred in all realms of American journalism, in my opinion, and ought to be reexamined and the distinction should be reclarified.

In today's brief discussion, I believe we are chiefly concerned with the news media's responsibility to inform. Let us start, anyway, on that basis. I would like to begin by asking my colleagues and this is going to be spontaneous—what their views are about the responsibility of the media, whether they agree with what I have just said, and whether they agree that there is some difficulty drawing a line between informing and clarifying or interpreting the news. I would like to start with Larry and ask him what he would add or disagree with in terms of how he, as a long standing and very responsible television journalist, views his responsibility.

Mr. Lawrence Spivak: I would say this. We are called the fourth estate for a good reason. I think one of the most important functions we serve is to throw a maximum and continuous light on the public's business, which means on the people who run our government, on government itself. In addition to informing, I think we ought also to use the word "expose." I think it is our responsibility to be informed as well as to inform others. And there, I think, we sometimes fall down. We don't always know as much about our subjects as we ought to. And where we don't, we get into trouble. I think the first responsibility, therefore, of the good reporter is to keep himself constantly informed and, more important than that, to keep himself uninvolved. Maybe Mencken came closest to that when he said, "Any reporter who has breakfast with the President ought to be sent home at once." I think that goes for reporters and most public officials. If they get too closely involved with public officials, I do not think they are able to get maximum light on them.

Mr. Canham: May I come in at that point and ask Bill Lawrence

whether he agrees that if a reporter has breakfast with the President he ought to be sent home?

<u>Mr. William H. Lawrence</u>: I want to say first of all, Spike, that I don't have a chance to have breakfast with him very often. But when I do, I certainly welcome it. I am glad that Mr. Mencken is not on my network.

<u>Mr. Canham</u>: What are the safeguards needed to surround this personal relationship between a reporter and an executive?

<u>Mr. Lawrence</u>: The same safeguards that exist in the relationship between Governor and reporter and between publisher and businessman. The credibility of the reporter, after all, is only as good as his news source, and you cannot find a better news source than the Governor of your state or the President of the United States. I do not mean that they always level with you totally, but if you are seeking information of the highest importance, you had best go to the top level where the best information is.

Mr. Canham: Jim Flinchum, do you agree with that?

Mr. James Flinchum: I certainly do. I might say by opening that I am going to have lunch today with the Governor of Wyoming and then I am going home! I frequently have breakfast with him. He has contributed, in our State, a great deal to the news, to opening up our State House to sources of information which we never had before. So you have, I think, really to look at this relationship in all of its aspects.

<u>Mr. Canham</u>: Jim, does the Governor ever get mad at you? Mr. Flinchum: Well, he has not told me so.

Mr. Canham: You think it might be a good thing if he did once in a while, if you wrote something that would provoke his ire?

Mr. Flinchum: No, I don't agree with that.

<u>Mr. Canham</u>: I am not trying to be smart over it. But would you be freer to write a critical story about a man with whom you had lunch than about a man with whom you didn't have lunch?

Mr. Flinchum: Yes, and I have.

<u>Mr. Lawrence</u>: The President gets mad at me and everybody else I know and it doesn't affect the working relationship. This is a good thing.

<u>Mr. Canham</u>: I remember one of the great journalists who would write an editorial about the Cabinet, taking their hides off, and he would have dinner the next day with them. What do you feel about this relationship, Bob?

<u>Mr. Robert Crocker</u>: It seems to me that in a relationship which is as intimate as a state house reporter's relationship with the Governor, or with other department heads, that it has to be carried out with the same kind of detachment that is necessary in any phase of reporting. It does not necessarily mean exclusion from their company. It simply means an objectivity. That is one of the tools of the trade. <u>Mr. Canham</u>: Is there any danger that this pleasant personal relationship can inhibit the reporter?

<u>Mr. Crocker</u>: Yes. I think there is always that danger. But in most cases, I think the reporter, and probably the public official as well, are professional enough to recognize that there are two separate spheres that have to be managed in the situation.

Mr. Canham: Larry, would you comment on this?

<u>Mr. Spivak</u>: Regarding the comment about breakfast with the President, I think what he was saying was you cannot get so intimate and friendly with your source that it is difficult or impossible for you to write freely and honestly and objectively about him.

<u>Mr. Canham</u>: This sometimes happens, and there are current instances.

Mr. Spivak: I think it happens quite often.

Mr. Canham: And it is a point on which the press can be reasonably criticized. Would you agree with that?

Mr. Spivak: I would.

Mr. Flinchum: We have a small state capital-35,000 population, a total state population of about 360,000. Everybody knows the Governor and virtually all of the public officials. Any of us or any citizen can call the Governor and find out what he is thinking and get his views on things. So we have quite a different relationship, say, in Cheyenne than you do in the larger cities.

<u>Mr. Canham</u>: As I recall, many of the great editors in American history were detested by a large number of public officials. Is there anything wrong with that? Bill?

Mr. Lawrence: I am for it!

<u>Mr. Canham</u>: Well, we established, at any rate, something about the necessity for independence and the necessity for safeguards in the field of personal relations which are otherwise so gratifying and pleasant and yet must never invade the role of individual responsibility. I would like to go from there to a current and controversial matter of news reponsibility. And that, of course, is the question of reporting the war in Vietnam—both the reporting in Vietnam and the reporting in Washington, all aspects of it. Very recently there has been controversial discussion of whether there were stories published prior to the actual bombing of the oil depots in Hanoi and Haiphong which should not have been published. There was considerable irritation in high circles in Washington about these stories. And it raises, to me at least, very acute and complex questions about the responsibilities of the media. Larry, I think you have had some personal involvement in some of this.

<u>Mr. Spivak</u>: We interviewed Acting Secretary Ball during the time when whether or not to bomb Haiphong was in question. In answer to the question of escalation, whether or not we were going to bomb Haiphong, Secretary Ball said that there was no decision on the part of the United States Government to bomb the installations in Haiphong and Hanoi. This raised again the question of credibility, and I think the question we want to raise here today is the responsibility of the press to report information, if they had it, that we were going to bomb Haiphong. Also whether or not Secretary Ball was wrong in giving us the impression that no decision had been made when probably the decision actually had been made before.

Mr. Canham: You are suggesting-?

<u>Mr. Spivak</u>: My own personal opinion is that when the press had information of that kind, which involved the possible loss of lives during the war, it was wrong to publish the information, even though it was possible the enemy already had that information. I think it was the responsibility of the press not to write that story even though it was a good story.

<u>Mr. Canham</u>: Let's see whether the others agree with that. Bob Crocker, how do you feel about it?

<u>Mr. Crocker</u>: The word "credibility" has been raised here several times and also in our earlier discussions. And it seems to me that there is no real lack of credence given to the news media by the public. I believe that the press does have the responsibility to report whatever it can find.

<u>Mr. Canham</u>: Specifically, in this case where Under Secretary Ball was on Larry's program and made a statement, which Larry may have had reason to think was not true, the Under Secretary, in the classic description of the diplomat, may have been lying for his country. And I think all of us are aware that such a situation sometimes arises. What is the responsibility of the news media in the face of such a statement? Let me turn to Bill Lawrence on this because he has, I think, perhaps had to face something not unlike this at times in his career. What do you think, Bill?

Mr. Lawrence: Well, I think the simplest rule in reporting in wartime is that there is no story, no matter how important, that is worth the life of a single American soldier or allied soldier. I think there is no question about it. If you have information that the United State's is about to bomb any objective, you have no right to report it. I will go further and say that on a nationwide television program, you have no right to ask the Secretary of State if they made a decision to bomb target X. It can only alert the enemy to that fact. I think we have a great deal of soul-searching to do. We have the constitutional right to be free. We have the constitutional obligation to be responsible. During the war in Europe, and during the wars that I have covered, we met this problem in various ways. I remember, for example, when the invasion of Sicily was obviously a next step, in order to keep the reporters from speculating about when such and such might occur, General Eisenhower called the whole group into his office and gave them specific times, specific targets, and swore them to secrecy. That was the best way of

preventing speculation by a reporter that such and such might be in the making, because now they knew and they by their good faith would not reveal it. In Korea we operated under a sort of selfcensorship. I thought it was pretty miserable, because a reporter who chose not to report something that he knew, for fear of violating the national security, often got scooped by somebody else who did not take the same view. When you actually have combat operations, I think direct censorship applied in the field to the copy moving out is the best solution. It is the only solution that works fairly for the military, the press and the public.

Mr. Canham: Larry, you wanted to say something?

Mr. Spivak: Spike, I wanted to say that the question was asked after the report had already been widely circulated. I think that does make a difference. It did give Secretary Ball an opportunity, if you will, to state the Government's case the way the Government wanted to state it. But I think that the question had to be asked at that time, since the report had been made. I agree with Bill. If there had been no report at that time beforehand, the question might have been out of line.

<u>Mr. Canham</u>: Bill, you made the statement, one in which we all agree, that no news story should be worth the life of an American soldier. On the other hand, if it saves the lives of ten American soldiers next year, is the situation quite as simple as that? I can never forget an illustration from British history during the Crimean War. <u>The London Times</u> had a military correspondent in Crimea who was telegraphing stories back to London every night which were picked up by representatives of the Russian Imperial General Staff and telegraphed to St. Petersburg and were the basis of the battle plans of the Russian Generals. Those stories cost the lives of British soldiers in the Crimea but conceivably they saved the British Empire for a while by bringing about or contributing to a reform of the overall military system. Can't this sort of situation come up again, Bill?

<u>Mr. Lawrence</u>: Well, I don't think under any circumstance should we refrain from criticizing our military Generals, if a battle was badly fought or if an air offensive was badly mounted. Now, there may be a small nugget of information in this for the enemy. But if a reporter could observe it, it is one that the enemy should be able to observe himself on the ground. I did not cover the Crimean War, Spike! I suspect that the intelligence gained from those London Times dispatches has grown with the years, and does not fairly reflect the situation of the moment.

<u>Mr. Canham</u>: I apologize for digging up history. In the 1860's, I think the reporting of the War Between the States in this country was pretty frank.

<u>Mr. Lawrence</u>: I think it should have been. I agree. I do not see any reason why we shouldn't criticize Generals like we criticize Governors. <u>Mr. Canham</u>: The Generals don't like it. If they had the power of censorship, they would stop it. Where do you draw the line as applied to battle conditions? Would you apply it in Vietnam now?

Mr. Lawrence: I don't know enough about Vietnam now to answer that question.

<u>Mr. Spivak</u>: I would like to read what Scotty Reston said. He said that discussion of the wisdom or futility of extending the bombing to the population areas of North Vietnam is fair enough, but that public disclosure of the timing of operations and military plans is not.

<u>Mr. Lawrence</u>: It was not simply a question of revealing, disclosing, announcing or whatever you want to call it. There was a policy shift in the making there. This particular story said that the decision had been made, that the attack would be made within a matter of days. Now, this limits the operation of the President and it would certainly invite concentration of any aircraft power. Thus, had I had the information, I would not have reported it.

<u>Mr. Flinchum</u>: I think we are talking about two areas here. One, we are speaking of specific military power—the conduct and operation against a certain target. Two, we are discussing the general policy ideas and argumentative views on the application of this policy.

<u>Mr. Canham</u>: Let's broaden this to talk about the reporting of the war in Vietnam in general, whether or not the American public is getting an accurate and adequate account of what is happening, both in Vietnam and in Washington. And let me use, as an illustration, a test case which will illustrate the problem connected with mere reporting of what one man says or a deeper analysis of how it stacks up. We all remember the unfortunate statement made by the Secretary of Defense, Robert McNamara, a couple of years ago that the war was going to be over by the end of the year. After the news media had recorded his actual words, where should they have gone from there? Bill, what do you think?

<u>Mr. Lawrence</u>: Well, of course, that was a forecast that turned out to be highly inaccurate. It has since led to some questioning of McNamara's judgment; rightly so.

<u>Mr. Canham</u>: If the press and television media had felt-maybe they didn't-that this was an ill-advised and rash prophecy, shouldn't they have gone around and gotten statements from other people or additional data which they could dig up relating to the gravity and difficulty of the situation?

<u>Mr. Lawrence</u>: Well, there were many reports from Vietnam itself casting doubt on the rosiness of this particular view. It was widely challenged in the press. But actually, all you can do is raise the question that it seems rosy. Do you really possess the facts that the Secretary possesses, especially if you are reporting from Washington? <u>Mr. Canham</u>: Now, if there is a credibility gap, if the American people think they are not getting all they ought to get about the war in Vietnam, whose fault is it—the media's or the government's? What are the deficiencies of the media in reporting about Vietnam? All of you can come in on that.

<u>Mr. Flinchum</u>: I would like to offer this observation. I think this is an obvious fact, but I am not in Vietnam. It is my personal impression and opinion that too much is coming from Saigon, coming from briefing officers, and not enough from the field. There is too great a concentration of your news media personnel in Saigon itself.

<u>Mr. Lawrence</u>: Well, those are the people that World War II reporters always referred to as "communicating commandos." There is something to be said in their behalf but not much. It is the one place where you can get the whole picture—the big picture, as the Generals call it in briefing. You cannot go over and be at a Special Forces camp deep in the mountains, hoping that you will get attacked so you will have some kind of story, and also know what is going on in the rest of the country. You might sit in the Special Forces camp for six weeks and not get an attack. The editor is going to wonder what you are doing.

<u>Mr. Spivak</u>: I think one of the problems of reporting a judgment of that kind is that there wasn't enough aggressive questioning, enough challenging questioning of McNamara, to learn what he based that judgment on. As you yourself suggested, there are other people who have information on it. I don't think that you can avoid publishing what the Secretary of Defense says on a matter of that kind. It is a matter of great importance. But I do think that you might not have published the story quite the way he had it. He should have been challenged a good deal more aggressively than he was.

<u>Mr. Canham</u>: Do you agree that there is a certain credibility gap and, if so, how much is it the fault of the press and how much is it the fault of the government?

<u>Mr. Spivak</u>: I would say that there is a great credibility gap between the government and the press. Certainly, on the war itself, the press does not believe many of the statements that come from public officials. Now, whether the public itself doesn't believe the stories, it is awfully hard to say. I think that if we were sitting here today and all of you knew that I was a sweet, kindly gentleman who never raised his hand to anybody, but by the time you left here this afternoon you read that I had murdered my wife or killed ten people, you would all believe it; you would say, "If it wasn't so, it wouldn't be in the press." So I think the credibility gap is between the press and the government but not the people. I think our gravest responsibility is that people believe what they read and see on television. That is one of the reasons we have to be so careful about what we write and what we say.

<u>Mr. Canham</u>: Do the rest of you agree with that? Bill, do you agree with that?

Mr. Lawrence: Yes, I agree.

Mr. Canham: Others? Bob?

<u>Mr. Crocker</u>: Yes. I think that the so-called credibility gap, if it exists, is at the government level, the military level, rather than with the press. There is always criticism of the press, the news media, of any kind of information. There always will be. But, on the whole, it still amounts to more grumbling about the state of the world in general than with the reporting. The news media are always a handy target. The bearer of bad tidings has always been an unpopular figure. And I guess in earlier days he was put to death. But it doesn't mean that his reports were not correct.

Mr. Canham: Jim, do you want to say something on this point?

<u>Mr. Flinchum</u>: Only in this respect. I think part of your problem of credibility is also between government and the people. In 1964, during the campaign, I talked to a large number of people and I would say, "For whom are you going to vote?" I remember that many of them would say, "We are going to vote for Lyndon Johnson." "Why?" "Because Goldwater is going to get us into a war." So what happened? We have had a number of instances—and there are now piddling things and relatively minor—such as the campaign to turn off the lights in the White House and the campaign to stop people from taking vacation trips to Europe. All of these things have gone by the board, including the war. So I think a lot of people have begun to wonder.

<u>Mr. Lawrence</u>: Let me make one point there about Goldwater. I have heard a lot of criticism of the fact that he was badly reported in the 1964 campaign. I want to say that, where I sat and stood and watched from coast to coast, Barry Goldwater's trouble was that we reported him too accurately. We did hear what he said in New Hampshire about making Social Security voluntary. We did hear what he said about sending in the Marines to turn the water back on in Cuba. And so I heard all of this stuff about Barry getting a bad press. But if it was a bad press, he made it so and because he was literally and honestly quoted time after time after time on the things that led to this feeling on the part of the American people.

<u>Mr. Canham</u>: In my judgment, Bill, he was one of the most difficult men to cover that I have ever tried to cover. And the problem was everything we are talking about—the difference between what a man says and what he really means. I am not charging any lack of candor to the distinguished Senator. I am saying that you could take him too literally. You needed to add a dimension of analysis, which wasn't quite the same as straight reporting. Would you agree with that at all? <u>Mr. Lawrence</u>: Yes. I think if you had the opportunity to sit down and ask Barry if he wanted to escalate the war, he would have said no. The trouble is that you had a few minutes to ask him a question and he'd shoot from the hip. So I do agree with your analysis.

<u>Mr. Canham</u>: I think we ought to be a little more critical of ourselves. Larry, you and I have talked from time to time and suggested some of the difficulties that we would get into today with socalled interpretative reporting. Let's talk about another warlike situation—the Santo Domingo situation a couple of years ago or one year ago. I have had professionals say that in reading the dispatches of various American correspondents they wouldn't know they were covering the same war. What do you think of the reporting of the Santo Domingo episode?

Mr. Spivak: I do not remember too many of the details of that, but I think there are plenty of more recent instances of reporting the war which are similar. I think one of the serious charges that can be made against the press is that in our competition with each other we sometimes play a story merely for circulation. I have before me now stories on Vietnam. Here is an early edition of the paper with a headline which says that we are now winning the war in Vietnam. And here is the same paper, the final edition, which says, "Vietnam Victory Still May Be Far Off." I have another war headline which says, "U.S. Set To Bomb North Vietnam's Industry." The next headline says, "Navy Awaits Order To Hit Target." But the story suggests only that some Admiral said we are ready if we ever get the order to hit industry. Well, we are ready to hit Russia and we are ready to hit England. I suppose there are plans to hit everybody, but the headline didn't suggest that. And anybody who reads as he runs would believe that within the next few hours we would hit industry in Haiphong and Hanoi. Now, that kind of reporting, I think, is something that deserves sharp criticism.

<u>Mr. Canham</u>: Sometimes I think headlines ought to be abolished, but I am not quite sure what the alternative would be. At any rate, you say that more responsible writing of headlines would help.

<u>Mr. Spivak</u>: May I raise this one question which I think may be dear to the hearts of the Governors, and I am sure that when they get their chance at us we will be sitting ducks. And that is our responsibility to recognize our own fallibility, to look critically at what we say and write, and invite others to do so and correct our errors in fact and judgment. I sometimes feel that some public officials are too timid about letting us have it when we are wrong, and about letting the editor and publisher have it. I just say that if more public officials went at us harder when they have the facts and when we are wrong, we would get a better press. Now, I don't think we ought always to hide behind the First Amendment. I don't think that public officials ought to allow us to do so. I think they ought to hit hard at us every time they can.

<u>Mr. Canham</u>: Do you endorse Nixon's famous public Los Angeles statement? Was he justified in making it?

<u>Mr. Spivak</u>: Well, I don't think general charges against us are good. I think specific charges are. I think if Mr. Nixon had given chapter and verse, where he had been misquoted, where stories have been falsely written about him, I think that would have been effective. I just don't think that a general charge that the press has been unfair or too critical or mean or anything of that kind is good enough.

<u>Mr. Lawrence</u>: There is no shortage of complaints from where I sit. Whenever we do something that doesn't quite meet with official approval at the White House, we usually hear about it.

<u>Mr. Crocker</u>: I think there is a great deal of constructive criticism within the industry itself. We have an organ in the Associated Press with which you are familiar. They meet periodically and have committees in the meantime that are scrutinizing the daily reports and it gives a pretty thorough criticism.

<u>Mr. Canham</u>: I personally agree. I think that the newspapers and other media are on the whole too sensitive and do not criticize one another with sufficient frankness and vigor. And a convention has grown up that it is harmful to criticize the press. I think the press would benefit from criticism.

<u>Mr. Flinchum</u>: A statement was made to me at the table by Governor Johnson just before we started the panel discussion. He said that the press always has the last word, and that is true. I think it is an unfortunate situation, although there are various devices that are open for responses, such as letters to the editor or maybe a personal call to the editor.

<u>Mr. Canham</u>: Of course, we must not generalize. I can list several cities in the United States where it is traditional that the way to get elected Mayor is to have a newspaper attack you. For many years, if one of the great newspapers in Chicago was against you, that was a pretty good advantage. And I see before me some distinguished figures who have not hesitated to criticize the press. So perhaps open season is coming to be more fashionable. Bill, you mentioned a moment ago that you hear from the White House when somebody doesn't like what you say. What about the whole area of responsible relations with the Chief Executive today?

<u>Mr. Lawrence</u>: Actually, you know, there is an awful lot of news media criticism about President Johnson because he doesn't conform to the majority of the press's view on how he ought to conduct his news conferences. I am in the minority on this, I admit. I happen to think that the President's press conference is the President's press conference. If he wants to go back to the Roosevelt system of holding them in his office for the reporters assigned to the White House, that is entirely up to him. I do think that from time to time he should have televised news conferences. But on the whole, in spite of all that you read, for those who are around the White House, he remains the most accessible President in my memory and I go back to 1938. It is not at all difficult to see him individually. And collectively, it is impossible to escape him.

<u>Mr. Canham</u>: What is your view on press conferences conducted in the back yard?

<u>Mr. Lawrence</u>: I don't like to run around the White House lawn to begin with, and you can never get close enough to hear. You have to get with somebody else to compare your notes. Worse than that, he might take you for a long walk in the early part of January, as he did a couple of years ago. You go for an hour and your hands are forzen and your ballpoint pen won't work. And when he gets all through, he says, "All through. It is off the record." Four days later you pick up <u>The New York Times</u> and there it is, as he told it to a bureau chief who didn't bother to take the walk with him. I am saying that this is somewhat disconcerting! But the President has his own way of doing the press conference and he doesn't like the Kennedy style. I actually think he does it pretty well when he does it in the Kennedy fashion, but he doesn't like it so he is not going to do it, and I don't know what we are going to do about it.

<u>Mr. Canham</u>: Time is moving on. I think we ought to talk about state house reporting because I imagine this subject will get some attention when we go into the other part of the program. For instance, in your judgment, are daily newspapers doing a good job in reporting what goes on in areas of state government? Jim, what do you think?

<u>Mr. Flinchum</u>: I don't think so. To use an epigram on the editorial page of the <u>Denver Post</u>: "There is no hope for the satisfied man and there is certainly no hope for the satisfied editor or the satisfied newspaper reporter." So it is a question of whether you ever reach the point where you think you are doing a good job. I don't think we ever do. We have a small newspaper in a small State, with limited staff. I do a lot of my own leg work myself. We are always up against it for manpower. But how do you overcome these limitations? It is the same problem that the Governors have in their state government operations. You do not have enough money, or for various reasons you cannot do everything that you should do.

<u>Mr. Crocker</u>: I agree with Jim that a better job could be done. One factor is the growing complexity of state government. In the eighteen years that I have been in it there has been a remarkable growth in the areas in which state government is concerned. It isn't just a growth in quantity. The latest one is the effect the Economic Opportunity Program has had at the state level and at the municipal level. There are a great many more boards and commissions with various kinds of concerns. So over the years you have to spread yourself pretty thin.

<u>Mr. Canham</u>: Is there a problem, Bob, in regard to the nature of news? Is it a good or bad assumption that news is conflict, crime, passion, the unusual; indeed, the interesting? What is the problem of making the warp and woof of state government with its constructive achievements into news?

<u>Mr. Crocker</u>: One of the duties of a state house reporter, it seems to me, is to try to take the warp and woof, as you put it, the day-to-day developments in state government and administration, and make them interesting where they lack conflict. And there are many important areas of government that do lack conflict. Even though they lack drama, they are important to the taxpayer and the taxpayer should be informed about them. There are at least two approaches to any kind of coverage, it seems to me. One is the reporter who is on a single assignment who can make himself -well, let's face it-obnoxious if he has to to get the news that he wants; needle the people until they speak out in anger. On the other hand, there is the beat man who has to stay in the same area for months and years. He has to live with these people tomorrow, next week, next month and next year.

<u>Mr. Canham</u>: Bill Lawrence, what is the relationship between the news and the documentary? I suppose the documentary is the way of reporting this kind of situation. Do we do that well enough?

<u>Mr. Lawrence</u>: We neither do it well enough nor often enough. Of course, the dream of every reporter is that the networks and the individual radio stations will become more and more interested in the affairs of government and of life that are truly important, and less concerned with the soap opera or Batman; and that more time would be made available for intelligent, thought-provoking commentaries and documentaries. We do not have enough of them.

<u>Mr. Canham</u>: You speak of Batman and soap operas. The other day in Boston a couple of radio and television stations carried the doings of the state conventions—Republican and Democrat. One station had more than 2,000 listeners phone in protesting the live coverage of the state conventions because it had bumped some light entertainment and part of the ball game off the air. What are we going to do about that?

<u>Mr. Lawrence</u>: May I add to that? You should have seen our switchboard the night we interrupted Batman to say that Gemini 8 was in trouble. And CBS really got it because they killed a canned show called "Lost in Space" to talk about some people who were actually lost in space. CBS really got it!

<u>Mr. Spivak</u>: I recall once when a top public official was on the stand and being televised, that in the midst of one of his sentences he was interrupted for a commercial. I was so outraged that I called the station to complain. The manager said he was glad to hear from me, that it was the only complaint he had on that score. He said he had something like 200 complaints because they put the Senate bearing on and had taken off some soap opera. This brings me back to one thing I think is so important. And that is the people who hear us and the people who read us and the people who are affected—I think if they complained more on a higher level, why, the networks and the press would change. I think we have to be subjected to a great deal more criticism, of a different nature.

<u>Mr. Crocker</u>: I want to observe that perhaps some of these people had a point. Two thousand people in a viewing audience for the size of Boston is a fairly small sample. Furthermore, I have been to a couple of political conventions when I would much have preferred to be watching Batman, and I am not a Batman fan.

<u>Mr. Canham</u>: Well, there is a note of cheerful realism, I suspect. I said that we are approaching the time when we should bare our breast to the shafts and arrows of this distinguished group around the quadrant. Governor Reed, may I turn the program back to you.

Governor Reed: Thank you very much, Spike, and members of the panel. I will thank you in greater detail later. But I certainly want to say how pleased we are for this open discussion. I am going to take advantage of my prerogative as Chairman and ask the first question. I would like to have the various members of the panel, if they will, define for the Governors what you feel is the ideal arrangement for gubernatorial press conferences? Let me point out that in Maine we originally started with press conferences in my relatively small office. It was a relatively intimate association. However, as time went on, additional television channels wished to be represented and we had to move into a larger room. And then, because I think most of us feel that answers to questions that are going to be on television have to be more or less summarized, the regular newspaper reporters became a little concerned that they were not getting in-depth-type answers, that I should be more available to them. So my question specifically is: What do you gentlemen feel is the ideal arrangement for gubernatorial press conferences? Should they be separated and have one for television and then one for the newspaper-type reporters?

<u>Mr. Canham</u>: I will give my opinion and then I will turn it over to the others. You asked "ideal." I think the ideal would be to separate them, because I think they perform somewhat different tasks, different functions. Frankly, you will find it convenient to have as regular a schedule as possible so that everybody can be present. There should also be opportunity for the asking of followup questions, because nothing is more vital. Occasionally, the electronic equipment can get in the way of a follow-up question.

Mr. Lawrence: I would say that the ideal press conference is the one in which you feel the most comfortable, without regard to demands of either media. As for this "separate but equal," to use an old expression, it just won't work, Governor. The President tried an experiment a couple of weeks ago where he had his regular news conference in his White House office. And then said that for the benefit of television he would take the network correspondents over to the White House studio where the television camera is and we could ask him again, for use on television, precisely the same questions that had been asked in the general and open news conference. The boys of the writing press were furious because now the network correspondents were going to interview him alone and they couldn't come. If you are going to meet separately with the radio and television people, the writing press will want to attend. If you are going to meet with the writing press, the television and radio people are going to want to attend. Get yourself a hall that is big enough and go ahead and do your business. If you want to have some television news conferences, have some television news conferences. If you want to have more private briefing sessions where the cameras are not allowed, go ahead and do that. I will probably be fired tomorrow for saying this, but that is my honest opinion.

<u>Mr. Crocker</u>: I agree with Bill Lawrence that there isn't any effective or practical way of separating the two media and probably there is no real reason. As Governor Reed said, I think it does lose some spontaneity when the camera and lights are on. It is irritating to have to leave while the boys set up their equipment, but maybe a little better timing would solve that part of it.

<u>Mr. Flinchum</u>: I would say, let the format fit the situation or the demands of the news media at any given press conference. In our case some of the broadcast media show up. We are always represented by wire service people and a couple of newspaper reporters and sometimes the broadcast media show up and sometimes they don't. So it just has to be governed by a particular situation.

<u>Mr. Spivak</u>: I don't think two press conferences on the same subject are really practical. First of all, it gives a man a chance to re-think what he has said, and the second press conference may be altogether different, both in what is said and how it is said. I see no problem in having one. I think we have found that most Governors and most public officials have learned how to handle the thing so that both the press and the television audience gets what is important out of it. I am in favor of one.

<u>Governor Reed</u>: Now, Governors, if you will request permission to be recognized, I think that that is the most orderly way to proceed. The members of the panel are ready. Who would like to

present the next question? The chair recognizes the Governor from New Mexico, Governor Campbell.

Governor Campbell: Mr. Chairman, I will address this guestion to the moderator and they can do what they wish with it. Let me preface it by saying that I am serving my last term anyway so I am a philosopher rather than a politician here. In reflection, however, I would like to observe that most of the news media have a tendency to report only the unusual, the exciting and dramatic things and by doing that greatly distort the general image the public gets of the events of the day. It seems to me, for example, in the great problem that this country is experiencing in civil rights. that by reporting quite dramatically marches or demonstrations and failing to report the genuine efforts that are being made on the part of a great many people of both races to correct the situation. the image is created that we are not really making substantial progress, which I believe we are. Another example is the disturbance that took place at the University of California in Berkeley last year. From seeing the coverage in all news media of the few hundred students who sat in at one of the buildings-a few hundred. really, out of, I suppose, thirty or thirty-five thousand-it created the impression that there was nothing but chaos at this great institution. I am asking these three questions. First, do you think that is a fair analysis of the coverage of daily events by the news media? Second, if it is the case, do you think it is inevitable in our system of American journalism? And third, do you think, if that is the case, that it can create and perhaps does create a distorted picture in the mind of the public about the operation of government and politics?

Mr. Canham: I will start by taking a crack at that, Governor. I think there is a great deal of validity in the points you make. But the problem goes very deep. It goes deep into the nature of the human mind. The newspaper or the radio or television must communicate. It doesn't do any good to present something that nobody will read or to say something that nobody will listen to. You have to obtain entry into the human mind. It is very easy to obtain entry into the human mind with a story about a little girl who falls down a well and gets stuck there and the people try to rescue her. This may be an instance of no importance in terms of world or national affairs but of tremendous importance in terms of human interest. The daily problem of the journalist of all media is to make important news sufficiently interesting. This is the challenge. It is difficult. As to the University of California situation, again, I am sure there is a good deal of validity to what you say. But on the other hand, when a group of citizens seizes control which affects the administrative offices of a great institution, this is not anything you can ignore. You have to cover the story accurately, even though there is much more about the university that is not news. This all

gets back to the definition of news, which is more or less the definition of the word unusual. I think all of us must try harder to cover the fundamental and important and constructive news, but the task of doing so and obtaining entry into the human mind is not easy. This goes back at least as far as the Garden of Eden, I suspect, in terms of being a human difficulty. But it is what we face. I am sure that some of my colleagues here will have something to say about it. Bill, would you start?

<u>Mr. Lawrence</u>: I agree with the Governor that these complaints are well-founded, but I say that they spring from the nature of the human beast. That is what he is interested in.

<u>Mr. Flinchum</u>: Also, you have to consider this fact. Good news quite often is no news, unless it has some startling, dramatic effect, such as good overcoming evil, such as a tremendous rain after a very severe drought or something like that. Mr. Canham uses the example of the little girl who falls down the well. It is the little girl who falls in the well that makes the news, not all the others who stay out of the well.

<u>Mr. Crocker</u>: I think Governor Campbell has given a pretty good description of page one of an average newspaper. But what I think is overlooked here is the fact that on the inside of page one, on the editorial page, there are some very searching analyses of the news, things that do not make headlines and do not have as much of an impact. But it is there. The press is doing a good job in that sort of thing.

