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Roy Romer
Governor

STATE OF THE STATE

COLORADO GOVERNOR ROY ROMER
JANUARY 12, 1995

As we gather today, we have every reason to be proud of what we've accomplished and optimistic about our future.

By every economic measure, the state of our state is good. Colorado's economy is strong. Job growth and housing starts are above the national average. Vacancy rates and unemployment continue downward.

Eight years ago, we made it our mission to restore economic growth and to diversify our economy. We have done that job well.

But as Governor, it is my responsibility to point out that on the horizon we see demands for state services that will outpace revenues.

I know that Senator Norton laid the problem out in his speech on Monday. I want to join him in raising this concern.

This problem is not immediate. But it is imminent.

Therefore, I want to have a frank discussion about some tough choices we need to make.

CRIMINAL JUSTICE

A primary responsibility of government is to keep citizens safe. We have worked hard to fulfill this duty.

Since 1987, we have tripled prison capacity, strengthened our death penalty, outlawed guns in the hands of kids, and created a tough, disciplined Youthful Offender System.

Still, too many Coloradans live with the fear that they or someone they care about will be struck by random violence.

Coloradans are frustrated with a sentencing structure that allows violent criminals to serve only a fraction of their sentences.

Last summer, I proposed that violent criminals be required to serve 100 percent of their sentence, with no early release. I urge you to do that this session.

I also support tougher enforcement of the death penalty, including an amendment so that our Constitution cannot be construed to be more restrictive than the U.S. Constitution in death penalty cases.

I also suggest we do a better job of helping local law enforcement officials apprehend violent fugitives, and strengthen our domestic violence and child abuse laws. These proposals are described more fully in my agenda.

But being tough on crime means more prisons. Both the Department of Corrections and your Legislative Council agree we're looking at a dramatic increase even above the levels projected last year.

If we build what these projections suggest, we will have a total of 15,000 beds by 2001. That level of construction will reduce our surplus in the General Fund from \$277 million this year to \$50-\$100 million in the hole by 1998.

I regret that prison costs are consuming a larger percentage of our state budget. This is a tough choice, but we must live up to our commitment to keep criminals, especially violent criminals, off the streets.

To reduce the impact of prison costs on the budget, I have directed the Department of Corrections to explore alternative punishment for non-violent offenders, including making Community Corrections more efficient.

Our goal should be to reduce this growth as much as we can without compromising safety. If we can save 10 percent -- or 1,500 beds -- we will save \$95 million in construction costs and up to \$30 million in operating costs per year. I will work with you to get this done.

TRANSPORTATION

Let me lay out a second item of concern, and that is how we budget for transportation and highways.

As we grow, we are placing more and more demands on a transportation system that is inadequate and outdated.

For the past two years, we have been working with local officials and citizens across the state to develop a Statewide Transportation Plan.

But let me be blunt. We do not have the money to provide for the transportation system outlined in that plan. While highway use has gone up, revenues have gone down -- largely as a result of decreases in federal funding and improved automobile gas mileage. Pending cuts at the federal level will only make this worse.

You can do the math as easily as I can. This report identifies \$24 billion in needs over the next 20 years. Right now, we project only \$4 billion in revenue over that same period. Optimistically, that still leaves us short by nearly one-half a billion dollars each year.

There are only three ways to solve this problem. One, we can ignore the plan that we have developed with local communities and hope for the best;

Two, we can cut from other state programs; or

Three, we can find more funds.

The answer may be to do a bit of each of these. Again, I will work with you to find a solution before the session is out.

WELFARE REFORM

One part of the solution is to make sure we save money where we can in other programs. We've been able to do this, for instance, in reforming our welfare system and expanding child support enforcement.

Over the past two years, we've returned nearly \$6 million to the treasury because our welfare rolls actually have gone down, even as our population has grown. Obviously we're doing something right.

Today, Colorado is the only state to permanently cut off welfare benefits after two years for adults who refuse to seek work or job training.

This program began as a pilot in five counties. We hope to get more flexibility from the federal government to do more and expand elements of this program faster.

This session, we should implement additional reforms that focus on teen pregnancy.

We should no longer pay for teen moms to drop out of school. We will require, as a condition for assistance, that teen-age parents:

- stay enrolled in high school or work toward completion of a GED;
- participate in the JOBS program;
- live in a safe, nurturing environment;
- attend parenting classes; and
- participate in counseling to avoid subsequent pregnancies.

