

ADDRESS
of
JOHN N. DALTON
GOVERNOR
TO THE
THE GENERAL ASSEMBLY
WEDNESDAY, JANUARY 9, 1980



SENATE DOCUMENT No. 1

COMMONWEALTH OF VIRGINIA
Richmond, Virginia
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Mr. Speaker, Mr. President, My Fellow Virginians,

We assemble this year in a climate of harsh uncertainties.

All of you, who have been so recently delegated by the people to conduct the public's business, know that the citizens of our Commonwealth foresee peril as well as promise in the years that lie immediately ahead.

They will look to you, as they have in the past, to sustain the standards of common sense and discipline that have served us well.

I share what I know is your regret that an era has ended with the retirement of a great Speaker of the House of Delegates and a true gentleman of the Commonwealth -- John Warren Cooke.

I shall miss his counsel and example, but I look forward to a fruitful relationship with our new Speaker, Al Philpott, and with the Lieutenant Governor, Chuck Robb.

In this period of national economic uncertainty, I am pleased to report that wide recognition has been given to the fiscal integrity of our Commonwealth. We are one of 18 states whose bonds hold the highest possible rating. Within this past year, two independent financial institutions have certified our Commonwealth as the most creditworthy state in the nation.

Prudent public policy plays a vital role in sustaining the healthy economy of Virginia. The tax burden that we place upon our citizens, in terms of personal income, remains well below the median for all states.

We are imposing discipline on State spending in accordance with policies established by the General Assembly. During the first full fiscal year of this administration, newly authorized State positions grew by slightly more than one percent. Filling these positions and vacant positions resulted in growth in total employment of just over 2.4 percent. In the previous 15 years the average annual increase in employment was more than double that rate.

At the same time, local government personnel in the Commonwealth has increased by 5.3 percent during the past year.

CONTROLLING GROWTH OF GOVERNMENT

Last year, in the wake of Proposition 13 in California, a number of proposals were before the members of the Assembly to mandate a limit on the growth of State government. I said in my message last year that I agreed wholeheartedly with that goal, but had reservations as to the method.

I believed then, and believe now, that the history of fiscal restraint on the part of Virginia's Governors and General Assemblies, and our record of moderate taxation, and our tradition of balanced budgets make the imposition of any Constitutional restraint on State spending unnecessary.

There are complex problems with fashioning a safeguard in the form of a Constitutional amendment that does not unreasonably bind future Governors and Assemblies.

If you conclude that it is necessary to respond to constituents with such an amendment, I urge you to reconsider your approach. Instead of a limitation on spending, I suggest the alternative of a limitation on taxing.

Under this approach the Constitution could be amended to require that any new general fund tax or tax increase receive the approval of two-thirds of the elected members of each house of the General Assembly, the same as now required for approval of revenue bond financing. As you know, presently, only a majority of the elected members is required to enact new taxes. Adoption of the two-thirds requirement would strengthen the safeguards against excessive spending and serve notice that Virginia regards the imposition of any new tax burden as an extraordinary measure.

BUDGET

The general fund budget I will propose does not require the imposition of any new taxes upon our citizens. At the same time, I do not believe that our people want us to retreat from the provision of essential public services. I sound no such retreat in my remarks to you today.

I believe it must be made clear to the citizens of the State that further significant reductions in their tax burden can only be achieved at the expense of existing government services. However, if you are

able to enact additional tax reductions and corresponding reductions in expenditures to maintain a balanced budget, you have my blessing.

The general fund budget I am proposing to you for the continuation of existing programs of the State will contain fewer dollars than required to fund 1978 appropriations, adjusted for inflation. This was achieved with a greater emphasis on employee productivity and a reduction in the rate of employee growth. In fact, I am recommending 125 fewer classified positions for funding than were included in the 1978-80 biennial budget. This compares with an increase of nearly 2,000 classified positions funded in the 1978-80 biennium over the 76-78 biennium.

Even with this restraint, the general fund appropriations for the 1980-82 Biennium will exceed \$5 billion for the first time, while the total State budget will approach \$11.5 billion.

My expenditure proposals accommodate your recent reductions in general fund taxes which will total \$135.3 million during the coming biennium. They absorb \$71 million of Federal revenue sharing funds, which are not available to us at this time.

Moreover, the budget I am proposing fulfills the mandate that you endorsed last year requiring almost a \$150 million increase in State government aid to our cities and counties and towns through the annexation package you approved at your last session.