<u>Mr. Spivak</u>: I am in complete agreement. There is no interest in the millions who are not murdered. There is interest in the one who is murdered. And that is what gets published.

<u>Mr. Canham</u>: But at the same time the fact that there was not a murder in a given city in a given year might be a story of more profound importance sociologically and, hence, you would have to write it to bring out the meaning.

<u>Governor Orval E. Faubus</u>: Gentlemen, I just want to comment. I am glad to hear you admit what I have known for a considerable length of time. That you do not give enough attention to the worthwhile accomplishments of these people who work so hard to give their citizens good government. But if we make a mistake, it makes front page news. Now, you made the point that you must hav something startling to entertain the human mind. Yet when we do that when we are campaigning, we catch hell for it from the press. I don't see any solution for it. We have had a very interesting discussion, but the world will be the same when we finish and the new media will be the same and we will be the same. There is the fact that good news is published. We happen to have a couple of weekly newspapers and we don't have any of this startling stuff. They report on home demonstration work and the worthwhile things they do, and people read it. I think you get quite a bit more readership from worthwhile news than you sometimes anticipate. But I know the competition is keen. It is like being in a campaign with your opponent. He comes out with something startling. You try to match him. And I think perhaps you give too much emphasis to this competition with each other to the detriment of worthwhile news and to the distortion of news that is not so worthwhile.

Governor Hearnes: Gentlemen, I just want to make one comment. I don't think you can possibly answer this particular question. And then I want to make a further comment on the breakfastwith-the-President idea. I read a newspaper article once that General Westmoreland was to be relieved from his command. That was six months to a year ago. I understand that General Westmoreland is still in Vietnam. I don't know what the duties of the newspaper that had the banner headlines are. I think that everyone who read it, just as I did, assumed they made a heck of a mistake. And no one is under the assumption that General Westmoreland is not in Vietnam. As to the situation of "breakfast with the President," I found this out in my relationship with members of the press in the state capital. Those who are more familiar or have a friendlier relationship, call me many times before they print a story, and say, "This is what I found out. This is what I am going to say. Do you have anything to say in reply?" We don't keep him from writing it unless I can convince him that they are just 100 per cent in error, and sometimes I have been able to do that. But because of this relationship, they felt that they could touch base with me before they printed the story. I don't have breakfast every morning with them, but I really do appreciate the relationship which they feel gives them the privilege of calling me, which they do, at all hours of the day and night at the mansion or in the office. I think it serves a worthwhile purpose.

<u>Mr. Canham</u>: I am sure the press is very grateful to you for being willing to participate in such a relationship. And you have described, I think, a relationship which, handled with the proper sense of responsibility on both sides, is excellent. Maybe the trouble is that it doesn't necessarily always stop there. The press has to be critical and it has to be analytical.

<u>Governor Hearnes</u>: That works on both sides, because I think I have a responsibility not to become a lackey of the press. I think that many Governors can read the editorial page too much and forget about the people. I have seen that happen in my sixteen years in state government. So I think the shoe can be worn both ways. The Governor has just as much duty not to let that relationship with the press or with the editor interfere with what he thinks is best for the majority of the people. Because with all due respect to the editorial page, it doesn't always represent the best interests or the thinking of the people of our State.

Mr. Canham: I always had the feeling that the reporter should

not write anything that he wouldn't be prepared to say to his face. Somehow, if you visualize the other person across the typewriter, this helps when you write, in my point of view.

<u>Mr. Flinchum</u>: Let me say, Governor Hearnes, that you are absolutely right and also absolutely right in your comment on the editorial pages. I will say this. I write my own editorial every day for our newspaper and we strike some very positive stances. But the newspaper editor certainly is not always right, and I don't think he thinks he is always right. He does what he thinks might be best or says what he thinks might be best, but he cannot be positive about this. So I think in many cases the editorial page provokes some significant thinking about a particular subject.

<u>Governor John A. Love</u>: Gentlemen, I am sure that you knew, when headlines were mentioned, the response that would be forthcoming in this area. It has been of great concern down through the years. I think the headline approach is more irresponsible than any other portion of reporting. You mentioned meetings at which you discuss problems and so on. Has there been any move to inquire into the problem of headlines?

<u>Mr. Canham</u>: Well, yes. This is a dual problem. It is partly technical and it is partly ideological or a matter of integrity. Headline writing has certain technical difficulties. And the headline writer has to present a striking, arresting fact. So it is very difficult. And sensationalism enters into the picture. I might add that headlines are a little bit conventionalized. As in some other aspects of American life, you get used to conventions. The pepper is a little hot at times but we have become accustomed to it. I did notice with great interest the wave of spontaneous applause that arose when I suggested that headlines ought to be abolished. Yet, from where I sit, I don't think the record is quite that bad. Headline language always has a little to be said for it. My two writing colleagues may have further words.

<u>Mr. Flinchum</u>: This is a serious problem with us every day. And the problem is the communication between the written story as it is presented to the headline writer and his interpretation of it and his effort to fit that interpretation into a very limited space. If you have ever struggled with trying to tell a complex story in about six words, then I think you might be a little more lenient with us.

<u>Mr. Canham</u>: Larry, you presented a couple of headlines in your earlier discussion which are diametrically opposed with the stories. I take it that the second one was right and first one was wrong.

Mr. Spivak: The second one is closer to the story.

<u>Mr. Crocker</u>: It has been my experience that quite a high percentage of the complaints that come back from stories which I have written are complaints really based on the headlines, which I don't write. In those cases, however, I also have to take into consideration the fact that I may not have made the point clear when I wrote the story. It is a matter, to a great extent, of how the headline writer interprets what he reads.

Governor Hansen: In my mind there is nothing more important in preserving the integrity of American society than what is represented by those of you who constitute the panel here this morning. I have been most impressed with Mr. Canham's observation that what is actually important in conveying the background information is this reporting in depth. And I was equally impressed with Mr. Spivak's comments that there is a responsibility on the part of the press to expose. I think you overdo the latter, but I say that facetiously. What I wanted to ask Mr. Spivak is: Does not he believe that all of the press, all of the news media, should get a better understanding of the issues that are important to the people? This job of reporting from the state house, it seems to me, is at times a most difficult one because the things that are important to the people, which may affect the lives of many, are not the sort of things that make for dramatic headlines. And because of that, I have a feeling that breakfast with the President or breakfast with the Governor may provide some of the background information that can excite and interest and stimulate. In that regard I would say, without trying to butter up the press with some toast at breakfast, this indeed seems to me to be a way in which we can stimulate interest in most problems that are important to people. I would like your comments, Mr. Spivak, on that.

Mr. Spivak: I am sure that the better informed the reporter is, the better his story is going to be. I sometimes think, though, that from your side you want the kind of education for your public, particularly on state government, that the press simply cannot do. I think that the major function of the press is to inform-and to educate, maybe, as it is informing on current events-but not that it can do too much to educate in terms of a school. It may be that the Governors themselves, who have a good deal to do with education, ought to do more. Incidentally, this is not my idea. This was a discussion that Terry Sanford had in North Carolina some time ago with a group of us on the subject of state-federal relations. One of the most important questions raised was the question of the press. The conclusions were that there were some things that were expected of the press which the press simply could not do-to educate the public in depth, to overcome public apathy on matters of state government. I think maybe the schools ought to do that. Certainly, where you have a dynamic Governor, he can do a great deal on it. If your question was: isn't the press able to report more accurately when it is better informed, I agree with you. But if the job is to be public relations, then I disagree with you. I think that is the danger sometimes when you get to know a man too well and

when you get to like him a great deal. And most of you Governors -and I have interviewed a great many of you-are awfully likeable fellows. There is danger in that.

<u>Governor Hansen</u>: Let me say that I agree with you completely. It would be wonderful if the schools could provide this—to probe more deeply into government and from that effort come up with an informed citizenry that would voluntarily assume the responsibilities that should be theirs. But I think that we are past that point in state government. We are faced with the immediate problem of trying to do a better job in communication with the public generally and having them understand the issues that are important to them.

Governor William L. Guy: It seems to me, in this day of complexity and sophistication, that there are two separate and vast facets to news gathering. One of them is gathering of the news; the other is gathering of the facts. But I think too often the news media men miss the gathering of the facts and emphasize the gathering of the news. Now, it seems to me that, to the news media, a quotation, no matter where that quotation comes from, whether it is a responsible source or irresponsible source, is a newsy item. Is it possible that the news media in this day and age could emphasize more research to verify facts and put less emphasis on news gathering by quotation? To cite an example, in a certain State that is considering a vast tax reform, perhaps a used car dealer might make a statement that the State does not need a new tax program because it has \$100 million in its general fund. The tax commissioner and the Governor might say that the State does need the tax program because it has no money in the general fund. Now, the news media in gathering the facts might quote the used car dealer and the Governor and the tax commissioner but they may make no effort to find out which one of them is right by research. How can the public, then, simply reading quotations, determine what the fact is?

<u>Mr. Canham</u>: Governor, you are absolutely right. I was at the League of Nations in Geneva and I heard a rumor in the press gallery which, I am sorry to say, I passed on, conversationally, to a journalist from a Central European country who became very excited and said in his faltering English, "Tell me. Is it news or is it a fact?" Well, this is a vital distinction, and your observation that we should seek the facts is an awfully good point in our discussions today. I think that this is really what we have been saying. It is really the essence of this whole discussion, that news is news and facts are facts and if news is part of the facts that you must dig deeper into the facts.

<u>Governor Sanders</u>: Mr. Chairman, I just want to ask Mr. Crocker a question. Mr. Crocker a few minutes ago was speaking about the headlines and talking about the fact that on many stories he had written, of course, he did not have the privilege of writing the headlines. The question that disturbs me—and I think it applies to all of us—is the fact that many times a reporter who writes a story and who then phones in his story apparently never has an opportunity, after the story has been written, to have any conversation or to check back with the headline writer. This may create a great deal of animosity between the reporter and the individual about whom he is reporting. My question is: Why is it not possible to have some rapport between the headline writer and the reporter who phoned in the story?

<u>Mr. Crocker</u>: Well, Governor, this might be possible on a daily newspaper where the staff is working under the same roof, where the reporter comes into the city room, writes his story and turns it over to the copy desk where the headline is written. Chances are, however, that the copy reader would be confident that he had the essence of the story and wouldn't feel any need to consult with the reporter about the story. If the story was ambiguous, then he might. Now, a larger percentage of the news, however, especially state level news, and particularly national and international, is provided by the wire services and the wire services do not write any headlines and, obviously, this has to be done in the local city room where there is no possibility of any contact with the writer.

<u>Mr. Canham</u>: Your AP stories from Augusta are printed in a considerable number of newspapers. What is the batting average on accurate headlines in your judgment? How often does the head-line writer goof?

<u>Mr. Crocker</u>: Not very often at all, really. It happens occasionally. If I had to make a guess, I would say 2 per cent of the time there is some little discrepancy; but even less than that, for any serious discrepancy.

<u>Governor Sanders</u>: Let me ask one other question. This is rather prevalent; something we find too often. Many, many of the stories that are reported on the state level, particularly relating to the state house, come out with "this story is based on a statement from an unimpeachable source." And then they write about anything in the world. My question is: Just what is the attitude of the press about these "unimpeachable sources" which have no reference to anyone or anybody and behind which there is no factual analysis?

Mr. Canham: I think we all want to talk on that.

<u>Mr. Flinchum</u>: We don't think there are any unimpeachable sources and we don't use any stories that quote them.

<u>Mr. Lawrence</u>: Well, I think that device is widely overused and I especially think it is used for the purpose of character assassination and certainly should not be allowed on the radio or television or in the news print. But one thing is sure, Governor. If they say it is an unimpeachable source, that cannot be you because you can be impeached.

Mr. Canham: I agree with my colleagues that this is a widely abused phrase and it ought to be abolished like headlines and so on. But there are instances where newspapermen receive information from a source who gives it to have it printed but is not willing to be identified. And the newspaperman has to judge whether or not this is a proper thing to do. Of course, there is a case now up in the courts in one of the States and it will be heard from in many others. To cap that with a story at our expense, a man who was for many years the public relations man of a great corporation started life as a young reporter from Baltimore. He went over to the Washington Bureau of the Baltimore Sun. The chief took him around to show him the rooms. At the end of the tour the young fellow said to his chief, "Look here, sir. You have shown me all of these press rooms, but I notice in your stories that you refer to Washington observers and unimpeachable sources. You have not told me where to go to find these Washington observers that you are always writing about." The chief of the bureau pulled out the bottom drawer of his desk and said, "Well, Frank, I keep mine down in this drawer. Any time you want to borrow it, you are welcome to it."

Governor Goddard: Gentlemen, this has been a most interesting panel, and I wonder if I could have your opinion on one matter. Governors in the various States often are asked for instant reactions on things that perhaps they haven't even heard about. Something will come over the wire service and the newsman will come right around to him and say, "Governor, what is your reaction?" If he hasn't heard about it, they will fill him in real fast, and very often this can lead to things that perhaps on second thought would not be quite in the same vein. To follow this up, when a Governor attempts to try to hold the press until he gets the facts or until he can study a matter, it very often is interpreted as equivocation. For example, the press is extremely vociferous, and should be, concerning freedom of the press. However, when it comes to the constitutional privilege of a man's individual privacy and his right to a fair trial, I just wonder if perhaps we could not be more deliberative about our innuendos in reporting such things as the fact that a man has appeared before a grand jury, which might or might not be an indication of guilt or innocence. Perhaps the Governor would be justified in trying to take a longer view before commenting with respect to those rights of the individual which are in controversy. I realize that it is far closer to home to express vehemence about freedom of the press. But where a Governor is trying to exert his influence in protecting the right of the innocent to have a fair trial, it seems to me that those rights should be discussed as thoroughly and as objectively as the rights of the press to get in on the news while it is breaking and comment on it immediately.

<u>Mr. Canham</u>: There are two points that you made which are both very important and interesting. The first point, Governor, is that any public official should certainly have a right to think about something before he comments and the press should not attach any invidious interpretation to his right of thought. Therefore, to take time to think something out is totally legitimate. We live in a period of instant thought and instant speech and of too much speech. Fewer words might make our society a little better. So, I strongly support your plea for time to think before you comment. I think the media ought to recognize and protect this right of thought.

As to the point of a fair trial, this matter has been for some time under active and responsible discussion between the press and the bar. I am not seeking to whitewash or defend the press. I recognize, and I am sure we all do, the basic importance of the right of the individual to a fair trial. I just cannot resist adding that a good deal of the problem has been caused by overzealous prosecutors. I think we are making progress on this question, although it is complex and it is difficult because the public's right to be informed and the individual's right to a fair trial as well as the individual's right to privacy are often in some kind of apparent conflict. And these apparent conflicts overlap. This is a real problem and it is being worked on. I think we are handling it more responsibly today than we have done at times in the past.

<u>Governor Warren P. Knowles</u>: Gentlemen, I think almost everyone recognizes that we live in a fish bowl and that we are subject to all kinds of criticism and abuse at times and applauded at other times. One thing that has bothered me is that in Wisconsin we have thirty-three daily newspapers, about twenty major television stations and numerous radio stations. The wire services digest the news to such a degree that the real news comes by way of sentences and never in-depth coverage. I don't know if there is any answer to this. All we have is about ten regular capital reporters and they don't reach into the areas of the State. Secondly, I would like to ask, what do you think about signed editorials?

<u>Mr. Canham</u>: I recognize the difficulties which you have referred to, Governor Knowles. There is an awful lot happening in the world. But, generally speaking, while they unavoidably present it rather compressed, they try to supplement it with feature stories and background stories and other material which is available to their papers and to radio and television. It is a major problem, though, and there is no end to the news which could be presented to people in greater depth.

As to your second thought about signed editorials, personally, I do not think there is anything that could be said for them. The editorials ought to be the voice of the paper, not the voice of an individual. The editorial speaks for the newspaper rather than the individual. If there is editorializing other than in the editorial column then it ought to be identified as personal opinion and it could well be signed.

<u>Mr. Crocker</u>: Governor Knowles, you spoke of lack of depth in wire service coverage, particularly, and I have to agree that this is well taken, especially as it pertains to radio and television news. We have to supply it in such a way that it can be read with reasonable ease. On the other hand, there is a great deal of emphasis now on what we call enterprise reporting, which is the kind of reporting in depth that I think you referred to; and this has increased very sharply in the last two or three years. The editors around the country seem to be responding to it very eagerly and using most of what we supply. This happens at the state level as much as possible, as much as we have time for, and also on the national and international scene.

<u>Governor Bellmon</u>: Mr. Chairman, I believe that we all agree that it is highly important that we do all we can to make certain that our concepts remain high. There seems to be always a great deal of attention and interest when wrong charges are made and published. Yet when the true facts are brought out, which generally show that the charges were greatly exaggerated, there is not much interest. For instance, in Oklahoma several years ago when I first became Governor, there was a charge of wrongdoing on the part of some of our National Guard officers. Later, after careful auditing and checking of the records, it was found that there were virtually no irregularities. When the audit was all finished several months later and the facts brought out, the report appeared on page twenty-nine. Now, is there anything that we as Governors could do to help make certain that the actual conditions get the same attention as the charges get?

<u>Mr. Canham</u>: This is the truth catching up with the lie. You ask what can the Governors do. Possibly there are ways of raising the news impact through official statements, underlying descriptions, interpretation of it and so on. But it is a problem and we all ought to accept the responsibility of trying to help the truth to catch up with the lie. It is not easy.

<u>Mr. Lawrence</u>: Governor, you talked about the National Guard. These officers turned out not to be guilty. But then, in Oklahoma, there was corruption right in the heart of your Supreme Court, which turned out to be the truth.

<u>Governor Bellmon</u>: There certainly was, and we appreciate the fact that this was made known. But at the same time, when the charges are proven false, then, it seems to me, the news media have the responsibility to give this the same attention that they gave to the charges.

<u>Mr. Flinchum</u>: May I comment on that? In our newspaper we seek to give the same play to the development of a story of this nature—the same play, the same size headline, if possible, and the

same location. I will cite you a specific instance that we had in our town a few weeks ago in which remarks were made by a defendant in an aggravated assault case to the effect that the impression had been conveyed to him that justice could be purchased. Well, it turned out that the remarks that this defendant based his statement on-he said this in open court-were a misinterpretation of a lawyer's remarks to him. We published the initial story. The trial judge ordered an investigation by the prosecuting attorney's office. When the report of the prosecuting attorney's office was made through the judge, we gave the same play, the same lines; unfortunately, not the same page. We had to move it. I think the first story came out on page two and the second one came out on page four, although I gave specific orders to have it placed on page two. But we try to give equal treatment to stories of that nature.

Governor Paul B. Johnson: Mr. Chairman, I have a different problem than the Governor of Georgia. Some of the stories that come from my State are not only ambiguous, but some of them are actually not factual. I would like to have some help from the panel. When this boy, James Meredith, was shot in the State of Mississippi, the wire services put it all over the world immediately that James Meredith had been murdered in the State of Mississippi. The newspaper reporters were present. They saw that the boy was shot with a number six shot, which is the same shot that I get shot with during dove season, if I am in the field. They saw that the boy was not seriously wounded. This was not corrected for hours, despite the fact that there were reports from the hospital and from our state police that it was not a serious injury. On the other hand, they were in a hurry. They were trying to scoop one another. And in their haste, evidently, they made this mistake. Then, for some three days, it was never pointed out by the press or television or radio or any other means that the man who had done this had come from another State. We had every psychopath between Jackson and Memphis under observation, but we did not anticipate someone from outside the State. This sort of reporting makes it appear to the rest of the world that the people in Mississippi are sharpening their teeth on rocks in order to tear human flesh. We think we have some pretty good people there. Some of us are trying to do a good job in handling the problems that confront us. I would very much like to hear from this fine panel as to how this type of thing can be corrected.

<u>Mr. Canham</u>: We all agree that you have some pretty fine people there, indeed. As to the first story about Meredith-my colleagues will correct me if I am wrong-my recollection of the episode is that one wire service got it wrong-grossly mistaken. And it was correctly reported by the other agencies at the time. And I thought that the truth caught up with the lie fairly quickly. You may know a great deal more about it than I, but my impression was that, apparently, it was an honest but inexcusable mistake. Actually, in the profession, this serious error has been criticized. And the wire service responsible has been criticized and held, in a sense, accountable for one of its staff members making that kind of mistake. As to not printing the State of origin of the fellow, this is also bad reporting. I hope some of the reporters caught up with the fact where he came from, because this was a relevant part of the story.

Mr. Crocker: I think it is well known, unfortunately, that it was the Associated Press that carried that mistake. I cannot speak for the Associated Press, as such. But I can tell you that the report that was made to the members and the AP staff from the general office was certainly not forgiving of error of this kind. Perhaps I should say that the report that was made after the investigation showed that a reporter probably had a bad telephone connection, the man at the scene saying, "The man was shot dead," when the man had actually said, "He was shot in the head." This was not a matter of hours, Governor. I believe it was thirty-eight minutes before the correction was filed. That may not have been handled just properly either. But it was not as long as many people think. One of the facts, I think, that probably gave it wider attention than might have been otherwise, was the time of day in which it happened. Some of the major television and news programs were in progress. The bulletin was reported. The correction, of course, wasn't available until after they had gone off the air. It was impossible, there again, for the truth to catch up with the lie.

<u>Governor Reed</u>: Gentlemen, because of the time, we will draw this to a conclusion. At this juncture I want to thank the members of our panel. Mr. Canham has certainly done a masterful job as moderator. We know of his distinguished record. It has been a rare privilege to have him head up this important session of our Conference.

Bob Crocker is the dean of our state house corps in Augusta, in spite of his youthful years. I want to say that, as Governor of Maine, we are indeed blessed with one of the finest and most objective reporters that I have ever seen. In my opinion, he is a model reporter and, certainly, a great credit to the news media. We have many fine reporters, I am sure, in Maine, but everybody respects Bob as the ultimate in top reporting.

I know the great respect that Governor Hansen has for Jim Flinchum and I can certainly see why Governor Hansen is proud of the fine presentation and contribution that Jim has made to our panel here today. I am glad to have had you here, Jim, to participate.

We wanted to have a representative from one of our major television companies and Bill Lawrence has certainly done a remarkable job in his contribution to this important panel today. Bill, we are honored to have had you on this panel.

Larry Spivak, of course, has established a reputation over the years second to none. It was a real experience for me to have participated on "Meet the Press" this past week. Larry, we are very grateful to you for remaining with us and taking a major role in the presentation here today.

And so, Mr. Moderator and members of the panel, I speak for each and every Governor here when I say that this has been one of the most provocative and illuminating sessions of the entire Conference. There is no question about it. We are certainly honored and appreciative of your taking the time. I must say that you have been before us a lot longer than we are generally before you. I do not want to impose upon you any longer, but I simply wish to say thank you very much, gentlemen, and to ask the Governors for a standing round of applause of appreciation.

At this time we will hear from the Committee on Natural Resources. And to present the report of this committee, I am delighted to call upon the distinguished Governor from Kentucky, Governor Breathitt.

[Governor Breathitt thereupon read major recommendations from the Report of the Committee on Natural Resources. For text, see Appendix XIII.]

<u>Governor Breathitt</u>: Mr. Chairman and my fellow Governors: All of these recommendations have come about because of the crisis. It is a quiet crisis but an urgent crisis, caused by the twin presence and straining of population growth and industrial power. Between them, they can destroy our land and water, our trees and our air. They brought about a national emergency which cries out for our immediate attention. This is no time for gradualism and no time for half measures. I submit to you, Mr. Chairman and this Conference, our committee report. All of these recommendations can be found in greater detail in the report. I move, sir, that the Conference accept this report.

<u>Governor Scranton</u>: Gentlemen, in seconding the motion for the acceptance of this report, I would just like to say to you that although I have only been in the National Governors' Conference for little over three years, this is far and away the greatest activity that has ever taken place—this committee with which I have been connected. Throughout the year we have had several meetings and subcommittee meetings and all of the rest of it. I would like to note, with the seconding of this motion, and acknowledge to the chairman of this committee, because of his own dedication and, of course, his determination and energy, that this has been the most successful National Governors' Conference committee with which I have ever been connected.

Governor Reed: Is there any further discussion on the mo-

tion? If not, is it the pleasure of the Conference to adopt the committee report? All those in favor will say "Aye." Those opposed? The motion is carried. I want to add my compliments to those of Governor Scranton's to Governor Breathitt and the members of the committee for a remarkably fine job. Thank you very much. I will just remind the Governors that for the Executive Session this afternoon there will be no set presentations. If you have any particular ideas you want to develop, feel free to bring them up. We now stand adjourned. We will reconvene at 1:30 p.m. for the Executive Session in this room.

[The meeting thereupon recessed for lunch and resumed at 1:30 p.m. in Executive Session. Following the Executive Session, the reported proceedings were resumed.]

AFTERNOON SESSION—Thursday, July 7

<u>Governor Reed</u>: I now declare the Conference in open session. The Sergeant-at-Arms will notify the press at this time. I would ask that Governor Campbell of New Mexico come forward to move for the adoption of his report on Civil Defense and Post-Attack Recovery.

<u>Governor Campbell</u>: Mr. Chairman, confident that all of the Governors spent last night reading the Report of the Subcommittee on Civil Defense and Post-Attack Recovery, I now move the report be accepted.

Governor Hoff: I second the motion.

Governor Reed: It has been moved and seconded that the Report of the Civil Defense and Post-Attack Recovery Committee be accepted and placed on file. All those in favor will say "Aye." Those opposed? It is a vote.*

I will now ask the Governor of Florida, Governor Burns, to present the Report of the Committee on Economic Resources. I would once again request that everybody in the hall make their movements as quiet as possible, since we are in active, open session.

<u>Governor Haydon Burns</u>: Mr. Chairman, in the interest of time, I would simply like to acknowledge the very fine assistance of my fellow Governors: Vice Chairman, Governor Scranton, Governor Avery, Governor Kerner, Governor Love, Governor McKeithen, Governor Rhodes, Governor Sanchez-Vilella, Governor Smith, Governor Tawes, Governor Terry and also the able assistance of the Undersecretary for Transportation. The report is in printed form and is now being distributed to each of you. I move for the adoption and acceptance of the report.[†]

Governor Dempsey: I second it.

<u>Governor Reed</u>: It has been moved and seconded that the Report of the Committee on Economic Resources be accepted. All those in favor will say "Aye." Those opposed? It is a vote. Our next committee to report is the Committee on Human Resources. To give us that report, I will ask the Governor of New Jersey, Governor Richard Hughes, to present this document.

Governor Richard J. Hughes: Mr. Chairman and Governors:

*For text of the subcommittee report, see Appendix XIV.

[†]For text of the committee report, see Appendix X.

Following the brevity of the previous speakers, this report is before everyone. It was unanimously agreed to among the members of the committee. I, therefore, move its adoption.

<u>Governor Reed</u>: The chair recognizes the Governor of Missouri, Governor Hearnes.

<u>Governor Hearnes</u>: May I inquire of Governor Hughes, please?

Governor Reed: Yes.

<u>Governor Hearnes</u>: Governor Hughes, would you rationalize for me on page three, about the third paragraph, the end of that sentence, the word "optional." "Participation in the Title XIX program is, of course, optional to the several States." Suppose I want to rationalize page six where they must participate under Title XIX or lose all vendor payments?

<u>Governor Hughes</u> [New Jersey]: It is certainly a typographical error. It should read: "The method of participation"

With that amendment, Mr. Chairman, let me formally move the adoption of the report.

Governor Dempsey: I second the motion.

<u>Governor Reed</u>: It has been moved and seconded that the Report of the Committee on Human Resources be adopted. All those in favor of the motion say "Aye." Those opposed? It is a vote.^{*} At this time I would like to call upon the Governor of Rhode Island to comment on the Compact for Education. Governor Chafee, if you will come forward, sir, we will enjoy hearing from you.

Governor John H. Chafee: Thank you very much, Governor Reed. Last year at Minneapolis, as you will recall, the Governors unanimously supported the proposition suggested by Governor Sanford, former Governor of North Carolina, and Doctor James Conant for a Compact for Education among all the States. Following that, all States sent a delegation to Kansas City in September of 1965, where the details of the compact were worked out, and it was voted to go ahead. Present at this meeting in Kansas City were nineteen Governors. There is now an outstanding interim steering committee of thirty, consisting of ten Governors and twenty other members. I was honored to be selected as chairman of that interim steering committee. Governors and legislators responded by joining the compact with a speed that has astonished all of us. Presently, thirty-seven States have joined the Compact for Education; twenty-three of these by executive order and fourteen by legislative action.

I wish to extend on behalf of the compact our deep appreciation to all of the States that have joined. This compact is now fully under way. The Educational Commission of the States, as it is called, recently met in Chicago and approved seven study projects

*For text of the committee report, see Appendix XI.

proposed by the new executive director, Doctor Wendell Pierce. The purpose of the compact is to pool the experiences of the various member States and to serve as a central clearing house for educational information on all levels-elementary, secondary, junior college, college, and university. I am firmly convinced that this compact can be of tremendous assistance to each of us in this vital field where we are spending now close to half our budget. I do hope that all of the States will take the necessary legislative action to join, that is, following up the executive action that has previously been taken. I do hope that each of the Governors will take a personal interest to attend the annual meetings. This thing is not going to be a success unless the Governors personally take an interest in it. I wish to express my thanks to all of those member Governors who were on the Executive Committee with me and particularly Governor Campbell of New Mexico, who had a very deep interest and contributed to the success of the compact today. I am very happy that the new chairman of the compact is going to be that outstanding Governor, Governor Charles Terry of Delaware, who has been a great friend of education.

I am now pleased to introduce the executive director of the Educational Commission of the States, a native of Iowa, a man who served in the Cincinnati school system for some 26 years and rose to the rank of superintendent of schools there, a post which he presently holds. This is really one of the great school systems in the United States. We are very pleased to have with us and to have the services of Doctor Wendell Pierce, executive director of the compact. He will come full time with the compact starting January first. This is Doctor Pierce.

<u>Governor Reed</u>: Thank you, Governor Chafee, for bringing us up to date on this important matter of the National Education Compact. We compliment you in your selection of Doctor Pierce and we wish him well in this important work. At this time, gentlemen, if it is your pleasure, I would be pleased to entertain motions pertaining to resolutions, if you are prepared. If you are not quite prepared, we can go on to the next agenda item.

Pending the presentation of resolutions, I would say that we would now be pleased to entertain any and all invitations by Governors who would like to make a presentation on behalf of their States in respect to the site of the 1967 Annual Convention. The chair recognizes the Governor of the Virgin Islands, Governor Paiewonsky.

<u>Governor Ralph M. Paiewonsky</u>: Mr. Chairman, I am delighted at this time to extend a very cordial invitation to the Governors of this Conference to hold their next Annual Meeting in 1967 in the Virgin Islands. We have already given to each Governor a brochure containing a very fine plan. We spent a considerable amount of time in preparing this plan and preparing for the Governors' Conference in 1967. The legislature of the Virgin Islands went on record appropriating \$100,000 to start the ball rolling. This is not all. Whatever else is needed, as far as finances are concerned, we have been told by the members of the legislature that they will come up with. In addition to this, we have a number of firms that are established in the Virgin Islands that are willing and able to contribute considerably toward this in order to bring about the Conference in the Virgin Islands. I would like to say, too, that next year represents the 50th anniversary of the change of sovereignty from Denmark to the United States. It will be a year of celebration. I believe it would be a wonderful thing to close that year by having the Governors of the various States and territories hold the Conference in the Virgin Islands. We can assure you that you will have a wonderful time in the Virgin Islands. We also have a unique plan to use one of the United States Flag Ships, the SS Independence. It will leave New York and it will take about 2-1/2 days to get to the Virgin Islands. We hope to spend about three days in the Virgin Islands so that each Governor will have an opportunity of visiting the three major islands-St. Thomas, St. John, and St. Croix. In addition to a good Conference, which can be held aboard the ship, the Governors and their wives will enjoy a pleasant visit to the Virgin Islands and see the great progress that has been made under American sovereignty. Thank you very much.

<u>Governor Reed</u>: Thank you, Governor Paiewonsky. That certainly is an attractive and intriguing idea. I am sure the incoming Executive Committee will weigh this invitation very carefully. The chair recognizes the Governor of Ohio, Governor Rhodes.

