

OPENING STATEMENT

VICE PRESIDENT HUBERT HUMPHREY

WHITE HOUSE CONFERENCE

FOR STATE LEGISLATIVE LEADERS

JUNE 15, 1966

Having spent most of the last 20 years as a legislator I come to you as a kindred soul.

Your state legislatures are the workhorses of the American federal system.

Much that you do is highly important but quite often nearly invisible.

The great body of civil law, for example, commercial codes, franchise regulations and most of our criminal law are based in state statute books.

✓ Gov Farries Bryant
Office Emergency Planning
Spokane M.C.

Memo - Speaker
Floyd Duxbury
Sen Donald Sinclair

∟ The legislative output in the state houses is the hidden part of the iceberg.

∟ Basically, state legislatures need to be strong in order that we can have strong state government; and strong state government is essential to a strong America.

∟ Your legislatures have been victims of time and circumstance. ∟ They have been seriously hobbled by state constitutions since the Civil War and their responsiveness has not always been prompt to an urbanizing society, to technological change, and to an exploding population.

Because I believe in a strong federal system I am very encouraged by the current efforts being made by you in your own states and by some national organizations and private foundations to recast the role of the legislature in state government and in the federal system. We all know what the needs are; the problem is to get public awareness and citizen dedication to right the wrongs of the past. These needed changes were spelled out recently at a conference of state legislators, businessmen and academic people at Columbia University's American Assembly. They included:

- Elimination of constitutional restrictions on length of legislative sessions.
- Increased compensation for legislators.

⌞ Staffing of major committees on a year-round basis.

⌞ Adequate office space for legislators, committees and staff.

⌞ We certainly wish you well in your efforts to strengthen your role.

⌞ We in the federal government realize that the rapid enactment of new programs over the past two years, making up for years of neglect, has created a sometimes confusing and sometimes burdensome situation for your legislatures.

⌞ During this conference we hope you will express your complaints and ask questions of the federal administrators who meet with you.

*Private
Foundation*

*Redacted
Plus*

There are a number of things to be done both by you and us in strengthening federal-state relations.

To those of you who believe you are inadequately consulted by the Congress in the framing of national legislation, let me urge that you or your legislative service agency keep abreast of the committee hearings going on in the Congress.

You should make yourselves heard, either through your committee chairmen or individually at the appropriate stages of the lawmaking process in Washington. In order to be able to do this you need to provide adequate staff and support to your major committees and to your legislative service agency.

My office is currently engaged in developing a comprehensive ^{hard-book} ~~index~~ of federal grant-in-aid programs.

Know the
Programs

✓ A great many documents on this subject are now available, published both by the federal government and associations of government officials at the state and local level. A listing of these documents has just been completed by the Advisory Commission on Intergovernmental Relations and copies are here for you.

✓ We urge your consideration of enabling legislation at the state level necessary to carry out state and local government responsibilities with regard to our federal aid programs. To the extent that the state participates financially in these programs, our federal-state partnership is strengthened and the federal grant-in-aid dollars stretch farther.

✓ ~~#~~ Most of our population has become urbanized.

Unfortunately most of our large urban areas are characterized by a welter of conflicting local jurisdictions.

↳ Rationalizing and simplifying these interlocal relationships is something that only the state legislature can do.

↳ It cannot be done by federal fiat.

↳ We are hopeful that the present Congress will complete action on the Intergovernmental Cooperation Act which has been strongly supported by many of you and your Governors, as well as your organizations of municipal and county officials.

↳ This bill, introduced by Senator Muskie and 40 other Senators, is now pending in the House and will ameliorate a number of friction points of Federal-State-local relations.

↳ We are fortunate to have here in Washington an organization not dominated by any one level of government but giving continuing attention to federal-state-local relations problems--the Advisory Commission on Intergovernmental Relations.

I commend to you its State Legislative Program which is contained in this green book and of which there is a supply here.

↳ While no state needs all of these model bills enacted, all states need some of them.

↳ Let me list some of these bills that grew out of the Commission's research on current and emerging intergovernmental problems:

1. A state model building code, somewhat along the lines of action taken in my own ^{State of} Minnesota, so that builders and home purchasers generally can take advantage of the economies resulting from construction based on a sound and uniform building code.