MAKING GOVERNMENT WORK

Another part of the solution to relieve budget pressures is to make sure that we run government as efficiently as possible.

We have run a frugal government in Colorado. We have lived under a balanced budget as well as statutory, and now constitutional, spending limits. Even though personal income and state population have grown by double digits, with the exception of prisons, schools and Medicaid, we have kept state spending constant for the past 10 years, rising only with inflation.

Frankly, the federal government could learn from us about how to balance a budget.

To continue to run a frugal government, we must constantly strive to do more with less.

We're doing some good things. We've saved \$7.5 million this year by cutting management and bureaucracy in the Department of Transportation.

We saved \$5 million by doing the same thing at the new Department of Human Services. Over the next two years, we will cut an additional \$5 million from this department by merging programs and eliminating duplication.

Of course, this isn't just about saving money. It's also about providing better customer service. For example, we have established express drivers' license renewal offices in shopping malls which are open during store hours, not government hours.

We also have changed from a written application for unemployment claims to a centralized telephone system, saving \$5 million and providing prompter service.

Our goal is to be smaller but more effective, efficient, convenient and accessible.

I have directed each department to continue to identify additional reforms and savings.

As we proceed, we will seek advice from the private sector, and we will work closely with the Legislature.

In addition, I propose we merge the departments of Personnel and Administration into a single department, avoiding duplication and initially saving us at least one-half million dollars.

I also propose we explore the use of the lottery computer network and retail sites -- like 7-Eleven stores -- to provide state services, such as drivers' licenses or hunting and fishing licenses.

And we are proposing to dramatically change our income tax collection system to give the taxpayer convenient choices.

We think we can eventually eliminate income tax filing requirements for almost half of Colorado taxpayers.

RELATIONSHIP TO FEDERAL GOVERNMENT

We've been talking about saving money and making government work. But we can't have this conversation without considering our relationship with the federal government. I agree with Speaker Berry that we need to confront this. Let's really look at what is happening.

There is a steamroller moving through Washington to pass the balanced budget amendment. The new leadership is telling all of us that this simple act will solve all of America's fiscal problems -- that we can have a balanced budget with no pain.

They're wrong. Let's tell the truth. There will be pain. It can't be done otherwise. They tried it in 1980. It didn't work. They only did the easy stuff. And national debt quadrupled to \$4 trillion.

We as state leaders and all of us as citizens of this country, cannot allow the federal government to pass the costs of a balanced budget amendment onto the states.

As a nation, we must get our fiscal house in order. But states -- including Colorado -- must insist that the debate over a balanced budget amendment be honest, and that Congress make a commitment not to simply pass the burden to states in the form of the mother of all unfunded mandates.

If we think we have a fiscal bind because of prison and highway construction, we haven't seen anything like what will happen if we let the federal government act irresponsibly on fiscal policy. The federal resources on which we now rely may simply disappear.

The federal government must be honest with the American people. Let's hold their feet to the fire, as our constituents have done to us for years. This is not a Republican or Democratic issue; it's not an issue of left or right. It's a Colorado issue, and it goes to the core of our ability to shape our own future.

We've discussed better ways to "manage" state government. But if that's all we do, we will not have really done our job.

We need to discuss what we want this state to be like 50 years from now. I know we have immediate decisions to make in this legislative session, and we'll make those decisions. But I think the most important challenge we face is to arrive at a consensus as a people about what we want this state to become, and then to make strategic decisions about how we make that happen.

First, let's ask the question: can we shape our own future, or is it predestined? I think most all of us come down on the side that we truly can shape history. We can make a difference. Otherwise, we wouldn't be here.

I think we've seen this in the way this country has unfolded in the last 200 years. It represents the values of a diverse people.

I think Colorado has been shaped by some deliberate decisions of people who preceded us. They taught us that we can get hold of the forces that will shape Colorado in the future. Can we make a positive difference? I say absolutely "yes."

The next question is how high should we reach? What kind of expectations should we have? I answer this question as follows: We should expect Colorado to be the best place in America to live, to raise a child, to enjoy a full and rewarding life. There is no reason we should not expect this from this state.

I said in my Inaugural Address that we have more going for us than any other place in the country. We're central to the North American continent. We have the greatest beauty. We have one of the best economies. We have intelligent, skilled people. And we have a lifestyle that is the envy of the nation.

