two years from the date of conviction. No part of the fines provided in this section may be suspended."

SECTION 3. This act takes effect upon approval by the Governor.
Amend title to conform.

/s/James M. Waddell, Jr.          /s/Eugene D. Foxworth, Jr
/s/John Drummond                  /s/H. E. Pearce, Jr.
/s/Glenn F. McConnell             /s/Fred L. Day

Rep. FOXWORTH explained the Conference Report.

The report was adopted and a message was ordered sent to the Senate accordingly.

HOUSE RECEDES

On motion of Rep. L. MARTIN the House receded until 6:45 P.M.

THE HOUSE RESUMES

At 6:45 P.M. the House resumed, the SPEAKER in the Chair.

HOUSE STANDS AT EASE

The House stood at ease subject to the Call of the Chair.

JOINT ASSEMBLY

At 6:59 P.M. the Senate appeared in the Hall of the House.

The President of the Senate called the Joint Assembly to order and announced that it had convened under the terms of a Concurrent Resolution adopted by both Houses.


Governor Campbell was escorted to the rostrum by Senators Waddell, Long, Applegate and Fielding and Reps. T.M. BURRISS, BEASLEY and WHITE.

The PRESIDENT introduced Governor Campbell who then addressed the Joint Assembly as follows:

ADDRESS BY GOVERNOR CARROLL A. CAMPBELL
STATE OF THE STATE ADDRESS
BEFORE A JOINT SESSION OF THE
107TH GENERAL ASSEMBLY OF SOUTH CAROLINA COLUMBIA, JANUARY 20, 1988

"Mr. President, Mr. Speaker, members of the Joint Assembly, ladies and gentlemen, I appreciate the opportunity to be here once again to offer my analysis of the State of the State of South Carolina. I want to discuss for the next few minutes where we've come from, where we are and where we're going.

I first want to thank you -- the Members of the General Assembly -- for your kindness and courtesy extended to my family, who are seated in the balcony, and to me during our first year in office. That particularly applies to a gentleman who has served this State with honor for nearly half a century. Senator Dennis, we love you,
we missed you and we're glad to see you here tonight. God bless you.

I came to you last year with a set of goals which I felt we shared to keep South Carolina moving forward. I said we couldn't do everything in one year and we didn't. But we got a good start.

Let's look back for just a moment to 1987. To me, the major events weren't necessarily those that made the year-in-review sections in the papers.

I remember a little six year old friend I made while visiting an elementary school in Barnwell County. He couldn't afford a new greeting card, but he wanted to say hello, so he took an old Christmas card a finance company had sent his parents and he marked it out and doctoried it up with simple words of love. I'll never forget that card and the little boy who gave it to me.

And I remember the volunteers in the schools, hospitals, nursing homes...any place where a need existed in South Carolina. Christmas 1987 will be a vivid memory in my mind because of the volunteers I met at the Providence Home here in Columbia who were handing out toys and food to the poor.

But the spirit of giving is not confined to the Christmas season in South Carolina. The recent snow and ice storm that hit our State with bone-chilling temperatures was no match for the warmth of human compassion that poured out across this State. In Duncan, South Carolina, one of the hardest hit areas, I met church members and truck drivers and National Guardsmen and other volunteers who were there to help people in distress. Their willingness to endure hardship to lessen the hardship of others literally saved lives all across South Carolina. This happened in every part of our State, ladies and gentlemen, and they deserve the thanks of all of us here tonight.

In looking back at my first year as the Governor of this State there have been a lot of emotional ups and downs. I recall the surge of excitement when informed last month that a Jewish family that I and some others had been trying to help had been given permission to emigrate from the Soviet Union to Israel. And I recall the disappointment when notified that a young man from Marion County had died despite the State's efforts to fly him to Nebraska for a liver transplant.

I remember well those ten legislators who each pledged ten thousand dollars of their personal money to guarantee that emergency flight.

The first grader...the volunteers...the generous legislators all represent South Carolina, ladies and gentlemen. Our State cannot be portrayed adequately by the top news stories of the hour or of the day. If you really want to know about South Carolina, you'll have to look where the cameras aren't. It is there where you will find quiet people in little places doing extraordinary things. I don't think the "me generation" ever made it to South Carolina and that makes us a truly unique place in this country.

