

**ADDRESS OF  
GOVERNOR JAMES S. GILMORE, III**

**The State of the  
Commonwealth Address 2002**



**SENATE DOCUMENT NO. 1 A**

**COMMONWEALTH OF VIRGINIA  
RICHMOND  
2002**

Remarks as Prepared for Governor James S. Gilmore, III  
2002 State of the Commonwealth Address  
"A Virginia of the 21<sup>st</sup> Century"  
The Capitol Building, House Chambers  
January 9, 2002

Mr. Speaker, Mr. President, members of the General Assembly, Mr. Chief Justice and justices of the Supreme Court, my fellow Virginians:

I stand before you to deliver the final report of this administration on the state of the commonwealth. This I do as our country wages a war on terrorism and suffers the hardship of recession. Not in at least a generation have we faced such great difficulties on such different fronts. But the calling of our time has sounded, and we shall answer -- as some here tonight already have -- with courage and strength and sacrifice.

I believe the question we must ask ourselves is not whether we will win this war. Nor is it whether we will recover from this recession. For we will triumph over these trials as we always have and always will. Such is the destiny of free people who practice free enterprise, and never has there been a brighter beacon of freedom than the United States of America.

The question we must ask ourselves is this: Is Virginia prepared for the sum of challenges that we will face in the 21st century? -- I believe that we are because we have opened ourselves to change during the last four years. And I speak not of small changes that would only dot our history books, but sweeping changes that will empower the lives of generations to come.

We are also prepared for the future because we have put the priorities of the people first. Dramatically improving the quality of public education; letting people keep more of their hard-earned money; reducing violent crime in our schools and on our streets -- the everyday concerns of working men and women have been the everyday concerns of this administration.

And only if we are a united people can we realize our full potential in the 21st century. It was the inaugural theme of this administration to make these four years a time for all Virginians. By tearing down the racial and regional divisions of the past and in their place forging a common bond for the future, we have succeeded.

Indeed, the lasting legacy of this administration will not be a single policy or program, but the new life that we have breathed into our democracy. We have replaced the single party system with a marketplace of ideas in which both parties can compete. Virginia will never again be mocked as a "political museum piece," but celebrated as the cradle of democracy that the Founders envisioned more than two and a quarter centuries ago.

The Founders believed in education as the surest means to protecting our rights and liberties. They knew that the basic skills of reading, writing and math are the foundation of knowledge that children need for success in modern society. And if we can inspire our children to make learning a lifelong pursuit, their success in the 21<sup>st</sup> century will be limited only by the limits of their dreams. Indeed, the capacity of education to empower the individual is unrivaled among the responsibilities of government.

Every new governorship represents a crossroads. We chose to implement the Standards of Learning so that every child who attends our public schools has the opportunity to earn a quality education. The results of the first round of tests in 1998 showed that a difficult road was ahead. Only two percent of our public schools scored well enough to pass the Standards.

I made it a policy not to leave our public schools to face this challenge alone. We needed to provide teachers and administrators with the resources to raise student achievement. And we needed to use the Standards to target those resources where they were needed the most.

We implemented the Early Reading Initiative to ensure that every student will read by the end of the third grade. We created the Algebra Readiness Initiative to ensure that every student will do basic math by the end of the ninth grade. We established Best Practice Centers in every region of the state to help teachers and administrators implement the Standards of Learning. And we created the Governor's Academic Challenge to provide struggling students with the individual attention and remedial help they need.

These initiatives were designed specifically for our children, many of whom needed help in this academic environment of accountability and excellence. But we also made broader reforms to improve public education. During my campaign, I promised to put education first by hiring 4,000 new teachers to reduce class sizes. I'm proud that we kept that promise. We also kept the promise to dedicate all lottery profits to public education.

This support has provided a dramatic boost to the quality of public education in Virginia. Since 1998, student achievement has increased on all 28 Standards of Learning tests, including double-digit increases on 23 tests. And 70 percent of our schools have now met or exceeded our benchmarks for academic standards a full six years ahead of schedule. This is remarkable progress of which every parent, every principal, every teacher, every administrator and every student can be proud.

