ADDRESS TO THE VIRGINIA GENERAL ASSEMBLY

MONDAY, JANUARY 17, 1994

GOVERNOR GEORGE ALLEN



SENATE DOCUMENT NO. 1C

COMMONWEALTH OF VIRGINIA RICHMOND 1994

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Mr Speaker, Mr President, distinguished guests, members of the General Assembly of Virginia

Before I begin this evening, I would like to pay tribute to my mother, Etty Allen, who is here tonight celebrating her 71st birthday with other members of my family

It is good to be back in this historic chamber, where I served with many of you during the past decade

I must admit that when I left here two years ago to represent the people of the Seventh District in Congress, I did not expect to be back so soon

There is one person I served with who is not here this evening -- a solid statesman and our good friend, Delegate Andy Guest, who is battling a serious illness. Andy, if you are watching on television, I know I speak for all of us when I say our thoughts and prayers are with you

The destructive earthquake that has hit the Los Angeles area today is on all our minds and puts many of our issues in a sobering perspective. Virginians' prayers and thoughts are with the people whose lives and homes have been devastated. Once all the damage and needs are determined, we will provide the appropriate regulatory waivers for Virginians who want to be of practical assistance.

HONEST CHANGE

I come here this evening, not to promote a personal agenda, but on a mission for the people of Virginia -- to present their petition for honest change

During the past year, Susan and I travelled more than 100,000 miles across this Commonwealth and met tens of thousands of Virginians We listened, and we learned from them

The restaurant owner in Virginia Beach, the police officer in Richmond, the coal miners in Wise and Grundy, the workers at a Ford assembly plant and at Newport News Shipbuilding, the school teachers from the Southside to Loudoun, the commuters on the VRE from Fredericksburg and in "slug lines" at the Pentagon — each of the Virginians we met told a different story But, again and again, they voiced the same hopes — and the same fears

- -- Will their jobs be there next year or even next month?
- -- Will their loved ones escape the acts of senseless violence that are becoming commonplace in our communities?
- -- Will their kids get the kind of education they need to prosper after they are no longer under their parents' wing?

Again and again, what we heard was this For those Virginians who play by the rules, who work long hours to make ends meet, who pay their taxes and obey the law, who take responsibility for their children and try to teach them decent values -- for those Virginia families, life has not gotten easier during the past few years, it has gotten tougher

So, tonight, I ask you to join me in charting a course for positive, constructive change that will restore safety to our communities and create jobs so our loved ones can pursue their dreams and realize their potential

I ask you to join me in bringing <u>creative</u>, <u>Jeffersonian</u> <u>conservatism</u> to our state government

Certainly we will have some differences on the issues. But we share a common duty to the people of Virginia and a common commitment to their well-being. Let us therefore resolve to begin a new era based upon bipartisan cooperation and mutual respect -- an era in which we put the people of Virginia first. For we are the people's servants, not their masters, and we owe it to them to work together.

FREEDOM

In this, the oldest continuous legislative body in the Western Hemisphere, the cause of freedom has found its most visionary champions and staunchest defenders for nearly four centuries

It is that same cause -- <u>freedom</u> -- which urgently demands our attention now For the challenges we confront today go to the very essence of our character as a free society

To meet those challenges, we must reform our state government. We must restore Virginians' confidence in their public officials, make state government lean and efficient, and put the people back in charge

Then, we must direct every ounce of our energy and every available resource to the most pressing needs of the people of Virginia -- needs I summarize in two words, <u>safety</u> and <u>empowerment</u>

- -- <u>Safety</u>, because freedom from crime and violence is the most basic civil right of every citizen, and
- -- <u>Empowerment</u>, because it represents the bridge between the abstract ideal of freedom and the tangible promise of opportunity

SAFETY

Let us turn first to the issue of public safety, which is the subject most on the minds of the people of Virginia today

Our task is clear We must halt the reign of terror by violent career criminals and make Virginians safe again

As former Governor Wilder's crime commission and Attorney General Gilmore's recent report both demonstrate, we are in the midst of a violent crime <u>epidemic</u> in the state And demographic trends indicate that, if we do not act and act <u>decisively</u>, violent crime will increase dramatically during the remainder of this decade