We're a young state that is not caught in a set of traditions that it cannot change.

In short, we're a gifted place. We're a blessed place. With that comes an obligation to use what we've been given, to seek a higher level of achievement than any people in this country.

In my Inaugural Address, I said we should make Colorado the best place in America for a family to raise a child, and that we should preserve the beauty of this place by making growth work for us, not against us.

I spoke about a Colorado that reached further and higher than any other state. I spoke about not taking the safe road, but the right road; not governing for the short term, but for the long term.

Is this what we're doing?

Right now in Colorado, we have more square footage dedicated to prisons than to higher education.

And right now in Colorado, we have more adults in prison than we have children in Head Start.

That is not good enough.

The question we must answer is this:

Can we fill a child's mind and a child's soul as well as we can fill a pothole or a prison cell?

Can we educate a promising young person as effectively as we can incarcerate a threatening one?

How we answer these questions is the true measure of our reach as a people. How we answer will set the course for our future.

Therefore, I as a governor, you as legislators, and all of the citizens of Colorado should be focused upon what we can do to take care of our people and take care of this place.

If that's the Colorado agenda, then there are two parallel tracks which lead there and we need to take them both. One is to develop our human potential, and

the other is to keep the beauty and quality of this place.

HUMAN POTENTIAL

Let's consider the first track -- how well we develop the human potential.

We ought to think about it in economic terms. All good economists know that the strong economies of the future will go to those people with the highest skill levels and knowledge. It is just inevitable.

To achieve this end, let's go to the beginning. The early childhood years are the most formative years of one's life -- when children learn how people should treat each other, when they develop a sense of who they are and what they can contribute to the world, and when they internalize a set of social and moral values that will guide their behavior through adulthood.

We need to take a whole new look at how to strengthen families and improve early childhood. Whether you are the most conservative Republican, the most liberal Democrat -- whether you participate in a religious community or not -- I believe that we can find common ground.

I think we can agree that it's wrong to bring children into a world where you don't intend to emotionally and financially care for them. It's wrong to allow children to grow up in ignorance. It's wrong for a state that has so many riches to deny children access to a healthy body, a stimulated mind, and a nurturing home.

This early childhood agenda must be a "shared agenda" -- not just a government agenda.

It must be based locally in every community in this state. We need to create a campaign in Colorado, which I will call "Bright Beginnings." This campaign will reach out to every community in the state and say that the people and organizations of that community ought to commit to a common agenda to focus upon and care about the life of the early child.

It should include churches and synagogues, businesses, service clubs, parents, schools, media and all who are concerned about children.

The needs of the early child are basic: to be cared for, to be nurtured, to receive good health care, to receive

good child care, to receive quality pre-school education. Most of all, to receive good parenting.

Local efforts should begin by focusing on how parenting occurs in their community. It could begin to refocus that community's attention on how important it is for adults to spend time with children. It could focus on the whole range of problems that affect the welfare of families and children.

State government is not the major part of the answer, but it does have a role in bringing assistance to this kind of statewide Bright Beginnings campaign. I propose that we expand the successful Youth Crime and Prevention and Intervention program, which has done an excellent job with its initial \$3.6 million dollars of grants. I suggest that we add an additional \$3 million to be used exclusively to support these local early childhood community efforts.

Further, I propose that we expand family literacy programs in this state. My wife, Bea, has worked hard on this issue, and we must continue these efforts. That's why I support the bill by Representatives Kerns and Keller to do this.

I also propose that we establish a business roundtable on child care; that we automate the licensing files of child care facilities to make that information available to parents looking for quality child care; that we find ways to extend parent education and child care to all Colorado teen parents; and that we boost the child support collection efforts of this state.

I also suggest we create a joint effort to study fatherhood issues. We need to understand and address why some fathers aren't more involved in the lives of their children and in supporting their families.

We should expand the Colorado Preschool Program from 4,500 to 6,500 this year, and allow three-year-olds to enroll. We should ensure that families remain safe by combating domestic violence and child abuse. We should address the particularly difficult issues of homeless and runaway youth.

All of these should be a part of this movement of Bright Beginnings. In simple terms, if we could get every adult in this state to focus 30 minutes of each day on the life of a child, we would have a revolutionary effect in the quality of what Colorado is to become.

Now, I understand that this is not an easy agenda, because the investment in a three-year-old may not produce tangible economic benefits in the market place

for 20 to 25 years. But it is absolutely an investment that makes sense.

