

Romney Here Seeks Backing On Nixon Cash-Sharing Plan

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Former Michigan Gov. George Romney, secretary of Housing and Urban Development, Thursday led a brigade of Nixon administration spokesmen who are trying to attract support for the President's "revenue sharing" program from the nation's legislative leaders.

In remarks prepared for delivery at a luncheon session of the National Conference of Legislative Leaders, Romney said one of the chief elements of Nixon's "New Federalism" program is sharing federal taxes with state and local governments.

"INSTEAD OF relying on complicated and restrictive grant-in-aid programs to filter a little money back from Washington," said Romney, "the President would share a percentage of the federal income tax base annually, with no strings attached, for state and local governments to use as they see fit in meeting their own problems."

The same no-strings-attached theme was stressed by an earlier speaker from the Nixon administration, former South Dakota Gov. Nils Boe, now head of the Department of Intergovernmental Affairs.

He said Nixon already is moving toward "decentralization of government" and cited designation of Atlanta as one of 10 decision-making headquarters for regional federal offices as "one milestone" in that endeavor.

"Over many years," said Boe, "this has been talked about. No one before has had the political fortitude to put it into effect."

But at the same time, the former governor, who is also a former legislator, urged a slow-

down on competition between state and federal governments. He similarly called for more cooperation between local and state governments.

And Romney, who earlier in the day met with Mayor Ivan Allen, got in a lick or two for his own department.

"I believe the greatest threat to the future of this nation," he said, "is the confrontation in our states and cities, between the poor and minority groups who are concentrated in great numbers in the central core of our cities, and the middle-income and affluent families who live in the surrounding and separate communities."

Calling the confrontation "divisive" and "explosive," Romney said the situation must be resolved.

"I am also convinced that America's greatest physical need is housing," he went on to say. "Millions of Americans are cut off from decent housing. Over half our families cannot afford to live in new housing built at today's prices."

The Nixon administration official said the "shortage of decent housing" is even greater in rural areas and small towns than it is in central cities.

"Shortage in the cities is concentrated and therefore more explosive," said Romney. "But failure to deal with the shortage in nonurban areas as well as in the cities will only make the cities more explosive."

Gov. Lester Maddox, a committee of one among the nation's governors in opposition to full federal payment of the welfare bill, was taking his stand again among legislative leaders gathered here from across the land.

Presumably he will have a slightly more receptive audience than among his state chief executive colleagues — but not noticeably so.

Legislative representatives of the 10 most populous states met privately here Wednesday afternoon and about came to agreement to do what the National Governors' Conference, excepting Maddox, did earlier in the fall in Colorado Springs: Say let Washington pick up the tab on welfare and Medicaid.

As one of the greeters for the first formal session of the legislators, Maddox said states must "not fall prey to the idea that the best way to solve a problem is to turn it over to the federal government."

He added: "We can buy freedom from our responsibilities as state leaders only by selling some of our freedom and some of our strength."

Indianapolis Mayor Richard C. Lugar, an afternoon speaker, called revenue-sharing between states and cities as important as the federal program. The Indianapolis mayor earlier held a press conference at which he told how his city accomplished governmental consolidation with outlying areas.

BUT ON THE TOPIC at hand — money-dividing — he said:

"The 1967 Indiana General Assembly voted to share 3 per cent of state sales and income tax revenues with Indiana counties to afford a degree of property tax relief, but this revenue sharing was not renewed in the 1969 General Assembly.

"Indiana cities have never been in more difficult straits, but they share this condition with other American cities, generally."

He said, though, revenue-sharing alone will not correct what he called "serious structural deficiencies in state and local governments."

"As local leaders," he went on, "we have demanded money but have shown much less vigor in demanding reform. Our cities are an assorted mixture of 22,000 corporations with half occupying less than one-square mile of territory, with almost all claiming ability to solve each and every crisis on a local basis."

MAYOR LUGAR suggested to the legislators the Indianapolis move of taking "the hard road of structural reform to obtain unity."

He described Indianapolis as "a united city of 800,000 Americans occupying almost 402-square miles of Marion County." He added:

"We are rich and poor, black and white, old and young working together and tooled up to do a great job of self-government at the local level with tax funds which we have generated.

"We want our share of revenue from the United States and from the State of Indiana to perform those functions which federal and state authorities have agreed we could do best."