While the statistics are cause for great concern, they cannot begin to convey the fear that stalks our communities, or the very real anger that Virginians feel over the fact that two-thirds of the violent crimes in our state are committed by <u>repeat offenders</u>

The people of Virginia do not understand why violent criminals are apprehended, convicted, and sentenced to long prison terms, only to be released after serving just a fraction of their time and allowed back into our neighborhoods and communities to again terrorize law-abiding citizens

Not so long ago, we heard the tragic story of a rape victim in a suburban neighborhood near here. The assailant forced his way through the front door, held the victim at knife point, and brutally raped her while her two young children slept upstairs

Did he have a criminal past? Yes He had been convicted of four -- four -- prior rapes and four separate charges of abduction and breaking and entering with intent to commit rape. And, yet, after eight convictions, he was out in the community, free to violate and traumatize another young woman and to endanger her family

How, in a just society, can we permit this to occur?

And, when we catch and convict a criminal like that, how can we justify not allowing jurors to know that he has committed the same or a similar crime eight times before?

When I was a member of the General Assembly, I tried repeatedly to get legislation passed that would allow juries to be informed about a criminal's prior record before sentencing

Last year, this important bill was again bottled up in committee. The same committee also killed a bill that would have said to the worst of these violent thugs, "Three strikes and you're out. You commit a third violent felony and you go to prison for life without parole."

These were sensible measures that should have been passed last year. This year, the people of Virginia are watching to see if we will come together to take the tough action that is needed.

You know my plan

I intend to convene a special session of the General Assembly later this spring to act on truth-in-sentencing legislation that will <u>abolish</u> parole and begin the process of comprehensively restructuring sentences

Under my plan

- * <u>Violent</u> offenders will serve substantially longer periods of time in prison
- * Repeat violent offenders will be taken out of action until they are well on in years
- * And <u>non-violent</u> offenders, wherever appropriate, will be diverted to alternatives to incarceration in the interest of keeping costs down

It is crucial that this plan be well conceived and effectively implemented. To develop the specific legislation between now and the special session, I have assembled a bipartisan commission consisting of outstanding criminal justice professionals and chaired by former U.S. Attorney General William Barr and former U.S. Attorney Richard Cullen

I am gratified that the chairmen of the Senate and House Courts of Justice Committees, Senator Ed Holland and Delegate Jim Almand, also have agreed to serve on this commission. Our goal is a well-considered approach that will receive broad support from Virginians and bipartisan approval in the legislature.

Some will say, of course, that longer incarceration is not the answer to the crime problem. And, indeed, it is not the whole answer, because we will not overcome crime until we address the root causes of criminal behavior.

But this much is clear We have to stop the bleeding before we can treat the whole patient And, today, Virginia is bleeding!

Our most immediate and pressing need is to protect the people of Virginia from the violent criminals in our midst. And the best way to do that is to abolish parole and keep violent criminals locked up significantly longer

But there is more that we must do

In the regular session, I will be submitting a package of tough law enforcement measures, including proposals to crack down on serious crime committed by juveniles, grant additional rights to the victims of crime, better protect our communities against sex offenders, and give our commonwealth's attorneys the constitutional right to appeal intermediate court decisions to the Virginia Supreme Court

Most important, I will propose emergency legislation to deal immediately and severely with the worst violent repeat offenders. This package will include the bifurcated jury trials and "three strikes you're out" measures rejected last year

Let's show the people of Virginia we can act and act decisively Let's work together to enact this legislation on an emergency basis, so that Virginians can have this protection now

To ensure that adequate bed space is available in the near term for the violent criminals who will be staying in prison longer, I will ask you to keep the Mecklenburg facility in operation for at least another year. I have also directed the Secretary of Public Safety to report to me by the end of the month regarding the additional bed space that can be made available, without risk to security, through increased double-celling of inmates throughout our corrections system.

Taken together, the actions I have outlined represent a wide-ranging attack on violent crime. The people have demanded that we act, and I believe these measures deserve your support.