Our high academic standards have been a great challenge for everyone who works in public education or has a child who attends our public schools. But our devotion to change throughout our education system has been rewarded with success that will benefit generations of future Virginians. Every child who attends our public schools -- regardless of the color of their skin or the neighborhood in which they live or the size of

their parent's paycheck -- will be empowered with the skills and knowledge to lead a free and full life.

\*

Our progress in higher education has been no less significant and will have an equal or perhaps even greater impact on our future. For it is our colleges and universities that will produce many of the great leaders of tomorrow. I believe that we have laid the foundation and made the proposals to fully realize the empowering promise of higher education in the 21<sup>st</sup> century.

During the last four years, we have bolstered support for our colleges and universities by \$500 million -- a 48 percent annual increase. This has enabled us to increase the number of degree offerings and faculty members and strengthen the overall quality of education offered on our campuses. Indeed, we can be proud that three of our public colleges and universities rank among the 25 best in the nation.

And we have made our colleges and universities more affordable than they were four years ago. We froze and then cut tuition by 20 percent, which is saving students and their parents over \$1,300 per year at four-year colleges and over \$500 per year at two-year colleges. Virginia has now dropped from being the eighth most expensive state in which to attend college to the 18th. This is great progress toward what should be our ultimate goal -- ensuring that every Virginian who wants to earn a college education can afford it.

We have also focused on ensuring that each of our colleges and universities stands on equal footing. That's why we've increased support for Norfolk State and Virginia State by more than \$48 million. I propose in my budget an additional \$22 million for these schools over the next two years, including the final installment to make Virginia State the first fully funded historically black land grant university in the nation.

In my budget, I propose the "Higher Education Bond Initiative for the 21<sup>st</sup> Century" to build the finest, most technologically advanced college campuses in the nation. This bold initiative will make possible new buildings for life sciences, engineering, technology and the liberal arts. I was pleased to learn that this proposal is gaining support among the leaders of this Assembly. I appreciate that confidence and so do Virginia's parents. Even during difficult times, we can and indeed we must advance higher education into the 21<sup>st</sup> century.

\*

We can afford the "Higher Education Bond Initiative for the 21<sup>st</sup> Century" because we have soundly managed our finances during the last four years. I'm very proud that throughout my term we have maintained our AAA bond ratings from all three major Wall Street rating agencies. They all agree that Virginia is one of the best financially managed states in the nation.

And the budget I propose maintains that high level of integrity. It is a conservative, responsible and balanced budget. I made the difficult decisions now for a better and more flexible future. I deliberately estimated that we would take in less revenue so that perhaps as much as \$600 million or even more will be available for the future priorities of this assembly, my successor and the people of Virginia.

In some cases, I reduced spending to balance the budget. In other cases, I drew on available resources -- like the "Rainy Day" fund -- to preserve spending on essential services. And in rare cases, I propose we increase spending on our highest priorities, like Virginia State and Norfolk State universities. These were all difficult decisions. But many Virginians are making sacrifices during this difficult time; government should be expected to the same.

\*

We must also focus our efforts on creating economic growth or, at the very least, not adopting any measures that would hurt economic growth. That is why this budget is balanced without raising taxes. A tax increase would stifle our economy when what our economy needs is a spark. The last recession was managed without a tax increase. I believe this is the right policy both as part of the fiscally conservative framework of the budget and especially for Virginia's working men and women.

After the September 11<sup>th</sup> attacks, it became clear that our revenues would not recover quickly enough to meet the legal requirements for the final phase of car tax relief next year. However, keeping this promise -- one made by my administration and this body, one that empowers our people with financial freedom -- remains a priority.

In my budget, I keep faith with the working men and women of Virginia. I propose we continue car tax relief at 70 percent in 2002 and 2003. And, in 2004, I propose we advance the final phase of car tax relief to 100 percent.

