

**State of the State**  
**Governor Henry Bellmon**  
**January 5, 1988**

“Let me begin by wishing each of you a Happy New Year. Welcome back to the Capitol, for what we all hope will be a short, harmonious, productive session. I assure you that every effort will be made down on the second floor to meet that objective.

The Constitution requires that "at every session of the Legislature and immediately upon its organization, the Governor shall communicate by message, delivered to a Joint Session of the two houses, upon the condition of the state; and shall recommend such matters to the Legislature as he shall judge expedient." In keeping with that mandate, let me report that the State of the State is – well, it depends.

It depends upon who you are and where you are.

Years ago as a college student, I had the good fortune to attend classes taught by Dr. Horace J. Harper. Dr. Harper was not only a renowned soil scientist and an excellent teacher, he was an astute observer of the human scene as well. One of his favorite observations (which I have found all my life to be true) was that "People see not what they are looking at – they see what they are looking from." That statement sums up the current State of our State. Depending upon the individual's situation, Oklahoma is an excellent or a sad state or somewhere in between.

Excellent for those with good jobs, but sad for the 6.2 percent who are unemployed or for those who are underemployed.

Excellent for business which control their own destinies but sad for those, like oil and agriculture, where the economic rules are made by others.

Excellent for employees of industries like Goodyear, AT&T, American Airlines, Tyson Foods, Bayliner Marine, Woodward Iodine, State Farm and others which have found in Oklahoma the right combination of location, strong work ethic, well-educated employees and natural resources needed to be competitive in the world marketplace, but sad for employees of firms which have lost markets due to inability to compete.

Excellent for students of well-run, professionally staffed institutions of learning but sad for those whose lives are being stunted by second-rate educational opportunities.

The message I bring you today will discuss the condition of the state, the proposed legislative program as well as the budget which I propose for Fiscal Year 1989. The budget document is ready for distribution. This year, in order to make budget discussions more meaningful, the Finance Office has prepared a "Budget in Brief". I hope you will find it helpful.

The Office of State Finance has also prepared a series of charts which will help everyone, including our television audience, better understand where we were a year ago and how far we have come during these past twelve months. Speaking of these past twelve months, I am reminded of the opening comment I made a year ago and I quote:

"We've got a problem, you and I – and we asked for the right to help solve it. The problem is that next year Oklahoma will have 363 million fewer dollars to use in paying for essential services than was available this year. That is a sixteen percent reduction.

Because of the balanced budget amendment, we have to solve our problem now! Unlike the federal government, we cannot run a deficit and pass the bill on to our kids or grandkids or great grandkids. We have to be responsible.

As the state's policy makers, (in effect, the State's Board of Directors), it is important for members of the Legislature to understand the results of last session so that wise decisions can continue to be made this year.

These charts will illustrate that Oklahoma's economy has shown considerable improvement over the last twelve months. This would indicate that decisions made by the last session were wise and responsible.

That is a brief summary of where we are, Let us now consider some of our remaining problems.

Major over-crowding in our corrections facilities is a serious matter.

In an effort to stay within limits set by law, commutations have been increased. Commutations are granted on the basis of individual inmate records rather than automatic credits awarded through the cap system.

We acknowledge that funding additional prison space is not the long-term solution. We must reduce the incidence of crime and high rate of incarceration. Attempting to cure a problem after the fact is much more expensive to society in human and fiscal terms than addressing the root causes such as families at risk, illiteracy, dropouts, alcohol and drug dependency. Evidence indicates that traumas within the family are often repeated in succeeding generations. Therefore programs designed to strengthen families and children must become high priority.