EMPOWERMENT

Still, this attack on violent crime is destined to fall short unless it is accompanied by a change in the conditions that breed criminal conduct

First and foremost, families, churches, schools -- <u>all</u> our institutions -- must teach young people that there <u>is</u> a difference between right and wrong

Murdering someone, raping someone, breaking into someone's home -- these acts are wrong And no amount of psychological babble can change that We urgently need to send a clear message about basic moral values to the young people of Virginia

Beyond that, we know that success in the war on crime ultimately depends on empowerment

By empowering people through job creation, through education, through welfare reform, through policies that foster cohesive families, we give them hope and opportunity, and we begin to restore the fabric of a prosperous society based on individual responsibility

Economic Development and Job Creation

Let me resterate tonight what I have said many times since I began the journey that brought me here this evening. The chief claim on my time as Governor will be expanding job opportunities for Virginians

I firmly believe that economic prosperity is the most effective social program. Next to greater safety, what Virginians need most are more and better job opportunities.

As Governor, I want to send one message far and wide <u>Virginia is open for business</u> again!

In recent times, the Commonwealth has been lumbering along without an economic development strategy, and Virginians have paid the price through the loss of good jobs to our competitors

My team is moving swiftly to fill that void. My nominee for Secretary of Commerce and Trade, Bob Skunda, is already hard at work consulting with business leaders and economic development professionals to craft a statewide strategy that promotes economic growth through retention and expansion of existing enterprises, and through attraction of new opportunities

Our blueprint for job creation includes --

- -- a fiscally responsible investment incentive program to encourage businesses to bring jobs to Virginia,
- a high-tech Business Resource Center at CIT in Northern Virginia to showcase all regions of Virginia for business executives from around the country and around the world, and
- -- regional economic development councils that will coordinate business recruitment and job creation activities throughout the state

This is a time of structural change for Virginia's economy, and we must make responsible changes in our governmental approaches

For example, our state tax policy must be evaluated to identify changes that can help stimulate economic growth. During the next twelve months, my Secretaries of Finance and Commerce and Trade will be developing ways to change tax policy and provide job-producing incentives to the people and small businesses of the Commonwealth

Our regulatory structure in Virginia also is in need of review and reform. An economic impact analysis should be performed before new regulations are put in place, and I will be submitting legislation to require that

I have also directed my Commission on Government Reform -- the "Strike Force" that I created as my first official act on Saturday -- to critically examine all existing regulations that exceed federal minimum standards

As one who enjoys the outdoors and is committed to conserving and managing our natural resources wisely, I am determined to see illegal polluters held accountable for actions that harm others in Virginia. My administration will keep Virginia's commitment to the renewal of the Chesapeake Bay, and to safeguarding the quality of the air we breathe and the water we drink

Ours will be a <u>balanced</u> approach -- one that reflects an equal concern for people, property and jobs To that end, my administration will intensify efforts to reduce the inexcusable delays and red tape in state permitting processes

We will also work to ensure that Virginia has the efficient, modern transportation network that is so essential for economic development. My administration will scrutinize existing and projected transportation needs, and we will focus on those that are truly critical

For the foreseeable future, a major economic challenge in Virginia will be coping with the dramatic scale-down of the national defense establishment. To meet this challenge, we must proceed on two fronts -- working to keep our military establishments open, and converting defense-related industries to non-defense activities

The Secretary of Defense has indicated that next year's round of military base closings may result in the closing of as many as one of every two bases nationwide. The potential impact on the Commonwealth is obviously immense. After consulting with Senator Andrews, Senator Wampler, and others, I have decided to establish a task force to coordinate state and local efforts to retain our Virginia bases, and I will be seeking your active participation as well as that of our congressional delegation in this critical, bipartisan effort

On the positive side, our tourism industry has great potential for growth, and the Disney's America project is a promising new opportunity for Virginians. It can be a model for how state and local government can work with the private sector to create jobs. With your help and the assistance of our congressional delegation, we can make this valuable project a reality.

As we aggressively recruit new businesses and new jobs for Virginia, we will not forget that the backbone of our economy is small business. Our policies must be conducive to expansion of the small businesses that are already here in Virginia

We will also be careful to include inner cities in our economic development efforts. I will support efforts to enhance the effectiveness of the state's enterprise zone program, and to increase the number of zones authorized by law

The need for empowerment is greatest in our urban areas, where the crime rate is highest. In many of these communities, the tragic reality is that a young African-American male has a greater likelihood of going to prison than going to college.