William Faulkner could have been talking about South Carolina when he said these words in 1950: "I believe that man will not merely endure: He will prevail, he is immortal, not because he alone among creatures has an inexhaustible voice, but because he has a soul, a spirit capable of compassion and sacrifice and endurance."

South Carolina will not endure through loud voices and empty words, but through compassion and sacrifice and vision.

I come to you tonight with a continuing vision which we shared last year. I first want to reaffirm that our primary thrust in government must be jobs for our people and education to prepare them for their jobs.

I am pleased to report extraordinary success in economic development. Total capital investment for 1987 hit a five-year high of 2.3 billion dollars, creating directly a 22-year high of more than 22-thousand jobs. Foreign investment set an all-time record last year in our State. There were almost 68,000 more people working in
South Carolina at last report than there were a year ago. It was a pretty good year.

Some of this success can be attributed to the overall national and international economy. But I know for a fact we got most of the new jobs because of hard work, smart, smart lawmaking in the General Assembly and great cooperation between local and State governments. Large companies don't choose to come to South Carolina by tossing a coin. Competition has been fierce. We scrapped and scraped and convinced a lot of people that South Carolina is the best State in the country to do business and that's why they came here.

I know from countless hours of negotiations with corporate executives that the action we took last year made a difference:
--We approved a lower corporate income tax rate, phasing down over two years;
--We extended the job tax credit statewide;
--We fashioned a ten million dollar set aside enabling us to tie new job creation directly to highway improvements.

These were important initiatives because they put us in a better competitive posture with other states.

By Executive Order I created the Council on Competitiveness to monitor our State's business climate and a Water Resources Coordinating Council to better leverage water and sewer funds.

The Business Assistance Office is now a reality to help entrepreneurs cut through the red tape while starting businesses.

And we did something else. In my office we worked with local government, and together we approved the investment of more than 11 million grant dollars on projects that eventually helped create 95 hundred new jobs throughout South Carolina. Twenty-six non-metropolitan counties benefitted and a majority of these 95 hundred jobs that were created went to lower income people in our State. That to me is the best program we can have, a job creation program. This was done with the complete cooperation of the local officials in these communities and working with many of you here in this General Assembly. I thank you for that cooperation.

By working together, we had a banner year. But there's a lot more to do.

South Carolina has established itself as one of the fastest growing industrial centers in the nation. With success, however, comes the insight that we must expand our horizons.

How many growth companies, for example, would consider us a major contender for a new corporate headquarters? We have no major urban center; no major airline hub; few financial incentives to lure them. How then are we going to compete, if we're going to grow? Inc. Magazine ranks South Carolina 14th in the nation for entrepreneurial business climate. Yet we have not approached our potential of developing nationally recognized companies within our borders.

Soon, I will send to you a legislative package containing five initiatives recommended by the Council on Competitiveness that will provide a more strategic direction in our economic development efforts for our State.

This package includes:

--A measure giving our rural counties a shot in the arm by expanding responsibilities of the Jobs-Economic Development Authority to finance water and sewer construction.

--A Bill offering financial incentives targeted toward recruitment of corporate and regional headquarters.
--A proposal providing initiatives to encourage a commercial airline to establish that badly needed regional hub in South Carolina.

--And I will send to you legislation which would stimulate creation of a 10-million dollar private, for-profit seed capital fund to generate high growth business and industry in our State.

The fifth proposal would fill a critical gap. We are at a disadvantage when it comes to trying to recruit very large companies, large capital intensive companies primarily because of relatively high industrial property tax rates. The Bill would give local governments the ability to negotiate fees in lieu of property taxes - but only for mega-companies willing to commit an initial capital investment of at least 100-million dollars.

I'm asking for one other thing. We need to restore the capital gains differential in our tax rates in South Carolina. Over time it does not cost us money, indeed it generates economic activity and revenue. And we're out of line because our 2.8 percent level jumped to seven percent, a massive increase that far surpassed the increase of the Federal Government.

I've long thought that economic development is the most humanitarian program government can be involved in. A government that cares about people creates opportunities for people. We can tell people we care about them all day long, but the words mean nothing if they can't find a job.

Our economic development strategy in South Carolina cannot be complete without agriculture and tourism. We have to do everything possible to help our farmers withstand the onslaughts of the marketplace. I have created a task force composed of some top business and agricultural experts to look at the future of farming and I've asked them to develop a strategic plan by September. Agriculture Commissioner Les Tindal has agreed to chair this panel.