2. Model constitutional and statutory language to remove arbitrary restrictions on local property taxing and borrowing powers, as well as other restrictions on local governments, especially county government's ability to organize and carry on necessary local services.

3. Municipal incorporation control to provide some minimum standards before more new municipalities can be created where existing government could meet the needs of local residents. I am proud to say that Minnesota was a pioneer state in enacting such legislation as early as 1959.

4. Uniform state and local relocation assistance so that, whenever a public agency forces a family or a small business to move, it provides some consistent equitable assistance.

5. A state office of local affairs. In many ways a state agency with responsibility for leadership in meeting the needs of people in cities is even more needed at the state level than here. ^{Washington.} Your states bear direct responsibility for your local governments and have commensurate authority to act.

↳ At least some seven states have already set up such state offices and some, like Pennsylvania and California, have even gone further by establishing a Department of Community Development comparable to the action by the Congress last year in setting up a federal Department of Housing and Urban Development.

✓ Your state legislatures must assert their initiative and leadership if a healthy balance is to be maintained in our federal system. We believe that the adoption of legislation, incorporating the approaches of the proposals I have just listed - where, of course, they make sense - will materially strengthen state-local relations and our federal system of government.

Now: The problem of money. ✓

Last yr fiscal '65
\$48 Billion
10 Billion
38
66
47.56

As my friend Walter Heller stated to your Governors at their conference in Minneapolis last summer, about a third of our states have no income tax at all; another one-third have an anemic income tax; and only the remaining third of the states make a reasonably effective use of it.

While this Administration has no view to set before you at this time, I would just suggest that you might take another look at the income tax, which most tax people agree is the fairest of all taxes, because it is based on ability to pay.

∟ I think you should take another look at the question of industrial development bonds which are issued by state and local government for the purpose of constructing factory buildings, as a means of enticing industry to your state or locality.

∟ I detect an increasing nervousness on Capitol Hill about the use of federal income tax exemptions for this purpose.

∟ In your own self-interest I would urge a close policing of this financing method and a clearing up of abuses that you may find to exist.

Let me mention a few other fields currently under state control in which the Congress is beginning to express an interest.

One is the matter of insurance regulation; another is workmen's compensation; and a third is the manner in which real property taxes are assessed against interstate carriers in comparison with other types of property.

Increasingly, I think it is the public temper that if the state or local governments don't do the job the federal government -- and your counterparts in the Congress -- should act.

Indeed, in just the last year we have seen the federal government become involved in areas in which, until now, states have exercised relatively unlimited autonomy.

- Administration of election machinery and the prescription of voter qualifications in state and local elections.
- The financing ~~and administration~~ of the public schools.
- Maintenance of law and order.
- Maintenance of independent tax systems.

Pressured by neglect or abuse in a handful of states, the federal government in 1965 entered three of these previously reserved fields in substantial manner.

through the Voting Rights Act, the Elementary and Secondary Education Act, the Law Enforcement Assistance Act, and establishment of a National Commission on Law Enforcement and Administration of Justice.

I am sure you welcome federal help in many of these areas.

But I am^{also}/sure you would prefer to keep initiatives in your own hands. And that is the way it should be.

We hope that this conference will help provide you with some of the knowledge, and tools, to help do it.

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Notes for State Legislative Leaders

Importance of State Legislatures

Having spent most of the last 20 years as a legislator I come to you as a kindred soul.

The State legislatures are the work horses of the American federal system. Much that they do is highly important but quite often nearly invisible. The great body of civil law, for example, commercial codes, franchise regulations, etc., and most of our criminal law are based in State statute books. The legislative output in the State houses is like the hidden part of the iceberg.

Basically, State legislatures need to be strong in order that we can have strong State government; and strong State government is essential to a strong America.

State Legislatures are in Trouble

State legislatures have been victims of time and circumstance. They have been seriously hobbled by State constitutions since the Civil War and their responsiveness to an urbanizing society, to technological change and to an exploding population has not always been prompt.

