

**ADDRESS OF  
GOVERNOR MARK R. WARNER**

**The State of the  
Commonwealth Address 2006**



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Virginia State of the Commonwealth Address 2006  
Governor Mark R. Warner

January 11, 2006  
Richmond, Virginia

Good Evening,  
Mr. Speaker,  
Governor Kaine,  
Mr. President pro tem, Members of the General Assembly, Attorney General Jagdmann, Justices of the Supreme Court, honored guests, ladies and gentlemen.

I come before you tonight to assess the State of our Commonwealth. To reflect for a few moments on what we have accomplished together over the past four years. And to recognize some of the challenges and opportunities which still face us.

And while we have the luxury for reflection, let us recognize that many brave Virginians are serving our nation in places of danger. As Governor for the last four years, one of the highest honors I've had is to spend time with members of the Virginia National Guard.

They place in perspective our so-called "battles" here in Richmond. They are an extraordinary group of men and women. Please join me in thanking them.

It is fitting tonight that the oldest continuously meeting democratic body in the New World gathers in a building named for Patrick Henry -- a Virginian whose fiery spirit helped ignite a revolution.

Patrick Henry holds another distinction I appreciate. At the end of his term as Governor, his achievements and record allowed him to be re-elected to another term by the unanimous vote of the General Assembly. Twice.

That was the old days . . . In three days, in this same chamber, you will hear from Virginia's new governor, and my good friend, Tim Kaine.

Governor Kaine ushers in an exciting new era. He will outline his vision for the next four years in the life of our great Commonwealth. I would ask that you extend him the same courtesies you have extended me. The same willingness to take on the great challenges of our time.

I am confident that Tim Kaine will be an outstanding governor! And I believe that working together, you will accomplish great things for the people of Virginia.

Just as we did. Consider our progress.

At the beginning of 2002, I first stood before you to assess the State of our Commonwealth. We faced a series of challenges almost unprecedented by modern standards.

Our economy was still reeling from a national recession and from the effects of a terrorist attack on our soil. Virginia's budget was severely imbalanced. Government risked breaking fundamental promises to deliver core services to our people. And the political debates here in Richmond were too often shrill and divisive.

Despite those challenges, we knew that the resolve of our people had never been stronger -- and our capacity to come together in the face of adversity was never greater.

We took emergency measures in that first session.

We cut budgets.

We asked our state workers to do more with less.

We insisted on simple, common-sense reforms. Together, we stopped the red ink ... and began the hard work of restoring our economy and confidence in government.

The following year, I asked you to join in reforming the laws of the Commonwealth so that no governor or legislature would ever again face the kind of spiraling shortfall we faced.

Our goal was never to simply balance the books for the next two years ... but to fundamentally improve the way government delivered services... and to expand the horizon of our planning. Because if we couldn't make bold changes when the need was greatest, when would there ever be the will?

And what we accomplished that year was the most sweeping reform of state government since the Cabinet system was created a generation ago. We re-engineered government to better serve our people in the Information Age. And in doing this, we made the Commonwealth more attractive to new jobs and economic development.

Two years ago, I came before you to tell you that the fruits of our labor had not been enough. Our first-ever six year financial plan showed that we faced a structural imbalance well into the future.

It made us an unfit partner to local governments, a fair-weather friend to public education, and a weakening credit risk to Wall Street investors.

Most of us in this room knew that "our Commonwealth was at a crossroads.

Would we stand paralyzed? Or would we finally embark on a path to restore our fiscal integrity, invest in our core responsibilities, and prepare Virginia for a brighter and more prosperous future?"

We made the case to the people about the choices we faced. Together, we hammered out our competing visions for the Commonwealth. Together, we achieved our goals of restored fiscal integrity. Together, we developed a fairer and more equitable tax code. Together, we made critical investments in education, public safety, and the core services of government.

Republicans and Democrats. Regardless of party. Regardless of region. Together, here in Virginia.

Because of this shared commitment, last year, I came before you to report that we were again on the right track. But to quote that old line from Will Rogers, "Even if you're on the right track, you'll get run over if you just sit there."

I warned against using the revenues from a rebounding economy for tax cuts we couldn't afford and for long-term spending commitments we couldn't keep. The principle we renewed last year was a steadfast commitment to fiscal discipline and a focus on the long term.

That work -- developing our rural economy, boosting achievement in our underperforming schools, supporting our colleges and universities -- has kept us on the right track, and moving forward.

It's why we're trying to start a new college in Martinsville... and why we're continuing to invest in a higher ed center in South Boston ... and a bold new Institute for Advanced Learning in Danville.

It's why we have put so much energy into heritage-based tourism and other rural assets -- while wiring up rural Virginia for the 21st century.