We cannot expect these young people to reach for the American dream when they are trapped in a nightmare

The challenges of bringing new economic opportunity to our inner cities is one that I accept with enthusiasm, for I have confidence in the potential of <u>all</u> Virginians

Welfare Reform

Another priority is reform of our wasteful and often harmful welfare system It is time to move forward aggressively with a plan to replace welfare with work

No more pilot projects No more studies I want to transform Virginia's system of public assistance from one that fosters dependency and bare subsistence to one that promotes self-reliance and full employment for all Virginians

Many of you know that I have been promoting the concept of workfare for a decade In the last year or so, there have been some modest steps forward on this issue, but the sumtotal of welfare recipients actually affected so far would not fill the front row of this chamber We can do better, and we must

In the coming weeks, I will be establishing an Empowerment Commission chaired by Secretary of Health and Human Resources-designate Kay James Secretary James' charge will be to begin the implementation of a welfare reform plan that will be statewide in its reach and comprehensive in its scope. We will need some legislation from you this year to begin this effort, including support for further waivers from the federal government. But the bulk of the legislative action necessary to implement this program will be presented to you a year from now

With your support and help, our plan will place Virginia in the forefront of welfare reform. And it will make this Commonwealth a leader in expanding economic horizons and extending opportunity to citizens who are less fortunate

Strengthening Families

When we reform welfare, we begin to correct one of the most destructive influences on the <u>family</u> More than 60% of all poor families are headed by single mothers — an effect, in large measure, of a system that actually punishes the families of fathers who choose to remain at home and provide support. We will correct this

But welfare is far from the only government program that has a negative effect on the family. It is time for us to begin reviewing government policies, not only with an eye to their <u>fiscal</u> impact, but with sensitivity to their impact on the <u>cohesiveness of families</u>

One area requiring immediate attention is child support enforcement. In coming days, I will be submitting legislation to strengthen our hand in dealing with fathers who fail to meet their responsibilities to their children.

Another top priority is ensuring that parents are involved when their minor daughter faces the sensitive and traumatic decision whether to have an abortion. There are strong feelings on both sides of the abortion issue, but when it comes to parental notification, the people of Virginia overwhelmingly agree

I will be submitting parental notification legislation, with an appropriate judicial bypass mechanism. I trust you will heed the manifest will of the people, and allow this measure to come to the floor for action by the full membership of the House and Senate

Education

Finally, let us renew our commitment to education as the primary means of empowerment and the essential foundation of a free and just society

Too often in the past, our Virginia education policies have been erratic, bureaucratic, and short-sighted

For example, higher education — a critical investment in our future — has borne a heavy burden during recent budget cuts — If we want our colleges and universities to restructure their operations — and we do — then we must give them the tools and the latitude to innovate, and we must insist that tuition charges be affordable and predictable

To keep higher education within the grasp of lower and middle income families in Virginia, I will be offering a budget amendment to cap tuition increases for Virginia students at the rate of inflation

We also need to direct our attention to far-reaching reform of elementary and secondary education

As far as I am concerned, there should be no doubt The expensive and misguided experiment known as "outcome-based education" is graveyard dead and gone

The primary purpose of education is to impart knowledge -- useful knowledge -- not to adjust attitudes If our students acquire the knowledge and skills they need, positive self-esteem will follow

That is why the focus of my Champion Schools initiative is academic excellence, accountability, community control, and parental involvement. Under the leadership of Education Secretary Beverly Sgro and State Superintendent Bill Bosher, we will develop a comprehensive education reform program to present to you at the next regular session

In the meantime, we will move to pare down and reorganize the Department of Education so that critical funds can be diverted out of the bureaucracy and into the classrooms of our Commonwealth, where they are needed most

GOVERNMENT REFORM

With safety and empowerment as our policy goals, let us turn to the subject of how we can <u>reform government</u> to make it work better for Virginians

As a foundational matter, we must ensure that government is free of illegal and immoral discrimination

In his now-famous speech at the Lincoln Memorial, Dr. Martin Luther King, Jr., dreamed aloud of a day when his children, and indeed <u>all</u> God's children, would be judged not by the color of their skin, but by the content of their character. His dream must be our pledge