Another important component of our economic base is tourism, our second largest industry in the State of South Carolina. I am pleased to report to you that the highway oversight committee is generally in agreement that the Myrtle Beach connector is the number one priority for the new highways in South Carolina.

The noted scientist, Wernher Von Braun, described earth as a solitary spaceship with billions of astronauts on board who are using up its resources without replacing them. That's a pretty good description of our beachfront management crisis in the State of South Carolina. You have the Blue Ribbon Committee's report and I ask you to deal firmly with this matter while we still have beachfronts to manage.

We all know the overall quality of life is part of economic development. Our State's cultural climate must continue to progress and I ask you to maintain our commitment to the arts, which includes funding the State Museum at a level that will allow it to open.

These proposals are important: They will build on the foundation that we laid last year. They will create opportunities for our people.

But there's another urgent matter facing us. Let me give you two statistics: one of every five South Carolinians has no more than an eighth grade education. Forty-three percent of our people over the age of 18 have not completed high school.

The consequences in human terms are staggering. There are tens of thousands of people whose only lifeline is constant dependency on a welfare system that is not only financially strapped, but personally dehumanizing.

There's another group of South Carolinians we don't talk about very much. A recent magazine article called them "the hidden poor". They're the people who have jobs, but because of limited education and job skills, have reached their limits of earning potential. They constantly live on the margins: working, paying taxes, providing for their families as best they can... but always one step away from financial disaster.
That's the human side; the economic side is equally troublesome. South Carolina is enjoying great success. Yet within the past year our state has lost opportunities because of the skill level of our work force. Let me give you two specific examples: a firm looked closely at one of our urban centers for its national research and development complex. But it went elsewhere primarily because of the quantity and quality of technical personnel available. In a rural community in our State, a major company did not expand an existing facility because of the high illiteracy rate in the surrounding area. Ladies and gentlemen, this is a problem our State must face.

Our challenge is to get ready for the future--to ensure that as new job opportunities arise, our work force is capable of filling them.

There are three basic problems with our adult literacy efforts. The first is funding. In the budget I presented to the Budget and Control Board, I recommended a million dollar increase for adult education and I ask you to approve it.

The second problem is a lack of statewide coordination and cooperation among the three basic providers of adult education services: The Department of Education, Technical Education and the Literacy Councils. In those areas of our State where the local providers choose to work together, they get things done. But that appears to be the exception and not the rule.

Third, there's a real problem with incentive. Many adults will not make the commitment to improve their basic skills unless they can see their efforts improving their standard of living. They care more about a good Job than a diploma. Sometimes I think we overlook that fact.

I am pleased to announce a program which more directly links adult training to jobs. It will not require legislation or state dollars.

I am creating by Executive Order the South Carolina Initiative On Work Force Excellence, which will solidify government and private business into a unified effort.

The strategy is simple. To focus our efforts on the work force, we've got to understand the educational skills that business and industry need. We must have a system which encourages them to tell us, and encourages those who need training to get it.

I will create a work force round table in each county composed of a broad spectrum of employers. We will use Federal JTPA money to place a work force specialist at each technical education facility in South Carolina. It will be the job of the specialist employed by Tec, along with the round table, to work with local employers in expanding work site basic skills training throughout the State of South Carolina. Under the guidance of the round table, the specialist will seek the cooperation of all literacy providers to forge a delivery program more effectively tying basic skills training directly to Jobs.

I call upon all literacy providers to pledge full support to this effort. We cannot afford turf battles because the problem is too urgent and the time is too short, ladies and gentlemen.

Education and economic development are inseparable. Education without job opportunity is folly; a good Job without education is impossible.

You have been presented with a proposed budget from the Budget and Control Board which will continue our push for excellence in public education. This budget more than doubles the General Fund increase for education; it fully funds the Education Finance Act; it raises school bus driver salaries because we need adult drivers; it buys new textbooks; it expands adult education. And it maintains the southeastern salary average for our teachers.
Your approval will again declare education the number one program and children the number one priority. This we can and we must do in this State.

This budget also recognizes that education doesn't stop at the 12th grade. Just as we must listen to the demands of the private sector regarding basic skills, so must we heed their demands for scientists and engineers and researchers. We haven't done a very good job of doing that in recent years, and post-secondary education has suffered.