<u>Governor James A. Rhodes</u>: Mr. Chairman, on behalf of the State of Ohio, we invite you to the Queen City, the City of Cincinnati. We defer with great respect to the Virgin Islands, and I would like to make a motion. I move the National Governors' Conference go on record to instruct the Executive Committee to select the beautiful Virgin Islands for the site of the 1967 Conference.

Governor Dempsey: I second the motion.

Governor Reed: Is there any discussion on the motion?

Governor Guy: Is it the responsibility of the full session or the Executive Committee to weigh the disadvantages and the advantages of these various sites? I think that this is so important and so much is involved in selecting a site that I do not believe the Executive Committee should be instructed to make a particular selection but should be given the latitude to examine the proposition very closely. Therefore, I would have to vote against Governor Rhodes' motion.

<u>Governor Reed</u>: In response to your inquiry, Governor Guy, tradition has established that the Executive Committee make the decision. However, I do rule that Governor Rhodes' motion is in order. It has been moved and seconded. Is there any further discussion on this motion? It has been moved and seconded that the National Governors' Conference instruct the Executive Committee to hold the next Conference—and this is the one in 1967—in the Virgin Islands. All those in favor will say "Aye." Those opposed? The chair rules that the motion is passed.

Are the Governors who have submitted resolutions for consideration prepared to offer these resolutions at this time? The chair recognizes the Governor from Oklahoma, Governor Bellmon.

<u>Governor Bellmon</u>: I have two resolutions which have been distributed and, therefore, do not need to be read. One of them relates to a matter that has been before the Conference in our two previous meetings. This is the problem of strengthening state governments. I will refer now to the resolution on comparative statistics. We have had some mention here about who is the last in education. There appears to be some question about this. The purpose of this is to encourage each of our States to establish or to designate a statistical coordination/standardization unit in state government so we will be able to compare statistics. It will let us compare what we are doing in our State to what is being done elsewhere. I will read the resolution. Copies have been distributed.

<u>Governor Reed</u>: Governor, you have first moved that the rules be suspended in order to permit the introduction of the resolution. Do you make that motion?

Governor Bellmon: Yes.

Governor Reed: Do I hear that motion seconded?

Governor Dempsey: I second the motion.

<u>Governor Reed</u>: This requires a three-quarters vote. All those in favor that the rules be suspended for the introduction of the resolution on comparative statistics will say "Aye." Those opposed? It is a vote. We can now read the resolution. I would like at this time to have the Secretary read it. My microphone seems to be stronger at this end, Governor Bellmon.

Secretary Crihfield: May I read the resolution, Governor? Governor Bellmon: If it is necessary.

<u>Governor Reed</u>: If there is a motion that the reading be dispensed with, I will entertain that.

Governor Karl F. Rolvaag: I so move.

Governor Hoff: I second it.

<u>Governor Reed</u>: It has been moved and seconded that the reading be dispensed. All those in favor say "Aye." Opposed? It is a vote.

Governor Bellmon: I move the adoption of the resolution.

Governor Rolvaag: I second it.

Governor Reed: It has been moved and seconded that this resolution be adopted. All those in favor will say "Aye." All those opposed? It is a vote.*

For text of the resolution, see Appendix VII.

<u>Governor John A. Burns</u>: Mr. Chairman, I ask unanimous consent for the consideration of a resolution endorsing S. 561. This is introduced at the request of the Executive Committee.

<u>Governor Reed</u>: Is there objection to the introduction of this resolution? The chair hearing none, the Governor may proceed.

<u>Governor Burns</u> [Hawaii]: May I ask unanimous consent? I move the passage of this resolution expressing support of the 58th Annual National Governors' Conference for S. 561, urging the House of Representatives to take early favorable action thereon.

Governor Scranton: I second it.

Governor Reed: It has been moved and seconded that this resolution be adopted. All those in favor will say "Aye." Opposed? It is a vote.*

<u>Governor Morrison</u>: Governor Avery of Kansas and I would like to move unanimous consent for suspension of the rules to introduce a resolution on grade crossing safety. The fatalities at railroad crossings have been skyrocketing. For that reason we have distributed this resolution.

<u>Governor Reed</u>: Is there objection to the Governor's request for unanimous consent for the introduction of the resolution? Is there objection? The chair hears none. You would request that it be read from the rostrum?

<u>Governor Morrison</u>: No. But I think probably Governor Babcock or somebody else would like to propose an amendment.

<u>Governor Tim Babcock</u>: I would like to propose an amendment. On the second page, last paragraph, starting with the word "and," I would like to strike the remainder of that paragraph for this reason. As every Governor knows, we are having trouble with our funds in our state highway department and also the National Highway Trust Fund is at low ebb. The only source of revenue to carry on this would be our own funds within the state highway department. Therefore, I move that this be stricken.

<u>Secretary Crihfield</u>: If you have the resolution before you, it is the second page, fourth line up from the bottom, starting with the word "and." Strike out the remaining portion of the page: "and to work with them and other interested segments of the public in the development of means to finance the installation and operation of those separation structures and warning signs and devices found to be necessary."

Governor Reed: Do I hear the amendment seconded?

Governor Bellmon: I second it.

Governor Reed: The pending question is on the proposed amendment by Governor Babcock. All those in favor of the amendment will say "Aye." Those opposed? The chair is in doubt. All those in favor of the amendment as proposed by Governor Babcock

For text of the resolution, see Appendix VII.

will raise your hand and keep it raised until the count has been made. The count has not been officially taken so please keep your hand up. We are having difficulty. We will ask the Governors who are in favor of the amendment to stand. All those opposed to the amendment will stand and remain standing.

Eighteen having voted in the affirmative and five in the negative, the motion is adopted.

<u>Governor Avery</u>: I object to the vote. A quorum is not present.

Governor Reed: The chair rules that the vote is official.

<u>Governor Avery</u>: I respectfully inquire again from the chair to repeat his ruling on that. Do not the rules provide that a quorum must be present?

Governor Reed: There is a quorum present in the room.

Governor Avery: I wonder if that could be stated over the microphone for our benefit.

<u>Governor Reed</u>: I will ask the Secretary to read the rule pertaining to this provision.

<u>Secretary Crihfield</u>: Page three of the Rules of Procedure: "The proportion of votes required for passage of any proposition or motion, as set forth in these rules of procedure, refers to the number of members present and voting." You are not suggesting the absence of a quorum in the room?

<u>Governor Avery</u>: The only indication of the number present were those voting, Mr. Chairman. That is why I raised the question in the first place. Eighteen and five would make twenty-three, less than a quorum.

<u>Governor Reed</u>: The amendment has been adopted. Motion would be in order to adopt the resolution as amended.

<u>Governor Morrison</u>: Mr. Chairman, I move the adoption of the resolution as amended. [Seconded]

<u>Governor Reed</u>: All those in favor of the resolution as amended will say "Aye." Opposed? It is a vote.* The chair recognizes the Governor of Wisconsin, Governor Knowles.

<u>Governor Knowles</u>: I move the rules be suspended for the purpose of offering resolutions which were unanimously approved by the Midwestern Governors' Conference. Notice has been served.

<u>Governor Reed</u>: Would you read the titles of the resolutions so the Governors would know which one they are voting on?

<u>Governor Knowles</u>: The first one is Coordination of Federal Aid Programs. The second one is Veterans' Assistance and Training Benefits. The third is on Clean Water, and the last one is a resolution on Agriculture.

For text of the resolution, see Appendix VII.

<u>Governor Reed</u>: The Governor has read the subject matter of these resolutions and has moved that the rules be suspended so that all four can be considered. Do I hear that motion seconded?

Governor Hearnes: I second it.

<u>Governor Reed</u>: All those in favor of the rules being suspended ed so that we can consider these four resolutions will say "Aye." Those opposed? It is a vote.

<u>Governor Knowles</u>: Mr. Chairman, I now move that the resolution on Coordination of Federal Aid Programs be adopted.

Governor Reed: Do I hear the motion seconded?

Governor Faubus: I second it.

Governor Reed: Is there any discussion?

<u>Governor Rolvaag</u>: There is no indication here, Governor Knowles, as to where this resolution should be directed. I think that is very important.

<u>Governor Knowles</u>: Are they not made part of the minutes and forwarded to the proper authorities at the federal level?

<u>Governor Reed</u>: That is correct, Governor Knowles. They are.

<u>Governor Rolvaag</u>: May I suggest that this be directed to the President and members of the Congress, both the House and the Senate.

<u>Governor Reed</u>: That will be done. It has been moved and seconded that this resolution be adopted. All those in favor will say "Aye." Those opposed? It is a vote.*

<u>Governor Knowles</u>: Mr. Chairman, the second resolution is on Clean Water. If I may, I will read only the resolved clause. "Now, Therefore, Be It Resolved by the National Governors' Conference that the Congress be requested to increase the aid program for construction of facilities for sewage treatment in our municipalities and local governments so as to provide 50 per cent of the cost, and that the program be fully funded so that the aids can be provided immediately, thus encouraging localities to carry forward the fight for clean water." I move its adoption. [Seconded]

<u>Governor Reed</u>: It has been moved and seconded that this resolution be adopted. Is there any discussion?

<u>Governor Burns</u> [Hawaii]: I notice in this matter that municipalities deal directly with the national government. The state government does not have a voice on anything else in this. I think at least we ought to insert that, since we are also asking for that.

<u>Governor Knowles</u>: Under our laws, they have to go through the State on a priority basis.

<u>Governor Burns</u> [Hawaii]: They don't in many other jurisdictions. I think you can have a direct conflict there.

*For text of the resolution, see Appendix VII.

<u>Governor Knowles</u>: I have no objection to an amendment, if you wish to offer it.

Governor Burns [Hawaii]: I would suggest an amendment.

<u>Governor Reed</u>: Gentlemen, I would like to ask Charles Schwan of our staff, who works closely with this type of thing, to give us a brief statement at this time.

<u>Mr. Charles Schwan</u>: Governor Burns, the program does require that there be a state plan and that these priorities within the State, as to what municipalities will get grants, be cleared by the State. This is in the act already.

Governor Burns [Hawaii]: That answers my question.

Governor Reed: Thank you, Charles. It has been moved and seconded that this resolution be adopted. All those in favor will say "Aye." Those opposed? It is a vote.*

<u>Governor Knowles</u>: Mr. Chairman, the third resolution deals with the amendment to the Veterans' Assistance and Training Benefits. It appears that the Veterans' Readjustment Benefits Act of 1966 lacks clarity with respect to apprenticeship and on-the-job training benefits for the veterans and that the nation now needs skilled manpower. All of us are faced with a manpower shortage. The resolution in its resolved clause says: "Now, Therefore, Be It Resolved by the National Governors' Conference that the Congress be urged to enact legislation substantially equivalent to Public Law 550 (Korean GI bill) which will provide for veterans' training benefits and veterans' assistance for apprentices and on-thejcb trainees, whereby the combined wage of on-the-job earnings and veterans' assistance will be \$440 per month."

I move its adoption.

Governor Bellmon: I second it.

<u>Governor Reed</u>: It has been moved and seconded that this resolution be adopted. Is there any discussion? All those in favor will say "Aye." Those opposed? It is a vote.*

<u>Governor Knowles</u>: Mr. Chairman, the last resolution deals with the perplexing problem of agriculture. I may say that this resolution was initially offered by Governor Avery, Governor Boe, and myself at the Midwestern Governors' Conference and was unanimously adopted. I move its adoption by the National Governors' Conference.

Governor Boe: I second it.

<u>Governor Reed</u>: It has been moved and seconded that this resolution be adopted. All those in favor will say "Aye." Those opposed? It is a vote.^{*} The chair recognizes the Governor from Michigan, Governor Romney.

<u>Governor Romney</u>: Notice has been given. I ask unanimous approval for suspension of the rules to offer a resolution on the

*For text of the resolution, see Appendix VII.

establishment of State Commissions on Crime and Delinquency.

<u>Governor Reed</u>: Is there objection to the Governor's request? The chair hearing none, the Governor may proceed.

<u>Governor Romney</u>: We have heard a report on this subject and this is simply a recommendation that each State ought to establish a commission on crime and delinquency; and that each state commission ought to cooperate fully with the Commission on Law Enforcement and Administration of Justice.

Governor Rhodes: I second the motion.

<u>Governor Reed</u>: It has been moved and seconded that this resolution be adopted. All those in favor will say "Aye." Those opposed? It is a vote.* The chair recognizes the Governor from Connecticut, Governor Dempsey.

<u>Governor Dempsey</u>: Mr. Chairman, notice has been given that the rules be suspended for the resolution. The subject matter, Mr. Chairman, is the ringing of bells to honor the day that we know as the Fourth of July.

<u>Governor Reed</u>: The Governor moves that the rules be suspended to permit the introduction of this resolution. Do I hear that motion seconded?

Governor Rhodes: I second it.

Governor Reed: All those in favor say "Aye." Those opposed?

Governor Dempsey: Will the Secretary please just read the resolved clause?

<u>Secretary Crihfield</u>: "Now, Therefore, Be It Resolved, that the National Governors' Conference does recommend (1) that the anniversary of the signing of the Declaration of Independence should be observed each year by the ringing of bells throughout the United States at the hour of two o'clock, eastern daylight time, in the afternoon of the 4th day of July, or at such other time on that day as may be determined by local authority, and (2) that civic and other community leaders be urged to take appropriate steps to encourage public participation in such observance."

<u>Governor Dempsey</u>: Mr. Chairman, I think this resolution speaks for itself. It may not make much news, but I guarantee you that it will make a lot of noise. This idea, Mr. Chairman, was conceived by two writers in my home state. They are planning to write each and every Governor. It is a wonderful program. Mr. Chairman, I am honored and proud to move for the adoption of this resolution.

Governor Reed: Do I hear that motion seconded?

Governor Charles Terry: I second it.

Governor Reed: All those in favor of the passage of the motion will say "Aye." Those opposed? It is a vote.*

*For text of the resolution, see Appendix VII.

<u>Governor Sawyer</u>: Mr. Chairman, I have two resolutions on which I have given notice. The first one is with respect to voting. You Governors will recall that two years ago we became quite excited about the voting procedures in America. A special committee was appointed for one year, headed by Richard Hughes, to meet with news media and determine whether something sensible could be done. The committee was unable to come up with any specific recommendations at that time. However, since then, there have been continuing discussions and a good many people believe that a reasonable approach has been reached. They have been incorporated in the remarks that I have attached to the resolution and the resolution speaks for itself. My motion is now to suspend the rules, Mr. Chairman, for consideration of the resolution.

Governor Hearnes: I second it.

<u>Governor Reed</u>: It has been moved and seconded that the rules be suspended for consideration of this resolution. All those in favor will say "Aye." All those opposed? It is a vote.

<u>Governor Sawyer</u>: Mr. Chairman, the resolved clause reads as follows: "Therefore, Be It Resolved, that the National Governors' Conference forward to the President of the United States the respectful suggestion that he initiate a study, by whatever means he deems appropriate, of the feasibility of instituting a uniform, nationwide, 24-hour voting period for federal elections, and its designation as a biennial national holiday." I move its adoption.

Governor Hearnes: I second it.

Governor Reed: It has been moved and seconded that the resolution be adopted. All those in favor will say "Aye." Those opposed? I will ask for a voice vote again. All those in favor of the resolution will say "Aye." Those opposed? It is a vote.*

<u>Governor Sawyer</u>: Now, Mr. Chairman, I move to suspend the Rules of Procedure, according to notice, in order to offer a resolution on Vietnam. [Seconded]

<u>Governor Reed</u>: It has been moved and seconded that the rules be suspended in order to consider a resolution pertaining to Vietnam. All those in favor of the motion will say "Aye." Those opposed? It is a vote. Governor, you may proceed.

<u>Governor Sawyer</u>: Mr. Chairman, I now move the following resolution:

WHEREAS, the purpose and intent of bipartisan American foreign policy continuing through four presidential administrations is a search for peace and stability with honor and integrity based upon the unswerving resolve to keep this country and other nations free; and

WHEREAS, such policy has honored our relations with and our commitments to our allies around the globe and has immeasurably

* For text of resolution, see Appendix VII.

strengthened the American position of freedom throughout the world; and

WHEREAS, our commitment is to peace by preservation of self-determination and freedom through assistance in the development of the natural and human resources of our allies; and

WHEREAS, it is incumbent upon the American Governors, the Congress and the public to unequivocally affirm the support of our servicemen in Vietnam and elsewhere, to whom the conflicts are real and personal, and whose sacrifices and success have given renewed hope to the peoples of the free world;

NOW, THEREFORE, BE IT RESOLVED that this Conference affirm to the President, the American public, the service men and women of the military forces of the United States and our allies its resolute support of our global commitments.

Mr. Chairman, might I simply say that this is the resolution that was agreed upon by representatives of both the Democratic and the Republican Governors here. I am quite sure that this resolution will be discussed; in all probability, amendments will be offered. It may be that there will be some second thoughts regarding some of the wording. In any event, Mr. Chairman, I would like to ask the courtesy of the chair in permitting me to have a closing statement after amendments and other discussions are over.

<u>Governor Reed</u>: The chair recognizes the Governor from New Jersey, Governor Hughes.

<u>Governor Hughes</u> [New Jersey]: May I suggest an amendment? I think it has been agreed upon by representatives of the Governors of both political parties. The third paragraph of Governor Sawyer's resolution, I suggest, be deleted as redundant to a certain extent and subject to misunderstanding. In the fourth paragraph is a typographical error. It reads now "affirm the support" and I suggest that it should read "affirm our support of our service men" and so forth. Finally, and substantively, in the closing paragraph, the resolving paragraph, I suggest that after the words "global commitments" there be included a comma and these words: "including our support of the military defense of South Vietnam against aggression." I believe, Mr. Chairman, that these changes, particularly the last one mentioned, are necessary to fully present the meaning and substance of this resolution. I ask that this amendment be adopted.

Governor Reed: Do I hear a second?

Governor King: I second the amendment.

Governor Reed: You heard the amendment as offered by Governor Hughes. It has been seconded. Is there any discussion?

The chair recognizes the Governor from Michigan, Governor Romney.

<u>Governor Romney</u>: Regarding this amendment by Governor Hughes, I have seen different versions of the addition. And, as I read it here, "including our support of the military defense," that puts it in a supporting position, doesn't it? That was the point? That is the latest version?

<u>Governor Hughes</u> [New Jersey]: Yes. I proposed that originally in this way, Governor Romney-excuse me, through the chair -"including our military defense of South Vietnam against aggression." But it was then suggested that it might properly read, "including our support of the military defense of South Vietnam against agression." And I accepted that change.

Governor Romney: Thank you.

Governor Reed: Is there further discussion? If not, all those in favor of the amendment as offered by Governor Hughes will say "Aye." All those opposed? It is a vote. The chair recognizes the Governor from Oregon, Governor Hatfield.

<u>Governor Mark O. Hatfield</u>: Mr. Chairman, I would like the floor for three specific actions. I would like to ask Governor Sawyer, the author of the resolution, for a definition or explanation of a couple of words. Then I would like to offer an amendment. And then I would like to make some comments on the amendment.

<u>Governor Reed</u>: These would be in order, Governor. Would you pose your question through the chair and I will see if the Governor from Nevada cares to answer?

<u>Governor Hatfield</u>: Governor Sawyer, the use of the words in the fifth paragraph, "support of our global commitments," I would like to ask what these global commitments include; what your definition of this phrase is as it relates to this particular resolution on Vietnam?

<u>Governor Reed</u>: Governor Hatfield poses a question through the chair to Governor Sawyer, who may answer if he chooses.

<u>Governor Sawyer</u>: I will be happy to discuss the matter with the Governor.

Governor Reed: You may proceed.

<u>Governor Sawyer</u>: First, Governor Hatfield, I participated in drafting this resolution. This language was agreed upon by not only Democratic Governors but Republican Governors as well. Now, with respect to my definition of global commitments, I think that we all understand what global commitments are. I am sure you do not intend to ask me to list all of the global commitments of this country to you at this Conference, do you?

Governor Hatfield: I asked as it related to Vietnam.

Governor Sawyer: Well, Vietnam is one global commitment. We have them all over the globe, as you know. I don't know how many but there are many. And the nature of these commitments varies, as I understand it. I am not an authority on this matter and I don't believe any of us probably are. Nevertheless, we have been briefed a number of times by the President, by the military and State Department people regarding global commitments. Commitment in Vietnam was discussed at some length yesterday in Executive Session. In fact, we spent about forty-five minutes on it—the various aspects of it: the military commitment, the political commitment, the economic commitment and others. I do not intend to repeat that here. It was in Executive Session. As I said, I cannot advise you any further than you have already been advised. I think I know what it means. At least I know that I have been told what our commitment is there.

<u>Governor Hatfield</u>: Governor Sawyer, would you answer a second question?

<u>Governor Reed</u>: You may ask the question through the chair, Governor Hatfield.

<u>Governor Hatfield</u>: Yesterday I believe you held a press conference concerning a number of issues and this resolution on Vietnam became a part of that press conference in which a question was posed to you. In essence, it read like this. Does this resolution offer a blank-check endorsement of the present and future foreign policy and military commitments of the National Administration? It was reported to me that your answer was that it did include endorsement of the present Administration's policy up to this point. Is that correct?

<u>Governor Sawyer</u>: No, that is not correct. I was asked the question as you related it. I simply said that it related to all global commitments that presently this country was contracted to; that it said nothing one way or the other about future commitments. It doesn't mention it. There was some exchange back and forth with respect to this question. But it does not offer a blank check, certainly with respect to anything in the future. The resolution speaks for itself on that point, which is exactly what I said yesterday. It does, however, affirm the resolute support of every Governor here or of this Conference to all of our present global commitments, which is exactly what it says and what I said yesterday.

<u>Governor Hatfield</u>: Mr. Chairman, at this time I would like to offer an amendment and then make comments on the amendment.

I believe that the questions and answers have pointed up very clearly once again the confusion that exists in the minds of some people as to exactly what our involvement and commitment is in Vietnam. I don't think there is any question on the part of any good American as to our unanimous desire to fully back the servicemen who are there by order and by assignment. Because of these other matters that relate to the so-called commitment, I would like, in the confusion surrounding it, to move that paragraphs one, two, three and five be stricken from this resolution so that the resolution would read: "Be It Resolved that it is incumbent upon the American governors, the Congress and the public to unequivocally affirm the support of our servicemen in Vietnam and elsewhere, to whom the conflicts are real and personal."

Governor Romney: I second the motion.

<u>Governor Burns</u> [Florida]: I pose this question through the chair to Governor Hatfield. As he alludes to the so-called global commitments, does he not recognize the joint resolution adopted by the House and Senate in the United States Congress by a vote of 504 to 2, which specifically directs the President to take such action, militarily and otherwise, as necessary, to protect this nation's position in the Far East and specifically in Vietnam? I ask the distinguished Governor if he does not recognize this as a national commitment of the United States of America?

<u>Governor Reed</u>: Governor Burns of Florida poses a question to Governor Hatfield of Oregon through the chair. Governor Hatfield may answer if he chooses.

<u>Governor Hatfield</u>: I recognize the resolution and I am quite familiar with it. But I do believe that in the case of this resolution, as with all public policy, there must be definition; there must be guidelines; there must be understanding as to what it means. It is one thing to state a policy on paper. It is another thing to have it implemented.

Since I still have the floor, I would like to further comment on this amendment as well as the question posed to me. We have heard many times that it was clearly understood by people in government, particularly our National Administration, that we had a commitment in Vietnam based upon our SEATO Treaty-this was made quite clear publicly in the Senate Foreign Relations Committee hearings-and that it was made under the Eisenhower Administration. I would like just to call to your attention the fact that there is not a unanimous interpretation of our commitment, our military commitment, in Vietnam. Under the Eisenhower Administration, John Foster Dulles, the Secretary of State, testifying before the Senate Foreign Relations Committee stated, under SEATO, very clearly, and I quote: "We do not intend to dedicate any major elements of the United States military establishment to form an arm of defense in this area. We rely primarily upon the deterrent of our mobile striking power. That we made clear to our associ-ates in the Treaty and that is our policy." All we had was an "understanding to consult together as to what to do about it." General Taylor, who has virtually been recognized as one of the leaders in this Administration, was asked the question by Senator Hickenlooper as to whether or not the SEATO Treaty required the commitment of American troops and he said, and I quote: "No, sir. Very clearly we made no such commitment. We didn't want such commitment and this was the last thing we had in mind. Insofar as the use of combat ground forces are concerned, that commitment took place, of course, only in the Spring of 1965." Richard Goodwin, special assistant and speech writer for President Johnson and President Kennedy, said: "I don't think we went into Vietnam because of China. I think we got into Vietnam almost by accident." In

other words, I think we have clear evidence that there is a variation in the interpretation of our commitments. Great Britain has not interpreted our military commitment under SEATO the same way we have. I, therefore, feel it is incumbent upon us gathered here, who as Governor Romney has so eloquently stated are not directly involved with the conduct of foreign relations, that we should relate our resolution to the specific point of supporting the men there, who are not there by their choice. I was glad the Vice President said yesterday that we do have diversity in this country. I am grateful that I live in a country where I can express myself in criticism of the Administration and its conduct of any policy. But I do not believe in blank-check government. I do not understand why this resolution is necessary, because within a twelvemonth period this will be the third time this Governors' group, either in formal session or in other type of session, has been called upon to pass a resolution supporting the present Administration. I think it would be inferred that, by the passing of this resolution, we are supporting the present Administration's conduct, policies and procedures of this war. I do not support it in terms of the escalation policy. I do support the men who are fighting there. I would like to see the two points divided. And I would like to see the complete unanimity of this Conference in support of the men who are fighting there. But I think we ought to reserve to ourselves and for our information this interpretation of global commitment, on which there is no unanimous, clear line of agreement.

<u>Governor Reed</u>: The chair recognizes the Governor from Texas, Governor Connally.

<u>Governor John B. Connally</u>: Mr. Chairman, I move that the amendment of the Governor of Oregon be tabled and to be heard on a motion.

<u>Governor Reed</u>: Motion to table is not debatable. It is in order, if the Governor wishes, to make a motion.

<u>Governor Connally</u>: I want to be heard before I make the motion, if I may? I withdraw the motion until I have an opportunity to discuss his amendment.

Governor Reed: You may proceed.

<u>Governor Connally</u>: This resolution, it seems to me, is very clear. We are talking here about the support of this Governors' Conference of our actions, the actions of the President. This resolution supports our global commitments. What do we mean by global commitments? We have many of them. Obviously, as Governor Sawyer said, it is impossible to detail them all here. And yet I think it is apparent to everyone who is informed about foreign policy to any degree that we have no global commitments binding the United States that have not been considered and agreed to and approved and ratified by the United States Senate. There are no unilateral or personal commitments that bind this nation. So we

talk about global commitments. We are talking about commitments that are long standing and well understood. Yet not a man in this room can detail every single provision of those commitments. We are talking about commitments to SEATO and CENTO and we are talking about the commitments that we have to the Western Hemisphere. And it is very clear, abundantly clear, to every American, what we are trying to do here. We are trying to say that, as a result of this Governors' Conference, we do support the President of the United States and the conduct of the foreign policy of this nation just as we did under President Eisenhower. No one here is trying to say that, because President Eisenhower's Administration entered into an agreement as a result of the Manila Pact which bound nations to support one another, President Eisenhower is responsible for the present state of conditions in Vietnam. I think it would be dishonorable on our part to take the position that this nation should not live up to its commitments, whatever they might be. Admittedly, we here do not make those commitments. But these commitments have been made in the public view and the public mind, and every commitment is the result of a treaty ratified by the Senate of the United States. And there has been discussion on it over the years. We are not here compelled to endorse the policy of this Administration three times. We are not being corralled into it. This resolution was drafted as a result of serious desire on the part of Governors here to say to the people of this country that we, as chief executives of our States, wish to express the views of the people of our States as we know them, to express to our servicemen overseas that we are grateful for the sacrifices they are making to try to preserve freedom throughout this world. We are trying to say to our allies that we are grateful for their support, and we are trying to say to Hanoi and Peking that they are not going to have a peace on dishonorable terms as far as the United States is concerned; and that we here support the President of the United States and the Administration's foreign policy of this country, and that we are going to honor our commitments, whatever they might be. Right or wrong, we are going to honor the commitments of this nation in which we live. This is the basic background and the reason for this resolution. I do not think we ought to evolve into a question of semantics nor try to outline every treaty that the United States has its signature on in order to try to define global commitments. We basically know the general context in which this resolution is offered and the reasons for it.

Again, in summary, there are basically four points. We want to be sure, as chief executives, that we say to the people of our country and the members of the Congress that we, as individuals, hopefully expressing the views of the people we represent, are in support of the President and the Administration's foreign policy. Number two, we want to say to our servicemen and women who are serving overseas, whether in Europe or in Vietnam, that we are grateful and proud of their sacrifices and of their services. Number three, we want to say to our allies around the world that we are knowledgeable of their support and we are extremely grateful to them for their participation, particularly in Vietnam. And we want to make it abundantly clear, insofar as we are concerned, in voicing the views of the chief executives of the fifty States, that we do honor our commitments as a nation.

<u>Governor John J. McKeithen</u>: There is a lot of freedom in our people and a lot of liberty and the Vice President named some of them. Governor Hatfield named one a few minutes ago—the right of criticism. Also, we have a right to criticize the critics. You read a statement that I am interested in by John Foster Dulles—the first one. Would you mind repeating that? I do not have a copy of it.

<u>Governor Reed</u>: Governor McKeithen asked a question, through the chair, of the Governor of Oregon.

<u>Governor Hatfield</u>: Secretary Dulles, speaking in 1954 to the Foreign Relations Committee, said "We do not intend to dedicate any major elements of the United States military establishment to form an arm of defense in this area. We rely primarily upon the deterrent of our mobile striking power."

<u>Governor McKeithen</u>: That is enough. What is the mobile striking power he is talking about?

<u>Governor Hatfield</u>: At the time when this was put to Secretary Dulles, he was speaking about air and naval power.

<u>Governor McKeithen</u>: Artillery and things of that nature, I presume.

Governor Hatfield: I presume.

Governor McKeithen: Thank you.

Governor Egan: Mr. Chairman, before we vote on this, I would like to say that I think it is crystal clear, judging from the unilateral declaration by Mr. Walter Smith, who was the representative of the United States of America at the Geneva Conference in 1954, that declaration having been issued on the morning of July 21, 1954, then the Manila Pact and then the resolution adopted overwhelmingly by both Houses of Congress of the United States in August of 1964, that not only once but three times this nation put aggressive nations on notice in Southeast Asia that there would come a time, if it could not be settled soon, when the United States would no longer stand for aggressors pushing other new and little nations around. That time arrived, and I believe in my own heart that the record is very clear. President Eisenhower, President Kennedy and President Johnson did everything that was humanly possible to try to make the north part of Vietnam understand that they would have to leave their neighbors alone. And I just cannot understand personally why anyone who reads all of the data that is before him and goes back through the entire history can come to any conclusion but that we indeed had a firm commitment, firm military commitment. And as Governor Hatfield has stated, even the then Secretary of State, Mr. Dulles, said that they had mobile units, which would be air power and naval power in that area. Back that far they made it clear that if certain things happened, aggression continued, an overt war, we at some time in the future would have to move.

<u>Governor Hughes</u> [New Jersey]: May I address a question through the chair?

Governor Reed: The chair recognizes Governor Hughes.

Governor Hughes [New Jersey]: I understand that the basis of the amendment suggested by Governor Hatfield is what he calls a so-called commitment as to South Vietnam's defense. Can Governor Hatfield recall President Eisenhower ever having referred to this as a so-called commitment, and has he not on the contrary recognized the reality of this commitment by his consistent support of the policy followed by President Johnson?

<u>Governor Reed</u>: Governor Hughes asked a question through the chair to the Governor of Oregon. He may answer if he chooses.

Governor Hatfield: I am quite aware of what took place under the Eisenhower Administration, because it was a clearly defined issue at that time as to how far we would involve our manpower. It was not a question of the legal system of the SEATO Treaty and our obligation to live up to the Treaty that I have been talking about today. It is the interpretation as represented by the conduct of foreign relations. I have certainly no question in my mind as to the legal system, but again I do not support the conduct and implementation that has taken place, over the past five years. Particularly, I would remind you that as of the Spring of 1965, we had barely 20,000 advisors in South Vietnam. By the end of the year we had almost 200,000 combatants. I would also remind you that we have had the statement made by Ambassador Henry Cabot Lodge on June 30th of 1964 when asked the question about massive military involvement. He said that that means we become a colonial power, and I think it is pretty well established that colonialism is over. I would remind you that three months ago Secretary McNamara said in reference to a question put to him in the Senate Foreign Relations hearings about bombing of oil dumps in the north: "Such bombings would entail grave risks of expanding the war. They would have little effect on the war in the south." I would also remind you that on April 24, 1964, Secretary McNamara was asked if the addition of U.S. ground combatant troops in South Vietnam or the introduction of such troops in South Vietnam would affect the situation there. He did not believe so. In other words, I am saying that there is a difference between the legal commitment and the implementation. I have not supported the escalation policy. Therefore, I can only interpret this resolution, as presently worded and

presented, as giving a blank-check endorsement to the implementation of this commitment.