Because I believe in a strong federal system I am very encouraged by the current efforts being made by you State legislative leaders in your own States and by some national organizations and private foundations in endeavoring to recast the role of the legislature in State government

and in the federal system. We all know what the needs are; the problem is to get public awareness and citizen dedication to right the wrongs of the past. These needed changes were spelled out recently at a conference of State legislators, businessmen and academic people at Columbia University's American Assembly. They included:

Elimination of constitutional restrictions on length of legislative sessions.

Increased compensation for legislators.

Staffing of major committees on a year-round basis.

Adequate office space for legislators, committees and staff.

We certainly wish you well in your efforts to strengthen your role in State government and in the federal system.

Federal-State Relations as They Affect the State Legislature

We in the Federal Government realize that the rapid enactment of new programs over the past two years, making up for years of neglect, has created a sometimes confusing and sometimes burdensome situation for the legislatures. During this conference we hope you will express your complaints and ask questions of the Federal administrators who meet with you. There are a number of things to be done both by you and us in strengthening Federal-State relations.

Submission of State Legislative Views to the Congress
in the Consideration of Legislation

To those legislators at the State level who believe they are inadequately consulted by the Congress in the framing of national legislation let me urge that you or your legislative service agency keep abreast of the committee hearings going on in the Congress with regard to legislation in which you have an interest. You should make yourselves heard either through your committee chairman^e or individually at the appropriate stages of the lawmaking process in Washington. In order to be able to do this you need to provide adequate staff and support to your major committees and to your legislative service agency.

Information About Grants-in-Aid

My office is currently engaged in developing a comprehensive index of Federal grant-in-aid programs. A great many documents are now available published both by the Federal Government and associations of government officials at the State and local level as to aid programs that are available. A listing of these documents has just been completed by the Advisory Commission on Intergovernmental Relations and copies are here for you.

Statutory Implementation of Federal Programs
at the State Level

We urge your consideration of enabling legislation at the State level necessary to carry out State and local governments' responsibilities with regard to the various Federal aid programs. To the extent that the State participates financially in these programs our Federal-State partnership is strengthened and the Federal grant-in-aid dollars stretch farther.

Concern with Local Government Organization and
Structure in Metropolitan Areas

Most of our population has become urbanized. Unfortunately most of our large urban areas are characterized by ^a~~the~~ welter of conflicting local jurisdictions. Rationalizing and simplifying these interlocal relationships is something that only the State legislature can do. It cannot be done by Federal fiat, although the Federal Government certainly has a strong interest in improved and simplified patterns of local government because a great many of the Federal programs are directed to problems of the urban areas.

The Intergovernmental Cooperation Act

We are hopeful that the present Congress will complete action on the Intergovernmental Cooperation Act which has been strongly supported by many of you and your Governors, as well as your organizations of municipal and county officials. This bill, by Senator

Muskie and 40 other Senators, is now pending in the House and will ameliorate a number of friction points of Federal-State-local relations.

Substantive Legislation for your Consideration

We are fortunate to have here in Washington an organization not ~~dominated~~ ^{dominated} by any one level of government but giving continuing attention to Federal-State-local relations problems--the Advisory Commission on Intergovernmental Relations. I would like to commend to you their State Legislative Program which is contained in this green book and of which there is a supply here. While no State needs all of these model bills enacted, all States need some of them. Let me list some of these bills that grew out of the Commission's research on current and emerging intergovernmental problems:

1. A State model building code, somewhat along the lines of action taken in my own State of Minnesota, so that builders and home purchasers generally can take advantage of the economies resulting from construction based on a sound and uniform building code.

2. Model constitutional and statutory language to remove arbitrary restrictions on local property taxing and borrowing powers, as well as other restrictions on local governments, especially county government's ability to organize and carry on necessary local services.

3. Municipal incorporation control to provide some minimum standards before still ~~another~~ municipality^{ies} can be created when ~~an~~ existing local government^s either through annexation or other arrangements could meet the needs of local residents more efficiently and responsibly. I am proud to say that Minnesota was a pioneer State in enacting such legislation as early as 1959.

