

WHITE HOUSE SAYS NIXON WILL VETO NEW FUNDS BILLS

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Ehrlichman Sees Measures
as a '\$9-Billion Dagger
Aimed at Taxpayer'

IMPOUNDING ALSO CITED

Pending Legislation Called
'Herd of Trojan Horses'
Coming From Congress
NYTimes

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WASHINGTON, March 9 —

The White House warned today that President Nixon would veto a variety of bills pending in Congress and, as a last resort, would attempt to impound the funds they would authorize should his veto be overridden.

The announcement was the latest in a series of challenges and counter-challenges between Mr. Nixon and the Congress over the final authority in Federal spending.

John D. Ehrlichman, the President's special assistant on domestic affairs, said the bills represented a "\$9-billion dagger aimed at the heart of the American taxpayer" and predicted that if they were to become law, individual tax-bills would rise by 9 per cent.

"The President will do everything he can to avoid a tax increase," Mr. Ehrlichman said.



Associated Press

John D. Ehrlichman at his
White House briefing.

"If he is able to resort to non-spending, he will do so."

The term "nonspending" refers to what many members of Congress call "impoundment" and simply amounts to the President's refusal to spend money already appropriated by the Congress.

Estimates Differ

By White House accounting, Mr. Nixon has previously declined to spend at least \$8.7-billion of such funds. Some Congressional leaders place the figure at more than \$12-billion.

The bills mentioned in Mr. Ehrlichman's warning today deal with a wide range of legislative subjects from flood-control and rural electrification to airport security and veterans' burial benefits.

Mr. Ehrlichman, taking on the public-lobby role that other Administration figures have played during the debate of the last few months, called the bills "a herd of Trojan horses thundering out way from out of the Congress."

If enacted, they would result in budget-excesses totaling \$8.7-billion over the next three fiscal years, he predicted, and "the American taxpayer can figure on an addition of \$9 for every \$100 of taxes paid."

Mr. Ehrlichman briefed reporters following a two-hour meeting of President Nixon and members of his Cabinet. "A wide range of domestic subjects was discussed," he said, including the planned vetoes and fund-impoundment.

Peering over his half-glasses,

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the 47-year-old Mr. Ehrlichman made it clear that Mr. Nixon believed that Congressional spending threatened the validity of his campaign promise of no new taxes during his second term.

Mr. Ehrlichman's caveat on the President's intention to impound funds, "if he is able," was considered a recognition by the White House that Congress had responded to past "nonspending" by including clauses in certain legislation making expenditures mandatory.

A suit challenging the President's authority to impound appropriate funds is being litigated in Federal District Court in Missouri.

Mr. Ehrlichman challenged the propriety of the 15 bills, some of which were passed and vetoed during the last Congress, by forecasting that their enactment would result in budget-excess and also create additional apparatus in the Federal bureaucracy.

"And that makes it more difficult to make the Government

more responsive to the people," he said.

The 45-minute briefing also included an indication from Mr. Ehrlichman that the Nixon Administration intends to practice some flexibility in the 5.5 per cent guideline that it has set for wage increases this year.

"The only magic number" in the Administration's wage-price philosophy, he said, is the target of reducing the rate of inflation to 2.5 per cent by the end of 1973.

That topic produced a bit of good-natured scolding of Ronald L. Ziegler, the President's press secretary by Mr. Ehrlichman.

Last week, when the White House announced here that it was adhering to its 5.5 per cent guideline, Mr. Ehrlichman suggested in a Detroit speech that there might be some flexibility.

Mr. Ziegler was asked afterward about the apparent discrepancy and told reporters that Mr. Ehrlichman "misspoke."

Today, Mr. Ehrlichman denied that he had misspoken and jokingly said Mr. Ziegler "would be the first to admit that he

perhaps misspoke in saying I misspoke."

Although he did field a number of questions regarding his interview with the Federal Bureau of Investigation on the break-in at Democratic headquarters last year, the bulk of Mr. Ehrlichman's appearance dealt with the continuing conflict between the White House and the Congress over spending.

Both Mr. Nixon and the legislators have been competing over the last few months for public support on that issue, both with an eye toward the 1974 elections.

It is the President's position, and consequently the position of his public spokesmen such as Mr. Ehrlichman, that Congressional spending habits tend to be irresponsible and inflationary, resulting either in higher taxes or higher prices and employment lags.

Congress, on the other hand, has questioned the President's constitutional right to thwart its legislative thrusts, insisting that Mr. Nixon has negated the entire process by establishing and executing his own, personal spending priorities.