Any of us who have had close contact with the lives of young children know that if we don't get at the nurturing of those minds, hearts, and souls in the first few years of life, we may have lost them forever.

The nurturing is not just intellectual or problem solving. It's a nurturing of values, personal character, of what kind of attributes and beliefs we bring to the world we live in. Government, of course, should not dictate these values.

But government should nurture communities in which families, churches and other organizations help bring to a young child the cumulative wisdom of the ages as to what is a moral life and a person of good character. I don't think anything else we do matters as much as this.

EDUCATION AND LIFE-LONG LEARNING

It's obvious that we need to start with the early child. But if we're truly committed to higher skills and knowledge, we also must focus on what is happening in the K-12 system and how we can make it better.

Do we believe that Colorado's public schools are doing well or do we believe that they're failing? My view is that we're doing a little better than the average state in the nation, but that is not nearly good enough. Too many of our students do not have the skills and knowledge they need to compete and succeed in the world.

While we ought to praise those schools that are exceptional, we need to improve the productivity and results of the entire public system.

Our first step toward this goal is to maintain our commitment to clear, rigorous standards for student performance. We won't improve education until we agree on what we expect students to learn in subjects like math and science.

Standards improve results. Look at districts like Greeley, Loveland and Harrison that have worked hard to adopt clear standards in basic subject areas and have seen student test scores increase as a result.

We were right to start the state standards efforts. As a Legislature, you showed foresight and wisdom. I ask you to stay the course.

Second, by raising expectations for students, we also are raising expectations for the entire public school system and for every teacher. To do this, I propose the state invest in challenge grants to school districts that design the most innovative plans for raising the skills of their teachers.

Third, we've got to find a way to get more innovation and creative ideas working in the system. We should support and expand charter schools.

In addition, we ought to work to deregulate public schools and hold the system accountable for achieving results -- for meeting standards -- not just for following rules.

I want to work with you this session to abolish state rules and regulations that do not support our goals of student achievement, implementation of standards, or student safety. My "Strategic Agenda" describes my proposals in detail.

But changing the institution of public schools is not enough. We will not raise the performance of all students without a greater involvement from parents and community. Schools cannot do it alone.

Therefore, I challenge every parent to get involved in their child's school. And I challenge every school district to find ways to make use of those parents' time.

A major obstacle to student learning is discipline in the schools. If you have more adults in school buildings, you will have more kids paying attention to how they behave.

There is no way kids can learn if they are fearful or the classroom is unruly. We simply need to bring greater discipline and order to the classroom. We need to enforce the tough expulsion law we passed last session, and we need to make sure that expelled kids have alternatives available. I will have outlined a proposal in my agenda which I urge you to support.

Next, higher education. Our most pressing challenge in higher education is to plan for the 22 percent increase in enrollment predicted for the next five years.

To do this, we have to make sure that our colleges and universities operate as efficiently as possible so that we can keep higher education affordable to our citizens.

We also should take steps to ensure that Colorado students can get a four-year college degree in four years.

And we need to continue asking the question, "What is quality in higher education and how do you measure it?" Quality depends on good teaching, not just on good research. We need to reward quality research. But we should remember that most Colorado students are looking for a good teacher.

Finally, a college education remains a great investment, but for many young people it is not the right choice. These Coloradans won't be left behind if our schools work with the private sector and with higher education to train them to get good jobs.

We need to make sure every student graduates with the skills, knowledge and experience to get those jobs.

I have asked Lieutenant Governor Gail Schoettler to take the reins of this "school-to-work" effort in Colorado and provide the direction to see that we develop the program adequately.

School-to-work is important, but learning doesn't stop once you get a job. Today's labor markets require more training and lifelong learning. We have established a Workforce Training Coordinating Council in Colorado to improve job training services for those already in the work place. We need to create opportunities for our citizens to receive skills assessments, worker training and job placement in Colorado.

QUALITY GROWTH

The second track we must follow, in addition to developing our human potential, is to take care of this place and to make growth work for us, not against us.

Some of you may doubt whether or this is a part of your work. Let me make this simple appeal -- we in Colorado need to get together, community-by-community, and make collective decisions about how we want to grow. Let us work together to make our growth quality and preserve what is so special about Colorado -- our beauty and our quality of life. Let us direct growth, not let growth direct us.

Let me tell you why this is important. As I grew up, California was the state with the most promise, the best economy and greatest beauty.