The revenue losses cited, coupled with the aid to our localities, account for over \$350 million that might otherwise have been available. We have anticipated that the current biennium will produce an unappropriated balance of \$194.8 million, which is included to offset the revenue losses and new programs.

AID TO LOCALITIES

I previously mentioned the inclusion in the budget of funding for the provisions of the annexation package which you approved in 1979. This represents the largest start up cost of any single program ever implemented in Virginia for any purpose in dollar terms and represents a significant infusion of new funds into our localities. The purpose of this program is to provide relief to the localities and more importantly relief to the taxpayers in those localities. I hope our localities will keep this in mind as they plan to spend these funds if approved. A word of caution though is necessary. If this program is approved for this biennium, our commitment for funding in subsequent biennia should be limited to the growth rate in our general fund revenues.

The pay for our deputy sheriffs has lagged. I will propose legislation that fixes the deputies' salary scale equivalent to our State

correctional officers and further allows them to move in tandem as correctional officers salary ranges change. This will cost an estimated \$12 million, which I have included in my proposed budget.

I have included \$1 million for the renovation of urban parks. This will generate \$5 million additional from the federal government for this program and will allow our localities to spend up to \$6 million for renovations of parks without any cost to the localities.

STATE EMPLOYEE SALARIES AND BENEFITS

The budget I will be proposing to you provides \$109.2 million for a 7 percent pay increase for all classified employees in the first year of the biennium and an additional 4.5 percent in the second year. The departmental budgets also include funds to provide merit increases for employees who have not reached the maximum pay levels in their classification.

The increase the first year is the largest in eight years, and is designed to maintain our relative position of state pay scales with those in the private sector. It is also the maximum we can justify in line with the President's anti-inflation guidelines.

Our retirement benefit structure and the funding for it are currently under study by a committee of the General Assembly. I look forward to the results of that study.

Without any basis for changes to the contrary at this time, we have included \$257.8 million as recommended by the retirement system's actuary to fund the system in accordance with current statutes. This represents an increase of \$59.5 million over the last biennium.

I have also left intact the \$22.3 million set aside for the retirement system in 1979 to be used over and above the required contribution. Actuarially, this further reduces our required contribution by \$75 million over a 40-year period.

Equity also requires that we increase reimbursement limits for State employees who use their private automobiles on state business. I recommend that you authorize the maximum reimbursement allowed by the Internal Revenue Service as non-reportable income, which at the present time is 18.5 cents per mile for the first 15,000 miles and 10 cents a mile beyond that. I further recommend that you apply this authorization retroactively to February 1, 1980, and allow the reimbursement rate to rise automatically in the future as the IRS limit increases.

ENERGY CONSERVATION

In addition to the general inflationary increases, our citizens are struggling to cope with extraordinary increases in energy prices.

In order to help low income and elderly households with this increasing burden, I authorized last October a State fuel assistance program, dovetailed with Federal funds, which has already disbursed some \$4.2 million.

Since we last met, I have mandated temperature controls in State buildings that are intended to save fuel used for heating and cooling. I have urged local governments to do the same. I also have ordered the installation of more efficient lighting in State buildings, with the goal of reducing by 10 percent energy used for that purpose.

I have set a goal of reducing automobile travel by State employees at public expense by 10 percent. I can report that such travel in some recent months was 6 percent below mileage driven a year earlier.

Federal Government guidelines for reducing gasoline consumption currently call for a decline in Virginia gasoline purchases in excess of 6 percent this year. Our citizens appear to be close to meeting this goal.

While 87 percent of the nation's BTU reserves of fossil fuel are in coal, and 11 percent in oil, in Virginia government we paid almost 50 percent of our State buildings' heating bills for oil.

To help free our dependence on imported oil, I have directed that all new State buildings be designed to rely on other sources of energy for heating and cooling. Moreover, the State has employed two private engineering firms to study the feasibility and costs of converting existing State facilities to coal or other sources of energy to end reliance on oil altogether. Their report is scheduled for delivery to you before you adjourn.

While conservation alone will not solve the nation's energy problem, it is a contribution that State government can make.

During the first three quarters of last year, our nation paid out over \$41 billion for imported oil. At the same time, our balance of payments showed a deficit of \$21 billion.

You will have before you a resolution establishing the energy conservation program I have outlined as State policy. I urge its approval.

In my view, there is no alternative other than full utilization of our immense coal reserves and our nuclear power potential. I believe

we are capable of doing both in a manner consistent with acceptable environmental and safety standards. We must make the effort.