<u>Governor Brown</u>: It would seem to me that we could spend a great deal of time discussing the history of rhe treaties that we have entered into. We have a situation in which we Governors have been briefed on three separate and distinct occasions. We heard yesterday about the efforts of President Johnson to try to find peace. He tried to send every one of our top ambassadors to every capital of the world in an effort to find a peaceful solution to this very unfortunate war. We are now faced with a war in Vietnam. I believe it is the consensus of both the Republican and Democratic Governors of this country that we should today give him full and complete support for what he is trying to do. I would like to move the previous question.

Governor Romney: I would like to be heard.

<u>Governor Reed</u>: The previous question has been moved. It is not debatable.

<u>Governor Romney</u>: As the one who seconded this motion, I would like to have the privilege of indicating why I second the motion.

<u>Governor Reed</u>: Under our Rules of Procedure, Governor Romney, I will have to rule you out of order. The previous question has been moved.

<u>Governor Romney</u>: Governor Brown, would you withhold your motion until I can make a brief statement as to my reason for seconding the motion?

Governor Brown: Certainly, Governor.

Governor Reed: Governor Brown withdraws his motion.

Governor Romney, you may proceed.

Governor Romney: In making this motion, Governor Hatfield indicated that the motion would limit the resolution to those things within our authority and responsibility. Now, it has long been my view that the National Governors' Conference should limit its discussions and actions to subjects within States' functions and responsibilities. I believe that this is a general and bipartisan concern on the part of many Governors here. My colleague, Governor Hearnes of Missouri, pointed the need for us to address ourselves to matters of state jurisdiction. During the past four days we have witnessed a classic example of what happens to our proceedings and activities when a decision outside of our scope is forced upon us. The Vietnam resolution in various forms has disrupted the proceedings and taken the time of all of us individually and collectively. This use of our time on something beyond our control prevented us from dealing adequately with what some thought was the most important issue before the Conference-the report on how the States must meet future revenue requirements. When that report, which took some of us a year to prepare, was submitted, it received ten

minutes of discussion. And that was most regrettable. It is ironic that even with all of the time given to the Vice President's speech, the briefing, the caucuses and other meetings on Vietnam, there has been no time to really give such a complex and vital problem adequate discussion and debate this afternoon.

<u>Governor Reed</u>: The chair recognizes Governor Connally. <u>Governor Connally</u>: I have only one further observation to make and that is simply that we have just passed a number of resolutions here. We had one asking the Congress to enact special legislation with respect to veterans' education. We have just importuned them to write a nebulous agricultural bill to bring farmers up to parity. These are things over which we have no direct control. My problems in Texas are not so great or so overwhelming that I cannot concern myself with Vietnam and the foreign policy of this country.

<u>Governor Reed</u>: The chair recognizes the Governor from Delaware, Governor Terry.

Governor Terry: It is difficult for me to understand some of this debate. I have been to the White House as well as all of the rest of these Governors on at least three occasions. During those visits we were briefed and briefed extensively upon Vietnam. We were told specifically and unequivocally why we were there. We were told that we were going to stay there until this conflict was resolved. I heard and you all heard during those three briefings some of the most distinguished and outstanding Governors of this country stand up at the end of those briefings and say to the President, "We support your policy in Vietnam." I understand there is one Governor here who does not support that policy. Of course, that is his privilege. But it seems to me that we are going to support what our country is doing. We are going to support it for several reasons. We want the men there to know we are back of them. We want our enemy to know that we are in full support of our President and our government.

<u>Governor Reed</u>: The chair recognizes the Governor of Arkansas, Governor Faubus.

<u>Governor Faubus</u>: Mr. Chairman, I recognize the integrity of everyone who has just spoken. It is my opinion that it matters little now how we got into the situation in which we find ourselves. But we have no choice but to carry through and fight. Therefore, I choose to support my country and its President. I move the previous question.

Governor Terry: I second it.

<u>Governor Reed</u>: It has been moved and seconded that we enter the motion for the previous question. This requires a twothirds vote of those present and voting. All those in favor of the previous question will rise and remain standing until the counters have completed their count. You are voting on the previous question-motion made by Governor Faubus. Obviously, more than twothirds are in favor of the previous question. It is now in order. The pending question now is upon the motion of Governor Hatfield of Oregon for his amendment to Governor Sawyer's resolution.

<u>Governor Chafee</u>: Mr. Chairman, I want to know where we are now.

<u>Governor Reed</u>: Dabate has now been cut off. I will ask our Secretary to read the amendment before I ask for the vote.

<u>Secretary Crihfield</u>: Governor Hatfield proposes that all language be stricken except this: "Be It Resolved that it is incumbent upon the American governors, the Congress and the public to unequivocally affirm the support of our servicemen in Vietnam and elsewhere, to whom the conflicts are real and personal."

<u>Governor Reed</u>: That is the pending question, moved and seconded. All those in favor of the adoption of the amendment will say "Aye." Those opposed will say "No." The amendment is lost.

The pending question is now on the resolution of Governor Sawyer of Nevada-the adoption of the resolution as amended.

The chair recognizes the Governor of Arkansas, Governor Faubus.

Governor Faubus: I wish to move the previous question.

I will withdraw momentarily to allow the Chairman to comply with the request made by Governor Sawyer. I believe he asked to be permitted to sum up after we finished debating.

<u>Governor Reed</u>: Debate is not completed, and I will recognize-

<u>Governor Faubus</u>: I am going to cut off debate and move the previous question. [Seconded]

<u>Governor Reed</u>: The motion is in order. The motion is that the previous question be entertained. All those in favor of the previous question—the motion by Governor Faubus that debate be terminated in order to vote on the main question—will rise and remain standing. Obviously, more than two-thirds having voted in the affirmative, the previous question has now been adopted. The pending question is now on the motion of Governor Sawyer's resolution as amended. All those in favor— [Cries of "roll call."]

There has been a request for a roll call vote. Ten hands will be necessary. Obviously, more than ten being in favor of the roll call, a roll call is in order.

I will ask the Secretary to read the motion and then to call the roll.

<u>Secretary Crihfield</u>: The pending question is on the adoption of the resolution as amended, which reads as follows:

[Secretary Crihfield read the resolution as amended.]

<u>Governor Reed</u>: We will now proceed with the roll call vote of the States.

[Secretary Crihfield called the roll.]

<u>Governor Reed</u>: Forty-nine having voted in the affirmative and one in the negative, the motion is passed and the resolution is adopted.*

The chair recognizes Governor Bellmon.

<u>Governor Bellmon</u>: I have another resolution that was not acted on earlier. I would like to move for suspension of the rules in order to consider this resolution, pertaining to the method of economic evaluation of inland navigation projects.

Governor Reed: Do I hear that motion seconded?

Governor Hearnes: I second it.

<u>Governor Reed</u>: It has been moved and seconded that the rules be suspended for consideration of this resolution. All those in favor say "Aye." All those opposed? It is a vote.

Governor Bellmon, you may proceed.

<u>Governor Bellmon</u>: Copies have been distributed. I would like to read the resolved clause of this resolution, which is co-sponsored by Governor Connally of Texas.

"Now, Therefore, Be It Resolved, that the National Governors' Conference urges the Congress of the United States to establish, by law, the standards and criteria for determining navigation benefits based on the historic, time proven, current freight rate method and that no revision to such adopted criteria be permitted except by specific approval of the Public Works Committees of Congress." I move its adoption.

Governor Connally: I second it.

<u>Governor Reed</u>: All those in favor of the adoption of the resolution will say "Aye." All those opposed? It is a vote.^{*} Are there any additional resolutions that any Governor wishes to consider?

If not, at this time the chair recognizes the Governor of Georgia, Governor Sanders.

<u>Governor Sanders</u>: Mr. Chairman, I just want to make a few personal comments before the Conference concludes. I happen to be one of those Governors who, by virtue of constitutional prohibition, will not be with the National Governors' Conference next year. I simply want to say that I have had the privilege now of being a member of this Conference for four years. I come, of course, from the Deep South. I want to say that during these four years we have had some very trying times. We have had some changing circumstances. I am very grateful to the National Governors' Conference and to all of the Governors of this Conference, not only for their friendship but for their cooperation and their assistance and the opportunity that they have given me to be an active member of this organization. I am particularly grateful, in the field of race relationships and other things that we have had during this period of time, to those of you from other sections of the country who

For the text of the resolution, see Appendix VII.

have helped us meet these problems and who have given us an opportunity to act responsibly. I just simply say that I cherish the friendships and I certainly value the wonderful privilege of being Governor. I hope that some time in the future I will have the privilege of coming back in the arena and being part of your great Conference. Thank you.

<u>Governor Reed</u>: Thank you. The chair recognizes the Governor of Pennsylvania, Governor Scranton.

<u>Governor Scranton</u>: I would like to ask for unanimous consent to suspend the rules for two motions here that have been presented to me.

<u>Governor Reed</u>: These are the courtesy resolutions. Is there objection to the Governor's request? The chair hearing none, the Governor may proceed.

<u>Governor Scranton</u>: The first one has to do with the guests that have appeared on our program. I will not read all of their names. The second one I would like to read. [Governor Scranton read the resolution of appreciation to California.] I move the adoption of these resolutions.

Governor Faubus: I second the motion.

Governor Reed: It has been moved and seconded that the resolutions be adopted. All those in favor will say "Aye." Those opposed? It is a vote.* At this time the chair recognizes the Governor of Oregon, Governor Hatfield.

<u>Governor Hatfield</u>: Mr. Chairman and my fellow Governors: I am not proposing a resolution or a motion at this time. But I do want to say that due to constitutional prohibition this will be the last of my Conferences. I have enjoyed very much the opportunity to attend some eight of them. The ideas that I have picked up here have been very helpful in my State. I wish to express my deep appreciation to Governor Hughes of New Jersey, who was chairman of the Human Resources Committee of this Conference. He has been a very great help to me personally and to our committee particularly. I have found each of you very gracious. We have not all agreed, obviously. But at the same time I want to say that I have deep respect for each of you. I have enjoyed not only your friendship but your hospitality in many of your States. I invite all of you to drop in and see us at any time that you are out in Oregon country.

<u>Governor Morrison</u>: In view of the fact that this is an appropriate time for swan songs, I want to say that I have enjoyed tremendously my association with all of you. I will not be back next year, not because of constitutional prohibition but because of a matter of choice. I do want to take this opportunity to thank you all for your contribution to my education. Thank you very much.

For text of the resolution, see Appendix VII.

<u>Governor Hearnes</u>: Mr. Chairman, I think all of you did not get the benefit of the motion by the Governor from Indiana because, actually, he was cut off before he could make it on how we could really solve this state-federal relationship. I think the Governor from Indiana ought to make his motion, if he hasn't forgotten it.

<u>Governor Branigin</u>: The motion was: Everybody run for the Senate. It reminds me of the story where somebody once said to Henry Clay, "I would rather be a Senator than President." The Speaker said, "You don't need to worry. You won't be neither one."

<u>Governor Campbell</u>: In fear that I don't tell you, you might miss me next year. I want to advise you that I, too, am suffering constitutional limitation and also, I must frankly admit, I desire to return to private life. I want to express to all the members of the Conference my appreciation for their friendship and for the value that I have received from the four Conferences that I have attended.

<u>Governor Faubus</u>: Mr. Chairman, I don't know but everyone in my State and region round about Arkansas knows, and some of my critics have widely publicized it, that I am building a house. According to the critics, if it is half as big as they say, I will have room for all those who are retiring. I invite all of you to come to Arkansas and enjoy our Arkansas hospitality in the new Faubus mansion.

<u>Governor Reed</u>: At this time, fellow Governors, I want to say on behalf of the Executive Committee that we truly hope that you have enjoyed the theme that was originated for the central activity of this Conference. I would like to give credit where credit is due. This thought came to being at our second meeting at Bruni, Texas, where we were hosted by Governor Connally. I would want to say that the distinguished Governor of the State of Iowa, Governor Harold Hughes, suggested this theme. Harold has worked untiringly to develop an entire program that was geared around "Integrity in American Society."

Harold, I would like to have you stand because you have certainly really earned a round of applause.

The chair recognizes the Governor of Alabama, Governor Wallace.

<u>Governor George C. Wallace</u>: I forgot that I wasn't going to be back! I want to say to you and all of the other members of the Conference that I have enjoyed immensely my tenure of service as Governor of my State and my association with all of you. I will be back next year as an advisor to the next Governor and I am now in charge of the beautification program of Alabama's highways!

<u>Governor Reed</u>: There is one other Governor I feel is deserving of special singling out at this time because of the new feature that was added to our Conference—the Governors' Art Exhibit. I think this added a great deal from a cultural standpoint. This was the brainchild of a new member of our Conference. I would like to ask the distinguished Governor of Washington, Governor Evans, to stand up and take a bow.

Is there any other business to come before the Conference prior to my calling upon the Nomination Committee?

At this time I will ask the Governor of Minnesota, the chairman of our Nominating Committee, Governor Rolvaag, to come to the rostrum to read the results of the Nominating Committee's work.

<u>Governor Rolvaag</u>: Governor Reed and my colleagues of the several States: The Nominating Committee was composed of the Governor of Minnesota, Governor Boe of South Dakota, Governor King of New Hampshire, Governor Romney of Michigan and Governor Volpe of Massachusetts. We have a unanimous report to make to you. In two instances there were abstentions because two of our members were involved themselves.

First, may I cite to you the pertinent article from the Articles of Organization: "The Executive Committee of the Conference shall consist of the Chairman of the Conference and eight other members elected at the final business session of the Annual Meeting. Not more than five members of the Executive Committee shall be representative of a single political party. To the extent practicable, the members of the Executive Committee shall be widely representative of the various areas and regions of the United States.

"The chairmanship shall alternate annually between the two major political parties, and a majority of the members of the Execuative Committee shall always be of a political party other than that of the Chairman.

"A Secretary-Treasurer shall be elected by the Conference at the final business session of the Annual Meeting."

In recent years the Nominating Committee has made its report as follows: First, the nominee for the Office of Secretary-Treasurer; second, the names of the eight members of the Executive Committee and, finally, the nominee for the Office of Chairman.

Pursuant to the directive of tradition and the Articles of Organization of the National Governors' Conference, your committee reports to you our nominee for Secretary-Treasurer-our longtime, skilled and able Executive Director, Brevard Crihfield.

Governor Reed: Are there any further nominations?

If not, a motion is in order that the nomination be accepted. Governor Dempsey: I so move.

Governor Hughes [New Jersey]: I second it.

<u>Governor Reed</u>: It has been moved and seconded that the nomination of Brevard Crihfield be accepted. All those in favor will say "Aye." Opposed? It is a vote. <u>Governor Rolvaag</u>: For the members of the Executive Committee, your Nominating Committee recommends the following: Democrats - Hulett Smith of West Virginia, William A. Egan of Alaska, Harold E. Hughes of Iowa; Republicans - John Volpe of Massachusetts, Daniel J. Evans of Washington, William H. Avery of Kansas, Warren P. Knowles of Wisconsin and George Romney of Michigan. I move the election of these men.

Governor Hearnes: I second it.

<u>Governor Reed</u>: It has been moved and seconded that we accept the Nomination Committee's report in reference to the Executive Committee. All those in favor will say "Aye." All those opposed? It is a vote.

<u>Governor Rolvaag</u>: I might say that on the action just taken, both Governor Volpe of Massachusetts and Governor Romney of Michigan deferred from any action within the Committee. But it was the consensus of the Committee that their participation would add greatly to the National Governors' Conference during the ensuing year.

It was the unanimous opinion and judgment of all members of the Nominating Committee that one of the senior members of this organization, one of the senior Governors of the fifty States and territories, a man who has been a brilliant leader in the Midwest, be named as the Chairman of the Governors' Conference, The Honorable William L. Guy of North Dakota. I so move.

Governor Reed: Do I hear that motion seconded?

Governor Dempsey: I second it.

Governor Reed: It has been moved and seconded that The Honorable William L. Guy be elected as the Chairman of the National Governors' Conference. All those in favor will say "Aye." Opposed? It is a vote. I would at this time like to ask The Honorable William L. Guy to come to the rostrum for a few brief remarks.

Governor William L. Guy: Chairman Reed, fellow Governors, ladies and gentlemen: The Governors' Conference has made it possible for us to taste deeply of great moments in history. I think of those thrilling experiences that many of us savored as we sat behind President Kennedy as he spoke to 80,000 people in front of Constitution Hall in Philadelphia. And I think of the thrill of being in the audience and listening to that senior statesman and great soldier, President Eisenhower, as he spoke to us in Cleveland. I think of that balmy breeze that came in off of the rolling surf to diffuse itself with the elegant lobby of the Royal Hawaiian Hotel as that tall Texan spoke, who later became President of the United States. These have been heady experiences to spice the purposes of the Governors' Conference. And these Conferences have been held from East to West and from North to South, helping to disperse any sense of provincialism that we might have. We have seen the warm rapport that has developed between the Governors. But we

have also tasted the bitter viciousness that at one time nearly tore this Conference asunder. And so I pledge to you every effort to continue this Conference as a productive, exciting institution, one that respects the necessity of political-philosophical differences but which is built on the premise that there is far more which unites than there can ever be to divide us. And so, gentlemen, I am very pleased to be given this honor and this opportunity of serving as your Chairman this coming year.

<u>Governor Reed</u>: I am certain that Governor Guy will bring great qualities of leadership to what I consider to be one of the most exclusive groups of individuals in the entire world. It is surely a tremendous honor to be able to serve in the capacity in which he will be soon taking over.

On behalf of the Executive Committee, I want to thank all of the membership for their great cooperation during the year and for making what I feel has been a very successful Conference.

The chair recognizes the Governor of Wyoming, Governor Hansen.

<u>Governor Hansen</u>: Governor Bellmon and I have been sitting here. There are those who say that we should make a swan song and others say that we should duck out. We want you to know that we will not be around next year and we are surely going to miss you.

<u>Governor Reed</u>: You will be missed, too. There is no question about that.

<u>Governor Bellmon</u>: Mr. Chairman, I want to join in. I want to say that my absence will be caused by constitutional prohibition. I want to report to you that the citizens of Oklahoma have now removed that prohibition so you may very well be saddled with the next Governor for eight years. I want to say, seriously, that this Conference has been a tremendous help to me. I came into the job of Governor of Oklahoma with some considerable handicaps. I doubt if anyone needed help more than I did. This Conference has been a great help. I certainly appreciate the friendships and the associations that I have had these past four years. Thank you.

<u>Governor Brown</u>: Mr. Chairman, I know that we passed a resolution praising your performance as Chairman of this Conference. But I do feel that, before we leave, we should give you a rising vote of thanks for the tremendous work you have done during the past year and the intelligence with which you have handled this.

<u>Governor Reed</u>: Thank you very much, Governor Brown, for those kind words. Truly, this is a memorable experience and I have thoroughly enjoyed working with you and for you during the past twelve months. Even though we have passed a resolution, may I suggest at this time that we stand and give applause to the great Governor of a great State, who certainly has extended every effort to make this one of the greatest Conferences of our time and I refer to our great and congenial host, Governor Brown.

The chair recognizes the Governor from Minnesota, Governor Rolvaag.

Governor Rolvaag: There have been a number of swan songs given here this afternoon.

Governor Reed: Call them valedictories.

Governor Rolvaag: I am holding a press conference in the Twin Cities on Saturday morning. I hope those airplanes will be flying. I do not know what I am going to say at this press conference yet. But I want to urge caution. I said this at the Midwest Governors' Conference. If you come from States where you have Lieutenant Governors, don't pick them too young or too ambitious!

<u>Governor Reed</u>: Is there any other business to come before the Conference? If not, I now declare the 48th Annual Meeting adjourned sine die.

[The Conference adjourned at 5:35 p.m. sine die.]

Appendices

Appendix I

THE GOVERNORS, JULY, 1966

	1	Length of	Bracont	Number	Max. Consecu-
State	Governor	Length of Regular	Term	of	tive Terms
or other	-	Term in	Began	Previous	Allowed by
Jurisdiction	Political Party	Years	January	Terms	Constitution
Alabama	George C. Wallace (D)	4	1963	-	(a)
Alaska	William A. Egan (D)	4 2	1962(b)	1	2(c)
Arizona Arkansas	Samuel P. Goddard, Jr. (D) Orval E. Faubus (D)	2	1965 1965	- 5	-
California	Edmund G. Brown (D)	4	1963	1	-
Colorado	John A. Love (R)	4	1963	-	-
Connecticut	John Dempsey (D)	4	1963	(d)	-
Delaware	Charles L. Terry, Jr. (D)	4	1965	-	2(e)
Florida	Haydon Burns (D) Carl E. Sanders (D)	2(f) 4	1965 1963	-	(f) (a)
Georgia		-		-	
Hawaii Idaho	John A. Burns (D) Robert E. Smylie (R)	4 4	1962(g) 1963	2	-
Illinois	Otto Kerner (D)	4	1965	1	-
Indiana	Roger D, Branigin (D)	4	1965	-	(a)
Iowa	Harold E. Hughes (D)	2	1965	1	-
Kansas	William H. Avery (R)	2	1965	-	-
Kentucky	Edward T. Breathitt (D)	4	1963(h)	-	(a)
Louisiana	John J. McKeithen (D)	4 4	1964(i) 1963	-	(a) 2
Maine Maryland	John H. Reed (R) J. Millard Tawes (D)	4	1963	(j) 1	2
•		2(k)	1965	1(1)	_
Massachusetts Michigan	John A. Volpe (R) George Romney (R)	2(R) 2(m)	1965	1	
Minnesota	Karl F. Rolvaag (D)	4	1963	-	-
Mississippi	Paul B. Johnson (D)	4	1964	-	(a)
Missouri	Warren E. Hearnes (D)	4	1965	-	2(e)
Montana	Tim Babcock (R)	4	1965	(n)	-
Nebraska Nevada	Frank B. Morrison (D) Grant Sawyer (D)	2(k) 4	1965 1963	2 1	-
New Hampshire	John W. King (D)	2	1965	1	-
New Jersey	Richard J. Hughes (D)	4	1966	1	2
New Mexico	Jack M. Campbell (D)	2	1965	1	2
New York	Nelson A. Rockefeller (R)	4	1963	1	-
North Carolina	Dan K. Moore (D)	4	1965	-	(a)
North Dakota Ohio	William L. Guy (D) James A. Rhodes (R)	4(o) 4	1965 1963	2	- 2
				_	
Oklahoma Oregon	Henry Bellmon (R) Mark O. Hatfield (R)	4 4	1963 1963	-	(a) 2
Pennsylvania	William W. Scranton (R)	4	1963	-	(a)
Rhode Island	John H. Chafee (R)	2	1965	1	-
South Carolina	Robert E. McNair (D)	4	1963(p)	-	(q)
South Dakota	Nils A. Boe (R)	2	1965	-	2(r)
Tennessee	Frank G. Clement (D)	4	1963	2(s)	(a)
Texas Utah	John B. Connally (D) Calvin L. Rampton (D)	2 4	1965 1965	1-	-
Vermont	Philip H. Hoff (D)	2	1965	1	-
Virginia	Mills E. Godwin, Jr. (D)	4	1966	-	(a)
Washington	Daniel J. Evans (R)	4	1965	-	-
West Virginia	Hulett C. Smith (D)	4	1965	-	(a)
Wisconsin	Warren P. Knowles (R)	2	1965	-	-
Wyoming	Clifford P. Hansen (R)	4	1963	-	-
American Samoa	H. Rex Lee (D)	(t)	1961(u)	-	-
Guam Puerto Rico	Manuel Flores Leon Guerrero Roberto Sanchez-Vilella (w)	(D) 4 4	1963(v) 1965	-	-
Virgin Islands	Ralph M. Paiewonsky (D)	(t)	1961(x)	-	-
-	-				

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FOOTNOTES

- (a) Governor cannot succeed himself.
- (b) Alaska Constitution specifies first Monday in December as Inauguration Day.
- (c) Since the first Governor was precluded from serving a full four-year term, the two-term constitutional limitation did not apply to his first term.
- (d) Governor Dempsey, formerly Lieutenant Governor, succeeded to office in January, 1961, to fill unexpired four-year term of former Governor Abraham A. Ribicoff (resigned), which began in January, 1959. Elected to full four-year term in November, 1962.
- (e) Absolute two-term limitation.
- (f) Recent constitutional amendment specifies that the Governor shall be elected at midpoint between Presidential elections. Hence, Governor Burns was elected in November, 1964, for a two-year term. Another election will be held in November, 1966, for the regular four-year term. At this one election the incumbent Governor may succeed himself.
- (g) Hawaii Constitution specifies first Monday in December as Inauguration Day.
- (h) December 10, 1963.
- (i) May 12, 1964.
- (j) Governor Reed, formerly Senate President, succeeded to office in December, 1959, upon the death of former Governor Clinton A. Clauson and was elected in November, 1960, to fill unexpired four-year term which began January, 1959. Reelected November, 1962.
- (k) Beginning with the election of 1966, term of office of Governor will be four years.
- (1) Previous term 1961-1963.
- (m) New Michigan Constitution provides that term of office for Governor will be four years beginning with January, 1967, term.
- (n) Governor Babcock, formerly Lieutenant Governor, succeeded to office in January, 1962, upon the death of former Governor Donald G. Nutter, and filled unexpired four-year term which began January, 1961. Elected to full four-year term in November, 1964.

- (o) Previous term was two years, now four years.
- (p) Governor McNair, formerly Lieutenant Governor, succeeded to office in April, 1965, to fill unexpired four-year term of former Governor Donald S. Russell (resigned), which began in January, 1963.
- (q) Governor not eligible for reelection.
- (r) Nomination for third successive term prohibited by state law.
- (s) Two previous terms: 1953-55; four-year term 1955-59.
- (t) Indefinite term.
- (u) May, 1961.
- (v) Became Acting Governor on January 20, 1963, upon resignation of Governor Bill Daniel. Inaugurated on March 9, 1963.
- (w) Popular Democratic Party.
- (x) April, 1961.

Appendix II

ARTICLES OF ORGANIZATION*

Article I

NAME AND MEMBERSHIP

The name of this organization shall be the "National Governors' Conference," hereinafter referred to as the "Conference."

Membership in the Conference shall be restricted to the Governors of the several States of the United States, the Virgin Islands, Guam, American Samoa, and the Commonwealth of Puerto Rico.

Article II

FUNCTIONS

The functions of the Conference shall be to provide a medium for the exchange of views and experiences on subjects of general importance to the people of the several States; to foster interstate cooperation; to promote greater uniformity of state laws; to attain greater efficiency in state administration; and to facilitate and improve state-local and state-federal relationships.

Article III

MEETINGS

The Conference shall meet annually at a time and place selected by the Executive Committee. The agenda as announced and printed in the official program for the Annual Meeting shall be the official agenda. The Proceedings of the Annual Meetings shall be fully reported and published.

Special meetings of the Conference may be held at the call of the Executive Committee.

Twenty-five members present at the Annual Meeting or a special meeting shall constitute a quorum.

Article IV

EXECUTIVE COMMITTEE

The Executive Committee of the Conference shall consist of the Chairman of the Conference and eight other members elected at the final business session of the Annual Meeting.

As amended at Fifty-eighth Annual Meeting, Los Angeles, California, July 5, 1966.

Not more than five members of the Executive Committee shall be representative of a single political party. To the extent practicable, the members of the Executive Committee shall be widely representative of the various areas and regions of the United States.

Members of the Executive Committee shall hold office until the adjournment of the succeeding Annual Meeting and until their successors are chosen. Vacancies in the Executive Committee may be filled by the Chairman subject to ratification by the remaining members of the Committee by mail ballot or by vote at the next subsequent meeting of the Committee.

The Executive Committee shall meet not less than three times each year. It shall have authority to act for the Conference in the interim between Annual Meetings.

The Executive Committee is empowered to authorize the creation of standing, special project or study committees of the Conference, and to assign and reassign to such committees the studies authorized by the Conference.

Article V

CHAIRMAN

The Chairman of the Conference shall be elected by the Conference at the final business session of the Annual Meeting.

The chairmanship shall alternate annually between the two major political parties, and a majority of the members of the Executive Committee shall always be of a political party other than that of the Chairman.

He shall hold office until the adjournment of the succeeding Annual Meeting and until his successor is chosen. A vacancy in the chairmanship shall be filled by vote of the remaining members of the Executive Committee at the next subsequent meeting of the Committee.

The Chairman shall preside and vote at meetings of the Executive Committee and of the Conference.

He shall appoint a Nominating Committee to serve at the Annual Meeting, and he shall appoint the members of standing, special project or study committees created by the Conference or by the Executive Committee. [The Nominating Committee shall consist of five members, three of whom shall be of a political party other than that of the person who shall be elected as next Chairman of the Conference. The Nominating Committee shall present a single slate of nominees for the offices of Chairman, members of the Executive Committee, and Secretary-Treasurer. Additional nominations may be made from the floor, and election shall be by secret ballot in all cases where the number of nominees exceeds the number of officers to be elected. Elections shall be conducted in executive session.]*

The Chairman shall arrange the program of the Annual Meeting with the advice and counsel of the Executive Committee.

Article VI

SECRETARY-TREASURER

A Secretary-Treasurer shall be elected by the Conference at the final business session of the Annual Meeting. He shall attend and keep a correct record of all meetings of the Conference; safely keep all documents and other property of the Conference which shall come into his hands; and he shall perform all other duties usually appertaining to his office or which may be required by the Executive Committee.

He shall make all necessary arrangements for the Annual Meeting and special meetings with the advice and counsel of the Executive Committee and shall edit the stenographic record of the proceedings of all meetings.

Subject to the authority of the Executive Committee, he shall have custody of the funds of the Conference. He shall deposit funds of the Conference in its name; shall annually report all receipts, disbursements, and balances on hand; and shall furnish a bond with sufficient sureties conditioned for the faithful performance of his duties.

[Article VII

RESOLUTIONS

The Executive Committee, by a unanimous vote of its members, may recommend resolutions for consideration by the Conference. A resolution shall be deemed adopted upon obtaining a threefourth's favorable vote of the Conference. Amendments shall also require a three-fourths majority vote. Consideration of any resolution not offered in the above manner shall require unanimous consent.]¹

Article VIII

DUES

Each member shall contribute the sum of \$200 per year to defray necessary expenses of the Conference.

*Language in brackets becomes effective as of 1967 Annual Meeting.

[†]Article VII becomes effective as of 1967 Annual Meeting.

Article IX

AMENDMENTS

The Conference at any meeting may amend these Articles of Organization by a majority vote of all Governors present and voting. Notice of specific amendments together with an explanatory statement shall be mailed to all members of the Conference at least thirty days prior to submitting an amendment to vote at a meeting. In the absence of such notice, a three-fourths majority vote shall be required for the adoption of any proposed amendment.

Article X

SUSPENSION

Any Article of procedure for conducting the business of the Conference may be suspended by a three-fourths vote.

Appendix III

RULES OF PROCEDURE OF THE NATIONAL GOVERNORS' CONFERENCE*

Preamble

1. These rules of procedure shall be in specific conformity with the Articles of Organization of the National Governors' Conference and, to the extent practicable, shall be consonant with precedents and traditions of the Conference.

2. On any issue not covered by these rules of procedure or by the Articles of Organization, <u>Mason's Manual of Legislative</u> Procedure shall be the standard authority, when applicable.

Rule I - Resolutions

1. By action of the Conference at its 1963 Annual Meeting, the Articles of Organization were amended to abolish resolutions and the Resolutions Committee. Hence, the Articles of Organization must be suspended by a three-fourths vote in order to consider a resolution. Under such suspension, the resolution itself may be adopted by a simple majority vote.

2. Any member intending to offer a motion for suspension of the Articles of Organization in order to consider a resolution shall give notice of such intention and shall distribute to all other members present a copy of such proposed resolution, at least one session before such motion is put to a vote.

3. Any proposition of a policy nature that purports to express the view of the Conference shall be considered and voted upon as though it were a resolution, including any proposition for the creation of a standing committee of the Conference.