4. Uniform State and local relocation assistance so that whenever a public agency forces a family or a small business to move it provides some consistent equitable assistance.

5. A State office of local affairs. In many ways a State agency with responsibility for leadership in meeting the needs of urban residents is even more needed at the State level than the already achieved Federal organization. The States bear the direct responsibility for their local governments and they have commensurate authority to act. At least some seven States have already set up such State offices and some, like Pennsylvania and California, have even gone further by establishing a Department of Community Development comparable to the action by the Congress last year in setting up the Department of Housing and Urban Development.

The State legislatures must assert their initiative and leadership if a healthy balance is to be maintained in the federal system. We believe that the adoption of legislation incorporating the approaches

of these proposals where they are applicable will materially strengthen State-local relations and our federal system of government.

Money

I know that pervading much of your deliberations when you are endeavoring to meet our exploding State and local problems of schools, health, hospitals, water pollution, and so on, is the question of money. On the financial front there are a couple of areas that I would call to your attention; these are matters of State policy but ones in which the Federal Government has a long-range interest.

As my friend Walter Heller stated to your Governors at their conference in Minneapolis last summer, about a third of our States have no income tax at all; another one-third have an anemic income tax; and only the remaining third of the States make a reasonably effective use of this revenue producer. While this Administration has no view to set before you at this time, I would just suggest that you might take another look at this tax source, which most tax practitioners will agree is the fairest of all taxes because it is based on ability to pay.

I think you should take another look at the question of industrial development bonds which are issued by State and local government for the purpose of constructing factory buildings as a means of enticing industry to your State or locality. I detect an

increasing nervousness on Capitol Hill about the use of Federal income tax exemptions for this purpose. In your own self-interest I would urge a close policing of this financing method and a clearing up of abuses that you may find to exist.

Other Legislative Areas

While it is always a subject for philosophical debate, most observers of the governmental scene in the State capitols and in Washington agree that sins of omission and commission by some States have from time to time augmented the flow of Federal legislation. So let me mention a few other fields that are currently under State control and about which the Congress is beginning to express an interest. One is the matter of insurance regulation; another is workmen's compensation; and a third is the manner in which real property taxes are assessed against interstate carriers in comparison with other types of property.

Increasingly, I think it is the public temper that if the State or local governments don't do the job the Federal Government--your counterparts in the Congress--will act. Indeed, in just the last year we have seen the Federal Government become involved in areas in which, until now, the States have exercised relatively unlimited autonomy in (1) administration of election machinery and the prescription of voter qualifications in State and local elections;

(2) the financing and administration of the public schools; (3) maintenance of law and order; and (4) maintenance of independent tax systems. Pressured by neglect or abuse in a handful of States, the Federal Government in 1965 entered three of these previously reserved fields in substantial manner, through the Voting Rights Act (PL 89-11), the Elementary and Secondary Education Act (PL 89-10), the Law Enforcement Assistance Act (PL 89-197), and establishment of a National Commission on Law Enforcement and Administration of Justice.

Gold/gr

OPENING STATEMENT

VICE PRESIDENT HUBERT H. HUMPHREY

NATIONAL LEGISLATIVE LEADERS' CONFERENCE

JUNE 15, 1966

Indian Treaty Room,
Executive Office Building,
Washington, D. C.

Governor Bryant and my fellow legislators, because I am only a few months released from legislative responsibilities, you know.

Governor, first of all, may I take just this moment to join with you in welcoming our legislative leaders of these, our great States, in the Federal Union.

This is a very important meeting and one, by the way, that I have felt was needed for some time. About eight or nine months ago I was privileged to meet with the legislative leaders who were here in Washington, the Speakers of the Houses of the State Legislatures and President Pro Tem or Lieutenant Governors of a number of our States.

We met over in the Capitol Building and at that time we talked about such a gathering as this. We are indebted to Farris Bryant for his recommendation to President Johnson that a conference such as this be called.

I have had the privilege, as many of you know, of

serving as the President's liason representative or officer with local government. We have had many, many meetings, a dozen or more meetings with the mayors, county officials, city managers, and other local governmental officers, all across this country.