I will also submit legislation to amend the Constitution of Virginia to fully abolish the car tax and provide a fair share of the state's individual income tax revenues to local governments beginning in January 2005. This would be a dollar-for-dollar, revenue neutral exchange in place of the current reimbursement program. I'd like to salute former Congressman Tom Bliley for chairing my finance reform commission and working with its members to develop this proposal. I say to you tonight that this reform would give our localities the means to grow, expand and prosper in the new economy of the 21<sup>st</sup> century.

\*

Throughout this administration, one of my top priorities has been to support our hard-working state employees. We held 22 regional town hall meetings and conducted a state-wide survey to listen to their concerns. We acted on those concerns by reforming the compensation system, improving health and leave benefits and boosting salaries.

When I began the budget-making process, I set out to make pay raises for public employees a top priority. I knew this would be difficult, if not impossible, and I said so publicly. But we succeeded, and I'm grateful because I care about the concerns of public employees, and I believe in them not only as public servants, but partners in preparing Virginia for the 21<sup>st</sup> century.

I propose at least a 2% pay raise for state workers, college faculty, schoolteachers, and state supported local employees beginning in November. I say "at least" because I also propose we increase the pay raise if revenues increase above my conservative estimates. I believe public employees -- who are so critical to our success during good times and especially during this difficult time -- deserve to be rewarded for their hard work.

\*

Virginia has reaped many rewards from its leadership in technology. I firmly believe that the promise of technology did not diminish during the last year, but grew stronger with every passing day, because the Internet, computers and information technology are only truly beginning to reach the people of the world. It has been my goal to propel Virginia into the forefront of this technological revolution.

During this administration, Virginia has emerged as a global pioneer for technology policy. We established the first cabinet-level secretary of technology and the first statewide Internet policy in the nation. We were the first state to sign the Uniform Computer Information Transaction Act, the first to launch a custom Internet portal, and the first to develop and implement an electronic communities program. The First Lady established an innovative web page to help teachers interact and communicate and prepare for the Standards of Learning. We also launched a commission on information technology, which enabled leaders in the technology community to be part of the policy-making process and part of building the Digital Dominion.

According the American Electronics Association, Virginia has now grown into the seventh largest cyberstate in the nation. This is because of a world-class technology community that includes industry giants like AOL Time Warner and established pioneers like Network Solutions. We've established innovative programs like the Virginia Technology Research Fund. This fund enables our colleges and universities to leverage state funds for federal and private research and development grants and be more competitive with other states that have long histories in research. This initiative and many others have fostered a technology-friendly environment in every corner of the Commonwealth. Today, leaders of state and industry from around the world know Virginia as the Digital Dominion.

\*

One of Virginia's great challenges of the 21<sup>st</sup> century is the growth of our population and the need for transportation. Upon taking office, we inherited an approach to road building that had been virtually unchanged for decades. We knew that what worked in the middle of the 20<sup>th</sup> century simply would not work in the 21<sup>st</sup> century. Our transportation system needed reform -- major reform -- and we set out on that mission.

The watchword for our reforms has been innovation -- innovations that have sped-up construction, streamlined procedures and avoided the typical delays that are so often associated with building roads. We also created the Priority Transportation Fund, which focuses on critical projects that will move people and goods faster and more efficiently. All totaled, we boosted funding for transportation by 96 percent statewide and 117 percent in northern Virginia. We're now building roads nine to twelve months faster and saving Virginia taxpayers hundreds of millions of dollars.

We're also providing men and women who commute on our highways with a broader array of transportation options. We've made significant progress on extending rail to Dulles, adding capacity to the Virginia Railway Express and advancing high-speed rail from Washington to Richmond and beyond. We've also set up the Virginia Airports Revolving Loan Fund to help improve facilities and services at our airports.