Rule II – Committee Reports

1. A committee chairman or other committee member may offer a motion with respect to a committee report in either of the following forms: (a) that the report be approved; (b) that the report be received and filed. A substitute motion may be offered from the floor to refer the report back to committee for further study. A committee report may include minority or dissenting views. A motion to table is not in order.

Adopted at Fifty-sixth Annual Meeting, Cleveland, Ohio, June 8, 1964. Readopted at Fifty-seventh Annual Meeting, Minneapolis, Minnesota, July 27, 1965; and at Fifty-eighth Annual Meeting, Los Angeles, California, July 5, 1966.

Rule II - Committee Reports (continued)

2. If there be separate majority and minority reports from a committee, the following motions shall be in order: (a) a motion to approve the majority report (by a majority member of the committee); (b) a motion to approve the minority report in lieu of the majority report (by a minority member of the committee); (c) a motion to receive and file both reports (by any member from the floor); and (d) a motion to refer both reports back to committee for further study (by any member from the floor). Voting on any of these motions shall be in reverse order of the above. A motion to table is not in order.

3. No individual amendments to a committee report, a separate majority report, or a separate minority report may be offered from the floor.

4. Action on the motions described above shall be by a simple majority vote.

5. Any resolution or excerpted policy statement with respect to the substance of a committee report shall be voted upon as though it were a resolution (see Rule I - Resolutions).

Rule III - Ordinary Business

1. Any proposition of a non-policy nature, but necessary to carry on the business of the Conference, may be approved by a simple majority vote.

Rule IV - Motions to Amend

1. Motions to amend most propositions are in order. An amendment may be amended, but an amendment to an amendment may not be amended because this would lead to undue confusion. Amendments may be adopted by a simple majority vote.

2. Every amendment proposed must be germane to the subject of the proposition to be amended. To be germane, the amendment is required only to relate to the same subject, and it may entirely change the effect of the proposition. An amendment to an amendment must be germane to the subject of the amendment as well as to the main proposition.

3. Any amendment must be in writing if the chairman so requests.

Rule V - Motions to Table

1. The purpose of a motion to table is to eliminate further consideration of any pending matter. Such motion is in order on either the entire question or on a pending amendment, and the member offering the motion should identify the breadth of his motion. A motion to table is not debatable. Adoption requires a simple majority vote. Motion may be renewed after progress in debate.

Rule VI - Previous Question

1. The purpose of a motion for the previous question is to close debate and vote immediately on either the pending amendment alone, or on all amendments and the main question seriatim. Member offering the motion should identify the breadth of his motion. A motion for the previous question is not debatable. Adoption requires a two-thirds vote. Motion may be renewed after progress in debate.

Rule VII - Postpone Indefinitely

1. The purpose of a motion to postpone indefinitely is to reject a main proposition without the risk of a direct vote on final passage. It may not be applied to an amendment and may not be renewed. The motion is debatable. Adoption requires a simple majority vote.

Rule VIII - Roll Call Votes

1. A roll call vote may be requested by any member on any pending question. The roll shall be called upon a show of hands by ten members.

2. Whenever the roll is called, all members present shall be entitled to vote. No proxies shall be permitted.

3. The proportion of votes required for passage of any proposition or motion, as set forth in these rules of procedure, refers to the number of members present and voting.

Rule IX - Adoption, Amendment and Suspension of Rules

1. These rules of procedure may be adopted or amended at the first business session of any annual or special meeting of the Conference by a simple majority vote. Thereafter, for the duration of any such annual or special meeting, amendment or suspension of the rules shall require a three-fourths vote.

Appendix IV

TREASURER'S REPORT

Summary of Cash Receipts and Disbursements for the Period July 1, 1965 - June 30, 1966

BALANCE

Balance on hand, June 30, 1965

RESERVE

Reserve for 1965 Booklet, Governors of the	
American States, Commonwealths and Terri-	
tories	2,000.00
Reserve for Miscellaneous Printing	500.00

RECEIPTS

Dues received from States, July 1, 1965 - June 30,	
1966	10,900.00
Miscellaneous	67.50
TOTAL INCOME	\$16,760.67

DISBURSEMENTS

Postage and Express	\$ 190.58 901.83 392.60
Committee Meetings (Transportation & Hotel	
Charges)	1,617.99
Annual Meeting (Transportation & Hotel Charges) .	2,269.68
Mexican Visit (Scrolls, Plaques & Transportation).	624.09
Printing, 1965 Proceedings	2,211.12
Printing, 1965 Governors' Booklet	1,635.00
Printing, 1966 Governors' Booklet	1,564.90
Other Printing	748,10
Miscellaneous (Court Reporter, Annual Audit, etc.)	953.26
TOTAL DISBURSEMENTS	\$13,109.15
<u>NET BALANCE</u> , June 30, 1966	\$ 3,651.52

Appendix V

ANNUAL MEETINGS OF THE NATIONAL GOVERNORS' CONFERENCE

1st	Washington, D. C.	May 13-15	1908
2nd	Washington, D. C.	January 18-20	1910
3rd	Frankfort and Louisville, Kentucky	Nov. 29-Dec. 1	1910
4th	Spring Lake, New Jersey	September 12-16	1911
5th	Richmond, Virginia	December 3-7	1912
6th	Colorado Springs, Colorado	August 26-29	1913
7th	Madison, Wisconsin	November 10-13	1914
8th	Boston, Massachusetts	August 24-27	1915
9th		December 14-16	1916
2011	Washington, D. C.		
1.041	Anna 1 a Dennel	No Meeting	1917
10th	Annapolis, Maryland	December 16-18	1918
11th	Salt Lake City, Utah	August 18-21	1919
12th	Harrisburg, Pennsylvania	December 1-3	1920
13th	Charleston, South Carolina	December 5-7	1921
14th	White Sulphur Springs, West Virginia	December 14-16	1922
15th	West Baden, Indiana	October 17-19	1923
16th	Jacksonville, Florida	November 17-18	1924
17th	Poland Springs, Maine	June 29-July 1	1925
18th	Cheyenne, Wyoming	July 26-29	1926
19th	Mackinac Island, Michigan	July 25-27	1927
20th	New Orleans, Louisiana	November 20-22	1928
21st	New London, Connecticut	July 16-18	1929
22nd	Salt Lake City, Utah	June 30-July 2	1930
23rd	French Lick, Indiana	June 1-2	1931
24th	Richmond, Virginia	April 25-27	1932
25th	Sacramento and San Francisco, Calif.	July 24-26	1933
26th	Mackinac Island, Michigan	July 26-27	1934
27th		June 13-15	1935
28th	Biloxi, Mississippi St. Louis, Missouri		1936
29th	St. Louis, Missouri	November 16-18	
30th	Atlantic City, New Jersey	September 14-16	1937
	Oklahoma City, Oklahoma	September 26-28	1938
31st	Albany and New York, New York	June 26-29	1939
32nd	Duluth, Minnesota	June 2-5	1940
33rd	Boston and Cambridge, Massachusetts	June 29-July 2	1941
34th	Asheville, North Carolina	June 21-24	1942
35th	Columbus, Ohio	June 20-23	1943
36th	Hershey, Pennsylvania	May 28-31	1944
37th	Mackinac Island, Michigan	July 1-4	1945
38th	Oklahoma City, Oklahoma	May 26-29	1946
39th	Salt Lake City, Utah	July 13-16	1947
40th	Portsmouth, New Hampshire	June 13-16	1948
41st	Colorado Springs, Colorado	June 19-22	1949
42nd	White Sulphur Springs, West Virginia	June 18-21	1950
43rd	Gatlinburg, Tennessee	Sept. 30-Oct. 3	1951
44th	Houston, Texas	June 29-July 2	1952
45th	Seattle, Washington	August 2-6	1953
46th	Lake George, New York	July 11-14	1954
47th	Chicago, Illinois	August 9-12	1955
48th	Atlantic City, New Jersey	June 24-27	1956
49th		June 23-26	1957
50th	Williamsburg, Virginia		1958
	Bal Harbour, Florida	May 18-21	
51st	San Juan, Puerto Rico	August 2-5	1959
52nd	Glacier National Park, Montana	June 26-29	1960
53rd	Honolulu, Hawaii	June 25-28	1961
54th	Hershey, Pennsylvania	July 1-4	1962
55th	Miami Beach, Florida	July 21-24	1963
56th	Cleveland, Ohio	June 6-10	1964
57th	Minneapolis, Minnesota	July 25-29	1965
58th	Los Angeles, California	July 4-7	1966

Appendix VI

CHAIRMEN OF THE NATIONAL GOVERNORS' CONFERENCE, 1908-1967*

Governor Augustus E. Willson, Kentucky	1910
Governor Francis E. McGovern, Wisconsin	1911-14
Governor David I. Walsh, Massachusetts	1914-15
Governor William Spry, Utah	1915-16
Governor Arthur Capper, Kansas	1916-17
Governor Emerson C. Harrington, Maryland	1918
Governor Henry J. Allen, Kansas	1919
Governor William C. Sproul, Pennsylvania	1919-22
Governor Channing H. Cox, Massachusetts	1922-24
Governor E. Lee Trinkle, Virginia	1924-25
Governor Ralph O. Brewster, Maine	1925-27
Governor Adam McMullen, Nebraska	1927-28
Governor George H. Dern, Utah	1928-30
Governor Norman S. Case, Rhode Island	1930-32
Governor John G. Pollard, Virginia	1932-33
Governor James Rolph, Jr., California	1933-34
Governor Paul V. McNutt, Indiana	1934-36
Governor George C. Peery, Virginia	1936-37
Governor Robert L. Cochran, Nebraska	1937-39
Governor Lloyd C. Stark, Missouri	1939-40
Governor William H. Vanderbilt, Rhode Island	1940-41
Governor Harold E. Stassen, Minnesota	1941-42
Governor Herbert R. O'Conor, Maryland	1942-43
Governor Leverett Saltonstall, Massachusetts	1943-44
Governor Herbert B. Maw, Utah	1944-45
Governor Edward Martin, Pennsylvania	1945-46
Governor Millard F. Caldwell, Florida	1946-47
Governor Horace A. Hildreth, Maine	1947-48
Governor Lester C. Hunt, Wyoming	1948
Governor William P. Lane, Jr., Maryland	1949
Governor Frank Carlson, Kansas	1949-50
Governor Frank J. Lausche, Ohio	1950-51
Governor Val Peterson, Nebraska	1951-52
Governor Allan Shivers, Texas	1952-53
Governor Dan Thornton, Colorado	1953-54
Governor Robert F. Kennon, Louisiana	1954-55
Governor Arthur B. Langlie, Washington	1955-56
Governor Thomas B. Stanley, Virginia	1956-57
Governor William G. Stratton, Illinois	1957-58
Governor LeRoy Collins, Florida	1958-59
Governor J. Caleb Boggs, Delaware	1959-60
Governor Stephen L. R. McNichols, Colorado	1960-61
Governor Wesley Powell, New Hampshire	1961-62
Governor Albert D. Rosellini, Washington	1962-63
Governor John Anderson, Jr., Kansas	1963-64
Governor Grant Sawyer, Nevada	1964-65
Governor John H. Reed, Maine	1965-66
Governor William L. Guy, North Dakota	1966-67

^{*} At the initial meeting in 1908, President Theodore Roosevelt presided.

Appendix VII

RESOLUTIONS

Adopted by the National Governors' Conference

AGRICULTURE

<u>Whereas</u> rural life in America is undergoing a major social and economic change which is bringing about a declining farm and small town population, thereby reducing their legislative representation; and

<u>Whereas</u> the farm economy is a vital part of the prosperity and progress of our Nation; and

<u>Whereas</u> agriculture is not sharing the full measure of prosperity enjoyed by other segments of the economy and is caught in a cost price squeeze, wherein the farmers' share of the food dollar has diminished from \$.60 to under \$.40 in the last twenty-five years; and

<u>Whereas</u> expanded research facilities are needed to maintain the necessary efficiency and productivity of agriculture;

<u>Now</u>, therefore, be it resolved by the National Governors' Conference that Congress and the Administration be urged to enact and implement such measures as may be required to make certain that agricultural income be adjusted to a level that American farmers are receiving their rightful share of the national income.

AIRLINES STRIKE

<u>Whereas</u> negotiations are in progress between the International Association of Machinists and Eastern Airlines, National Airlines, Northwest Airlines, Transworld Airlines and United Air Lines for a labor contract; and

<u>Whereas</u> the International Association of Machinists has announced that the union will strike the airlines at 6:00 a.m. local time on July 8 if agreement is not reached prior to that time; and

<u>Whereas</u> the five carriers involved perform approximately 60 per cent of the domestic airlift in the United States; and

<u>Whereas</u> disruption of this air service would have a major impact on the economy and commerce of the United States as well as this country's current military effort;

<u>Now, therefore, be it resolved</u> that the National Governors' Conference respectfully requests and urges the President of the United States and the Secretary of Labor to take any possible action toward the continuation of negotiations between the union and the air carriers involved without any disruption of air service; and

Be it further resolved that the Chairman of this Conference

promptly notify by telegraph the President of the United States and the Secretary of Labor of this action by the Conference.

CLEAN WATER

<u>Whereas</u> clean water for our lakes, rivers and streams is one of the most urgent problems facing the federal and state governments today; and

<u>Whereas</u> the Nation's water resources are recognized as a prerequisite to the health, economy and general welfare of all the citizens of the country; and

<u>Whereas</u> one of the major causes of pollution results from inadequate, outmoded and ineffective facilities for sewage treatment in our municipalities and local governments; and

<u>Whereas</u> the Congress has enacted a program of providing aids amounting to only 30 per cent of the cost of construction of treatment facilities, and has not adequately funded even that program to meet the needs; and

<u>Whereas</u> the inadequately funded program has tended to act as a deterrent in many communities whose approved projects for sewage treatment facilities have been postponed in some cases, several months or years, until funding does become available;

<u>Now, therefore, be it resolved</u> by the National Governors' Conference that the Congress be requested to increase the aid program for construction of facilities for sewage treatment in our municipalities and local governments so as to provide 50 per cent of the cost, and that the program be fully funded so that the aids can be provided immediately, thus encouraging localities to carry forward the fight for clean water.

COORDINATION OF FEDERAL AID PROGRAMS

<u>Whereas</u> some States have centrally coordinated all federal programs within the office of the Governor or within a unit directly responsible to the Governor; and

<u>Whereas</u> such coordination places state government in an essential position in relation both to federal and local governments; and

<u>Whereas</u> it is necessary that the impact of federal programs be assessed and fully understood as related to the total development of a State, its regions and local governments;

Now, therefore, be it resolved by the National Governors' Conference:

1. That the federal government, in planning and through its enabling legislation with respect to state, regional and local government assistance programs, require coordination and review at the state level; and 2. That federal programs requiring the existence of regional, metropolitan or area-wide bodies, or planning processes, as a prerequisite for financial or other assistance also require coordination and review at the state level.

FOREIGN POLICY

<u>Whereas</u> the purpose and intent of bipartisan American foreign policy continuing through four presidential administrations is a search for peace and stability with honor and integrity based upon the unswerving resolve to keep this country and other nations free; and

<u>Whereas</u> such policy has honored our relations with and our commitments to our allies around the globe and has immeasurably strengthened the American position of freedom throughout the world; and

<u>Whereas</u> it is incumbent upon the American Governors, the Congress and the public to unequivocally affirm our support of our servicemen in Vietnam and elsewhere, to whom the conflicts are real and personal, and whose sacrifices and success have given renewed hope to the peoples of the free world;

<u>Now, therefore, be it resolved</u> that the National Governors' Conference affirms to the President, the American public, the service men and women of the military forces of the United States and our allies its resolute support of our global commitments, including our support of the military defense of South Vietnam against aggression.

GRADE CROSSING SAFETY

Whereas about three per cent of the total number of traffic accident fatalities are those which result from collisions between motor vehicles and trains at railway-highway grade crossings; and

<u>Whereas</u> the Interstate Commerce Commission has completed an exhaustive investigation to determine what should be done to prevent such collisions and has issued its report in such proceeding which went into effect early this year; and

<u>Whereas</u> the Commission in such investigation, recognizing that separation of all railway-highway crossings would furnish the ideal solution but would be impractical because of the eighty-six billion dollar cost involved, emphasized the need for better compliance with existing laws pertaining to motor vehicle operation at grade crossings as an effective and immediate means of reducing collisions, stating:

"It is inescapable from a review of the facts developed in this proceeding that the only realistic conclusion that can be reached is that most of the rail-crossing accidents are caused by human failure arising from noncompliance by the drivers with the applicable . . . State laws and regulations. The only hope to lessen the number of accidents is a systematic enforcement of existing safety laws and regulations."

<u>Whereas</u> the Commission said in a statement sustained by the courts that the several States and their subdivisions retain jurisdiction over, and are responsible for, the administration and enforcement of laws governing traffic at grade crossings; and

<u>Whereas</u> it is essential to establish in the behavior of the driving public the same degree of respect for warning and traffic control signs and signals at grade crossings as is displayed for signs and signals at road and street intersections with the realization that there would be no grade crossing collisions if existing laws were obeyed;

<u>Now, therefore, be it resolved</u> that the National Governors' Conference urge, as an important part of any highway traffic safety program, a vigorous effort to induce drivers to comply with existing laws pertaining to safe operation at grade crossings and to invite the continued and increased cooperation of the railroads and railroad employee organizations in such compliance effort.

INDEPENDENCE DAY

<u>Whereas</u> at two o'clock in the afternoon of the Fourth of July, 1776, liberty was proclaimed throughout the land by the tolling of the Liberty Bell in Independence Hall in Philadelphia; and

<u>Whereas</u> the Declaration of Independence whose adoption was so solemnly acknowledged at that hour gave the American Republic its historic birthright of freedom; and

<u>Whereas</u> the observance of this noble anniversary by the ringing of bells each year at the same hour provides an occasion for national rededication to the principles of that great Declaration;

Now, therefore, be it resolved that the National Governors' Conference does recommend (1) that the anniversary of the signing of the Declaration of Independence should be observed each year by the ringing of bells throughout the United States at the hour of two o'clock, eastern daylight time, in the afternoon of the 4th day of July, or at such other time on that day as may be determined by local authority, and (2), that civic and other community leaders be urged to take appropriate steps to encourage public participation in such observance.

INLAND NAVIGATION PROJECTS

<u>Whereas</u> through the years in waterway developments involving navigation one of the chief benefits of a project has been "transportation savings"; and Whereas historically these benefits or potential savings have been computed on the basis of freight rates, or the difference between typical barge rates and actual railroad rates; and

<u>Whereas</u> on November 24, 1964 the Corps of Engineers, at the direction of the Bureau of the Budget, issued new guidelines which changed the criteria for evaluating navigation projects and which compel the Corps of Engineers to speculate on how much the railroads might lower their rates if the waterway is built and in addition guess how much traffic will be diverted from the waterway to the railroads due to this reduction; and

<u>Whereas</u> on May 4, 1966, the Director of the Bureau of the Budget recognized the difficulties involved in projecting rates for the evaluation of navigation projects and stated that guidelines establishing a cost basis of evaluating navigation benefits would soon be issued, based on long run marginal costs; and

<u>Whereas</u> accurate cost data are difficult to obtain and dependable techniques for determining such costs are lacking, and thus a cost basis analysis may be even more restrictive than the socalled "water compelled rates"; and

<u>Whereas</u> not a single major navigation project has been approved since November of 1964, when the new navigation benefit criteria were first adopted and the new criteria even affect all projects presently authorized; and

<u>Whereas</u> navigation projects in all areas of the Nation have been adversely affected by the application of new criteria such as the Yazoo River, Mississippi to Lake Erie-Ohio Canal, the Missouri River Sioux City to Yankton, the Red River, the Trinity River, the Santee River System South Carolina and the Central Oklahoma Canal;

<u>Now, therefore, be it resolved</u> that the National Governors' Conference urges the Congress of the United States to establish, by law, the standards and criteria for determining navigation benefits based on the historic, time proven, current freight rate method and that no revision to such adopted criteria be permitted except by specific approval of the Public Works Committees of Congress.

INTERGOVERNMENTAL COOPERATION ACT

<u>Whereas</u> the United States Senate has passed S. 561, a bill designed to improve cooperation and coordination of activities among the several levels of government; to improve the administration in the States of federal grants-in-aid; to provide for periodic Congressional review of grants-in-aid; to permit provision of reimbursable technical services to state and local governments; to establish coordinated intergovernmental policy and administration of grants and loans for urban development; and to provide for the acquisition, use and disposition of land within urban areas by federal agencies in conformity with local government programs; and Whereas S. 561 enjoys the support of numerous regional and

national organizations of state and local government officials;

<u>Now, therefore, be it resolved</u> that the National Governors' Conference declares its support of S. 561 and urges the United States House of Representatives to take early favorable action thereon.

JUVENILE DELINQUENCY

<u>Whereas</u> the National Governors' Conference Committee on Juvenile Delinquency sponsored a Conference on Juvenile Delinquency in Denver, Colorado, in October 1961, which marked the first time that official representatives of the Governors met together to discuss problems confronting state government in this field; and

<u>Whereas</u> that meeting proved most helpful to the States in developing new techniques and programs to deal with the problem of delinquency; and

<u>Whereas</u> during the past year under the general sponsorship of the Advisory Committee a series of four regional meetings on juvenile delinquency has been held which also has benefited the States; and

<u>Whereas</u> despite the progress of the past five years and the development of many new programs, the problem of juvenile delinquency remains a matter of major concern to the States; and

Whereas the federal government also is increasing its efforts to deal with this problem;

<u>Now</u>, therefore, be it resolved that the National Governors' Conference requests the Council of State Governments to sponsor a Governors' Conference on Juvenile Delinquency to which each Governor would be requested to send two delegates for the purpose of exchanging information and ideas about present programs which might be of interest to other States, and for the purpose of discussing with federal officials ways in which the States and the federal government might work together most effectively to reduce delinquency in the United States.

NATIONAL ELECTIONS

<u>Whereas</u> it is the sense of the National Governors' Conference that most serious consideration should be given to the proposition that in federal elections the electorate would benefit from the establishment of a "national voting holiday" during which the polls would be open across the nation for a uniform period of 24 hoursthat is, regardless of time zone the polls would open simultaneously and close simultaneously 24 hours later; <u>Now, therefore, be it resolved</u> that the National Governors' Conference forward to the President of the United States the respectful suggestion that he initiate a study, by whatever means he deems appropriate, of the feasibility of instituting a uniform, nationwide, 24-hour voting period for federal elections, and its designation as a biennial national holiday.

STANDARDIZATION OF STATISTICS

<u>Whereas</u> in 1964 the National Governors' Conference took note of the lack of standardization of comparable statistics between various States and in 1965 recommended that a National Conference on Comparative Statistics be held; and

Whereas the 1st National Conference on Comparative Statistics was held in Washington, D. C. February 23-25, 1966, and adopted the below listed recommendations:

- 1. Each State should establish (or designate) a statistical coordination/standardization unit. A number of larger cities and counties also may wish to follow a similar course.
- 2. There should be a continuing national forum for development of improved statistical data in functional areas where appropriate. It is recognized that a formally constituted "National Conference on Comparative Statistics" would require staff services and other support; therefore it is recommended that the problem of administration, particularly a plan for obtaining a permanent secretariat, be pursued.
- 3. A "policy and steering" body should be established promptly-a successor group to the Conference Steering Committee-to work toward the implementation of these and other recommendations, particularly item 2, above.
- 4. The secretariat, when designated, or the ad hoc policy and steering committee should arrange the appointment of subcommittees or task forces comprising statistical specialists in particular substantive and functional areas, such sub-groups to be broadly representative of all levels of government. Each task force of specialists could work toward the resolution of statistical problems in its specific field and could report its own recommendations to subsequent National Conferences.

<u>Now, therefore, be it resolved</u> by the Governors attending the 58th Annual Meeting of the National Governors' Conference that the above recommendations be put into effect by each member State; and

<u>Be it further resolved</u> that each of the several States send a responsible representative to the 2nd National Conference on Comparative Statistics to be convened in the Spring of 1967.

STATE COMMISSIONS ON CRIME

AND DELINQUENCY

<u>Whereas</u> crime and delinquency in the United States continue to rise at a rapid rate; and

<u>Whereas</u> only a coordinated attack on crime and delinquency by all units of government, cooperating with responsible citizens, can be effective in meeting this threat to our peace and security; and

<u>Whereas</u> the States under the leadership of their Governors are best suited to lead this assault, since law enforcement is primarily a local responsibility;

<u>Now, therefore, be it resolved</u> that the National Governors' Conference does urge and recommend that each Governor establish a state commission on crime and delinquency; and

<u>Be it further resolved</u> that each such state commission cooperate to the fullest extent possible with the President's Commission on Law Enforcement and Administration of Justice and with similar commissions in other States.

VETERANS' ASSISTANCE AND TRAINING BENEFITS

<u>Whereas</u> the Veterans Readjustment Benefits Act of 1966 lacks clarity with respect to apprenticeship and on-the-job training benefits for veterans; and

<u>Whereas</u> the needs of the Nation for skilled manpower are increasing at a rate beyond our capacity to meet them;

<u>Now, therefore, be it resolved</u> by the National Governors' Conference that the Congress be urged to enact legislation substantially equivalent to Public Law 550 (Korean GI bill) which will provide for veterans' training benefits and veterans' assistance for apprentices and on-the-job trainees, whereby the combined wage of on-the-job earnings and veterans' assistance will be \$440 per month.

GUESTS

The National Governors' Conference deeply appreciates participation in the program of the 58th Annual Meeting by the Honorable Hubert H. Humphrey, Vice President of the United States; Most Reverend John J. Wright, Bishop of the Catholic Diocese of Pittsburgh; I. W. Abel, President of the United Steelworkers of America; Dr. Norman Vincent Peale; Bert T. Kobayashi, Attorney General of Hawaii; G. Joseph Tauro, Chief Justice of the Massachusetts Superior Court; James Vorenberg, Executive Director of the President's Commission on Law Enforcement and Administration of Justice; Orlando W. Wilson, Police Superintendent of Chicago; Honorable W. Averell Harriman, Ambassador at Large; Walter Rostow, Special Assistant to the President; General Andrew Goodpaster; Erwin D. Canham, Editor in Chief of the Christian Science Monitor; Robert Crocker, Associated Press, Maine; James Flinchum, Managing Editor of the Wyoming State Tribune; William H. Lawrence, American Broadcasting Company; Lawrence Spivak, "Meet the Press"; John W. Gardner, Secretary of Health, Education, and Welfare; and Farris Bryant, Director of the Office of Emergency Planning.

APPRECIATION

The National Governors' Conference has been privileged to hold its 58th Annual Meeting in Los Angeles, California.

To our hosts, Governor and Mrs. Edmund G. Brown, and to their efficient staff, we express our appreciation for their gracious hospitality. Our visit to the Golden State will be long remembered.

We are deeply grateful to Howard Edgerton, General Chairman of the Host Committee, the executive and finance committees and the executive staff for the splendid arrangements which they made for our comfort and entertainment.

We thank the many individuals and organizations who contributed greatly to the success of this memorable Conference. We also thank the management and staff of the Century Plaza Hotel for their careful attention to our every need.

We are grateful to General Motors Corporation, to the Hertz Corporation, to the California Highway Patrol, and to the California National Guard and Air National Guard for the outstanding transportation service that we have enjoyed.

We congratulate the news media representatives and the telephone and telegraph company personnel for the excellent coverage of the Conference.

We offer our sincere thanks to Governor John H. Reed and the members of the Executive Committee for the leadership they have given the Conference during the past year.

Appendix VIII

REPORT OF ADVISORY COMMITTEE TO THE EXECUTIVE COMMITTEE ON FEDERAL-STATE-LOCAL RELATIONS

Increasing interlevel involvement in an expanding array of programs has characterized the response of government to the problems, opportunities, and public expectations arising out of the urbanizing, technological, and other cultural forces of our day. Together with the complexity and importance of government grows the complexity and importance of intergovernmental relations.

A wide variety of legislation in the last several sessions of Congress, too voluminous to recount here, has major implications for intergovernmental relations. Instead, this report will attempt to review trends in these developments, selecting illustrations for what they may portend as well as for what they establish.

Urban Orientation

Since more and more people reside in urban areas, there is and will continue to be increasing emphasis on programs with an urban orientation. The creation of the Department of Housing and Urban Development, which makes its Secretary the principal Presidential advisor on urban problems and the coordinator of programs affecting urban, suburban, and metropolitan areas, is the best single example of the trend. The Urban Mass Transportation Act authorizes grants or loans to assist States and local public agencies in financing the acquisition, construction, and improvement of mass transportation facilities and equipment. Pending legislation would make the program permanent, and direct the Secretary, in consultation with the Secretary of Commerce, to prepare a comprehensive plan for developing new transit programs reflecting safety, speed, pollution, urban planning and similar considerations.

Major housing laws were enacted in each of the last two years to extend and increase authority for housing, urban renewal and community facilities programs; to put greater emphasis on rehabilitation in renewal areas; to support building code enforcement; and to enlarge the purposes and federal share of the cost of the urban open space acquisition and development program.

Bills now moving through Congress would authorize in "Demonstration Cities" vastly increased assistance in rebuilding slum areas, providing public facilities, and in other (nonconstruction) aided activities, all on a coordinated basis.

Planning and Coordination

These trends are closely related. One is reflected in the increasing number of programs mandating or encouraging comprehensive planning; the other in the number of acts requiring coordination among programs, particularly in planning.

The Water Resources Planning Act offers a means to accomplish comprehensive, coordinated federal-state water and land resources planning in a river basin or in a region of basins.

Pending pollution control bills would vastly increase authorizations for waste treatment construction grants and require as a condition of eligibility that projects be part of a comprehensive program beginning in 1968. The Clean Rivers Restoration proposal would permit existing or specially created intergovernmental bodies with suitable federal and state participation to serve as water pollution control planning bodies for entire basins. Their plans would have to be consistent with water and land resources planning accomplished pursuant to the Water Resources Planning Act cited above. Where the foregoing conditions together with certain water quality standards, expanded enforcement, and long-run local financing requirements for self support are met, projects would be eligible for substantially increased grant assistance, up to 40 per cent of costs where States agreed to defray at least 30 per cent of project costs.

The Land and Water Conservation Fund Act authorizes grants for planning, acquisition and development of land and water outdoor recreation areas in accordance with a comprehensive state plan. States using funds provided under Section 701 of the Housing Act of 1954 for other planning, must use the same population, growth and other factors as used in such other plans as the bases for their statewide recreation plan.

The Appalachian Regional Development Act establishes a means to plan and to implement a design for economic development of an entire region embracing parts of eleven States and all of a twelfth. Planning under the act must be coordinated with other federal, state and local planning in the region.

The Public Works and Economic Development Act provides for economic redevelopment of other economically distressed areas and regions. In addition to assistance for planning, the law encourages the formation of multicounty districts and multistate areas for redevelopment purposes.

The Senate-passed version of the Administration's proposal for Rural Community Development would provide operating grants to single or multicounty districts, designated at state or local participating government (subject to state veto) initiative, for the purpose of planning public services, economic and cultural development, and labor and manpower assistance on a recommendatory basis. The Demonstration Cities bill would establish a federal office for each project area to help achieve maximum coordination of aided programs implementing comprehensive demonstration plans.

Treatment of Causes

Another developing trend is to attempt to treat causes rather than symptoms of problems. The most readily identified is the Poverty Program. The Job Corps, work training, community action and its other elements aim at several contributory causes of poverty among specific groups.

Other programs seeking to increase the capacities of individuals to cope successfully with current conditions are authorized by the Manpower Development and Training Act, the Vocational Education Act and the Elementary and Secondary Education Act. The pending legislation for Rural Community Development, the Demonstration Cities proposal, and, for that matter, the Public Works and Economic Development Act could be said to premise programs tailored to attack simultaneously several aspects relevant to area economic and human resource development, and also to exemplify the next trend to be discussed.

Multifunctional Approach

Multifunctional programs represent another trend. The new Department of Housing and Urban Development is charged with coordinating other federal activities bearing on urban matters in addition to its direct administrative responsibilities.

The Office of Economic Opportunity conducts its "war on poverty" either directly or through programs administered by other agencies. The Appalachian Regional Development Act and the Public Works and Economic Development Act both authorize conservation, highway and public works construction, education, health and other activities. The 1965 "Baldwin Amendment" to the Highway Construction Act and the pending highway safety legislation premise the development of comprehensive state traffic safety programs embracing, typically, the functions of several line agencies at both the state and local levels.