I have met with the mayors of every city above 50,000 in the United States. We have prepared vast amounts of materials that we hoped might be helpful to our local government officials.

We met with city councilmen and commissioners and county commissioners and I believe that we have had a better understanding of our respective roles in Government and the respective responsibilities of the Federal and the local governments, but there has been this necessity or need of meeting with the State legislative leaders.

Of course, the President has met with Governors. I have been at the Governors' Conference out at Minneapolis a year ago. I went to the Western States Governors' Conference in Portland a little over a year ago.

The President of the United States, President Johnson, has had the Governors in on two or three or more occasions to brief them on international and domestic affairs.

I think it should be clearly understood that the President of the United States and his representatives, the Director of the Office of Emergency Planning and the Vice

President are at your service. We are here to serve you and you are as welcome as the dawn, anytime that you wish to come to see us, or if you have any problems or questions that you think we might share with you.

Now, the purpose of this conference is to endeavor to develop a better avenue of understanding and clear lines of communication between the Federal Government and State legislative leaders. That is it in a nut shell right there. Just to get to know each other a little better and to get to know our respective responsibilities and have some communication, ideas, common purposes, and even to share some of our problems and burdens.

We know that you have yours and I am sure your are appreciative that we have ours.

I spent the last 20 years of my life as a legislator, or almost the last 20 years, so I come to you as a kindred soul. Your State legislators are the work horses of the American political system, the American Federal system. Much that you do is highly important, but quite often nearly invisible.

Legislative leaders, whether at the State level or national level, have a tendency to be crowded out, so to speak, of public awareness and recognition by executive actions and functions or international events. The great body of civil law, commercial codes, franchise regulations, and most of our criminal law are based on State statutes. And my fellow

servants in Government. When we talk about Government we are not just talking about the Federal Government. As a matter of fact, as I have said across the length and breadth of this land, most of the problems that face our people are problems that you have jurisdiction over.

I live out in Wright County, Minnesota and if the Federal Government has much to say about that county, I have not found out what it is. I love it out there. It is a wonderful county, and the County Commissioners do a good job. My main problem is getting some oil on the Township road and the Federal Government does not have a thing to do with it. The only thing the Federal Government has anything to do with is to see that my neighbor across the road does get some soil conservation payment other than that, there is no Federal activity.

All of the rest of it is local, including the pollution that goes in the lake. So most of the problems we face are the problems that you have at that local level and State level.

I served as mayor of the City of Minneapolis for two terms and I guarantee you that most of the problems that people talked to me about in Minneapolis had to do with Minneapolis City or ordinances in our city and State Government.

The legislative output in the State Houses is the hidden part of the great iceberg.

Basically, State legislatures need to be strong and up to date; modern in order that we can have strong State

government. And, strong State government, as Governor Bryant has said, is essential to a strong America. You cannot run this country out of Washington and even if you could you should not.

Your legislators have been the victims of time and circumstances. They have been seriously hobbled in many areas by State constitutions. I want to tell you, it was harder to amend the Charter of the City of Minneapolis than it is to get a pass key to Heaven. I do not think it has ever been amended as a matter of fact. I lead two or three ^tfor_es on it, but it ended up a little short of votes and most State constitutions are rather hard to amend.

Therefore, legislatures, the responsiveness of legislative bodies has not always been prompt to an urbanizing society, to a technological change of an exploding population, and those are the facts of our time.

This is an urban country today, in terms of the majority of people. It is a fast moving country. Industry is changing so rapidly that it leaves a tremendous impact upon everything that we try to do, and it is because I believe in a strong Federal system that I am very encouraged by the current efforts being made by you in your own States and by some national organizations and private foundations, to recast the role of legislators in State government and in the Federal system.

I have had a little study made of some of the things that are being undertaken today. For example, in the last two years large amounts of foundation money, from the Ford Foundation and the Carnegie Foundation particularly, have gone into efforts to increase research on State legislatures, establish training programs for new legislators, to support seminars for legislative leaders, to provide promotional staff and support services and to finance studies of legislative reorganization and State constitutional revision.