As we do, we must be mindful of the less than commendable record of coal mining fatalities in our own State.

While the total of mining accidents in Virginia has compared favorably with the national average, the total number of mine-related deaths has not.

Accordingly, I have sent a special inspection team into the coal fields to ensure that State mine safety laws are being enforced.

The Board of Mine Examiners is reviewing the rules and regulations for certification and testing of mine inspectors, and the Division of Mines will be reviewing the training programs for mine foremen and inspectors.

I am recommending five additional State mine inspectors for a total of 26. I remind you that in addition there are 139 Federal mine inspectors in Virginia.

REGULATION OF NUCLEAR POWER

During recent months, as you know, Virginia state and federal officials have appealed to the Federal Government to end the vascillations in nuclear power regulation that have imposed additional economic hardships on our citizens.

Each month that a nuclear unit in Virginia is out of operation costs Virginia energy consumers \$12 million to \$15 million and requires the importation of approximately 700,000 barrels of foreign oil.

The regulation of nuclear power plants is the responsibility of the Federal Government, but the states have a role to play in deterring sabotage of these facilities. The recent sentences given each of two men convicted of willfully damaging fuel rods at a Virginia nuclear station last year exposed an inappropriate leniency in our criminal code. I urge you to increase the minimum penalties for the willful damage of a nuclear unit.

DISPOSAL OF NUCLEAR WASTE

To utilize nuclear power plants fully, the Federal Government must provide for long term storage of spent fuel, which is classified as high level nuclear waste. It has been left to the states, however, to dispose of low level nuclear waste, including the waste by-products of essential

medical treatment and research procedures carried out at almost all of our hospitals.

Only three states now operate such low level nuclear waste facilities and within two years, they will have reduced greatly the amount of waste they will accept from other states. It is imperative that Virginia and other states provide facilities to accommodate low level nuclear wastes generated within their borders as soon as possible.

The Health Department and Solid Waste Commission already have taken initial steps toward identification of a disposal site in Virginia, which can be operated under existing statutory authority. This work will require rigorous geological and environmental studies. You will have before you a budget amendment providing approximately \$600,000 to fund the necessary surveys and studies.

DEVELOPMENT OF ALTERNATIVE ENERGY SOURCES

The Virginia Coal and Energy Commission is discussing a State authorized synthetic fuel authority to facilitate, through bonded indebtedness, the construction of a coal gasification or liquefaction plant in Virginia. This appears to me to be a practical approach to encouraging development of new sources of usable energy. I have already met with the United States Secretary of Energy and our Congressional delegation urging support for siting such a plant in Virginia.

FUNDING OF TRANSPORTATION NEEDS

I know full well that none of us wants to impose additional taxes on our citizens, but I remind you, that the concept of fiscal responsibility means not only limiting the tax burden upon our citizens, but also meeting their essential needs.

For decades, our Commonwealth has linked taxes to finance highways and transportation programs to the consumption of gasoline. This was a rational approach as long as gasoline prices were relatively stable and gasoline consumption kept pace with our growing needs for highways and transportation services.

Since you last adjourned, however, circumstances of which we are all aware have caused us to revise drastically the assumptions on which our highways and transportation programs are based.

The Highway and Transportation Commission on December 21, 1979, officially communicated to me and to each of you the serious problems facing our public transportation system, along with several taxing alternatives for consideration.

This is a matter that needs your immediate attention. Without action, by the end of the biennium our new construction for primary, secondary and urban roads will be one-third of that under contract in 1979, and by the following biennium, will be considerably less than that.

The State will also lose millions in federal highway funds due to lack of matching State funds. We cannot allow this situation to go unattended. Nor can we allow the completion of the METRO system in northern Virginia to be unresolved.

Of the alternatives which we have received from the Commission, I prefer a four percent sales tax on the wholesale price of gasoline. It seems to me to be the most practical approach. However, I will work with you using any of these alternatives already presented, or any other that you might devise to address this critical need.

The four percent wholesale tax approach would still result in a reduction in highway construction of some 20 percent below current levels during the next biennium.

However, it would allow us to put the State's contributions to METRORAIL behind us by picking up 95 percent of the entire present and future debt service for capital outlays as well as 50 percent of the administrative costs for METRO.

This would be consistent with our approach to mass transit elsewhere in the Commonwealth and with respect to State assumption of the debt service on capital construction for the ports in Hampton Roads.