Larger Financial Participation

The number of recent enactments which provide for a larger share than the traditional one of 50 per cent for the federal contribution has been increasing rapidly. The first three titles of the Elementary and Secondary Education Act require no matching. Prior to Public Law 89-15, enacted last year, the state share of training program costs under the Manpower Development and Training Act was to have been one third in fiscal 1966. The act provided for full federal financing in 1966 and for state contributions of 10 per cent in cash or kind in the future. The 1965 amendments to the Economic Opportunity Act extended to 90 per cent the federal shares for work training, work study, community action, and adult basic education for another year, and pending legislation would carry the sharing level through fiscal 1967, after which it would become 50 per cent in most cases.

1965 legislation concerning vocational rehabilitation services replaced a sliding 70 to 50 per cent federal scale of financing with a flat 70 per cent federal share. In the new program of training services to the physically handicapped in workshops, the federal share was set at 90 per cent.

The federal share of costs under the Appalachian Regional Development Act may be up to 70 per cent for highway construction and up to 75 per cent in mining area restoration. Under the Public Works and Economic Development Act, the federal share of construction or improvement costs of public works and development facilities may run as high as 80 per cent. Both acts provide for special supplementary grants to States and localities to enable them to participate fully in other aided programs when they could not otherwise meet matching requirements.

The new Demonstration Cities proposal would provide for federal shares of 90 per cent for the planning and development of a comprehensive demonstration program, of 80 per cent of the costs of its administration, and provision for federal financing of 80 per cent of the "non-federal" contributions required by other federallyaided programs and activities undertaken pursuant to a comprehensive demonstration plan. Under the Higher Education Act of 1965, grants to States for community service and continuing education carry a 75 per cent federal share for the first two years and 50 per cent thereafter; construction grants to institutions do not require matching.

New Program Areas

Mentioned above are several of the increasing number of federal involvements in new program areas. The Elementary and Secondary Education Act is the first general aid to education measure enacted by the federal government. The Appalachian Regional Development Act is the first effort to meet severe economic recession in an entire region. The Public Works and Economic Development Act expanded the potentials of the regional approach by inviting multijurisdictional commissions to plan and implement overall economic rehabilitation. The proposals for Rural Communities Development planning and the development and coordinated execution of comprehensive Demonstration Cities programs connote a more intensive linkage of human resource, public works, and economic development program planning, and, in the latter program, intensive implementation.

The State Technical Services Act of 1965 provides national incentives and support for States, alone and in cooperation, to establish and maintain technical service programs designed to make available federally financed and other research to a wider segment of the business and industrial community. Interstate compacts for these purposes have the advance consent of Congress.

In the new area of corrections, the Correctional Rehabilitation Study Act of 1965 funds nongovernmental research into current and projected manpower, educational, and training needs for correctional rehabilitation personnel. Also, the Law Enforcement Assistance Act of 1965 provides assistance in training state and local enforcement officers, and in improving capabilities, techniques and practices in state and local enforcement and control of crime.

New highway legislation would preempt regulation of new vehicle design and safety equipment, and establish a program of grant assistance to States and localities for comprehensive state traffic safety programs meeting federally approved standards.

Under 1965 legislation establishing the National Foundation on the Arts and Humanities, States may receive aid for support and development of the visual and performing arts. The Highway Beautification Act of 1965 will help States defray costs of screening junkyards, eliminating billboards and developing scenic areas along roadways. The 1965 amendment to the Clean Air Act authorized a new research program for new and improved methods of disposing of solid wastes, and for aid to state, local, and interstate agencies in setting up solid waste disposal systems.

The problems of movement within expanding urban complexeslikely to stretch for hundreds of miles in some cases-resulted in Public Law 89-220, an act which authorizes demonstration projects in high-speed ground transportation-projects most likely to be undertaken in the long urban corridor between Washington, D.C. and Boston, Massachusetts. Pending legislation directing the Secretary of Housing and Urban Development, in consultation with the Secretary of the Department of Commerce, to prepare a comprehensive plan for developing new transit systems already has been mentioned.

The Older Americans Act of 1965 establishes an Administration on Aging within the Department of Health, Education, and Welfare to assist in coordinating programs for older citizens, and to provide grants to States to aid in community planning, demonstration projects and specialized training of personnel.

Duplication

In spite of efforts identified in the trend toward coordination, duplication in programs continues, and new duplications are added. The Manpower Development and Training Act, the Vocational Rehabilitation Act, the Vocational Education Act, and the Elementary and Secondary Education Act are administered by different agencies although all are aimed at similar objectives. The same observation applies to some anti-poverty and other programs authorized by the Public Works and Economic Development Act and the Appalachian Regional Development Act.

Loans and grants for water pollution abatement facilities provide another example of duplication. The major program is administered by the Department of Interior under the Water Quality Act for grants on individual and multicommunity sewage treatment works construction. Grants and loans are also available for similar projects under the Public Works and Economic Development Act and the Appalachian Regional Development Act. Public Law 89-240 amended the Consolidated Farmers Home Administration Act to authorize loans or insurance of loans for waste disposal facilities, and grants for collection, treatment or disposal of wastes in rural areas. Public Law 89-117 authorizes and amends authorizations under the Housing Act to provide both loans and grants for sewer facilities.

Earlier reference was made to the number of new programs requiring or encouraging comprehensive planning. Apparently, in an effort to reduce chances of duplication, the last two acts cited, Public Laws 89-240 and 89-117, both require that grants pursuant to their authority must be for projects consistent with officially approved comprehensive state or local plans. Further, the proposed Clean Rivers Act would provide that no treatment works project subject to a basin-wide control plan could receive aid under any other federal sewage treatment facility construction program.

Standards

The meeting of federal standards as a condition of state or local eligibility for grants, while hardly novel, has been or promises to be extended in several areas, by recent or pending legislation, where previously they had not been employed, or where no financial assistance was involved. Under the Water Quality Act States must adopt, prior to June 30, 1967, water quality criteria and a plan to enforce them to forestall authority for federal action. The Secretary of Interior can prepare and publish standards in the event that a State fails to do so. If after six additional months the State has not adopted standards deemed adequate, the Secretary may promulgate those he has prepared. The Clean Rivers Restoration proposal, it should be added, provides the possibility of a greater voice in the setting of standards in the federal-state bodies responsible for developing basin-wide comprehensive control plans. Public Law 89-139 provides that each State should have a highway safety program on federal-aid highways in accordance with uniform standards approved by the Secretary of Commerce. Pending highway safety legislation carries similar provisions and would provide grants for statewide comprehensive programs in the field meeting such standards. The House-reported version directs States to establish programs meeting standards promulgated by the Secretary by December 31, 1967, or risk loss of a fourth of its highway construction allocations. The Senate-reported version provides for the setting of such standards subject to prior review and recommendations of an advisory committee with some state and local representation.

Also pending is legislation introduced to implement the recommendations of a six-year study of state taxation of businesses engaged in interstate commerce. The bill proposes that state and local governments meet stringent jurisdictional and other standards in their corporate income, sales, use, gross receipts and capital stock taxes. Also, some of Public Law 88-352 and all of Public Law 89-110 are devoted to prescription of standards in the exercise of the right to vote.

H.R. 15119, a measure to revise the federal-state unemployment compensation system now before the Senate, would impose several additional requirements to be met by state law, as well as extend coverage and establish a permanent program of extended benefits.

Reliance on Private Agencies

There seems to be an increased tendency to rely on private agencies to administer certain governmental programs or projects. For years grants to private educational and health agencies and institutions have been made for research and demonstration purposes. These continue and their numbers are increasing. Certain of the anti-poverty programs seem to rely more heavily on private groups than did earlier programs of an action nature. The Appalachian Regional Development Act, the Public Works and Economic Development Act, the Law Enforcement Assistance Act, the State Technical Services Act, and Public Law 89-33, amending the Vocational Rehabilitation Act, all permit aid to private organizations or associations. Only nongovernmental organizations are eligible for aid under the Correctional Rehabilitation Study Act.

Reliance on State and Local Governments

Finally to be noted is a continuation of a long and well-established pattern. As new programs-grant-in-aid or other-are established, or older ones enlarged, the federal government continues to place reliance, or to increase reliance, on state and local governments to realize purposes which are conceived, at least in part, as national in nature. There also has been some tendency to increase direct federal-local ties bypassing the States, but as often as not, the option for state involvement is also provided for.

Appendix IX

REPORT OF ADVISORY COMMITTEE TO THE EXECUTIVE COMMITTEE ON THE NATIONAL GUARD

One of the most valuable resources available to us, as Governors, for insuring the security of our respective States in times of emergency and stress are the military units encompassed in the National Guard.

Because they are so important, not only to the security of the States but to the defense of the Nation as well, each of the Chief Executives of the States is concerned over any development which appears to threaten the continued capability and effectiveness of National Guard units to perform their twofold mission.

Our interest in the well-being of these state military forces has been intensified in recent years by the vast and rapid change which has taken place in the entire national military establishment, and by the consequent necessity of adapting our state requirements to the needs of the national defense structure. Thus, this body several years ago established an Advisory Committee on the National Guard to keep us fully informed on the status of the National Guard in its federal role, and on matters affecting its ability to meet state requirements.

There have been developments in the past year which do have an important bearing on National Guard readiness and on both its federal and state capabilities. As Chairman of the Advisory Committee, I will give you a brief report on those developments today.

On December 12, 1964, the Secretary of Defense announced a proposal to realign the Army's Reserve Forces and merge all organized units into the Army National Guard. The planned force structure and its distribution was new, but the concept of concentrating all organized units within the Army National Guard was merely a return to the program which functioned so effectively between the two World Wars and immediately following World War II.

Suffice it to say that the Secretary's announcement generated extensive controversy both within and outside Washington, D.C., and, as a result, the proposal has not yet been implemented.

At the time we last convened about a year ago your committee presented the broad general outlines of the Secretary's proposal and detailed the background, impact, and problem areas inherent in any such plan. We recognized then, as we do today, that the defense proposal to realign the Reserve Forces can only be achieved if the plan has the approval and the active support of Congress. To date this approval and active support has not been forthcoming. Senator John Stennis, Chairman, Preparedness Investigation Committee, on May 13, 1966, in the formal report of his committee recommended that the proposed merger be disapproved and the Army Reserve and National Guard be continued as separate organizations at such mandatory strength levels as shall be fixed by Congress.

A year ago we reported to you that the National Guard, Army and Air, had achieved a level of mobilization readiness and military proficiency unparalleled in its long and distinguished history. Through no fault of the States or of the National Guard we cannot today report such a status for the <u>entire</u> Army National Guard.

Early last fall the Secretary of Defense took steps to significantly increase the combat readiness of a <u>segment</u> of the Army National Guard by designating certain of its units to be part of a newly established <u>Selected Reserve Force</u>. These specially designated units were authorized 100 per cent personnel strength, additional training assemblies, and the highest priority for equipment and maintenance. Today, almost all of this force, consisting of approximately 120,000 guardsmen, is of extremely high caliber, well trained, well equipped and maintained—convincing proof that National Guard units can be manned, trained and equipped to required levels if provided unqualified support.

While these units represent a force of which all the States can be rightfully proud, it must be noted as regrettable that they were to a great extent produced by a redistribution of personnel and materiel resources of the remaining approximately 70 per cent of the Army National Guard with a corresponding deterioration in previously attained levels of capability of these latter units.

Compounding the difficulties confronting the remainder of the Army National Guard have been the demands upon active Army training centers, resulting from the buildup for Southeast Asia, which have made it impossible for the Army to accept for the REP active duty training program any recruits other than those in Selected Reserve Force units. Accordingly, it is reliably estimated that within the remaining 3,400 units of the Army National Guard nationwide, there exists a backlog of some 90,000 new recruits awaiting active duty basic training. This 90,000 represents approximately 30 per cent of the on-board strength of those units and is increasing each month.

A dilution of this magnitude of previously attained levels of training when coupled with corresponding reductions in materiel, supplies and service school spaces diverted to the support of the Selected Reserve Force units, is unwise, and unacceptable in these times of increasing world tensions.

Your committee is seriously concerned about these developments in light of the increasing military commitments, especially in Southeast Asia, and recommends to the Department of Defense and the Department of the Army:

- (1) Retain the existing force structure and state troop allotments of the Army National Guard.
- (2) Provide REP training of recruits in the non-Selected Reserve Force units, without delay, as the first step in reestablishing the high degree of training necessary to insure attainment of operational and combat readiness.
- (3) Provide the necessary funding, equipment, supplies, technicians, school spaces and facilities which are vital to the maintaining of operational and combat readiness.

With respect to the Air National Guard, we are happy to report that it continues to amaze professional airmen with its seemingly unlimited potential to contribute to the Nation's defense resources.

The Air National Guard's performance in support of the Military Airlift Command has been nothing short of sensational. Its exploits and service in this area have been recognized and detailed in a recent report of the Special Subcommittee on Military Airlift of the Committee on Armed Services of the House of Representatives.

Last fall the Secretary of Defense announced the planned deactivation in October of 1966 of three of the Air National Guard's airlift squadrons. This action triggered the launching of a detailed study by qualified senior Air Officers of the National Guard Association of the United States which was delivered to the Department of Defense in February of this year. It appears that the impact of that document together with the recommendations contained in the report of the Special Subcommittee on Military Airlift of the Committee on Armed Services of the House of Representatives may provide a basis for reconsideration of this ill-timed announcement.

In closing, your committee notes for your consideration and active support a bill now before the Congress which would provide a uniform federally-supported retirement system for all federallypaid employees of the National Guard. This bill, H.R. 14556, developed within the Pentagon in consultation with the various federal agencies having an interest therein, and endorsed by the Adjutants General and the National Guard Association of the United States, would place the federally-paid National Guard civilian employees in the Federal Civil Service System with all of the retirement rights and other benefits attendant thereto. It would also relieve the States of the actual and potential liability for actions within the scope of their employment which has been a state responsibility as a result of recent court decisions.

Your committee recommends that the Chief Executive of each State acquaint his key Congressional legislators with up-to-date facts and figures with respect to the status of his Army National Guard in order that the Congress shall be aware of the deteriorating condition of one of the Nation's principal defense assets—the National Guard. Your committee also recommends a copy of this report be transmitted to the President of the United States, the Congress, Secretary of Defense and Secretary of the Army.

Appendix X

REPORT OF THE COMMITTEE ON ECONOMIC RESOURCES

Economic resources today touch on every facet of an individual's life. Without attempting to delineate all of the resources within a State that affect economic development, this report seeks rather to define the effect of economic resources on the States and the individual. Today, economic resources not only should provide every citizen with the basic necessities of life, but, by providing sufficient earning income, should stimulate a creative and productive span of life for man and his family. To put it in a different way, economic resources are those resources which will provide an opportunity for fulfillment of man's capacity.

With so broad a definition, it is apparent that the scope of this committee's report could touch upon the work of other committees, notably the Committee on Human Resources, and the Committee on Natural Resources. Insofar as possible, this committee has avoided duplication of the functions of such committees, although a few of our recommendations, of necessity, touch on matters also of interest to other committees of the National Governors' Conference.

In addition, this committee recognizes that its function is to focus attention on state responsibilities for the <u>development</u> of economic resources. As such, certain capabilities and responsibilities of the States, discussed later in this report, are clear and welldefined: to promote and implement statewide economic development activities, the activities of local government, local development agencies, private sectors, as well as to cooperate in interstate and federal-state resource development programs.

State government has a more intimate knowledge of the problems, resources and opportunities in individual communities and regions lying within the State than has any other body, either regional or national. The very men who comprise a State's administration and its legislature are drawn from every sphere and corner of the State's geographic area and economic life. In the legislative branch there are representatives of local areas, governmental units, and communities. The agencies of the administrative branch provide and administer those services authorized by the legislature which are designed to meet the common needs of the citizenry-education, highways, public health, unemployment aid, and others. The State, which is a composite of individuals representing local communities and areas, is the logical governmental body to lead in the development of economic resources. To be more explicit, state government affects all aspects of economic activity within its confines.

Significant advances in economic development-particularly in industrial development and travel promotion-have been initiated and effectuated with great ingenuity by many of our States and Commonwealths. Our nation's growing expertise in the fields of industrial and travel development is a manifestation of States utilizing their resources-human and natural-for outstanding travel and industrial development programs. It is not surprising, therefore, that many of our States are recognized nationally and internationally for their economic development programs.

A few specifics are in order. A year-round travel development program, now followed by resort areas in many parts of the country, is a direct result of the initiative of States, their local communities, and private industry. The initiation and use of revenue bonds, development credit corporations, direct state loans, and "shell" or "turnkey" building programs exemplify unceasing activity of States in the industrial development field.

Full recognition should be accorded to those leaders in local communities, private industry and public utilities, and others who have aided and are aiding the economic development programs in many States. The full development of the economic potential of a State requires such cooperation on a broad front.

The following report and recommendations on the development of economic resources, to repeat, are based on the committee's assessment of state responsibilities to assist economic development where there is both the need and the potential for such development. The report covers five prime areas:

- 1. The field of economic development, including industrial development and travel development opportunities.
- 2. The travel industry as a separate item.
- 3. Transportation, as it relates to mass transit as well as to the movement of commodities and people between cities, centers of population, and States.
- 4. Manpower training.
- 5. Federal-state relationships in the development of economic resources.

I. Economic Development Opportunities

In view of the multi-faceted nature of state programs in the field of industrial development, we limit our specific recommendations to the four matters mentioned below:

A. One of the most vital service industries, for consumers and manufacturers alike, is the provision of distribution facilities. Large distribution warehouses and common carrier terminals, including marine, provide steady, direct employment. When located near a metropolitan area, such facilities stimulate additional commercial activity,

consequently attracting financial institutions, maintenance shops, and other interrelated service industries. We therefore recommend that distribution centers and comparable nonmanufacturing industries employing substantial numbers of people should be recognized by States in their economic development programs. Research activities of business, similarly, while not directly employing large numbers of people, create centers of activity attractive to service industries and manufacturing, and stimulate graduate education and research. They also employ scientists and other professional people whose presence in a community is desirable and extremely beneficial. Because of this potential, research facilities, laboratories. and the service industries they attract should be recognized by the States as employment-producing economic resources.

- Taxation-The States should emphasize their prerogative Β. to levy their own taxes on industry without a federal standard imposed on all States. This principle of individual state forms of taxation on corporations and businesses should apply to all business taxes. Furthermore, the States should have flexibility in levying unemployment compensation taxes. The States are willing to cooperate with the federal government in developing some minimum federal guidelines to provide a well-defined and well-balanced program so that there will not be a disproportionate application of the unemployment compensation tax among different industries or States. The needs of industry and costs to industry must always be considered. The emphasis on the State's responsibility to levy taxes on business and industry to meet its individual needs is vital to serve economic development within the State. The preservation of this state power of taxation is crucial if the States are to continue to play a significant role as a mainstay of economic development, in providing jobs for the people of our Nation.
- C. <u>Pollution Control</u>—We recommend that complete and full regulation of water pollution should be recognized as a goal and should be initiated. As a stimulus to industry in complying with the installation of adequate water pollution abatement facilities, a fast write-off on depreciation of this equipment could be considered. We recommend that the States and the federal government consider this and other incentives for industrial compliance with water pollution control programs. Similar incentives could be considered for the installation of adequate air pollution control equipment.

D. Foreign Trade-More and more, States have initiated state trade missions to various foreign countries. Most of these have relied heavily on representatives of the industrial firms of the State, for the purpose of increasing the volume of export trade. Invaluable assistance has been provided to these missions by the federal government, and particularly by the Departments of State, Commerce, and Agriculture.

We urge the federal government to encourage state exhibits in its overseas trade centers and fairs. More industries could be induced to participate, and eventually to sell in overseas markets, if encouraged to do so by their home States and by participation in such trade centers and fairs. The Department of Agriculture already permits and encourages such state participation in its Food Exhibits at Trade Centers; and we encourage States to take full advantage of these and other opportunities which may become available in the future.

II. Tourism

It is the State's responsibility to encourage, implement and coordinate local initiative in the field of travel development.

With increased leisure time, a shorter work week, and the affluence of the American people, tourism has become, and must be recognized as, an industry.

Therefore, we urge that the States work closely with the public and private sectors in inventorying on a continuous basis their recreational facilities. These inventories are required in a number of federally-aided programs.

We further urge that every State participate fully and imaginatively in the development of its recreational facilities and attractions for the use and enjoyment of its own citizens and as an economic resource attractive to tourists from other States and countries.

A. As a basic first step in expanding tourism throughout the United States, it is recommended that the present interstate highway construction program be continued. In considering this recommendation, it should be borne in mind that although the present interstate highway program was considered adequate when first conceived, automobile traffic volume has increased beyond anyone's projections. Available facts and information clearly indicate that more Americans will travel domestically on their vacations. Stress on the Interstate Highway System should not obscure the importance of access roads. These roads are the key to unlocking the door of economic growth. The States and the federal government should cooperate in financing access roads.

- B. As a second basic step, we urge that the States, in conjunction with the federal government, create a standard system of tourist attraction directional signs for the interstate and primary federal highway systems. If we are to provide the traveler a well-defined route for short or long vacation trips, adequate and easily-followed informational directions are essential. It is most important for the effective use of interstate and other highway systems that markings or informational signs, delineating nearby tourist attractions in at least a general way, are provided at intersections. Such informational signs must be in good taste, need not be large, and should be standardized for quick and easy recognition by the traveler.
- C. We believe the United States should accelerate the development of the national park system. By making it more feasible for increasing numbers of Americans to enjoy the recreational opportunities offered by their national parks, the federal government can virtually guarantee a substantial increase in domestic vacation travel. This can be done by increasing facilities for overnight stops at national parks where such accommodations are appropriate. In addition, it is recommended that consideration be given to reasonable increases in funds allocated to the National Park Service for the purpose of doing more to promote the attractions of our parks.
- D. Because some communities are better suited to tourist and resort activities than to manufacturing, we believe it may be desirable to give the Community Facilities Administration and Economic Development Administration, with proper safeguards, more latitude in providing financial assistance to projects fundamental to developments designed to attract and entertain tourists. Specifically, assistance is needed in extending such fundamental services as sewer lines, water lines, and access roads. These are basic facilities which open new areas for travel development.
- E. We urge that the federal government and all States give greater support to developing and expanding programs for preserving and restoring historic sites and areas of natural scenic beauty.
- F. We recommend that where States have geographic proximity and affinity of interest, consideration should be given to the formation of regional interstate tourism councils, including representatives from both the public and private sectors, for the purpose of developing programs and projects of mutual benefit.

III. Transportation

In addition to the recommendations which this committee outlines, we are attaching for information purposes an addendum from Under Secretary for Transportation Alan S. Boyd, United States Department of Commerce.

- A. With respect to the Interstate Highway System, we urge that States coordinate the construction of sections of highways between individual States so that large usable sections are made available for public travel as soon as possible.
- B. The States and the federal government should continue research in the development of air transportation, including the use of short takeoff aircraft (such as vertical takeoff planes). This type of craft becomes increasingly urgent for interstate and intrastate service involving short-haul mileages.
- C. Federal financing programs concerning airports should give greater weight to such economic development factors as industrial development and development of tourism.
- D. We urge that the States and the federal government continue to do extensive research in the field of ground passenger transportation, either by rail or new technology. As our population increases and our metropolitan centers spread into megalopolitan areas, high speed ground transportation becomes increasingly necessary.
- E. Improved mass transportation within metropolitan centers also is essential. A proper balance must be achieved between automobile and mass transportation travel. More research, demonstration projects, and funds for capital improvements will help to solve critical problems in mass transportation. Our economic growth can be impeded if these problems are not solved.
- F. Stress on the Interstate Highway System should not obscure the importance of access roads. These roads are the key to unlocking the door of economic growth. The States and the federal government should cooperate in financing access roads.
- G. Concerning water transportation, we urge that the States and the federal government devote more resources to finding solutions to the problems that afflict this industry, which is vital to the economic life of our States and Commonwealths.

IV. Manpower Training

The training of younger people, the under-employed, and men and women who, in the middle of their careers, face a change in employment, looms as a major and urgent state responsibility. Present labor shortages in many skills add emphasis to this urgency. We, therefore, present the following recommendations:

- A. In the federal Manpower Development Program, the State should develop a flexible statewide program applicable to its communities, areas, and regions. This program should then be reviewed and approved as a whole by the federal administrator of the Manpower Development Training Act program and the funds channeled to and through the State. This will enable the State to exercise flexibility and to speed the implementation of training programs as <u>they are needed by communities</u>. In essence, we are stating that the State should assume the complete responsibility for training programs, with federal overall approval of the state program and funds being channeled by the State to the places where they are being used.
- B. We urge the States and the federal government to undertake training programs in the field of tourism and travel development. In this area, it is possible to utilize the under-employed by upgrading the level of services for the tourist industry and the touring public—by training waitresses, clerks, bellboys, attendants, and others. Unskilled people can be quickly trained for tourist jobs; in most areas, they can find ready employment. It is also possible in this field to have on-the-job training to provide greater efficiency and courtesy for the traveling public.
- C. We recognize and applaud the excellent training programs which many of the States have inaugurated and urge that these programs be given continued support. Where no large-scale training programs presently exist, we suggest that they be introduced promptly with adequate state guidance and direction. The training of the under-employed and unemployed is a primary responsibility of the States. In our nation today it is one of the great human needs. It is also one of the greatest needs of industry, which requires trained, employable people.

V. Federal-State Relationships

From the foregoing, it is clear that most subjects and recommendations covered by this committee touch upon federal-state relationships. If the State is to <u>fulfill its responsibilities and utilize</u> <u>its capabilities</u> in the development of its economic resources, it must be able to operate at peak efficiency and effectiveness.

Thus, it is a major contention and one of our main recommendations that in all federal programs involving the development of economic resources, the State should be given full power of approval of the federal program within a State. This should not be just a power of veto or concurrence; the State, rather, should be a full partner with the federal government in the formulation and administration of any federally-supported economic development programs within the State.

A contrast can be made between the administration of the Economic Opportunity Act program and the Appalachia program. In the former, the States are almost completely bypassed. On the other hand, the States have a real voice in the planning administration of the Appalachia program. The Appalachia program is illustrative of the type of federal-state partnership which should exist in other federal programs. Here, federal monies are channeled through the State-with the State first making the decision as to their local use.

This responsibility for decision-making on federal money programs at local levels is one that, as States, we <u>must and can</u> assume.

Any report on federal-state relationships in the utilization of economic resources must consider the requirement of planning for proper and reasonable development. Many communities and areas have utilized Section 701 of the Housing Act of 1954 for the creation of comprehensive plans. Several States have developed and are maintaining state plans. All economic development areas, districts and regions designated under the Public Works and Economic Development Act are required to prepare overall economic development plans.

The Department of Housing and Urban Development requires plans for the development of urban areas, and the Department of Agriculture will require area plans for its Rural Industrialization Program. The States involved in the Appalachia program have evolved a plan for the development of that area. Participation in the State Technical Services Act of 1965 requires the creation of a state plan.

Almost all of these plans vary in scope and direction. Each plan is tailored to fit the specific needs of the program it serves. Each plan requires the expenditure of state or local governmental funds, and each one requires supervision by state personnel.

By virtue of its intimate knowledge of the problems, resources and opportunities within each State, the state government should supervise the preparation of each of these plans. Because the federal government requires such a multiplicity of plans, unreconciled and uncoordinated between and among the federal agencies themselves, however, many States are being severely taxed for funds and for supervisory personnel.

We urge that the National Governors' Conference explore with the federal government procedures for joint federal-state partnership in preparing the criteria for basic state planning which will satisfy the needs of all programs for economic development. And in the accomplishment of these ends, we urge that all federal programs involving economic development be completely coordinated with state agencies responsible for such development.

Addendum

(Memorandum prepared by Undersecretary for Transportation Alan S. Boyd, U.S. Department of Commerce)

The President has stated that in a nation that spans a continent, transportation is the web of union. It is vital to almost every aspect of human and industrial endeavor. This very vitality and importance have caused the emergence of transportation as a social force and an entity of great magnitude. As such, it requires the full time and attention of a major policy making official within our federal government. Without effective and efficient leadership and management, disparity and diffusion of effort will occur. Without comprehensive national transportation policies, transportation on the national scene will not be able to meet the burgeoning demands of population and industrial growth. This great Nation, and the States, cities, and individuals who comprise it, deserve more meaningful efforts.

There is now before the Congress a proposal to create a Cabinet-level Department of Transportation. It represents a long overdue effort to bring a coordinated rationale to the federal role in transportation. That rationale contemplates an organization with both responsibility and authority. It is not going to produce an unwieldy bureaucracy. Rather, it will bring into being a cohesive organization that will look to the future while, at the same time, profiting from the successes and learning from the mistakes of the past.

One of the successes of the past is our national tradition of sharing responsibility. Without constructive cooperation between the federal government and the States, this Nation could not have achieved its greatness. Indeed, it is the genius of our form of government that it recognizes that the whole is the sum of its parts. The success of the highway building program through federal-state cooperation and planning represents one of the greatest public works achievements in the history of man. Recent legislation authorizing the Interstate Commerce Commission to make cooperative agreements with the various States to enforce the economic and safety laws and regulations of the various States and the United States concerning highway transportation is another example in this history of cooperative effort.

Therefore, by accepting the principle that there are many who have responsible roles to play as vital elements of our national transportation system, we are well on the way to achieving national public interest goals. Such cooperation, traditions, and attitudes can quite properly be termed "creative federalism." This is not a mere catchword; it is a term full of meaning and one marvelously suited to transportation. The President spoke of the involvement of some thirtyfive federal agencies in transportation. Surely, it should not take that number for federal efforts to be truly effective. In fact, this proliferation has resulted in the lack of adequate transportation policies in a truly national sense. It means that the federal government is not presently organized to develop them or to implement properly the policies which do exist. It means there is no mechanism within the federal government which provides for a continuous review of the entire area of transportation, identification of the problems needing attention, analysis of those problems and development of alternative solutions, and a framework for presenting these alternatives to the proper government officials for policy resolution and implementation.

By placing federal decision-making on such an ad hoc and a reactive basis, we have tended to drift from problem to problem. The States, which must play a vital role in assisting and advising the federal government in matters clearly affecting the public interest, have not been able to reach their full potential within this organizational structure.

I have said that the whole is the sum of its parts. I have also said that transportation policies in a truly national sense are needed. The two statements are entirely consistent; indeed, they complement each other. Our country is rapidly becoming an urban society. With this growth, problems of passenger and freight transportation multiply rapidly. We cannot expect the many local government units which exist in the spreading metropolitan areas to be able to deal with these problems, if only because of financial considerations. Nor should the federal government be expected to resolve each and every transportation problem connected with these localities. Instead, the federal government must look to effective state government for advice, counsel, and assistance in making federal efforts a success. Federal organizational reform is only one part of the task which faces the Nation. Implementation of the creative efforts which will flow from such reforms will be a longrun cooperative process.

It is the firm intention of the Administration, through its legislative program, to effect, promptly, a close liaison with all those who can contribute to the successful attainment of national policies. The States can expect to be called upon for aid in assuring sound, technologically advanced passenger and freight transportation systems, expert advice in the development of transportation facilities, full cooperation in developing the optimum degree of safety in transportation, and the prevention of the waste in human economic resources and of the transportation dollar. Without full state cooperation, the federal government would be isolated from many of those closest to considerations most vital to the national public interest. Nowhere is the cooperation of the States more essential to this partnership than in transportation. The establishment of a Department of Transportation is an essential part of the President's program.

Appendix XI

REPORT OF THE COMMITTEE ON HUMAN RESOURCES

The Compact on Education

At the last annual meeting of the Governors' Conference, this committee endorsed Governor Terry Sanford's plan for the creation of an Interstate Compact for Education and expressed the hope that the compact would receive a broad, favorable response. Since that time the committee is very pleased to note that the compact has come into official existence and, as of last month, at the time of the annual meeting of the compact in Chicago, had already counted the membership of thirty-six of our States and Territories.

The vitality of the compact has thus been insured; however, the committee would again like to stress to the Governors the importance of their active, personal participation. The compact provides that the Governors shall be the leaders of the delegation from each of the States and it is the belief of this committee that the Governors' role should not be delegated. If the compact is to achieve the role in the development of education which it ought to, only with the personal leadership of the Governors can the States become full partners in the federal system. Only with the active guidance of the Governors can the compact be assured of a constructive role in the development of alternative policies. Without the watchful personal guidance of the Governors this compact might turn into a professional lobbying organization which would negate the whole point of the creation of the compact and result in abdication by the States of their education responsibility to the national government.