This is only within the last decade, that our great foundations that have tremendous sums of money available for these public purposes have been willing to extend themselves and extend their resources to the State legislative level.

I hope that you are taking advantage of that opportunity.

Some of the needed changes that you have given voice to were spelled out recently at a conference of State legislators, businessmen and academic people at Columbia University's American Assembly and I have looked over that report. I would not be a bit surprised but what some of you in this room may have attended that Assembly.

The recommendations included the elimination of constitutional restrictions on the length of legislative sessions, increased compensation for legislators, the staffing of major committees on a year-round basis, and adequate office

space for legislators, committees and staff. These are some sound recommendations.

We in the Federal Government realize that the rapid enactment of new programs over the past two years, making up for years of need and neglect, has created a sometimes confusing and sometimes burdensome situation for you legislators. I have felt there has been a great dereliction of duty here and of service on our part.

We have gone all around America talking at PTA's, business organizations, and other groups, about the War on Poverty, about housing and urban development, water pollution and control. We talked to everyone but you, and you are the ones we really need to know and you need to know what we are thinking about.

That is why I think this program is so valuable today.

We cannot possibly have an effective Federal program in your State unless you are with it, unless you believe in it, unless you think it has something good to offer, unless you have an understanding of it, and also that you wish to implement it at the State level.

It is one thing to pass a law. It is another thing to get people to want to live with it, and I think one of the needs in American today is to get our State legislative bodies on the same wavelength that the Congress of the United States finds itself on. We need to be working together, and I am

going to have a word to say about that.

During this conference, we want you to speak up very frankly, express your complaints, ask questions of the Federal administrators who will meet with you. There are a number of things to be done, both by you and by us, in strengthening Federal-State relations.

Those of you who believe you are inadequately consulted by the Congress in the framing of national legislation, let me urge that you or your legislative service agency keep abreast of the Committee hearings going on in the Congress and make your voice heard. It is just as easy for one of you to come here and testify as it is for the Real Estate Board or the American Federation of Labor, CIO.

We need your frank testimony, particularly when any program in this Government is a grant in aid or a Federal-State relationship. We ought not to design a program that does not have your counsel and advice before it is perfected or before it is made statutory law.

You should make yourselves heard, either through your committee chairmen or individually at the appropriate stages of the lawmaking process in Washington. In order to be able to do this you need to provide adequate staff and support to your major committees and to your legislative service agency.

My office is currently engaged in developing a comprehensive handbook of Federal grant in aid programs, tying

in the whole business. I say to the mayors, "I want you to know the Federal Government is like a big, huge supermarket. The doors are wide open. You have been walking in for years, and there is everything on the shelf, but there is not a label on anything that anybody can use.

We need truth in labeling in the Government, too, truth in packaging. So what we have tried to do is finally get the labels on, so that when you take a look at this book you find the program, you know who is in charge of it, where the office is, how to get a hold of them on the phone, and you also find out where the regional office that handles this program, or the district office is.

You also get an analysis of what the program is about, what the authority is about, how you apply for it, and whether or not there is any Federal-State relation. It is all in one book. It is a sort of shopping list, but at least you know what you are getting.

A great many documents on this subject that I have spoken of are now available, published by the Federal Government and Associations of Government. A listing of these documents has been completed by the Advisory Commission on Inter-Governmental Relations. Copies are here for you.

We urge your consideration of enabling legislation at the State level necessary to carry out State and local government responsibilities with regard to our Federal aid

programs. Take a look at your State law. Does it meet the needs of the Federal program?

Are we in tune with each other?

To the extent that the State participates financially in these programs, our Federal-State partnership is strengthened and the Federal grant-in-aid dollars stretch farther.

I said before most of our population is now urbanized. Unfortunately most of our large urban areas are characterized by a welter of conflicting local jurisdictions. Rationalizing and simplifying these interlocal relationships is something that only the State legislature can do.

It cannot and should not be done by Federal fiat or by Federal order.

We are hopeful the present Congress will complete action on the Intergovernmental Cooperation Act which has been strongly supported by many of you and your Governors, as well as your organizations of municipal and county officials. This bill, introduced by a former Governor ~~of~~, a former legislator, a great Senator, Senator Muskie of Maine, and 40 other Senators, is now pending in the House, and I think it will ameliorate a number of friction points of Federal-State-local relations.