If 'steady as she goes' is the Virginia tradition in fiscal management, then 'constant innovation' must be how we approach our workforce and our economy.

Ladies and gentlemen, my time in this building is now numbered in hours, not days. But there is work yet undone.

The budget I proposed meets our core obligations, but also contains four significant funding initiatives I hope you will embrace.

First we have joined with our universities to fund a 500 million dollar Research & Development initiative -- about half of which comes from state funds. It will attract world class researchers, spur economic growth, and move us closer to a cure for

cancer, Alzheimer's, or a host of other diseases.

Neighboring states are making significant investments in R&D. If Virginia fails to do it, it may not hurt us next year, but over the next decade it will certainly limit our economic prosperity.

Second, we have proposed over \$200 million to take a dramatic step forward in restoring the Chesapeake Bay. We estimate this funding will help reduce nitrogen discharges by almost two-thirds of the 2010 goal. The Bay is a national treasure, and restoring it must be a basic obligation.

Third, we've proposed long overdue funding to accompany reforms in how we deliver mental health and mental retardation services. We propose to replace two outdated state hospitals and two aging state training centers with state-of-the-art treatment facilities – and make a significant new investment in community-based services. In doing so, we will finally turn a corner on creating a continuum of care for our most vulnerable citizens. One worthy of our Commonwealth.

And fourth, we have dedicated nearly \$625 million in General Fund support for transportation projects and programs in the next biennium. Almost half is the dedication of the insurance tax proceeds. The remainder is a one-time investment. These are significant funds, but as you well know, not the long-term solution.

These are each issues upon which many of you in this chamber have worked for years. None of these are my priorities alone. Or Governor Kaine's priorities alone.

My hope is that they are your priorities – and that you see them as the people's priorities.

When we have agreed on shared priorities, our record of results has been – by any measure – impressive. So I come before you tonight to say that the state of our Commonwealth is strong!

You've heard me say it often: that which gets measured gets done. So bear with me while I give you the numbers.

Because we made hard decisions four years ago, our state's economy has rebounded faster than almost any other in the nation:

We have the second lowest unemployment rate among the 50 states.

In Southside and Southwest Virginia, we've worked to create or retain more than 32,000 jobs.

Even in Danville -- where the sale of the Dan River textile mill has been in the news -- we were able to announce yesterday that TelVista would expand, creating 250 new jobs.

In education, where we have put enormous effort, the results show it:

92% of Virginia's schools are now accredited under the state Standards of Learning program -- up from 40% four years ago.

We've almost doubled the number of kids enrolled in the state-funded education program for 4-year olds.

Virginia students this past year posted the largest increase in math SAT scores in the nation.

Students taking at least one Advanced Placement course increased by more than 20 percent over the past two years...with African-American students up 24 percent....and Hispanic students up 21 percent.

We've led the nation with reforms to high school, increasing the number of students getting an industry certification by two-thirds, and allowing 6,200 more students to get a full semester's college credit while still in high school.

Since we partnered with NASCAR to start the "Race to the GED," 35,000 more adult Virginians have gotten their GED. That's a 28 percent increase.

In public health, we've worked to help every Virginian get the basics:

Over 70,000 more Virginians have received access to safe drinking water.

Immunization rates for two-year old children have increased from 71% to 81%.

And we've signed up 138,000 more children for health insurance.

Ladies and gentleman, in Virginia tonight, an estimated 98% of all eligible children are covered.

In mental health and mental retardation services:

We're continuing the shift from institutional to community care.

We've added 32% more MR waiver slots in the community.

And in mental health, we've been able to move 42 percent more folks out of

institutions, while serving 10,000 more people in the community.

In public safety and preparedness, we've worked to prepare for a post-9/11 and post-Hurricane Katrina age:

We've put 125 more Troopers on the road.

Virginia and two other states have been recognized as 'the most prepared in the nation' for our ability to respond to bioterrorism.

And our interoperable radio plan, including STARS, has been recognized by the U.S. Department of Homeland Security as a model.

In a disaster, how well first responders communicate is literally a matter of life and death – and it's an investment we couldn't postpone.

In environmental protection, again we've emphasized measurable progress:

260 of 450 water bodies in Virginia have been removed from EPA's impaired list.

We've adopted the most stringent water quality standards in the nation for the Chesapeake Bay watershed.

And Virginia has protected more than 175,000 more acres of land from development.

In transportation, we've worked to restore the public's confidence, and try innovative solutions in a time of continuing scarce resources:

VDOT's construction program has gone from 21% on time and 50% on budget in 2001 to 82% on time and 88% on budget in the latest quarter.

In the last two years, we have proposed 1.4 Billion new dollars in transportation funding (much of it one-time) that has allowed to pay off \$867 million in accumulated project deficits.

And together, we have by law forever ended the practice of deficit financing.