The result of these initiatives is that more road construction projects are underway now than at any time in our history. But equally as important, we're providing Virginians with more and better transportation options. Our transportation system is full speed ahead into the 21<sup>st</sup> century.

\*

During the last four years, we've broken records for creating jobs and growth and attracting investment. We broke the annual record for the most jobs and investment announced in state history. And our economic development team has been recognized as one of the nation's best. This success is a product of the policies of this administration and this assembly, but most of all, our business community, which takes the risks to make investments and create new jobs.

During my campaign for governor, I pledged to create 250,000 new jobs by the end of this administration. I'm proud that we exceeded that goal by creating more than 320,000 new jobs. This was a promise made and is a promise kept. Still, we must redouble our efforts to create jobs during this difficult economic time.

When I spoke with this Assembly's money committees last month, I announced that WorldCom would expand in Loudoun County and hire 3,600 new workers. I'm pleased to announce tonight that B.A.E. Systems will expand in Fairfax County. This project will create nearly 1,000 new jobs and bring nearly \$52 million in investment to

Northern Virginia. I'd like to thank my Post-Attack Economic Response Task Force for their hard work in keeping our economic fundamentals strong and attractive.

During this administration, I have traveled to Europe, Asia and South America to attract business and create jobs in Virginia. Some of the most productive work of these trips has been on behalf of the Port of Virginia. As a result, major shipping companies have established their headquarters in Hampton Roads; other companies have relocated their North American headquarters to the region; and we've attracted additional container and shipping business to our ports. Let me assure you tonight that America's port for the 21<sup>st</sup> century will be the Port of Virginia!

\*

The promise of Virginia in the 21<sup>st</sup> century applies not only to the most fortunate among us, but also the most vulnerable among us. Indeed, this administration has worked aggressively and ambitiously toward mental health reform. I believe mental health care should be built not on the antiquated systems of the 19<sup>th</sup> and 20<sup>th</sup> centuries, but on a foundation of community care that will allow the mentally disabled to live freer and fuller and more productive lives in the 21<sup>st</sup> century.

During the last four years, we have made substantial progress in our mental health reforms. We've strengthened community services, funded revolutionary new medications, established an Inspector General's office, launched a mental health trust fund, and increased staffing levels. All totaled, we've provided more than \$134 million in new support for mental health -- a 46 percent increase. The result of our reforms is an additional 2,000 men and women living independently in our communities and contributing everyday to the greatness on our commonwealth.

\*

As with our human resources, we have assembled a strong record of protecting our natural resources. We have boosted the Water Quality Improvement Fund by over \$140 million; increased state park attendance by 22 percent; and were recently recognized as having the best state park system in the nation. We also established the Virginia Conservation Reserve Enhancement Program -- which is now the largest conservation program in state history. And I'd like to recognize the leadership that Speaker Wilkins has brought to this meaningful issue throughout his career.

Environmental education is also a big part of our success as stewards of Virginia's precious natural resources. Virginia Naturally -- which I launched in 2000 -- has developed an active network of 260 partners to help catalog all of the environmental education services, products and programs in the Commonwealth. We also created a new office of environmental education in the Department of Environmental Quality. These successes demonstrate that we can make progress in the 21<sup>st</sup> century in harmony with clean air, clean water and a clean environment.



\*

One of the greatest hopes of every Virginian is to live in a free society without the fear of becoming a victim of crime. For eight years we have been dedicated to the safety and security of our communities, and we've had remarkable success. In this administration, violent crime is down 21 percent.

Drug dealers and their networks are feeling the weight of one of the most aggressive drug enforcement programs in the country -- our Substance Abuse Reduction Effort or SABRE. Since the establishment of SABRE in July 2000, the State Police have made nearly 10,600 arrests and seized about \$138 million in illegal drugs, cash and weapons.

And as we've cracked down on illegal drugs, we've also toughened penalties for criminals who carry illegal guns. Under Virginia Exile, more than 275 felons have been convicted of possessing illegal guns and sent to prison for a minimum of five years. The program is now active in 10 communities throughout Virginia and has served as a model not only for other states, but also for a federal Exile program.