You may be interested to note that the Virginia Department of Highways and Transportation is working with approximately the same number of employees as it was 15 years ago; even though we have added substantially to the Virginia highways system during those years. I believe this is commendable, particularly in view of the fact that overall State government employment during the same time period has nearly doubled.

In 1978, the General Assembly for the first time extended the policy of transportation capital contributions to the Port of Hampton Roads. I propose in the budget that I am submitting that we provide from general fund revenue \$13 million to complete State assumption of debt service on port facilities, including a one time settlement of port authority obligations to the United States Maritime Administration at Norfolk International Terminals, plus \$3 million to pay security costs at the ports.

I recommend that you further enhance transit programs throughout the State by approving three bills that would facilitate transit contracts between local governments, enable town governments to purchase and

operate transit systems and increase to 15 the number of passengers that may be carried in a single vanpool vehicle.

Truck weight and length limits remain a matter of continuing controversy. The permanent limit now in effect authorizes a maximum weight of 76,000 pounds, but an enforcement tolerance of 5 percent, which has been recognized for many years, results in a practical limit of 79,800 pounds. The trucks are not being taxed currently on that tolerance. If you determine that uniformity for trucks nationwide should be consistent with Federal allowable limits on interstate highways and 40 states, no tolerance can be allowed. Additional taxes based on legal weight will rise with this change approximately \$2 million next biennium. The Executive Order which I previously entered increased the weight limit to 80,000 pounds and the length limit to 60 feet, but did not increase the maximum axle weights. That order expires on April 1, 1980, and the 76,000 pound limit will be reinstated at that time unless you amend the existing statute.

EDUCATION

My budget recommendations for public schools reflect the picture of declining enrollments. There has been a net loss of 27 elementary schools in 12 localities during the past school year as older schools were phased out and schools were consolidated.

At the same time, it reflects additional teachers mandated by the Standards of Quality, additional fuel costs for pupil transportation, and the price of inflation.

The total comes to \$2.18 billion from all funds. Even though the average daily membership is expected to decline from 1,023,800 to 973,000 in the upcoming biennium, or by 5 percent, our budget reflects an increase of 12.5 percent over the current biennium.

Included in this figure is an increase of \$205 million, or 12.3 percent, in general fund items for support of local schools, and increases in State Standards of Quality support to bring per pupil expenditures from the current \$960 per pupil to \$1,027 in 1980-81 and \$1,099 in 1981-82.

I am hopeful that school boards and school superintendents can reduce the number of teachers and administrators as school enrollments decline, and use the savings to increase the quality of remaining personnel, as well as to meet the cost of special education and inflationary pressures.

At our state colleges and universities, projected enrollments will continue to increase until the middle of this decade, although at a slower rate, giving us a chance to improve quality still further.

I am recommending an increase of 19.5 percent for the biennium in the general fund operating budget for higher education. This includes an increase in average faculty salaries of six to seven percent each year at a total general fund cost in excess of \$30 million. It also includes \$2 million to match private contributions to the eminent scholars program.

As a result of adjustments in the Supplemental Retirement System, the contribution rate for all teachers will be 7.33 percent in the coming biennium compared to the present 5.9 percent. This is the calculation of the actuary. Funds have been included in the budget of the State Board of Education to cover the state's portion of this increase.

For the first time, there is included a special appropriation of \$1.8 million called the "Fund for Excellence", providing grants to specific institutions to increase the quality of their offerings. For instance, the business education programs at several of our universities still lack national accreditation as do half of the nursing programs at our community colleges. Other programs elsewhere still do not carry the national stature and prestige that we have a right to expect from Virginia.

For capital outlays at colleges and universities and education related functions, I am recommending a total of \$57.6 million.

They include \$8 million towards a new College of Veterinary Medicine at Virginia Tech to be supplemented by non-state funds.

As of this date, 40 Virginia students are being accepted to enroll in September, 1980, and another 50 the following year. The negotiations with Maryland call for 24 students from that state for each of the first two years and 30 thereafter.

I have included \$8 million to be used in conjunction with a generous contribution from Mr. Claiborne Robins for the construction of a new pharmacy school building at the Medical College of Virginia.

New buildings at Norfolk State, George Mason, and other institutions total \$21.2 million plus \$14.7 million for renovations and repairs at various institutions, and \$4.1 million to make educational buildings accessible to the handicapped.

I have also included \$1.6 million for the continued renovation of the Science Museum on West Broad Street, which has already demonstrated its value to our public school system, as well as the general public.

