As a member of the President's Advisory Commission on Intergovernmental Relations, I have been impressed by its recommendations for strengthening "fiscal Federalism."

While I do not want to be entrapped by semantics, I believe that new qualification criteria in Federal fiscal aid merit full exploration. I feel that we have too long accepted a combination of assessable wealth and income as the overriding ability factors in evaluating governmental tax effort. I endorse the concept of equalization in basic services, but believe it should be put in its proper perspective. It is time to consider the ascertainable effort, the overall burden on the individual taxpayer as well. It is time to reward those state and local governments which exercise political leadership and courage to establish essential programs. Too often the Federal grants-in-aid system rewards do-nothing governments at the expense of do-something governments. Too often those who practice policies deliberately countering the national interest are the biggest recipients of Federal aid.

In the field of "fiscal Federalism," as in the field of "political Federalism," I hold with the view expressed by President Theodore Roosevelt: "States' rights should be preserved when they mean the people's rights, but not when they mean the people's wrongs."

Although this will mark my last major address as a Governor, my new role will not alter my advocacy of the strong state as the bulwark of our Federal system. I see the Nixon Administration as the era of Renaissance for state governments. I see my office as one hastening that era, both as the President's liaison to the Governors and as the instrument for continuous dialogue between Congress and the Governors.

Thomas Jefferson, who understood so completely the delicate relationship between those governments closest to the people and our Federal government, wrote: "Free government is founded in jealousy...." Perhaps the time has come for state governments to exercise some of that jealousy. For we all know the best government is born of balance and diversity.

Speaking as a Governor, I can see no reason why the states should apologize for asserting their Constitutional prerogatives. Viable Federalism remains the best institutional answer for America and viable state government stands at the center of this system.

What's more, state government is ideal for political experiment. It was Supreme Court Justice Louis Brandeis who said: "Government