On Saturday, the anniversary of Dr King's birth, I issued an executive order reaffirming Virginia's commitment to the principle of non-discrimination and equal opportunity throughout state government. That order requires the Secretary of Administration to make a full assessment of state procurement, personnel, and other policies to ensure that they are fully in accord with principles of merit-based, nondiscriminatory decision-making

In so doing, I have renewed Virginia's commitment to the principle -- first articulated by Thomas Jefferson and renewed a quarter-century ago by Governor Holton -- that there should be an aristocracy of ability, not only in state government, but throughout our Commonwealth

Honesty in Government

Our foremost task in reforming government is to earn Virginians' confidence in their elected leaders

On this state holiday when we also recall the sense of honor and devotion to duty of two distinguished Virginians, Robert E Lee and Stonewall Jackson, let me assure you that I will insist upon the highest ethical standards for all those who serve in my administration

Let us also take concrete steps to assure the people of Virginia that unseemly influences are not being brought to bear on their public officials

You will have before you this session a number of worthy proposals for reform, including additional disclosure requirements for lobbyists, restrictions on so-called "revolving door" lobbying practices by former public officials, a ban on acceptance of honoraria, disclosure requirements for real estate transactions with the state, and other measures to strengthen our ethics laws. I urge your favorable action on these proposals

The people of Virginia also need assurance that allegations of public corruption will be thoroughly and fairly investigated, without a hint of partisanship or favoritism. Accordingly, I have asked Attorney General Jim Gilmore, an experienced criminal prosecutor, to review past practices under the law requiring advance approval by the governor, attorney general or a grand jury before the State Police may investigate such allegations. The Attorney General will report his findings and recommend specific statutory changes or executive actions necessary to safeguard the public trust in this administration of justice.

Public confidence in government also depends on keeping politics out of matters in which it has no place

Certainly the Virginia Retirement System is in that category. Those who have served our Commonwealth loyally and long in state employment deserve better than the sorry spectacles that have embroiled the retirement system in controversy in recent years.

I want to work with you this session to depoliticize the administration of VRS and to improve the statutory standards for appointments and investment decisions

Lean and Efficient Government

Second only to honesty in importance is the imperative of a <u>lean and efficient</u> government

It is time for a fundamental reappraisal of the way state government works, the functions it performs, and its relationship with the private sector

Today, corporations across America, large and small, are responding to new economic realities by modernizing, downsizing and reorganizing. State government must keep pace

Working with our Cabinet secretaries and agency heads, my blue-ribbon Strike Force will root out wasteful spending in state government. It will identify ways to realize savings and enhance efficiency through reorganization and through privatization of existing state functions and services. And it will recommend changes in unnecessary, costly or burdensome regulations.

Obviously, it would be unwise to proceed with the construction of more state office buildings when we are in the process of developing a plan for making state government leaner and more efficient. If ever there was a justification for the proposed \$18 million lottery building, that justification no longer exists. Accordingly, I will not authorize issuance of the bonds for this project, and I will request that you delete the debt service payments from the budget.

Finally with respect to the Strike Force, let me encourage each of you to share your ideas for improvement in the operation of state government. As you know, four members of the General Assembly — two Democrats and two Republicans — are members of the Strike Force, but assembled in this chamber are 140 experts on the subject whose insights we very much want and need in this mammoth undertaking

Also watching at home this evening are many Virginians who have experienced first-hand the frustrations of government inefficiency and excessive regulation. And, many current and former state employees have ideas about where savings can be realized. The Strike Force will soon be holding public hearings throughout the state, and I urge you to take advantage of this opportunity to share your views and help us reform your state government.

While the Strike Force's work is a necessary and desirable step to fix what is broken in state government, we must take steps to assure long-term stability, predictability, and restraint in state fiscal policies

We need to restrain government, not entrepreneurs and working people

Accordingly, I will be submitting to you in the current session a proposed constitutional amendment to limit the expansion of state government in Virginia by requiring a 2/3 vote in both houses of the General Assembly before any increase in sales or income taxes can become law. Together with our existing requirement of a balanced budget, this measure will protect future Virginians from unnecessary and burdensome taxing and spending

The growth in <u>state</u> taxing and spending is only part of the story, however Much of the government growth in Virginia has been the result of mandates imposed on local

governments by the state -- mandates that often are not accompanied by state funds sufficient to cover the fiscal impact