Whether it's illicit drugs or illegal guns, we've taken the steps to reduce crime in our communities. Thanks to this leadership and the hard work of countless law enforcement professionals, Virginia's overall crime rate has now dropped to its lowest level in a quarter century. One thing we know for sure: violent criminals will find no safe haven in the Virginia of the 21<sup>st</sup> century.

\*

Still, who tonight could forget the terrorist attacks of September 11<sup>th</sup>? I still remember that morning when the first attack came at the World Trade Center in New York and how Virginia's defenses were triggered even before the attack on the Pentagon. I'm proud of the state workers who swing into action when an emergency strikes Virginia and the countless local responders and officials who do the same.

Since the attacks, additional steps have been taken to protect our people and their property. At the request of the President, National Guard troops are on duty at our nine commercial airports. The Air Guard is helping to protect the East Coast. State Police are maintaining a high level of alert and are also assisting with the protection of our nuclear power plants. These are immediate measures that we implemented, but much work remains to bolster our homeland defense against terrorism.

In my budget, I propose we set up the "Security and Preparedness Fund" and set aside \$36 million to begin addressing our most critical security concerns. This money -- along with anticipated federal dollars -- will support critical domestic preparedness efforts, including a new state Emergency Operations Center. I'd like to thank the members of my Security and Preparedness Panel for their leadership on this issue, and it is my hope that they will continue their work in the next administration.

\*

In response to the September 11 attack on the Pentagon, hundreds of firefighters, police officers and rescue workers risked their lives to save the lives of others. Such heroism deserves special recognition from the Commonwealth. Tonight I announce the creation of the Governor's Medal of Valor. I'd now like to read the inscription that accompanies the medal.

(Read Inscription)

The recipients of these awards are heroes. They rushed into the chaos of a burning Pentagon thick with smoke and noxious fumes and structures collapsing all around. And yet they showed no fear, only focus on doing their duty. And that they did with the same courage and strength and sacrifice that is propelling the United States to victory in the war on terrorism.

I'd now like to announce the recipients of the first Governor's Medals of Valor: Trooper Michael Middleton and Trooper Myrlin Wimbish. Gentlemen would you please stand to be recognized? I will present you with your medals in the Old House Chamber after my address.

\*

The final year of a governor's term always brings a flood of final moments. These have often caused me to reflect on the course of this administration and the countless people who have lent their support along the way. I say this often, but neither I -- nor any governor -- could possibly say it enough: thank you.

Thank you to the members of this body for always serving with the best interests of our commonwealth in mind. Many faces have come and gone from these chambers, but the spirit has always remained same -- honor, integrity and respect for the traditions that we Virginians hold so dear.

Thank you to the members of my administration -- my personal staff, my cabinet and their staff, the thousands of men and women who volunteered their time on boards and commissions and, of course, every single state employee. It is your service that has ensured the success of this administration.

Thank you to my family -- Roxane and Jay and Ashton. I simply could not have succeeded in this job or in any part of my life without you. And, Roxane, Virginia owes you a great debt of gratitude for preserving one of our most cherished treasures for generations to come -- the Executive Mansion.

And thank you to the people of Virginia. I have always kept you at the forefront of my mind and deep within my heart. For the power of this office derives from eight million good, decent, hardworking men and women.

\*

The purpose of this administration has been to draw this state together and heal many of the historic divisions that I felt so acutely at the beginning of my term. The purpose of this administration has been to remember and often fight for the people of this state, for their quality of life, for their empowerment, and for their freedom. And the purpose of this administration has been to bring about change, which has enabled progress and will continue to propel Virginia into the 21<sup>st</sup> century.

Together with you and the good people of this great commonwealth I believe we have achieved our goal: Virginia is prepared for the 21<sup>st</sup> century.

God bless you, God bless the Commonwealth, good night and farewell.

\*\*\*