When I was in the Senate I worked with Senator Muskie on that bill. We are very fortunate to have, here in Washington, an organization not dominated by any one level of Government, but giving continuing attention to Federal-State-local relation --

the Advisory Commission on Intergovernmental Relations.

By the way, I am a co-author. Senator Robert Taft was the main author. I had my bill and he had his bill in and frankly he had more influence than I had when we first set this up. But he was kind enough to see that I served on the first Intergovernmental Commission. It was passed at the time President Eisenhower was President of the United States, and I was privileged to serve on that first Intergovernmental Commission.

It was one of the most interesting public bodies I have ever served upon and I commend your attention to its reports.

I commend to you its State Legislative Program which is contained in this green book and of which there is a supply here.

This is an excellent document. While no State needs all of these model bills that are outlined in this program, all States need some of them. Let me just take a moment, if I have here, ^{Gov. Bryant} ~~Mr. Farris~~, another moment to call your attention to one of the developments that I think has sharpened the effectiveness of our legislative bodies and is going to make a great difference in State Government.

I notice a great controversy over reapportionment, but it is a fact that all States now have gone through this painful and yet much needed experience.

I think it has brought new life, new meaning and new vigor to State legislative bodies. And I have to believe there

is a resurgence of the authority of State Government in the offing in this country. Many people have gone around and talked about "The Federal Government is going to take over everything," but it is a fact that somebody is not doing the job that needs to be done.

There is always somebody around that needs to do it. We all know that most of us run for office and when the State Governments were not able to meet as many of their responsibilities to satisfy the needs of their people, the Federal Government did move in. That is a fact; we know that.

I must tell you in all candor, when I was mayor of Minneapolis, I had to go frequently to Washington, D. C. I know our friends in Minnesota do not like to hear me say that, but that is a fact.

Therefore, now when I see the State legislative bodies being reapportioned, I sense a new vigor, new vitality that is in this State legislative body, State governmental system.

I mentioned a moment ago about the programs that are listed in the State legislative program, published by your Advisory Commission on Intergovernmental Relations. I want to say that many of these programs will meet the needs, I think, of your particular jurisdictions.

I also mentioned that you have this welter of conflicting local jurisdictions, frequently made administrative action and cooperation between Federal and State and local

levels.

Now for a long period of time we went on and set up what we call new jurisdictions of Government, new sanitary districts, airport authorities, and what have you, and many of these have been very effective, but of recent date we are beginning to find out you can take the old established jurisdiction of Government and, by a type of coordinating and cooperative program, you can make them much more effective than they have been in the past.

I commend to you some of the experiences that have taken place here on the Eastern Seaboard where you have had compacts of States and where you have had, not only State governments getting together and working together, but where a Federal representative such as the Secretary of Interior, on programs that may relate to public lands, sits with that group of State officers.

Now, what are some of the model programs that have been offered in this State legislative program of the Advisory Commission? A State model building code, somewhat along the lines of action taken in my own State of Minnesota, that builders and home purchasers generally can take advantage of the economies resulting from construction based on a sound and uniform building code.

There is model constitutional and statutory language to remove arbitrary restrictions on local property taxing and

borrowing powers, as well as other restrictions on local governments, especially county government's ability to organize and carry on necessary local services.

There is municipal incorporation control to provide some minimum standards before more new municipalities can be created where existing government could meet the needs of local residents.

There is also a tendency to want to create a new jurisdiction in Government. We are just naturally creators in this country, rather than looking around to see whether we can use what we have. And I am proud to say in this instance that my State of Minnesota was a pioneer State in enacting such legislation as early as 1959.

Uniform State and local relocation assistance so that, whenever a public agency forces a family or a small business to move, it provides some consistent equitable assistance.

A State office of local affairs, and I want to mention this one in particular as a possibility in every State. In many ways a State agency with responsibility for leadership in meeting the needs of people in cities is even more needed at the State level than here in Washington. Your States bear direct responsibility for your local Governments and have commensurate authority to act.