It is time to stop pretending that actions taken at one level of government do not cost the taxpayers simply because the cost is pushed down to another level. Unfunded mandates are wrong. And, if you send me any legislation imposing these indirect fiscal burdens on the people of Virginia, I will veto it

We need to take a similar hard line in Washington, where Congress and the regulatory agencies are forever imposing unfunded mandates on the states and localities

Instead of imposing new burdens on the states without supplying the money to pay for them, the federal government should be moving in exactly the opposite direction -- returning money to the states in block grants without strings attached

We can do a better job of addressing Virginia's needs here, and we can do it at less cost

Our Commonwealth historically has led the Nation in standing up for principles of federalism, and it is time for us to lead again. As Governor, I will be speaking out on this issue early and often. And, in the days ahead, I will ask you to adopt a joint resolution calling on Congress to return authority and resources to the states.

Working in a bipartisan spirit with our congressional delegation, we can begin to gain back the prerogatives that our Commonwealth once enjoyed, and place more government decisions where they ought to be -- at a level closer to the people

That same goal will guide us as we explore the thorny issues of state/local relations and regional cooperation, which are increasingly critical to the efficient delivery of essential public services and our competitive position in attracting jobs

Finally on the subject of a lean and efficient government, let me say a few words about the budget submitted to you by the previous administration

First, I want to emphasize the importance I assign to a well-compensated and well-motivated state government workforce. The vast majority of Virginia's state employees are capable and dedicated professionals. We are fortunate to have them, and I encourage you to reward their service with an appropriate, performance-based compensation package.

Second, we can no longer ignore the financial implications of the <u>Harper</u> case and Virginia's potential liability to federal retirees for taxes illegally imposed on their pension benefits

The retirees are appealing the recent circuit court ruling, and with my full support, Attorney General Gilmore is currently exploring the possibilities for a fair and equitable compromise with the federal pensioners. We will advise you promptly if progress is made in these discussions. In the meantime, prudence requires that we set aside a reserve fund to cover installment payments on this potential obligation.

In your deliberations on the budget, I strongly urge you to hold total spending to the level proposed in the budget bill. When you identify savings that can be realized, set the funds aside for this reserve. If the revised revenue estimates at mid-session indicate we will have additional revenue, resist the temptation to spend more and instead set the funds aside for this reserve. When you have a choice to make, choose to save

Look for ways to free up funds for this reserve, and we will be doing the same

Accountability to the People

During the campaign, I spoke often of my commitment to empowering the people rather than the bureaucracy

In addition to promoting honesty and efficiency, we must ensure that government is accountable to the people

One way I intend to achieve this goal is by establishing regional offices of the Governor to assist citizens in cutting through state agency red tape. This function will be performed in coordination with our regional economic development efforts

I also want to bring about fundamental change by giving Virginians the constitutional right of initiative and referendum, so that, on matters of great public importance, they can render a judgment themselves

Some may believe it dangerous to place power in the hands of the people But Jefferson put the matter simply In a letter to Henry Lee shortly before his death, he wrote

Men by their constitutions are naturally divided into two parties (1) Those who fear and distrust the people, and wish to draw all power from them into the hands of the higher classes (2) Those who identify themselves with the people, have confidence in them, cherish and consider them as the most honest and safe depository of the public interests

I trust Virginians to exercise wisely the power of initiative and referendum, and I urge you to join me in taking this bold and decisive step to put the people back in charge

CONCLUSION

The initiatives I have outlined tonight are wide-ranging -- though constrained necessarily by the difficult budgetary realities of our time. Clearly, there are other pressing issues, such as health care, that also require our attention

In the weeks and months ahead, I will seek your suggestions and your help often as we together strive to fulfill our respective obligations to the people of this Commonwealth

Two centuries after independence, we Virginians are still a revolutionary army, fighting for the right to live in peace and freedom -- fighting to make our fellow citizens safe from violence and to empower them to realize their dreams

With the deeds of our forebears as our inspiration, and with God as our ever-present help, let us move boldly into the future, secure in the knowledge that the most exciting chapter in the history of the magnificent people of Virginia is yet to be written

Thank you