Title XIX of Social Security Amendments

Last year at this time, the Committee on Human Resources devoted two-thirds of its report to areas dealing primarily with health: problems of the aged and the specialized problems of increasing health insurance costs throughout the country. In addition, a special attachment to our report from the United States Department of Health, Education, and Welfare outlined the role of state agencies under the proposed Medicare legislation. This year, we return again to this vital subject and focus particularly on another aspect: Title XIX of last year's amendments to the Federal Social Security Act.

Title XIX is an expansion and improvement of the older Kerr-Mills program of federal aid for medical assistance. Congress left the formula implicit in the Kerr-Mills Act largely unchanged—that medical assistance should be administered at the local level and that a means test be employed to determine eligibility for such assistance. This concept was, in principle, supported by the American Medical Association. Since passage of the amendments, some commentators have described the revised and expanded formula for federal matching grants to the States as "potentially of greater significance than Medicare."

The method of participation in the Title XIX program is, of course, optional to the several States. Federal matching grants to the States electing the program range from 83 per cent to 50 per cent, as determined by the per capita income in each State. These States are required to provide services to persons who already qualify for public assistance, those getting Old Age Assistance, Aid to the Blind, Aid to Dependent Children, and the disabled. Required services include: in-patient hospital care, out-patient hospital care, physicians' services, nursing home care for persons over twenty-one, and laboratory and x-ray services. Additional services are permitted, as are medical services for minor children whose families are not on welfare. Individual States are to make the decisions regarding income requirements to determine need and the scope of the program, both in terms of categories of persons eligible and number of services offered. States electing to include persons not already categorically related to welfare eligibility or services not permitted under Title XIX do so at their own expense.

While setting various requirements, therefore, Title XIX leaves a great deal of flexibility to the individual State to model a program particularly suited to its needs and resources. The potential for this healthy diversity is well illustrated in the differences among the programs already enacted by eight States and Puerto Rico. So far maximum levels of income for a family of four range from \$2,600 to \$6,000. Four participants have elected to include the 21-to-65 age group at their own full expense; the others have not. Some States have chosen all permissible services; others have chosen some; some have elected to provide only the five required.

Thus, the Governor and legislature of every State which has not already adopted a Title XIX program are faced with important decisions:

- 1. Should the State adopt a Title XIX program?
- 2. If so, what groups of persons should be eligible?
- 3. What scope of services should be provided?
- 4. What administrative structure is best for such a program?
- 5. What fiscal structure is feasible and most appropriate?
- 6. When shall such a program become effective?

The decisions made on each of these issues—as is well known by the Governors representing States which have already become participants in the Title XIX program—are bound up with the overriding question of <u>costs</u>. We have seen in our study of last year that rising medical costs are a fact of life, as reflected and exemplified in rising costs of medical insurance. Here we have not only the difficult problem of anticipating rising costs to match available resources, but also a problem of a new and substantial additional financial commitment to be taken on by the States. Except, perhaps, for those few States which have already developed comprehensive systems of medical assistance, adoption of Title XIX means dramatically increased state and local expenditures for public assistance.

The establishment of an expensive new program of public services is always a difficult task at any level of government. But unlike many high-cost programs—such as highways, or even to a certain extent, new educational facilities—the annual cost of services provided under Title XIX is almost impossible to project accurately before it is once tried. Even after the coverage is determined, the State still has little basis on which to estimate the number of eligible people who will require the service during one fiscal year —or how much assistance per person will be typical.

The situation in New York, which recently enacted one of the more generous programs under Title XIX, is illustrative. The legislation is based on the estimate that the first year's services can be provided at a total cost of \$532 million. This would not represent a substantial increase in state and local expenditures over past years under the former state program of public assistance. On the other hand, some allege that the new Title XIX Medical Assistance will cost much more in the first year-basing their estimate on higher proportions of the eligible persons requesting the service.

Costs-both their magnitude and the imprecision with which we may estimate them-are not the only constraint. Despite the great range of flexibility and choice for the individual State, Title XIX does represent a challenge and an ultimatum of sorts. As Mr. Fred H. Steininger, Director of the Bureau of Family Services, U. S. Department of Health, Education, and Welfare, stated in explaining the program to a local medical society earlier this spring:

"In summary, if States are to continue to receive Federal aid for public assistance medical care, they must extend and improve their Medical Assistance Programs both by specific statutory provisions and by administrative requirements authorized by statute, ... Time is a crucial factor."

By January 1, 1970, all States <u>must</u> have a Medical Assistance Program under Title XIX or lose federal matching funds for <u>any</u> vendor payments made for medical care on behalf of assistance recipients.

In addition, one of the lesser noticed provisions of Title XIX is designed to insure that the non-federal share will be forthcoming. By July 1, 1970, the non-federal share of the program's cost in any State must be financed entirely from state funds unless safeguards exist to assure that a scarcity of local tax revenue does not impede the program's operation. Thus, the fiscal and administrative arrangements made to implement Title XIX may have rather dramatic implications for intergovernmental relations below the federal level.

In short, Title XIX is ambitious. It is ambitious financially, administratively, and politically. And, perhaps foremost, it is ambitious in terms of time. The benefits which can potentially accrue to those who need medical assistance are great. But there is genuine danger that too many States will hesitate because of constraints of time and money and find themselves left out on January 1, 1970.

It is in view of this danger that the committee is firmly convinced that the Governors of the several States jointly have the responsibility to provide all the mutual help they can. We are reminded of the observation of the Advisory Commission on Intergovernmental Relations in its recent annual report. Speaking there of urban problems, the commission felt that the major question of relevance to intergovernmental relations is whether the States:

"... can move fast enough and vigorously enough to keep ahead of the problems which confront them and their local governments. An important test of the viability of the States as real partners in the Federal system is their willingness to share with the Federal Government the financial costs incurred in meeting governmental responsibilities...."

The committee feels that Title XIX offers an important opportunity for the States to rise vigorously to that challenge. To meet this challenge, however, it is necessary for more than a small minority of the States to find the means to enact Title XIX Medical Assistance Programs. For if that were to happen, last year's amendments to the Social Security Act would constitute a drastic step backward in our efforts to assist those who genuinely need help, rather than the forward step it was intended to be.

For these reasons, the committee intends to appoint a special subcommittee of Governors to study carefully the new Title XIX programs that will be in operation during the coming year and report to all Governors from time to time. The chairman of the full committee will serve as chairman and the other members will be selected through consultation in the next thirty days. The subcommittee should focus its attention particularly toward:

- 1. Determining anticipated percentage of those who might be eligible, under the standards of the respective States, to receive benefits during one year;
- 2. Average costs per recipient of the various services or sets of services offered;
- An indication of the additional burden incurred by including categories of persons or services not permissible for purposes of federal matching funds;

- 4. Fiscal and administrative impact on local jurisdictions;
- 5. And any other aspects of the operation of the various programs which the special committee believes will be of help to other States in drafting appropriate legislation.

The special committee should seek the assistance of the Secretariat of the Conference, the Advisory Council on Intergovernmental Relations, and any other appropriate body which can contribute to the thoroughness and utility of the study. The committee should collect and analyze information with a view to the following:

- 1. Making the information available to the States upon request throughout the coming year;
- 2. Making a report of its findings to the Governors' Conference during its next session;
- 3. Drafting recommendations as to possible improvements in the federal legislation on the basis of their experience;
- 4. Recommending whether or not the special committee should continue to function for another year.

It is the belief of the Committee on Human Resources that only through monitoring in a systematic fashion the development of Title XIX programs already enacted can the States jointly benefit from the experience of those few States which have had the means and courage to go ahead.

The Economic Opportunity Act of 1964

The Economic Opportunity Act of 1964 is founded upon the recognition of the need for two kinds of change. One suggests a broadening of the political process to include those whose participation has been minimal, and the other calls for new institutions of coordination for human resource programs at all levels of government.

While attempting to attain these complex goals over the first year and a half of its operation, the "War on Poverty" has exhibited some of its strengths and weaknesses. We expect the Congress to allocate poverty funds, to some extent, on the basis of past performances. The committee hopes, however, that neither the reaction to mistakes nor the frustrations of the first eighteen months will lead to curtailment of those aspects of the program which permit flexibility by state and local governments.

The Economic Opportunity Act has encouraged significant diversity at the state and local level, and we believe that a maintenance of this approach will be the best method of insuring that public dollars are used effectively to meet the diverse forms poverty takes throughout the Nation.

We are also interested in those elements of the act which suggest the long-range possibility of comprehensive human resource planning and coordination at the federal, state and local levels.

One of the basic factors that called forth the new approach of

the Economic Opportunity Act was the realization that some wellconceived, well-executed government and private programs were not meeting the full range of problems that must be overcome to make a poor citizen self sufficient.

The Manpower Act, for example, could provide vital training for skills in an area where jobs were available, but it might not be geared to offer such training to people with only a fourth-grade education or less—precisely those who needed it most. In short, we need programs that fit together and provide the vital followthrough required to act on the very roots of poverty. The Economic Opportunity Act recognized this and attempted to remedy the lack of coordination which hampered a comprehensive attack on the roots of poverty at the federal, state and local level.

One need which the Economic Opportunity Act appreciated and toward which community action programs aim is human resource planning. Over the past three decades, the States and communities of this country, on a general basis, have adopted the idea of physical resources planning. Community after community across the country realize that local planning agencies and procedures are necessary for rational development.

The same objective is implicit in the Economic Opportunity Act. The act provided at the federal, state and community levels a framework for interrelating formerly independent goals in education, health, housing, welfare and manpower development. The act builds a network of programs which seek the fullest possible development of human resources.

The committee supports the achievement of comprehensive, coordinated programs for developing human resources. We believe that community action programs and state coordination programs are two essential elements of this important thrust of the legislation. Both must receive the financial support needed to make them effective in dealing with poverty through all levels of government.

We are concerned about proposals to raise state and local contributions from 10 per cent to 20 per cent on all OEO and related programs. Success depends on a continued, and substantial allocation of national resources to the effort by the federal government — in as large a proportion as possible. We believe that cutback in the federal contribution at this crucial stage might well jeopardize presently successful projects already under way in many parts of the Nation, and many promising new programs that have developed as a result of local involvement in the planning effort. In addition, it might have a disastrous effect on many small counties and cities just starting their programs.

The committee takes note of a strategy currently urged upon Congress as it considers next year's appropriations under the Economic Opportunity Act. This strategy would have Congress allocate to several specific OEO projects—among them Project Head Start and the Neighborhood Youth Corps—a percentage of fiscal 1967 anti-poverty funds far in excess of that received in fiscal 1966. To offset this additional expenditure, other programs would receive decreased allocations. Congress may have ample justification for expanding the scope and financial backing of particularly successful OEO programs. We believe, however, that such expansion should not be wrought at the expense of other programs which reflect state and local initiatives. A high priority should be placed on strengthening these programs which provide the greatest scope for state and local initiatives.

In short, we of the committee believe that several elements at the heart of the Economic Opportunity Act of 1964 are vital to the hope of significant or lasting success in our common efforts to eliminate poverty. One is the idea of comprehensive, coordinated human resource programs through the cooperation of all levels of government. Another essential element is the concept of flexibility. Both elements serve to enhance the roles of the local community and the State.

The "War on Poverty" is not an entirely new concept. Its originality lies in the approach—an approach of coordinated planning and experimental effort. We hope the Congress will give careful consideration to maintaining support for these essential elements of the act.

Creative action by state governments can play a decisive role in the war against poverty. Education, job training, health, welfare and employment services are strongly based in state government, with billions of dollars of state and federal resources being administered through these channels. The Governors urge the federal agencies to seek, in conjunction with the state agencies, improved ways of utilizing these massive, state-directed resources more effectively.

Multi-Service Centers

One of the imaginative steps developed in the efforts of state government to build more coordination and effectiveness into programs attacking poverty is the service center concept.

Last month the California legislature approved a program proposed by Governor Brown which embarks the State on possibly the largest effort in this field through a system of thirteen service centers located in poverty areas.

These are "one stop" centers designed to offer poverty area residents the variety of services they need to break the bonds of welfare, to secure employment, training for employment and the family services which will lead as rapidly as possible to financial independence. California's step follows experimentation with a small scale service center during the past year and also follows development of local service center programs by war on poverty organizations and some other States.

In California's program, a manager responsible to the Governor's Cabinet is given authority to coordinate the multiple efforts of such agencies as Departments of Rehabilitation, Employment, Corrections, Social Welfare, Public Health, and others. Local government and local private, non-profit agencies also are invited to join in the poverty area service center program.

This committee feels this effort by California and similar efforts in other States merit attention and study. It appears to offer real possibilities for reducing duplication of effort, reducing duplication in intake and community follow-up procedures, saving tax resources, and, above all, doing a more effective job in breaking patterns of dependency.

Urban Human Resource Problems and the Demonstration Cities Program

The federal government has enacted and proposed a wide range of programs which recognize that many of America's most pressing human resource problems are shaped by the urban environment. We believe that this aspect of overall human resource development should be a focus of continuing study by the Governors, since it very clearly implies significant opportunities and responsibilities for the States. Here, as in many other areas of public policy, the States must act boldly to assure their meaningful participation and leadership as partners with the federal and local governments.

The recently proposed demonstration cities program, for example, is premised upon the need for an immediate and massive attack on the individual and social decay of large sections of American cities.

Many cities in America suffer from a physical rot which leads to the nightmares of crime, delinquency and disease. The committee feels strongly that physical renewal alone will not prevent human corrosion. There must be, in addition, an overall effort at human renewal, tying together physical redevelopment with adequate educational facilities, job training and job opportunity, and healthy social and recreational services and facilities.

The committee therefore calls to the attention of the National Governors' Conference the Demonstration Cities legislation now pending in the Congress. It offers a major attempt to concentrate all federal, state and local resources in a coordinated drive for the physical and human renewal of entire city neighborhoods.

The committee believes that such an overall effort, coordinat-

ing federal, state and local endeavor, would be of substantial benefit to many urban areas throughout the nation. This reminds us again of the necessity for States to demonstrate that they can provide a positive and vital force for physical and human development in urban America.

We invite other Governors of the Conference to submit suggestions concerning ways in which our committee might focus on the special demands of urban human resource development. The need for increased state activity in this area is both pressing and promising.

Future Agenda for the Committee on Human Resources

During the two years of the existence of this committee, we have responded to the vital problems posed by federal action (and its impact on the States) in the fields of Medicare, education, and the war on poverty, and have conducted a special survey on health insurance plans. It is our impression that the reports of the committee have been useful.

At the same time we are aware that our committee, comprised of Chief Executives, has a responsibility for the full range of state concerns that touch on the development and effective utilization of our human resources. We have not yet addressed ourselves to matters as important as our correctional programs, labor-management relations, employment services, workmen's compensation, mental health and general public health programs, the licensing of occupations and professions, and public assistance programs.

It is our recommendation to ourselves and to the Conference that each of the Conference committees with broad and substantive assignments be requested to establish an eight-year program that will schedule attention to the full range of state government issues within that period. This will provide a significant opportunity for the review of problems, the exchange of experience, and the setting of goals for the States in areas which would otherwise be overlooked.

For the members of the Human Resources Committee which will report to the 1967 Conference, we recommend the adoption of something like the following schedule of reports to succeeding Conferences:

- 1967 Public Health Programs
- 1968 Correctional Programs
- 1969 Employment Services and Occupational Licensing 1970 Education

Such a pattern should be modified from time to time and limited attention could be given in any year to critical issues of special interest, but the adoption of a plan will give both greater depth and breadth to the scope of our attention and the ultimate impact of this Conference on the future of the States in our federal system.

Appendix XII

REPORT OF SUBCOMMITTEE ON JUVENILE DELINQUENCY OF THE COMMITTEE ON HUMAN RESOURCES^{*}

The problem of juvenile delinquency continues to challenge the conscience of the Nation. Programs to prevent and control delinquency have not been sufficient to the task, and each successive year shows a distressing increase in the national delinquency rate. But, even if the rate were to remain unchanged, our problem would still be more serious because of population shifts toward a higher percentage of youth within the total population.

These young people represent a tremendous resource. Given the opportunity, they can be tomorrow's teachers, scientists, businessmen, political leaders, salesmen, industrial technicians, and, perhaps more significantly, parents of the next generation. Like all natural resources, they need to be nurtured, protected, and refined if they are to reach their full useful potential. If we fail them—they will fail us.

The prevalence of delinquency is a warning to all of us that some of our children are in danger of becoming liabilities instead of a resource. It is also a warning that our current modes of prevention and rehabilitation need to be studied, modified, and improved if we are to reverse the current upward trends in delinquent behavior.

That the State has a key role to play in delinquency prevention and control was recognized at the 1961 Governors' Conference, held in Hawaii. In the report of that Conference it was affirmed in this way: "Not only do the States have primary governmental responsibility for combating youth crime, but also the obligation to provide leadership in the fight against juvenile delinquency." As a step in the exertion of this leadership, Governor Edmund G. Brown, chairman of the Committee on Juvenile Delinquency, appointed Mr. Heman G. Stark, Director of the California Youth Authority, to head an advisory committee of state officials responsible for the administration or coordination of state delinquency programs. This advisory committee was charged with the responsibility to study the

^TA printed report, prepared by an advisory committee of state officials who assisted Governor Brown and the Subcommittee on Juvenile Delinquency, was distributed to all Governors. Full text copies are on file at the headquarters of the National Governors' Conference in Chicago. Excerpts from the report are contained in this appendix.

problem of delinquency and to recommend methods and policies which would more effectively marshal state efforts to deal with delinquency.

To assure that each State had a voice in the development of the recommendations of the advisory committee, the committee approached the Office of Juvenile Delinquency and Youth Development in the Department of Health, Education, and Welfare with the recommendation that the Office of Juvenile Delinquency and Youth Development support a series of regional workshops for state coordinators of delinquency programs. This request was approved, and both staff and funds were provided to help facilitate the planning of the workshops.

In order to broaden the discussion on delinquency and to open lines of communication between the States, the federal government, and the private agencies concerned with delinquency, the following agencies were invited to participate in each of the regional workshops:

The Office of Juvenile Delinquency and Youth Development

- The President's Committee on Juvenile Delinquency and Youth Crime
- The National Council on Crime and Delinquency
- The Council of State Governments

The first of the regional workshops was held in the Midwest. Hosted by the Delinquency Study Project staff of Southern Illinois University, the workshop was held in Grafton, Illinois, on February 16-17, 1965. The second regional workshop took place in Long Beach, California, on June 27-29, 1965, and the host agency was the Youth Studies Center at the University of Southern California. The third regional workshop, for the Northeastern States, took place at Boston University on October 18-20, 1965, and the host was the Boston University Training Center for Youth Development. The fourth and final regional meeting took place in Atlanta, Georgia, on March 7-9, 1966. This meeting included representatives from the Southeastern States.

On April 3-5, 1966, the members of the advisory committee met at the Center for Continuing Education at the University of Chicago. At this meeting all of the comments and recommendations of the four regional meetings were considered. Regardless of region, there was remarkable unanimity in both the definition of the delinquency problem, as well as recommended steps for combating the situation.

With the full recognition that state programs for delinquents differed considerably in structure, it was clearly understood at all the regional meetings that no mold or model could be devised that would fit the needs of all the States. Allowing for state differences, however, it was agreed that there were certain general guidelines that every State could use to determine whether its delinquency programs met acceptable program and administrative norms. Our goals, insofar as delinquency is concerned, are: (1) the amelioration of these social and environmental conditions which contribute to delinquency; (2) help for those youngsters who are in danger of becoming delinquents; and (3) the development of effective state and local rehabilitation programs to assist adjudicated delinquents to become law-abiding and contributing members of the community.

We are convinced that there are not any easy answers to the problem. The complex of conditions which cause delinquency is too varied to respond to one kind of treatment or someone's favorite magical panacea. Delinquents, like all other individuals, have singular personalities. We all have our peculiar genetic endowments, our own unique environmental backgrounds, and our own ways of reacting to anxiety or stress. No single treatment formula nor single type of facility is capable of serving the needs of all delinquents. The problems of the delinquents are diversified, and the means of resolving these problems will need to be diversified also.

Delinquency-Whose Problem?

This report is primarily directed to those responsible for the administration of state delinquency programs—the Governors and the delinquency program administrators. But, delinquency is by no means the exclusive concern of state government. Each citizen and every level of government has an appropriate part to play in the fight against delinquency. These responsibilities are inescapably intertwined. Maximum progress cannot be made without full cooperation between the local, state, and federal governments, and little progress can be made at any level without the informed support of the citizen.

The current pattern for the organization of services for delinquents is basically this:

Local. Although there are exceptions regarding probation, juvenile court, probation, and detention services are generally provided by county or city government. The same is true for police juvenile bureaus in local jurisdictions sufficiently large to have specialized juvenile officers in either the municipal police department or the county sheriff's office.

Too many communities have no separate detention facilities for juveniles, and many are incarcerated in the same facilities employed for hardened adult criminals. Furthermore, although probation has long been recognized as a preferable alternative to institutional care for many delinquents, we are still confronted with the bleak fact that more than half of the juvenile courts in the United States do not have a single probation officer.

State. State services normally include the provision of insti-

tutional care for delinquents, aftercare (juvenile parole), and some more specialized facilities such as forestry camps, group homes, and reception and diagnostic centers. In a few States, the state agency responsible for the administration of rehabilitative services for delinquents will also provide some form of community services. Examples of services of this type would include such direct services as child guidance centers (e.g., the State of Washington) as well as the provision of specialized consultation to juvenile courts, to police, or more generalized community organization.

State child welfare programs, aid to dependent children, and other state-provided welfare services that help to preserve the integrity of the home also help to prevent delinquency even though this is not the sole purpose of these programs. In addition, state aid to education and the provisions of specialized school counseling services assist in preventing children from becoming delinquent.

<u>Federal</u>. Some direct service facilities for delinquents are provided by the Bureau of Prisons. These are specifically for youths who have violated federal statutes. However, the percentage of youthful offenders held in federal facilities is miniscule compared to the far greater numbers held in state installations. Most federal delinquency efforts have focused on data-gathering, research, special demonstration projects, the funding of pilot training projects, technical consultation, and the development of standard-setting guides for juvenile courts and institutions.

To date, federal philosophy related to delinquency has been that direct services for delinquents are largely a state and local responsibility. To the extent that there has been federal influence on state and local delinquency programs, it has largely come from federally financed research, training, or demonstration. The bulk of these funds has not been intended to underwrite existing programs, but to pioneer and experiment with new modes of treatment and to expand our knowledge of the causes of delinquent behavior.

A Checklist of State Delinquency Services

There are certain basic components essential to an effective state program for delinquent youth. The advisory committee, in conjunction with the Governors' representatives present at the regional workshops, sought to identify those components. These are presented in the form of a checklist against which each State can determine whether it meets or falls short of the mark.

1. <u>Research</u>. Just as the "seat-of-the-pants" flyer is outdated, so is the "seat-of-the-pants" delinquency program administrator. A State hoping to make a dent in its delinquency problems must proceed on the basis of the best available background data. Current programs must be analyzed to determine which are most effective. We need to know the current and long-term extent of delinquency so services can be planned to meet current and future needs. Closer looks into the community conditions which breed delinquency might enable the State to do a more effective job of prevention.

2. <u>Personnel Training and Recruitment</u>. Training and recruitment are definitely related. The key to program improvement is training, but it also follows that the State that seeks out the most highly qualified staff will have fewer training problems and job readiness will be achieved in less time. Recruitment success is directly related to work opportunity. Pay can't be minimized. It may be one of the most important factors in attracting quality staff. Other factors also rank high: job security in a state merit system; opportunity for advancement; and provisions for additional education and training are also important to many prospective employees. A desirable working environment and well-designed facilities also enhance recruitment and employee retention.

3. Administrative Structure. The 1962 report of the Council of State Governments entitled "Juvenile Delinquency—A Report on State Action and Responsibilities" contains a chapter on state structures for services and coordination. That chapter very succinctly describes the variety of ways in which States have organized their programs and services for the control and treatment of juvenile delinquency. It is not the intent of this report to review those state structures or to single out any one of the organizations as being preferable to another. Other than normal disagreement over which structure is the better, such things as state size and population, the volume of the delinquency problem, and statutory or constitutional limitations would also have a bearing on structure.

4. Accountability. One principle emphasized was that of accountability. To assure accountability it was suggested that all state-provided services for delinquents be placed under one administrative head. This person would be ultimately responsible for the coordination of all services, whether they be institutions, forestry camps, reception and diagnostic centers, aftercare (parole), group homes, or other types of care. Accountability is violated in those States where citizen boards are responsible for the management of individual institutions and report directly to the Governor. While citizen participation was thought to be desirable, it was considered desirable when it was employed in an advisory and not an administrative or managerial role.

5. <u>Central Commitment</u>. Another principle that received attention was that of central commitment. Central commitment to a state agency is strongly favored over commitment to a specific institution or facility. The principle of central commitment works best when the state agency for delinquent services has a reception and diagnostic facility where newly committed youngsters may be retained until a thorough study of their physical, social, and emotional background can be made. Then, on the basis of this study, the best possible facility may be selected for the child's individual needs and well-being.

6. <u>Transfers</u>. While central commitment was regarded favorably, most of the workshop participants were strongly against transfers from a juvenile facility to an adult institution without appropriate court action. The whole purpose of juvenile court law is to avoid the stigma of having the child regarded as a criminal. To place him in an institution meant for adult criminals is an abrogation of that intent.

7. Program Diversification. If we take a look at the problem of automobile safety, we quickly learn that it is not a simple problem. It involves such things as driver training, traffic enforcement, highway design, and safely constructed automobiles. Leave out any aspect of this problem and you fail to solve the problem. The problems of delinquency are even more complex. Poverty, school failure, parental neglect, high crime environment, cultural deprivation, lack of job opportunities, and many other things may cause or contribute to delinquency.

The rehabilitation of these youngsters is equally complex. A relatively few require security-type institutions. Yet in many States the institution is still about the only alternative a juvenile court judge may have. The conglomerate-type facility is neither fair to the youngster nor to the treatment staff who seek to rehabilitate him. To maintain security for the few who need it, security is necessarily imposed on all. Since this may be the worst thing possible for some children, it puts the State in the position of further contributing to the child's delinquent behavior.

To the extent possible, the State should diversify its services so that appropriate placements may be selected for all its delinquent youth. Many respond well to small open-type facilities such as forestry camps or group homes. Many can safely remain in their communities after diagnosis of their problems if adequate aftercare is available. Many might never have been committed to the State in the first place if probation services or other types of community treatment had been available.

Prevention

The time to stop trouble is before it starts. Everyone who works with delinquents is well aware that the groundwork for delinquent behavior is often laid many years before the youngster came to the attention of the police or the juvenile court. Learning difficulties in the school often begin in the early elementary grades. If allowed to persist, the child falls further and further behind until he becomes a burden to the school system and a chronic failure to himself. Still, it's a rare elementary school that has counseling services available to the children and families of those children who become early failures, and it is even more rare that specially trained teachers are available to help these young people with the special education services they need.

Problems are not always related to learning difficulties in school. Economic deprivation can also inhibit the child's adjustment. Many thousands of children still face hunger, disease, dental, and vision problems because their parents are without the funds either to feed them adequately or provide for their basic health needs.

Even so, physical and economic deprivation isn't the whole problem. Equally serious is the emotional and cultural deprivation of many of our children. To permit the mind and spirit to grow requires affectional and intellectual stimulation just as the body requires food. The child of the slums who sits behind four bare walls, perhaps supervised by a brother or sister little older than himself, is not receiving that stimulation. Tired and apathetic parents are incapable of helping him, and eventually the patterns of defeat are repeated.

Again, previous reports to the National Governors' Conference have dealt quite extensively with delinquency prevention and youth development. Chapter Four of the 1962 report, entitled "Juvenile Delinquency—A Report on State Action and Responsibilities," discusses various types of prevention programs in considerable detail.

Since that report was written, several new programs have appeared on the horizon which address themselves to the problem of youth development. Some better known examples are the "Head-start" programs which are specifically aimed at the socially and culturally deprived youngster of preschool age. Another program is the Neighborhood Youth Corps, which was specifically designed for the youth from 16-21 years who need an opportunity for work and for further education. This work training program is a part of the Economic Opportunity Act and is administered by the Department of Labor's Manpower Administration. The Job Corps is another phase of the Economic Opportunity Act which seeks to help youth with their education and training problems.

Conclusion

This report has touched on the nature of delinquency; on state, local, and federal responsibilities to the delinquent; and on some of the basic components essential to an effective state delinquency program. In our search for better ways of rehabilitating the adjudicated delinquent, we also recognize that parallel efforts must be made to prevent delinquency. We further recognize that neither rehabilitation nor prevention are easy tasks, but we do feel that they can and must be done.

A part of our task must be the provision of jobs, better schools, and improved community environments for all of our children. This constitutes prevention. For those youngsters who have become delinquent, it is not enough to remove them from the community in the vain hope that some time in a training school will somehow change their behavior. These children, too, have a potential, and it is up to us to exercise our imaginations and skills to see that these children can also share fully in the opportunities of American life.

Appendix XIII

REPORT OF THE COMMITTEE ON NATURAL RESOURCES^{*}

Recommendations Concerning Land Use

1. The States should accept and discharge their responsibility in developing and carrying out a long-range, comprehensive plan for wise land use.

2. This plan should be evaluated and modified in the future to meet the changing demands of the people.

3. The State should assume the responsibility for educating the general public to the need for wise land use planning.

4. The State should establish guidelines for, and give technical assistance to, local governments and groups.

5. The State should coordinate and cooperate with federal land use programs which reflect the needs of the people as shown by state planning.

6. The National Governors' Conference urges the development of a system of communication whereby the Governors' representatives to the Public Land Law Review Commission are kept fully and currently informed of the work and progress of the commission and are afforded an opportunity to participate in the formulation of policy decisions.

(Chairman of Land Use Subcommittee, Governor Henry Bellmon)

Recommendations Concerning Water Resources

1. Since dam and reservoir sites are a natural resource, each should be developed to its full potential to meet present and future needs as a multi-purpose structure. Therefore, the Congress should revise and broaden its policy relating to the conservation and wise use of the Nation's water supply so that water storage to meet expanding municipal, industrial and recreational needs and other future beneficial uses is established as a primary benefit with the same priority as flood control, navigation, pollution abatement, and low-flow augmentation in establishing project justification, and federal funds should be appropriated in sufficient amounts to provide adequate water storage capacity for these purposes.

An attractively printed and illustrated report was distributed by Governor Breathitt, Chairman of the Committee on Natural Resources, and copies are on file at the headquarters of the National Governors' Conference in Chicago. This appendix contains only the committee's recommendations for action.

2. That the States should designate one state agency to carry out their responsibilities in comprehensive water resource planning, development, and management.

3. That the States develop and implement interstate compacts and utilize federal cooperative programs to provide solutions to water problems that cross state boarders.

4. That intrastate water resources be developed on the basis of need within the State.

5. That the States, through the Council of State Governments, or otherwise, exchange information on the development of water quality criteria and standards; and further, that the States be keenly aware of the requirements of the Water Quality Act of 1965 and assume appropriate responsibility in meeting the October 2, 1966, and June 30, 1967, deadlines in filing letters of intent, and establishing and implementing water quality criteria.

6. That the States provide basic research data for comprehensive planning and encourage training for careers in water development, research and management.

7. That the States and the federal government continue their efforts to meet an increasing demand for water oriented outdoor recreation, fully utilizing the federal-state approach to multiplepurpose water resource projects; and further, that the National Governors' Conference seek repeal of that portion of PL 89-72 enacted by the 89th Congress which places in jeopardy the ability of States to successfully develop recreation areas on multi-purpose projects. Specifically, it is urged that the United States Congress repeal that portion of PL 89-72 which requires one-half of the separable costs incident to recreational development in a multiplepurpose project to be borne by a State or its local subdivision.

8. Exclusive federal control in the planning and development of river basins is not desirable. States should accept their responsibilities and proper roles in river basin development by joining together for planning through such mechanisms as River Basin Commissions and Interstate Compacts.

(Co-Chairmen of Water Resources Subcommittee, Governor Edward T. Breathitt and Governor Mills E. Godwin)

Recommendations Concerning Forest Resources

1. That the States plan and implement programs for the wise multiple use, protection, and development of their forest resources.

2. That the States continue to develop and use interstate compacts that will strengthen state forestry programs and solve problems that cross state borders.