At least some seven States have already set up such State offices and some, like Pennsylvania and California, have

even gone further by establishing a Department of Community Development comparable to the action by the Congress last year in establishing a Federal Department of Housing and Urban Development.

I am saying that your State legislatures must assert their initiative and leadership if a healthy balance is to be maintained in our Federal System.

Finally the problem of money. I wonder how many of us realize that last year our State governments raised as much or more money for their activities as the Federal Government for all of its activities exclusive of national defense, national defense of course is the special prerogative and responsibility of the Federal Government. You raised over \$48 million in revenues. You increased your expenditures by a little over eight percent. Last year, in fiscal '65, there was approximately \$10 billion of Federal grants that went to States, and fiscal '66.

There is a \$13 and one-half billion going to the States, new monies, to take care of the needs that your State governments serve or are called upon to serve.

At the Governors' Conference in Minneapolis last summer, Walter Heller, former chairman of the Council of Economic Advisors to the President, said about a third of our States have no income tax at all. One-third have an anemic income tax and only the remaining third of the States made a

reasonably effective effort to use the income tax.

Now while this Administration has no view to set before you on how you raise your money -- and I want to make that clear -- I would just give a friendly personal suggestion that you might take another look at what Walter Heller had to say. He is a pretty bright fellow.

Also, take a look at the income tax which most people feel is fairer than all taxes because it is based on the ability to pay. Take a look at the question of industrial development bonds issued by State and local government for the purpose of constructing factory buildings as a means of enticing industry to your State and locality.

I say this as a friend in court because I detect an increasing nervousness on Capitol Hill about the use of Federal income tax exemptions for this purpose.

In your own self-interest I would urge a closer policing of this financing method and a clearing up of any abuses you may find existing.

Let me mention this: One, there are some fields currently under State control in which Congress is beginning to express an interest. I keep my legislative ears close to the Capitol, Capitol Hill, and I hear some things I want to pass on to you. One is the matter of insurance regulations. Another is workman's compensation, and a third is the manner in which real property taxes are assessed against interstate carriers

in comparison with other types of property.

Increasingly I think it is the public temper that if the State or local governments do not do the job, the Federal Government and your counterparts in Congress should act.

Indeed in just the last year we have seen the Federal Government become involved in areas in which, up until now, States have exercised relatively unlimited authority and autonomy. Such as the administration of election machinery, and the prescription of voter qualifications in State and local elections.

The financing of public schools.

The maintenance of law and order.

The maintenance of independent tax systems.

Pressured by neglect or abuse in the handful of States. the Federal Government in 1965 entered three of these previously reserved fields in a substantial manner, through the Voting Rights Act, the Elementary and Secondary Education Act, the Law Enforcement Assistance Act, and the establishment of a National Commission on Law Enforcement and Administration of Justice.

I am one that believes that most every one of these problems that we talked about; voting problems, educational problems, law enforcement problems, can in the main be well handled at our State levels.

The purpose of Federal activity, as you know, is to aid and to supplement, not to supplant.

I just give you one final suggestion. Examine into

these laws. Let me give you this point. Regarding elementary and secondary education, every State in our land needs more money for education. Somebody said to me one day, "What does it take to get good government?" You can write any kind of constitution, any kind of charter, but it takes good people and money.

Most States and localities are short of the money. The Federal Government has a wider taxing power. It comes in with these grants-in-aid, and it should come in, not to hamstring you, not to put you in a straight jacket, but to help you have more flexibility in meeting the needs of your people. That is the purpose of Federal activity and Federal aid in elementary and secondary education.

Ladies and gentlemen, maybe a State today is not even using the funds that are available to it. I ask you to take a good look into your respective education programs and see what you can do to use those funds better and use them more equitably.

You have two very great Americans here, and I am going to get off this platform.

I see the Secretary of State has come here to tell you about some of the minor problems that he deals with, such as the great international problems, and then I see that Mr. Legislator himself, the professor of legislation and legislators, the head man when it comes to legislative activities is here, who knows more about it than I will ever know, the Speaker of the House

of Representatives.



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