The Departments of Corrections and Mental Health are currently exploring the feasibility of using existing space at Eastern State Hospital and Western State Hospital to meet correctional needs. In addition, negotiations are underway for the possible leasing of other existing facilities which might be made ready for occupancy within a few months. We believe that these negotiations, if successful, will be cost effective for the state, by providing badly needed space cheaper and quicker than new construction. The Department of Transportation to use more inmates in other areas of the State. This will bring a dual benefit:

1. Decreasing inmates idleness, and
2. Providing a cost saving to taxpayers by reducing highway clean-up costs.

De-institutionalization of juveniles is a worthy goal, but the time has come review the effects of this process and the effectiveness of the present alternatives. Are we providing adequate counseling for the families? Are our "community-based" units producing satisfactory results? Are there enough secure facilities for those juveniles with violent and destructive tendencies? Is oversight adequate to assure legal and humane operation? We must evaluate all our programs objectively and make best use of available resources to find solutions to the juvenile offender problem.

The Department of Corrections is seeking ways to keep inmates occupied productively while within the system. Literacy and vocational training is being encouraged so that, upon release, more inmates can become contributing members of society. A policy is in place to delay parole of inmates until they are taught to read and write. Improving inmate literacy levels should improve inmate self-esteem and better prepare inmates for return to the community as law abiding citizens. Greater attention must be given to rehabilitation of youthful offenders. The budget proposes important steps in this direction.

Citizens must have confidence that tax dollars are not being wasted. The budget incorporates many changes aimed at tightening up government spending. Some of the savings are:

	Amount Saved
1. Combination of law enforcement agencies	\$2,966,762
2. Combine administration of professional regulatory groups	2,390,721
3. Combine Civil Defense & National Guard	100,000
4. End duplication of insurance policies	411,195
5. Follow legal practices in use of state vehicles	200,000
6. Increased use of motor pool (less rental of vehicles)	3,074,611
7. Combine Highway Safety with Transportation Department	<u>87,022</u>
Total	\$9,230,311

Changes proposed which should improve the level of government services include restructuring the Department of Commerce to better focus its activities on economic development, pay increases based on merit for state employees and moving the ad valorem staff from the Tax Commission to the Board of Equalization to assist in further property tax reform.

The State Board of Equalization has made important strides during the past year in promoting equitable treatment to property taxpayers both across county lines and within counties. There is, however, a limit to what can be accomplished through action of the Equalization Board.

Much research has been done by the Legislature during the interim in the area of property tax reform. I commend you for working with the House and Senate to enact sound proposals into law.

As a matter of tax justice, the state must take an active role in guaranteeing equal treatment to all property taxpayers by providing oversight of the assessment process. It should remain to the individual voters to determine the level of property taxes that they wish to impose on themselves. The State should make no attempt to increase overall property taxes in the name of reform.

Improved productivity through managerial excellence in our State workforce is a primary goal of this administration. I am proud to report the implementation this year of both an executive development program and a certified public manager program aimed at improving the productivity and professionalism of the employees of the State.

Seminars for achieving executive excellence are aimed at sharpening the skills of our agency directors and administrative staff.

The certified Public Manager requires state employees who participate to learn or improve management skills, complete job-related projects and be tested on their ability to serve the state productively and professionally.

Employees whose personal problems impede their ability to work are less than totally productive. As part of our program to achieve excellence in state services, we have expanded the Employee Assistance Program (EAP) for employees of the State of Oklahoma. The EAP directs troubled employees to seek help for their personal problems.

The budget proposes the appropriation of slightly over a hundred million dollars of new funds for education. Forty million dollars consists of one-time enrichment funds – twenty million dollars for higher education and twenty million dollars for primary and secondary education.

The twenty-million-dollar increase for higher education funding is intended to be matched by private funds. Optimistically, these state funds will result in a total of sixty million dollars to be used to support university chairs.

In addition, we are proposing a twenty million dollar increase in state appropriations predicated upon action of the State Regents to cause a tuition increase. At the discretion of the Regents, the capital equipment needs of higher education can be partially met with funds from the equipment leasing program of the Oklahoma Development Authority. Also funding is proposed to retain and attract the nation's brightest high school graduates to the state.