3. That the States participate in accelerated and expanded research programs in forest protection, management, development, as well as utilization of timber and timber products. 4. That the States consider youth forestry camps, not only to aid in the rehabilitation of youth, but to enhance forest programs.

5. That state and federal governments provide technical assistance, cost-sharing, and equitable taxation based on the earning power of the forest, to assure an adequate forestry program.

(Chairman of Forest Resources Subcommittee, Governor Daniel J. Evans)

Recommendations Concerning Mineral Resources

1. That the States join the Interstate Mining Compact to promote the proper balance between production and conservation.

2. That the States initiate, continue or expand research programs leading to more efficient and economical mining operations and modern conservation practices as they affect land, water and air.

3. That the States explore and implement various avenues of restoring land and water previously ruined by abandoned mining operations.

4. That the federal and state governments consider the possibility of granting some measure of tax relief to mining industries whose current operations prevent destruction of land and water, as well as pollution of air.

5. That the States continue and expand health and safety programs and regulations covering all mining activities.

(Chairman of Mineral Resources Subcommittee, Governor William W. Scranton)

Recommendations Concerning Outdoor Recreation

1. State governments should accept responsibility for statewide outdoor recreation planning and development and seek consultation with the federal government in the long-range planning of national parks and recreation areas.

2. State recreational developments should provide tourists and residents with facilities of statewide scenic, recreational, and historical interest.

3. The States should encourage private development and joint public-private development of outdoor recreation facilities to supplement and complement public facilities.

4. The States should plan for, and provide full utilization of, open land suitable for outdoor recreation developments to meet future needs, and enact enabling legislation to allow local jurisdictions to do likewise.

5. Full use should be made of all forms of intergovernmental cooperation to provide the types of recreational facilities needed, now and in the future.

(Chairman of Outdoor Recreation Subcommittee, Governor John A. Love)

Recommendations Concerning Fish and Wildlife

1. The States jointly seek to resolve the controversy relating to management and control of resident species of wildlife inhabiting federally-owned lands.

2. The States plan and execute a long-range, comprehensive, stable program to develop fish and wildlife resources to their optimum levels.

3. The States enact and adequately enforce laws pertaining to fish and wildlife resources.

4. The States provide adequate financing of fish and wildlife research and management programs.

5. The States cooperate and coordinate fish and wildlife programs with federal government and other agencies concerned.

6. The States utilize interstate agreements where advantageous for desirable fish and wildlife programs.

(Chairman of Fish and Wildlife Subcommittee, Governor Grant Sawyer)

Recommendations Concerning Air Pollution

1. State governments should accept major responsibilities for air pollution abatement and prevention and enact legislation to enable them to carry out these responsibilities.

2. A state air pollution control statute should include an air pollution control policy statement; an administration agency and program to implement the policy through investigation, planning, research, and education; enabling authority for community and cooperative local programs and for state assistance to such programs; liaison and cooperative relationships with federal programs; and enabling provisions for interstate cooperation.

3. To meet its share of the challenge a State must obligate sufficient staff and budget to implement effective air pollution control activities.

(Chairman of Air Pollution Subcommittee, Governor Philip H. Hoff)

Recommendations Concerning Natural Beauty and Beautification

1. Each State should assume the responsibility for a program of clean-up, beautification, natural beauty conservation and enhancement, involving local government and the private sector.

2. Each State should designate an agency to carry out its responsibility.

3. Each State should enact legislation to prohibit littering and to encourage highway beautification, junkyard screening, and the banning of billboards.

4. The States should make full use of federal programs in clean-up and beautification.

5. Governors should consider through issuance of Executive Orders making beautification an appropriate factor in all multipurpose construction projects carried out by the State such as highways, parks, water resource development, et cetera.

(Chairman of Beautification Subcommittee, Governor William L. Guy)

Recommendations Concerning Natural Disasters

1. That those States which have not done so take immediate steps to enact legislation defining their responsibilities in natural disasters.

2. That state and local Civil Defense agencies be given responsibility for administering the natural disasters program.

3. That the State Civil Defense Director be designated by the Governor as Coordinator of all activities relating to catastrophes of natural origin.

4. That each State provide its Natural Disasters Coordinator with a central protected operations center or emergency operating center.

5. That each state legislature appropriate stand-by emergency funds for the Governor's use in meeting the exigencies of natural disasters.

(Co-Chairmen of Natural Disasters Subcommittee, Governor Frank B. Morrison and Governor Manuel F. L. Guerrero)

Appendix XIV

REPORT OF SUBCOMMITTEE ON CIVIL DEFENSE AND POST-ATTACK RECOVERY OF THE COMMITTEE ON PUBLIC SAFETY

During the past year civil defense preparedness has made steady progress. In twenty-five States major natural disasters have served as unexpected proving grounds for civil defense officials and volunteers who have done an effective job in evacuating people in the path of hurricanes and have saved many lives through warning systems and rescue efforts in tornado-affected areas. These activities have been commended in the press, in state legislative halls and in Congress. However, in a few instances where plans for emergencies were inadequate, the press and the public were critical of government officials.

The record should also show that during and after these natural disasters, cooperation between the Office of Civil Defense and the Office of Emergency Planning has been highly effective. The committee points out that this has not always been the case. Similarly, cooperation between these federal regional offices and the state civil defense agencies has also been close and effective.

For the first time since passage of the Federal Civil Defense Act in 1950, the House Congressional Appropriations Committee commented favorably on OCD's operations and noted a change in direction and emphasis. The committee said:

"In recent years the entire concept of civil defense has changed vastly. The program now seems to be on a sounder footing.... The amounts recommended for fiscal year 1967 strengthen and expand the nation's civil defense capability by continuing the general level of funding of recent years."

The committee is concerned, however, that the Experimental Program for Inclusion of Fallout Protection in New Construction, as requested in the President's budget, was not included by the House Appropriations Committee in its initial action on 1967 fiscal year appropriations. Because of the importance of this program, the committee suggests that the Governors request the Senate Appropriations Committee to restore the funds requested. The committee also notes with pleasure the development of a community shelter program by the Office of Civil Defense. Especially commendable is the fact that most Governors have given personal attention and leadership to the deployment of this program in their States.

The goal of having fallout shelter for the entire population now in large part depends on having shelters included in new buildings as they are being constructed. The architectural and engineering professions have developed no cost and low cost techniques to achieve this end and we compliment them on their leadership.

As a result of this technological advance the committee urges the following:

- (1) That the federal government insure that there is fallout shelter in all federal buildings where necessary;
- (2) That all federal grant-in-aid programs for construction include authorized payment for fallout shelter space where necessary;
- (3) That all state and local public building construction include fallout shelter where needed, and
- (4) That all private builders of office, industrial and other such buildings are urged to include fallout shelter in new construction, using technology now available through appropriately trained architects and engineers.

The committee is pleased that a number of Governors have personally participated in conferences on civil defense and emergency planning involving local officials in their States and believes that this expression of interest and concern on the part of the Chief Executive of the State will do much to maintain the necessary level of emergency preparedness at the local level.

The committee commends the Governors for their personal interest in the joint federal-state university extension programs, designed to inform local officials of their responsibilities in civil defense and emergency planning.

However, mail poll of the Governors of the several States conducted by Governor Sam Goddard of Arizona indicates there is substantial agreement that the overall civil defense programs in the States would be strengthened if the Civil Defense Adult Education program was better coordinated with other civil defense efforts in the States. It is recommended that the Executive Department of state government be given authority for direction of the CDAE program. To this end, it is recommended that the contract authorizing this program specifically provide for Executive Department direction of the program. This subcommittee further recommends that administration of the CDAE program remain with the education departments of state government; it also urges that the U. S. Department of Health, Education, and Welfare consult with OCD on development of a new standard contract which would provide for the above objectives.

Most States point to a general improvement in federal-state cooperation. Yet many Governors feel that the federal government and the state governments have not done all they can and should in providing the leadership which is essential to achieve an effective system of civil emergency planning.

Several Governors have also remarked on their growing diffi-

culties in providing their State's share of the cost of their civil defense and emergency planning effort. This complaint has been made in the past. The Governors feel that a considerably larger proportion of the financing required, and perhaps all of it, might more appropriately be covered with federal funds. For example, the Midwestern Governors' Conference recently passed a resolution urging continuation of the OEP-State Financial Assistance Program to help the competent staffs which have been trained in emergency preparedness planning. However, this program is being concluded by OEP because its original purpose has been accomplished, namely that of fostering the development by the States of resource management plans. In order that the knowledge brought to bear on the resource management program is not dissipated or dispersed, OCD has agreed to match the administrative costs of state personnel as a part of an overall State Emergency Plan. In addition, the committee recommends that the States and the private sector make available the modest funds that will be required to meet certain transportation and communications costs required to continue resource planning.

In the field of federal disaster assistance the currently pending Bayh Bill (S. 1861) is of concern to the Governors. This bill would strengthen federal assistance to private individuals following major disasters. It would liberalize existing federal lending programs now carried out by the Small Business Administration, Farmers Home Administration, and others.

However, even the most liberal credit programs do not provide adequate assistance to homeowners and businessmen already heavily in debt. This proposal recognizes that fact by establishing a loss-sharing arrangement whereby the federal government (50 per cent), the state government (25 per cent) and the individual property owner (25 per cent) would all contribute to the restoration of the damaged or destroyed property. It should also help to reduce flood losses by creating incentives for state and local governments to enact and enforce effective flood regulations. The Governors should go on record as supporting this legislation and their views should be made known to the House Public Works Committee.

In addition, this committee strongly recommends that the Department of Housing and Urban Affairs, directed under PL89-339 to undertake a study of alternative programs to help provide financial assistance to property owners for losses from natural disasters, base such a program on the use of the time-tested principle of insurance in an all-disaster risk program for protection against hazards such as floods, earthquakes, mud slides and other risks for which insurance is, at present, not generally available. We believe this could be accomplished by the commercial carriers aided by the federal government. Such insurance might be part of homeowners' extended coverage with some federal underwriting or reinsurance in case of calamitous losses. This subject has been studied for some time and it is hoped that a progress report will soon be forthcoming. The fact that private property losses in Hurricane Betsy exceeded one billion dollars indicates the need for action to avoid future losses. For that reason the committee recommends that HUD give priority attention to the disaster insurance problem.

The committee reviewed and concurred in the recommendations made by the Committee on Natural Resources that state disaster relief coordination be strengthened.

The Federal Program

Your committee has received comprehensive reports of progress from Mr. William Durkee, Director of Civil Defense in the Department of the Army, and from Governor Farris Bryant, Director of the Office of Emergency Planning in the Executive Office of the President.

Federal Office of Civil Defense

As the House Congressional Appropriations Committee noted, positive advances have been made in the federal civil defense program. The immediate civil defense program objective is to make practical use of existing fallout shelter already identified and to inform people what they should do in an emergency. Forty-seven state Governors are including in their States a professional program to do this. This process is a planning technique which we call community shelter planning; a means by which professional urban and city planners match people to shelters, project the growth of population and future construction, and establish specific future requirements for shelter. This activity is now under way in fiftyseven planning areas, and community shelter planning projects are being initiated in 104 other metropolitan areas.

, To cite several examples of progress in civil defense planning, Nebraska and Pennsylvania with the assistance of the federal government are making detailed analyses of their communications situation to ensure full utilization of what they have, availability and effective use. Arkansas has developed a statewide warning system capability for every school system, county and selected local government. The Gulf States have made excellent preparations for hurricane disasters and their utilization of the civil defense organization and federal-state cooperation has been outstanding. An increasing number of States are completing their Emergency Operations Centers and extending them into state areas. The States have also been active in encouraging EOC's in cities and counties.

The Home Basement Survey, aimed at the 25 million United States homes with basements, is nearing completion in the first State to participate, Rhode Island. South Carolina is conducting a statewide analysis of available shelter.

Federal Office of Emergency Planning

OEP is giving financial assistance to forty-nine States to help them develop plans for the management of resources and to improve the capability of state governments as partners in the national civil preparedness effort.

OEP, assisted by the Council of State Governments, has sponsored a continuity-of-government program of six sample legislative acts plus a constitutional amendment which provides the authority for state and local action to insure continuity of civil government if the United States is subjected to attack. To date, fortynine States have adopted this program in whole or in part. Model state legislation for post-attack recovery has also been developed.

Federal Disaster Assistance

During calendar year 1965, twenty-five major disasters were declared under PL 875 in twenty-four States for an allocation of \$64,913,000. Allocations of \$59,825,000 were made for major disasters declared in 1964. Thus, a total of \$124,738,000 was allocated for the President's disaster fund in 1965. So far in 1966, eight disasters have been declared for an allocation of \$7,600,000. Allocations of \$62,000,000 were made for the prior year's disasters for a total of \$69,600,000 for the first six months of 1966.

As in the past, OEP has worked closely with the National Association of State Civil Defense Directors and particularly with its Committee on Resources Management headed by Major General Lyle Welch of Nebraska. This cooperative endeavor has benefited both the States and the federal government.

Conclusion

The report clearly and significantly portrays that the public and the Congress will support a practical, no-nonsense type of emergency preparedness program which can be used swiftly and effectively to alleviate the effects of a disaster.

Gratifying as is the progress that has been made in designing an emergency preparedness program adequate to cope with any eventuality, the federal and state governments must provide more vigorous direction and support.

We, therefore, urge a renewed commitment by the National Governors' Conference to devise and provide the maximum feasible level of preparedness for the American people. This committee recognizes that both the Office of Emergency Planning and the Office of Civil Defense have important jobs to do. The National Governors' Conference should therefore continue to give maximum support to the development and implementation of their respective action programs which are so vital to the Nation's security and to the survival of the people.

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Appendix XV

REPORT OF SUBCOMMITTEE ON HIGHWAY SAFETY OF THE COMMITTEE ON PUBLIC SAFETY

During the past year there have been many developments in highway safety of great interest and concern to state governments. Of the greatest significance is legislation now pending in Congress to enlarge the federal role in highway safety.

On March 2, the President forwarded his message on transportation to the Congress. Accompanying it was a draft bill consisting of three major titles. Title I related to vehicle safety; Title II to research; and Title III to highway safety. Titles I and II (S. 3005 and H.R. 13228) were considered by the respective Commerce Committees; Title III (S. 3052 and H.R. 13290), by the Public Works Committees.

The reaction of the Governors to the proposed legislation was favorable. Concern was expressed, however, that the role of the States not be minimized or weakened. In testimony, the Chairman of the Subcommittee on Highway Safety proposed that Title I Vehicle Safety Performance Standards be developed by the Vehicle Equipment Safety Commission of which, by amendment of the compact, the federal government would become a member and have half the voting strength. This, it was argued, was preferable to federal preemption and would have the added advantage of making standards enforceable by both the federal government and the States.

State interest in Title III was even more keen. The statements of the Chairman of the Subcommittee on Highway Safety contained a proposal that standards for such activities as driver licensing, driver education, vehicle inspection, police traffic supervision and other functions be evolved by a federal-state board made up of representatives, including Governors, of state and local governments and of the federal government. Such an arrangement was to be preferred to the one proposed which would lodge complete discretion in the federal Secretary.

On June 3, members of the Subcommittee on Highway Safety and other Governors and representatives of Governors met with federal officials. The conferees agreed that:

1. With respect to Title I, motor vehicle safety standards properly should be the concern of the federal government. In their development and before their promulgation by the Secretary, however, there should be meaningful consultation with the States.

2. With respect to Title III, highway safety standards are a joint federal-state responsibility. In this context, highway

safety standards include those pertaining to vehicles in use as distinguished from new vehicles. The mechanism for approval of new or revised standards should be modeled generally on that employed in the Appalachian Regional Development Act. States should be given a reasonable period, possibly three years, in which to confrom to standards issued. Assuming nonconformance by a State after such period, the Secretary should have authority to invoke the standards with respect to such State.

On June 24, the Senate took up S. 3005 and S. 3052. Both bills were passed. As passed, S. 3005 provides for motor vehicle safety standards to be set by the Secretary of Commerce after consultation with the Vehicle Equipment Safety Commission, other state and interstate agencies, including legislative committees, and private parties. It forbids establishment of state or local standards which differ from federal standards. Also provided is a study by the Secretary of the adequacy of state standards for used vehicles and vehicle inspection.

S. 3052, as passed, provides for assistance to States to establish and improve a comprehensive traffic safety program. Grantsin-aid in the amounts of \$40 million for fiscal 1967 and \$60 million for each of the fiscal years 1968 and 1969 are authorized. Grants would be apportioned to the States through the office of the Governor.

To advise the Secretary generally and to review proposed highway safety standards, a National Traffic Safety Advisory Committee would be created. Chaired by the Secretary or his representative, the committee would have an additional thirty members. No more than five could be federal employees. Others, to be appointed by the President, would be selected from among representatives of state and local governments, including legislatures, and private interests.

S. 3052 authorizes \$5 million for each of the fiscal years 1967, 1968 and 1969 to pay up to 20 per cent of the cost of establishing and improving state vehicle inspection programs.

Up to 50 per cent of the cost of establishing, expanding and improving state programs of driver education and training would be borne by the authorization of \$20 million for fiscal 1967 and \$25 million for each of the fiscal years of 1968 and 1969. Another provision of S. 3052 would make grants available to city and county governments, or combinations thereof, within standard metropolitan areas for comprehensive highway safety programs. For this purpose, authorizations are \$40 million for 1967, and \$60 million for each of the fiscal years 1968 and 1969.

In the House, the Title III bill, H.R. 13290, has been reported. It does not differ materially from S. 3052 as described above. However, it provides that a State which does not have an approved highway safety program not only would not be eligible for highway safety grants, but could lose up to 25 per cent of its construction grant funds. The House counterpart to S. 3005, H.R. 13228, has not yet been reported.

State-Local Highway Safety Conference

Last year the Conference, deeply concerned by mounting highway traffic casualties and vehicle accident costs, adopted a resolution which read in part:

'... that the National Governors' Conference invite the National League of Cities, the United States Conference of Mayors and the National Association of Counties to join the Governors in sponsoring a national conference of state and local governments to define and clarify areas of traffic safety responsibility, and to determine the most effective courses of action with respect to priority needs and financing; ..."

The measure, it is worth noting, was drafted in all its essentials before the Baldwin Amendment, which called for federal standards as guides for state highway safety programs, was offered in Congress as an addendum to federal 1965 highway construction legislation.

Organizations cited responded enthusiastically to the invitation. An advisory committee representing the cosponsors, associations of state-local officials with highway safety missions, the U. S. Bureau of Public Roads and the President's Committee on Traffic Safety, and several highway safety public service groups helped design a meeting featuring discussion of major issues by key elected policy officials at both levels. State, county and municipal principals in significant numbers reflected genuine interest, but the only possible dates, June 1-2, proved unpropitious for too many, and it was canceled. The next steps are still to be determined.

Background papers, prepared in part as a source of issues, have been distributed to all invitees. Parenthetically, there was notable positive reaction to a unique idea, a meeting of state, county, and municipal elected principals to discuss a major governmental problem involving all levels, and typically many agencies at each level.

Recommendation

It is strongly recommended that the National Governors' Conference by formal adoption of this report declare its support for and direct its Subcommittee on Highway Safety to take such measures as may be necessary to secure amendment of the pending federal highway safety legislation to provide that the formulation and approval of highway safety standards shall be a joint federalstate responsibility. It is recommended that the mechanism for approval of standards for programs including those dealing with accident records, driver education, licensing and performance, motor vehicle inspection, traffic control, highway design, surface treatment and maintenance and surveillance of traffic for detection and correction of high or potentially high accident locations be modeled generally on that employed in the Appalachian Regional Development Act.

Appendix XVI

REPORT OF THE SPECIAL STUDY COMMITTEE ON REVENUE SOURCES OF STATE AND LOCAL GOVERNMENTS

This report is submitted to the Executive Committee and to all members of the National Governors' Conference pursuant to the resolution "Preserving the People's Rights" (copy appended) adopted by the Conference in Minneapolis, July 25-27, 1965. The Special Study Committee on Revenue Sources of State and Local Governments has met twice—November 15 and December 6, 1965. The following broad subjects were considered by the committee during the course of its studies: The State-Local Fiscal Situation; Possible Solutions; Policies and Objectives; and Recommendations.

The State-Local Fiscal Situation

Financial Problems of the States

The States have been in a tight financial squeeze during the past fifteen years, and the outlook is for continued demands for additional and improved state and local services. The change during the past ten years illustrates the problem.

The Past Decade

<u>State-local expenditures</u> increased from \$33.7 billion in 1955 to \$69.3 billion in 1964, a rise of 105 per cent. About 41 per cent of this increase was for education, 15 per cent for highways, 14 per cent for welfare, health, and hospitals. Expenditures per capita rose from \$204 in 1955 to \$362 in 1964.

These increased expenditures were financed chiefly by: (1) tax increases, (2) borrowing, (3) federal aid.

<u>State-local revenues</u> (from their own sources) rose from \$27.9 billion in 1955 to \$58.4 billion in 1964, an increase of 109 per cent. Part of this revenue was due to a higher level of the economy, but a considerable part was the result of new taxes and higher rates imposed on existing taxes. Collectively, the States have done a fine job of raising their own revenues to meet rising costs. State-local revenues (excluding federal aid) as a proportion of personal income rose from 9.0 per cent in 1955 to 11.8 per cent in 1964. On a per capita basis, these state-local revenues rose from \$169 in 1955 to \$305 in 1964.

<u>State-local debt</u> rose in proportion to expenditure and revenue increases. Between 1955 and 1964 this debt rose from \$44.3 billion to \$92.2 billion, an increase of 108 per cent.

<u>Federal aid</u>. Revenues distributed to state and local governments, mostly grants-in-aid, grew from \$3 billion in 1955 to \$10 billion in 1964.

<u>Federal financing</u>. Over the past ten years the strain on state-local finances was considerably greater than on federal finances. During the 1955-1964 period, direct federal expenditures increased 51 per cent, federal general revenues 57 per cent and the national debt 14 per cent.

The Years Ahead

<u>Projected state expenditures</u>. Project '70, a grant-supported study sponsored by the Council of State Governments, projects expenditures of current state-local activities, including full development of presently publicized "Great Society" programs, at \$108.2 billion in 1970. This projection would leave large unmet needs, for which financial requirements are not yet fully determined. There will, incidentally, be a large disparity among States regarding needs.

The annual costs of the following needs have been estimated: preschool education, \$8.5 billion; minimum adequate welfare income, \$5 billion; adequate health care for the medically indigent, \$3 billion. In addition, capital construction costs to meet water supply, mass transportation and waste disposal needs will amount to \$40 billion, requiring at the beginning approximately \$3 billion a year for debt service.

Requirements for continuing present programs and meeting needs in the programs mentioned would therefore total \$127.7 billion. This would be 84 per cent above 1964 expenditures of \$69.3 billion. The increase of expenditures over the previous six years was 54 per cent.

<u>Projected state revenues</u>. Project '70 projects general revenues from the States' own sources at about \$85.5 billion in 1970, a 46 per cent increase or \$26.8 billion over 1964. The increase in the prior six-year period was 60 per cent or \$22.1 billion. The estimate for 1970 does not assume any rate increase, while the 1964 increase reflects rate changes and new taxes since 1958.

A large increase in federal grants is projected, especially because of the impact of "Great Society" programs. Legislation enacted and expected will turn \$13 billion in federal revenue to the States in 1966. The projection for 1970, reflecting the full impact of currently authorized programs, is about \$20 billion. The comparable amount for six years ago was \$4.9 billion, and in 1964 was \$10 billion.

Thus the total estimate of 1970 income is 105.5 billion. The gap between this amount and the estimated 127.7 billion expenditure is 22.2 billion.

Other Possibilities for State-Local Expenditure Growth

The projections above do not take into account other possible areas of state-local expenditure increase. Here are some of the reasons why we may expect public demand for future increases:

Increased urbanization-More than three-fourths of the population are expected to live in urban areas within the next decade, compared with 64 per cent in 1950 and 70 per cent in 1960. Urbanization requires major spending for:

Improving police and fire protection

Urban renewal

Parks and recreational facilities

Mass transit facilities

Better traffic control

Water supply and purification

Sanitation facilities

More social services to help individuals and families adjust to the complexities of urban living

Higher standards- The public is demanding higher standards of public services, in part due to rising incomes. They will want:

Better schools, teachers, facilities

Increased emphasis on mental health treatment rather than custodial care

Vastly enlarged public health measures to cut water and air pollution

Intensive attacks on alcoholism and other health problems Improved recreational facilities, not just unmanaged forests

More and better college and graduate school facilities More beautiful surroundings

Population pressures-United States population probably will reach 240 million by 1976, 35 per cent greater than today.

> The postwar "baby boom" is now flooding colleges as it did the elementary and secondary schools in the 1950's. State-local spending for education was \$26.5 billion in 1963-64, and may reach \$50 billion by 1975.

Poverty programs-A new social consciousness may require

larger expenditures to equalize opportunities for underprivileged Americans:

Preschool programs

Intensive teaching

Occupational training and retraining

Expanded public housing

Social programs for the aged

Possible offsetting factors:

A reduced birth rate, if continued, might mean less pressure on elementary and secondary schools.

New cost control methods may increase government efficiency.

- Scientific advances may save money (as in mental health care).
- Federal welfare aid, as with Medicare, may reduce statelocal welfare spending.
- A decreasing rate of increase in required capital facilities.

The Elasticity Gap

The mounting problems listed above make probable the continuation of recent growth trends in state expenditures. This growth has occurred at twice the rate of growth of the tax base which supports increased services as measured by Gross National Product (GNP). On the other hand, revenue collections, excluding the effect of new taxes and increased rates, have grown at less than the growth rate of GNP. The income tax is the most elastic, growing faster than GNP. Property and sales taxes grow at nearly the same rate as GNP, but most other excises are more inelastic. Thus States must continue to tap additional revenue potentials in order to meet expenditure needs.

Possible Solutions

There are several methods of altering federal-state fiscal relations which could provide more revenue or reduced expenditures for the States:

- 1. The present method of financing federally-aided programs -categorical grants-could be expanded.
- 2. Additional grant programs could be financed by so-called "block grants," covering whole functions, such as welfare, rather than categories, such as public assistance, within the function.
- 3. Tax sharing—the federal government could collect taxes, returning a portion of them to the States.
- Tax credit—the federal government could allow the individual taxpayer to take a percentage of certain state-local taxes he has paid as a credit against his federal income tax payment.
- 5. The federal government could relinquish certain taxes, so that the States could assume them. The committee rejected this. Much of the opportunity for relinquishment is now gone with recent excise tax reductions. There was apparently no intent for state assumption of admissions or luxury taxes. Federal legislation would have to allow time for enactment of state legislation prior to the federal reduction. This has not been done.

6. The federal government could assume the entire cost of certain programs now partially supported by the States. The committee rejected this because it would place the federal government in complete control of activities affecting state and local areas and would constitute a serious inroad in the federal system.

There are two mechanisms which might improve efficiency in state tax collections or federal-state tax relations:

- 1. Federal collection of state taxes
- 2. Federal-state consultation in initiating and administering federal-state programs

We recognize that most future needs described in this report are logically the responsibility of state and local government, and that state and local governments must meet these responsibilities.

- 1. States must be prepared to meet part of the need through raising additional revenue. The present variations in tax rates and tax effort indicate that in many States there is room for expansion of state taxes. States must conscientiously utilize their own resources before seeking financial assistance from the federal government.
- 2. Constant efforts must be made to reduce expenditures through more efficient administration. It is recognized, however, that these reductions will be far outweighed by increases for new services.
- 3. Part of state needs can be met by increased borrowing, especially for capital improvement projects. The States must be careful not to overextend their borrowing capacity, but this capacity will grow as the economy grows.
- 4. The States must see that additional revenues from both state and federal sources are fairly apportioned among the state and local governments. Such apportionment, however, should not encourage the continuance of inefficient units of local government.

Policies and Objectives

In order to determine which alternatives would provide the most satisfactory solutions, the committee considered the policies and objectives toward which States should strive. The following were adopted:

- 1. Federal-state consultation in the development of national programs affecting state-federal relationships and responsibilities.
- 2. Greater freedom in state-local employment of federal funds.
- 3. Maintaining state responsibility for local government.
- 4. More adequate methods of meeting state-local revenue needs.

- 5. Strengthening state responsibility in order to maintain the federal system.
- 6. Increased efficiency in the expenditure of available federal revenues for public programs.
- 7. Increased efficiency in the collection of revenues.
- 8. Coordination of functional responsibilities among units of government to assure to each function an adequate level of total expenditure while avoiding interlevel fiscal competition.

Recommendations

- I. Additional state revenue
 - A. Tax sharing.
 - (1) The federal government could distribute funds to the States based solely on the amount of federal individual income taxes collected in the States; or
 - (2) The federal government could distribute a portion of federal income tax collections to the States on a formula based on such factors as population, tax effort and tax capacity.

This alternative would provide revenue while allowing States considerable flexibility in expenditure. There would be, however, some dilution of state responsibility in tax administration. The less wealthy States would tend to benefit more under (2). The committee places top priority on the tax sharing approach.

B. Tax credit. Under the tax credit device, federal law would allow the taxpayer to take credit against his federal income tax for a substantial percentage of his income, sales or other state taxes. Under this system each State would levy and collect its own taxes, taking advantage of the fact its taxpayers can receive credit against the federal tax.

The tax credit device, if enacted by the federal government, would allow States to increase their own taxes without increasing the burden on the taxpayer and without harmful interstate competitive effects. This solution meets the objective of providing revenue while leaving maximum responsibility and flexibility in the hands of the States.

II. Federal assistance in state tax collections

State tax collection might be improved, where the income tax is used, through central collection. The State would add a percentage to the federal income tax collected in the State, to be collected by the federal government and turned over to the State. This approach would result in a redistribution of the state tax load where state exemptions are presently not the same as federal and where the progressivity of the state rate structure differs from that of the federal. Constitutional problems also exist in respect to interest income and income of individuals not residents of a particular State for the full year. This device would not necessarily be a method of raising additional revenue.

III. Improvement of federal grant programs

Categorical grants have traditionally been accompanied by federal supervision over state decision-making and administration. We recognize the probability that additional grant programs will be enacted in the future. We urge that any new grants <u>not</u> be enacted by categories, but rather that block grants be used. Block grants do not adequately meet all our objectives, but are preferable to categorical grants in that more discretion in allocation of funds is left to the States.

IV. Increased consultation between federal and state governments in initiating and administering federal-state programs

Federal grant programs are usually enacted without adequate consideration of state needs and administrative practices. A mechanism should be established or existing mechanisms utilized for systematic consultation so that state requirements are given proper attention.

V. Implementation of the committee's recommendations

It is recommended that the Special Study Committee on Revenue Sources of State and Local Governments be continued and that the committee be directed to represent that National Governors' Conference in its efforts to implement the recommendations contained in this report. Specifically, the committee would be directed to promptly seek the appointment of a presidential task force on revenue sources of state and local governments to work with the special committee of the National Governors' Conference; the special committee, hopefully assisted by the presidential task force, would be further directed to work with the United States Congress and its appropriate committees toward securing statutory implementation of these recommendations; and the special committee would also be directed to report to the 59th National Governors' Conference its progress and any additional recommendations or actions that may prove necessary. <u>Whereas</u> the increasing reliance of local governments on federal funds is justified to an important extent by lack of either adequate state financial assistance or separate revenue sources, or both; and

<u>Whereas</u> local governments are essential instruments of state government, and their forms, functions and resources can best be provided for by the States and determined in detail locally; and

<u>Whereas</u> the population explosion, the lengthening of life, the multiplication of knowledge, conservation of natural resources, and world responsibility are so greatly expanding the role of federal, state and local governments as to make efficient and economical collection and use of taxes subjects of unprecedented importance; and

<u>Whereas</u> time is of vital importance in securing a sound financial solution to these problems if we are to retain the advantages of the constitutional division of governmental functions between the federal and state governments, so that ultimate power can continue to be exercised by the people;

<u>Now, therefore, be it resolved</u> that the National Governors' Conference Chairman and Executive Committee appoint a special study committee which will promptly consider total revenue sources and how they can be structured to permit the state and local governments to meet their revenue needs adequately either by their own actions or by a rebating of federal revenues or retention of a percentage of federal revenues, such as the personal income tax; and

Be it further resolved that, as soon as this committee's recommendations are prepared, they be submitted to the Executive Committee and each Governor in written form, hopefully before the commencement of the next session of Congress, and that if a majority of the Governors request it in writing, a special meeting of the National Governors' Conference be called to consider and act on the committee's recommendations.

^{*} Adopted at Minneapolis, July, 1965.