We know what happened there -- wall-to-wall growth that ruined the dream.

Let me put this question to you: Do you want to have that kind of growth from Fort Collins to Colorado Springs? Or along the I-70 corridor?

Now I ask you the next question -- will the free market system prevent this kind of growth from happening? It didn't in L.A.

Growth is an issue. We can deal with it either through action or inaction. It must be a part of our agenda because only our collective decisions can direct how we grow.

I am appealing to you to join with us to empower local communities to make rational and strategic decisions about growth.

I will be holding a Smart Growth and Development Summit later this month and I ask all of you to attend and participate.

Let me say, growth is primarily a decision of localities. We need to be able to give local communities the tools they need to enable them to make decisions about their own future.

One of those tools is Great Outdoors Colorado, which directs lottery money to projects to preserve our natural environment.

We can make fundamental decisions to keep the beauty of Colorado, to keep the open spaces of Colorado, to keep the livability of Colorado, the beautiful peaks, the parks, the trails. We can create that kind of a state.

But it ought to come from the people of Colorado and from the bottom-up. We ought to have the people of Colorado help us decide where the transportation corridors are located, where to direct growth, how to space growth, and how their communities should develop.

Finally, we must sustain ranch and farm land in Colorado, not just for the economic diversity it brings, but also because it maintains open space between communities.

And we need to make these decisions wisely, to make them fairly, and honor two fundamental principles -- local decisions and the protection of private property rights.

We can do that.

By planning locally and regionally for the long-term, we also can solve some of our most pressing environmental problems. For instance, I support the effort -- led by

local officials and mayors here in the Denver area -- to develop a truly comprehensive, long-range plan to improve air quality. As state officials, we need to do everything in our power to support such local solutions.

But keeping our place and making growth work for us involves more than just community vision. It requires us to make the right investments in infrastructure so that we can take full advantage of this place.

TELECOMMUNICATIONS

I spoke earlier about the challenge we face in transportation. We face tremendous opportunities in telecommunications.

The changes we are witnessing in telecommunications will impact every aspect of our lives.

Rapidly advancing technology has led to competition that will revolutionize telecommunications, information and entertainment. If we are smart, this competition can greatly benefit Colorado, as Senator Feeley has pointed out.

Of particular importance is the convergence between telephone, cable, wireless and computer services. We must carefully examine the impacts of this convergence to ensure that changes benefit all the citizens of Colorado. We must not allow the state to become divided into information haves and have nots, and we must not allow rural Colorado to be left behind.

This should be a collaborative process between telecommunication providers and users of their services.

We have made a good start. Last year we held a statewide summit and the Cassidy Report has been completed.

With these efforts we now know that telecommunication linkages throughout the state are vital to our economic future -- and now is the time to turn our attention to the hard questions of how to get there.

I propose we direct the Colorado Public Utilities Commission to take three specific steps to make that happen: First, they should define what constitutes basic telephone service.

Second, they should identify how that service will be made affordable for every Coloradan.

And third, they should identify the best way we can make access to service universal, so that every Coloradan has the opportunity to access the full range of services and technology.

Some have said that, if we reform welfare, build prisons, crack down on crime, cut government and cut taxes, we will have done our work.

Those may be important things to do, and I have included many of them in my agenda and in this speech.

But let me say again -- if that is all we do, we will not secure the kind of future that Colorado deserves and can have.

We must do more than reach for the lowest common denominator. People are frustrated not so much because they think government is too big, though that is part of it.

But I think, at the very core, the American people and the people of Colorado are frustrated and worried because government isn't solving problems.

They see a world that is rapidly changing, and they worry that they won't have the skills to compete. They worry that their children won't be able to live the kind of life they themselves have been able to live.

We must do more than respond to people's fears. We have to respond to their hopes and dreams. We have to respond to their potential.

As leaders, we can help inspire the people of Colorado to reach for the greatness that is within each of them. I have said there are two tracks we must follow simultaneously to do this -- to develop our human potential and to preserve the beauty of this place.

Those two tracks lead to a future that is prosperous and bright and full of hope and promise for our people and for our children. But we have to follow these paths -- we have to take the steps to get there, because as blessed as this place is, a good future won't just come to us.

For my part, I will do everything in my power to move this state down these two paths in my last four years here. I ask you to join me in that journey. Together, we can create that future and help this state and our people reach higher than any people have ever reached before.