Dr. John Folks, Superintendent of Public Instruction, has prepared and disseminated a document entitled "Our Children's Future: Programs for Progress". It proposes many excellent and far-ranging improvements in Oklahoma's educational system. With a few minor reservations, I strongly support Dr. Folks' proposals and urge that, where necessary, they receive prompt approval by the House and Senate.

Particularly important is the proposal to add special weights in the funding formula for academic scholars. Oklahoma must provide financial incentives for school districts to emphasize the basics. While it is impossible to immediately fully fund the entire package, we must make a start. Funds for this purpose should be made available as promptly as possible by both state and local authorities.

A total of sixty-three million dollar of new money is made available for primary and secondary education in this budget. Thirty-five million dollars will be distributed through the formula, with an additional eight million dollars made available for a mid-term adjustment. It is anticipated that most of these funds will go to teachers' salaries. It should be Oklahoma's policy that educators will be well-paid so long as their students are well educated.

Twenty million dollars of one-time funds are proposed for primary and secondary education. This money is intended to support competitive demonstration programs aimed at coping with problems resulting from the socio-economic changes which are underway in our state.

These problems relate to the need for schools to better fit their schedules to the needs of families where both parents are working as well as to single-parent families. Demonstration programs which prove to be successful can be adopted when applicable systemwide.

We must make our schools and playgrounds drug-free, find ways to improve the performance of low achievers and dropouts, and reduce teenage pregnancies (where Oklahoma's record is one of the worst in the country). Given the resources, I am confident that the leaders in the Oklahoma Educational System will be able to develop programs and demonstrate methods needed to solve these pressing problems, statewide.

In addition to the proposals made by Dr. Folks, I strongly urge the Legislature to enact a "no pass, no play" provision for extracurricular activities. Such a policy would help put the educational emphasis where it belongs – on academic excellence.

One of the legacies of the recent economic recession is a loss of self-confidence which is reflecting negatively on our state. Planning is underway for a statewide "Oklahoma Reunion 89" to be funded through the Department of Commerce and operated by a statewide commission created jointly by legislative leaders and the executive branch.

This reunion is intended to provide an opportunity for every Oklahoma community to identify individuals, events or characteristics of which it is proud. Matching funds are provided to promote attributes of our state's communities.

We should be reminded that policies which create good jobs produce better incomes and richer lives for our citizens and incidentally more tax revenues to pay the costs of providing needed services. Conversely, policies which produce a weak economy mean fewer jobs, more demand for limited services and increased costs of government. A strong economy increasingly depends upon the full development of our human resources. Funds are provided for increased emphasis on eliminating illiteracy, for cost-of-living increases in AFDC as well as making two-parent families eligible for AFDC on a limited basis, for improved pre-natal services to those affected by domestic violence, for expanded AIDS education, for retraining displaced oil and agricultural workers, for rehabilitating and retraining youthful offenders and substance abusers.

In addition, funds are provided for partially restoring the elderly deduction and for eliminating income tax reporting requirements for the low income segment of our population. Several proposals are made to improve the business climate in Oklahoma. These include:

- strengthening and fully funding the Ethics Commission to improve public confidence in government
- reforming the income tax system by reducing the seventeen percent rate to ten percent to make Oklahoma more attractive to investors
- the creation of a business assistance center and an energy marketing office in the Department of Commerce
- safety consultation through the Department of Labor to further reduce the accident rate and help bring down workers' compensation costs
- the establishment of a medical board for the Workers' Compensation Court

- expanded agricultural products marketing programs
- funds to help make Oklahoma brucellosis-free by 1993
- funds to support Oklahoma economic development offices in five foreign countries
- tort reform
- funds for a community physician program
- additional funds to improve the cultural characteristics of our State

Steps need to be taken to make venture capital more available in our state. In addition, there is need for improved technology and transfer and a closer alliance between universities and the private sector.