Sydney and Frances Lewis and Mr. and Mrs. Paul Mellon have pledged gifts and bequests to the Virginia Museum of Fine Arts for a considerable amount of very valuable art work. To give you some idea of the vastness of this donation, the pledged gifts are valued at a level

approximately equal to or higher than the total value of the entire present collection owned by the Museum.

In addition, the Lewises and the Mellons have pledged more than \$6.2 million toward the construction of a new \$10 million west wing to house their gifts.

I recommend that we use a portion of the capital construction gift for preliminary plans, and supplement the balance later to complete this project, for which we are even more deeply indebted to those private supporters of the arts in Virginia over the years.

Overall, the recommended budget includes \$2.936 billion in general funds for public education and related museums, libraries and other agencies and institutions.

This is an increase of 14.9 percent this biennium, and continues our precedent of awarding more than 50 percent of the general fund budget to education. Higher education alone will absorb over 17.6 percent of the general fund operating budget.

INDUSTRIAL DEVELOPMENT

Virginia opened port offices abroad in Europe in 1955, in Asia in 1964, and in South America in 1975.

You will recall that last year, I headed a trade and industrial development mission to the Far East. American foreign trade with Asia now exceeds our trade with Europe.

We opened our European office for the Department of Agriculture and Consumer Services in 1968 and added Industrial Development in 1969.

In the past ten years, 129 European companies have invested some \$700 million in Virginia plants, creating 18,000 jobs. The same potential exists in Asia.

I ask that you fund an industrial development office in Asia, as well as an office of the Department of Agriculture and Consumer Services.

AGRICULTURE

Agriculture is still basic to our economy and society and research in new technology and other phases of this industry are basic to farming itself.

Accordingly, I have given priority in the budget to an increase of 21.5 percent over the last biennium in agricultural research.

Additionally, under capital outlay, I have provided for the acquisition of land at the Tidewater Research Station at Holland and funds for laboratories and greenhouses at the Southern Piedmont station near Blackstone.

UNEMPLOYMENT TRUST FUND

In looking to the commitment we have to our citizens with respect to unemployment compensation and the funds we hold in trust for that purpose, I have had planners at the VEC provide me with a scenario:

In November, 1974, we had a trust balance of \$248 million. In the course of 16 months, this dropped to \$93 million, and by March, 1977, the fund balance was reduced to \$61 million. If unemployment of a magnitude experienced during that period were to reoccur during the period ending with the first quarter of 1981, the trust fund would be out of funds by July, 1980, and there would be a deficit of \$73 million by the end of March, 1981.

In spite of several recent legislative actions to bolster the fund, it has not yet recovered from the effects of the 1974-75 recession. The fund's recommended minimum balance, which is based upon federal criteria and current State statutes, is \$258 million. As of the end of December, 1979 the fund balance was \$101.2 million.

Under Virginia's existing employer tax structure, one of the most favorable in the nation, it appears highly unlikely that the trust fund will attain legal solvency in the near future. If some action is not taken to increase the fund, we leave ourselves in a most precarious position should we experience an economic downturn such as that of 1974-75.

Our Board of Economists is working with the Administration studying the trust fund, and I urge your careful consideration of their recommendations, when they are completed.

PUBLIC SAFETY

I commend to you the recommendations of the Crime Commission that will improve the ability of the Victims of Crime Compensation Fund to reimburse losses suffered by our citizens.

To improve the ability of the State Police to investigate criminal activity and enforce highway safety, I am recommending the addition of

96 State Troopers and Investigators. Twenty-eight of the troopers are required for patrols on new segments of Interstate Route 66.

I also am requesting authority to employ seven additional positions - which include two attorneys - in the State Police Division of Investigation.

My budget proposes creation of a Seventh State Police Division in northern Virginia. By utilizing the Alexandria Area Office as a Division Headquarters, capital outlay will be minimized. However, the new Division will require 17 additional civilian support personnel.

Provisions in our parole laws and credits against sentences for good conduct have recently become handicaps to the good administration of our corrections program.

I support the recommendations by the Crime Commission and Attorney General Coleman for repeal of the mandatory early parole law.

As you address needed revisions in the system for calculating credits for good conduct against sentences served, I urge you to base all provisions exclusively on the need to encourage positive behavior in our prisons. The desire for reductions in prison population should have no bearing on good conduct provisions.

Repeal of the early parole provision enacted last year will, of course, have an impact on the numbers of prisoners in our correctional facilities.