We're also trying new things.

We've launched a first-ever dedicated rail fund ...a new fund to jump start public-private partnerships ... and an expanded revenue-sharing program with localities.

And finally, in an area that I still get jazzed about -- government operations -- we

brought lessons from the business world.

We've maintained our triple-A bond rating – one of only six states in the nation to have that sterling credit rating.

We've leveraged the state's buying power with centralized purchasing – savings more than \$95 million in fiscal year 2005 alone.

We've improved collection of money owed the state, producing over 110 million more dollars each year.

We're finally managing real estate more like a business would, which could save more than \$68 million over the next decade.

We've undertaken school efficiency reviews in 9 school divisions, identifying almost \$10 million in annual savings – a figure that will grow as more divisions participate.

Virginia leads the states in a cutting-edge consolidation of information technology.

And for the first time in history, we've fully replenished our Rainy Day Fund to its Constitutional maximum of more than a Billion dollars.

All of this helps explain why, after a two-year national review, [Virginia was named the Best Managed State in the Nation](#).

Time and again, as I have traveled this Commonwealth, Virginians have told me three things.

That results matter . . . That they're proud of the direction we're going . . . And a third thing: That they appreciate it when we work out our differences, and work together to get things done.

So there is a surprise in all this for me.

I'm not at all surprised that we would achieve measurable results. I'm surprised at how much Virginians talk to me about something that can't be measured.

I think they believe that together we did change the tone in Richmond. I believe together we found that place on the pendulum of public discourse -- where most Virginians are. The place I call the Sensible Center.

I believe we have been able to set aside some of the conflicts of the past . . . some of the divisiveness of the present . . . and some of the inertia which sometimes paralyzes our public debate. And for a sustained period of time, we



have been able to make progress on problems we'd faced for many years.

It is the "immeasurable result" for which together we may be best remembered: A cooperative spirit that no balance sheet shows, no test score reports, and no agency analyzes.

As I prepare to leave office in a few days, I have been flooded with many vivid memories of the time Lisa, the girls, and I have spent here in Richmond.

And one of those memories, Lisa, will be your efforts to establish a civil rights memorial on Capital Square.

I will always value the accomplishments and the friendships of a cabinet and staff filled with extraordinary men and women. I will recall the many kindnesses that members here in the General Assembly have extended to me.

I'll never forget the spirit of our people after Hurricane Isabel, the sniper crisis, and the challenges of the last four years. Time and time again, I've seen Virginians roll up their sleeves and open their hearts to help those who have lost hope.

And while it has been an incredible journey at every step, the moment I will cherish the most happened this fall in Southwest Virginia.

It's why I wanted this job in the first place.

Before I was governor, most of my businesses were in high-tech. I ran because I thought I could bring a perspective on how Virginians could succeed in the Information Age. So that everyone could have the same kind of shot at the American dream that I had.

I wanted that kid in Martinsville – or any other small town in Virginia -- to not have to leave his or her hometown to get a good job.

Two months ago, I went to Russell County, to Lebanon, to help announce that CGI-AMS would be creating 300 software development jobs – jobs that any county anywhere in this country would love to have. Two weeks later, the state was able to bring 433 more high tech jobs to the community, through our IT reform.

Last week, The Washington Post ran a story about the transformation of the economy in that part of Southwest Virginia. An 18 year old senior at Lebanon High School named Michael Kiser was quoted.

Michael said:

"Before this, I always thought I'd have to move away. But I'd love to come back here. . . . I want my kids to have the same experience I had."

Michael wants to be an engineer. Now I think he can do it in Russell County.

We need more engineers. And more scientists. It's essential in this global economy. But we also need more teachers and nurses. And we need those engineers, young folks like Michael, to come home, and keep vibrant the communities their parents built.

These Russell County jobs are -- for me, and I hope for you -- a symbol of how we can work together to help create new opportunities for our people. And allow more of our people to actually realize their own version of the American Dream.

Virginians like Michael don't care about the battles we have in Richmond. They don't care who's up and who's down, who's in and who's out.

They want a government that is fair, open, honest, and that achieves results for all our people. They want a government that's protecting our streets, and safeguarding our communities from the next unimaginable threat. They want clean air and clean water . . . and to keep Virginia a special place.

They want to know that we're doing everything we can to make sure that kid in the coalfields . . . or on that farm in the Valley . . . or in suburban Fairfax . . . or in downtown Portsmouth . . . can get the skills they need to succeed.

They know our cultural differences are a source of strength for Virginia -- and fights over them only set us back.

They know we'll only move forward when we consider ourselves One Virginia. With One Future.

Ladies and gentlemen, it's been an honor.

May God bless you and guide you all -- as I believe he has guided us -- for the benefit of all Virginians.

Thank you and good night.