Considerable progress has been made in implementing the provisions of HB 1444 (Economic Development Act of 1987). State Questions 605 and 606 are an important part of this initiative. They require approval by vote of the citizens of the state. At the present time, this vote is set to occur on March 8, Super Tuesday. Two other state issues as well as presidential primary choices are to be decided on that date.

In discussion with legislative leaders, I believe there is agreement that the vote on State Questions 605 and 606 should be delayed until the Primary Election on August 23. This will avoid the confusion which is likely to come from the presidential primary debate and the presence on the ballot of other issues which are not directly related to the State's economic development.

As Oklahoma prepares to enter its second century, it is appropriate that goals be established to guide our efforts. Let's resolve to make Oklahoma a State of Excellence:

1. Where there is a satisfying job and suitable shelter for every citizen;
2. Where homes and communities are safe from crime and violence;
3. Where all parents support their children financially and emotionally;
4. Where public assistance is a temporary condition for those who need a hand up while preparing themselves to live productive, self-supporting lives;
5. Where schools and playgrounds are free of drugs and other dangerous substances;
6. Where Oklahoma's brightest scholars and teachers choose to remain and make their contributions;

7. Where our educational system is renowned for its excellence and for its ability to produce productive, high motivated citizens in the workplace and in society;
8. Where a high standard of ethics makes public service a respected and honored professions;
9. Where business and industries thrive in the nation's finest economic climate
10. Where equality of opportunity and respect for human rights is a fact and not a platitude;
11. Where Oklahoma is recognized as the nation's transportation and communication hub;
12. Where Oklahoma is a place for *people to come to rather than to pass through*;
13. Where the phrase "Oklahoma is OK" is not good enough. Excellence must become our hallmark.
14. Where our friends in the media have much more good news than bad news to report and where they are as eager to report one as they are the other.

Oklahoma government seems now to be close to proper balance between the costs of governmental services and the need for private citizens to retain and enjoy the fruits of their labor.

I sense that pride and confidence are returning to Oklahoma. These legislative and budget proposals are intended to hasten that return.

Again, I commend the Legislature for the leadership and courage it exhibited in meeting the serious crisis which our state faced a year ago. There is ample evidence of the wisdom of the decisions made at that time, but the job is not finished. There is reason for optimism that the recovery our state has experienced in recent months will continue. This budget and these legislative proposals are intended to hasten progress. Your views are respected and your leadership continues to be essential.

The State of the State is excellent for most Oklahomans. We must work together to make it excellent for all!"

Upon motion of Senator Luton, the Joint Session was ordered dissolved at the hour of 2:25 p.m.



## **About Digitizing the Governors' State of the State Addresses**

Section 9, Article 6 of the Constitution of Oklahoma provides as follows:

“At every session of the Legislature, and immediately upon its organization, the Governor shall communicate by message, delivered to joint session of the two houses, upon the condition of the State; and shall recommend such matters to the Legislature as he shall judge expedient.”

From statehood in 1907 to present, the state of the state addresses of Oklahoma's Governors have been recorded in pamphlets, booklets, and Senate Journals. One could not foresee the toll that time would take on the earliest of these documents. When these items first arrived at the Oklahoma State Archives, the leather bindings had dried considerably, cracking the spines significantly. Due to the acidity in the paper, many pages have darkened with age. Some of the more brittle pamphlets crumble at the slightest touch.

Thus when we decided to digitize these materials, we faced two challenges: the safety of the original documents and ease of viewing/reading for patrons. Our primary objective was that the unique and historic qualities of the documents should be reflected in the website. However, older fonts would not digitize clearly when scanned and even using a flatbed scanner could cause the bindings to worsen. An image of each page would increase download time considerably and any hand-written remarks or crooked pages could be lost. We decided to retype each document with every period, comma, and misspelled word to maintain the integrity of the document while placing some unique images of the documents online. Patrons can download the addresses quicker and view them clearer as well as save, print, and zoom with the Adobe Acrobat Reader. We have learned much from our efforts and we hope that our patrons are better served in their research on the state of the state addresses of Oklahoma's Governors.