To accommodate the projected growth under current law of 2,900 additional inmates by the mid 1980's, I am recommending funding for the first phase of construction of two new medium security facilities with a capacity of 500 inmates each, for which site preparation has previously been authorized, and completion of the 500 person medium security prison in Brunswick County.

I also have included funds for renovation of another building at the old Western State Hospital in Staunton to house 200 prison inmates.

The total capital outlay that I recommend for new corrections facilities and renovations amounts to \$44.4 million for the biennium.

I commend the work the Appropriations Committee has done to develop plans for reducing prison construction costs through the use of alternative construction methods.

To minimize costly errors in future construction of prisons and other capital projects, I am recommending legislation requiring preliminary engineering studies of all state projects exceeding an estimated \$1 million in cost.

CLEAN AIR ACT

Time is running out on translating into State law the requirements placed upon us by the 1977 amendments to the Federal Clean Air Act for automobile inspection and maintenance controls in areas which already exceed Environmental Protection Agency levels for pollutants. Northern Virginia and possibly the Richmond metropolitan area will be affected initially.

The Air Pollution Study Commission has recommended legislation to you, and I ask that you consider it, together with continued funding of the present planning effort through fiscal year 1981, with the understanding that additional funding may be required at your 1981 session.

WATER

Foremost among our necessities is an adequate supply of water, which is now in jeopardy in some areas of the Commonwealth.

There remain the increasingly pressing matters of interbasin transfer, water use conflicts under the doctrine of riparian rights, and withdrawal rights.

The Water Study Commission will set forth alternatives during 1980 for public review. I trust you will extend the life of this commission to continue its work.

COASTAL EROSION

The Coastal Erosion Abatement Commission has called our attention to the need for assistance to localities and to private landowners in finding new supplies of sand, for research in low cost erosion control techniques, and for professional advice in dealing with this threat to a major natural resource.

New money is included in the budget to assist in that endeavor.

SHELLFISH

Our Shellfish Industry Study Commission has suggested that the Marine Resources Commission conduct a pilot program of dredging seed oysters for the replenishment of public rocks, on which a major portion of the industry depends.

I would support this effort to expand our shellfish industry, with the understanding that the industry itself remain in private hands, and not become a public industry.

I am certain that you will again find reason to review our fisheries laws generally.

NEEDS OF THE HANDICAPPED

In some of our newer State office buildings, we have addressed the problem of access by handicapped citizens. However, architectural barriers remain in many state buildings.

I have included \$5.1 million in the budget for removal of these and for the various other requirements of the Federal Vocational Rehabilitation Act of 1973.

In order that we may be more sensitive to the needs of the handicapped, I have strengthened the focus and responsibilities of the Overall Advisory Council on the Needs of Handicapped Children and Adults and I recommend adding five handicapped persons to its membership.

MENTAL HEALTH

I would also commend to your study the forthcoming comprehensive report of the Commission on Mental Health and Mental Retardation, expected this January.

The report will outline for us a philosophy and direction for the development of community programs in mental health, mental retardation and substance abuse, including a number of actions that can be taken now by appropriate agencies in the field.

BICENTENNIAL

Next year, America will observe the 200th anniversary of the victory at Yorktown in a national celebration.

The centennial in 1881 was a four-day event in which 10,000 soldiers paraded, French and American naval units held a review, John Phillip Sousa conducted the Marine Corps Band, and Congress appropriated \$100,000 for the Yorktown Monument, for which President Arthur laid the cornerstone.

Fifty years later, in 1931, another four-day celebration was held.

Looking ahead to 1981, I have recognized the Yorktown Bicentennial Committee, representing the Federal, State and local governments, as the official planning organization. The Committee is already at work, and I have asked all appropriate public and private agencies to cooperate with it, so that the final celebration will match the importance of the original event to all of us.

You will have before you a resolution I am planning to provide to the February meeting of the National Governors' Association commending to all the people of the United States their own participation. I trust that I may take to the other governors your endorsement of this resolution.

I began my remarks by speaking to you of the uncertainties that prevail as you begin your deliberations--uncertainties that flow from unstable forces in the economy and from an energy dilemma that poses an unprecedented threat to our industrialized society.

I know you will not blind yourselves to the adversities that confront Virginians, but neither will you let them confound your work.

In the face of all uncertainties, it is certain that you are delegated to represent a resourceful people. Their history has proven their willingness and ability to contribute to the common good, just as it has proven their self-reliance and the moderation of their demands on the common wealth.

The strength of the government is the strength of the people, and in Virginia, the people and their government, with God's help, are sufficiently strong to cope with the cares of our time.