We need to do two things: Raise the funding level for both technical and higher education to 91 percent of the formula and support a major research initiative for our universities. I call upon the General Assembly to fund The Cutting Edge at a level that will inspire new research and sustain existing research. We must continue our efforts to reach the southeastern average in higher education salaries.

I've heard some say the education proposals we've sent upstairs are too costly. To them I say if you think education is expensive, consider the cost of ignorance.

The social programs of the last three decades have failed because they were based on the premise that you improve people by improving society. That led to a welfare system that perpetuates poverty and dependency. You don't improve people by improving society; you improve society by giving people the opportunity to improve themselves through education and Jobs.

We're beginning to acknowledge this in South Carolina with the private sector working with Social Services under Jim Solomon to get people off the welfare rolls and on the payrolls through the work support program. Every able-bodied South Carolinian should be required to further his or her education or seek a Job in exchange for receiving public assistance.

In this regard I've been working with the Department of Social Services and Commission on Aging on what I think is a partial answer: A pilot program in which senior citizens staff day care centers for teenage mothers on welfare. These young mothers will be required to learn Job skills or get an education to break the poverty cycle.

What better way to help young mothers than provide the love and experience of our senior citizens for their children? This helps the mothers, children and society. And it takes advantage of a wonderful pool of senior citizens who have so much to offer, if only we give them the chance. An ancient Jewish proverb says: "For the ignorant, old age is as winter; for the learned, it is a harvest". We've ignored the talents of our senior citizens too long; it's high time we utilized one of our most valuable resources.

A major health issue we must face up to is AIDS. I don't have any better answers than anybody else, but I do know that like other states, South Carolina has to dig in for a long siege. I have recommended a package that, with Federal matching money included, contains about four million dollars for medical and education programs. Education and research are our best weapons in the fight against AIDS. And we have to make sure we have the tools to fight with.

Somebody once said, "When I approach a child, he inspires me in two ways: tenderness for what he is, and respect for what he may become."

Some children in South Carolina have never known the tenderness and respect of a loving family. They were born into poverty, reared in deprivation and educated in the streets. They are among the least of society, with no high-paid lobbying firm or powerful constituency to protect their interests.

I'm talking about the children at the Department of Youth Services and I want to say something as bluntly as I know how: Our juvenile justice system in South Carolina is a disgrace. And it needs to have something done about it. You have that opportunity.
We're locking up truants with violent offenders. I've heard some say we have to teach them a lesson. The truth is we're just teaching them how to be criminals. The fact that about one-third of the inmates on South Carolina's Death Row experienced our juvenile justice system speaks volumes about the problem.

I don't favor changing our truancy law or going soft on juvenile crime. But I do say there's still hope while they're young. I am recommending an additional four million dollars to increase supervision at Youth Services and fund three more marine and wilderness institutes. These institutes take non-violent kids out of the institution and put them in programs where they can learn responsibility and discipline and skills. It's proven to be cheaper for the taxpayers and more successful for the children.

You and I have the power to give these kids a chance to become productive citizens. We'll either deal with them now, or we'll deal with them later when they become wards of the State on welfare or in prison. I say let's deal with them now!

There's another group of people we've ignored in this State: Law Enforcement Officers, the men and women who put their lives on the line for ours every day. They give a lot to our State and don't ask for much in return. It's one of the most underpaid professions that there is. I ask the General Assembly to recognize their efforts by passing legislation giving them retirement benefits after 25 years of service. They deserve it and we ought to give it to them.

One of our big concerns continues to be drug abuse. I created a strategic council last year that coordinated strategy to reduce the usage and distribution of dangerous drugs. The good news is that we will distribute two and a third million dollars in Federal funds to fight drugs in South Carolina. The bad news is that most of these Federal funds will dry up next year.

We'll be back next year with too many needs and not enough money. Nevertheless we must continue taking the fight against drugs to the streets against the pushers, and to the classrooms, where drug education and prevention hold the key to success. That is our obligation and responsibility.

It's also our responsibility to get the drunks off the road in South Carolina, ladies and gentlemen. We've had an unspoken policy in this State that it's okay to threaten the lives of others if you're in a car and drunk. 1987 was the second worst year in history for highway safety in South Carolina, and much of the carnage is because of drunks, drugs and disdain for the law. The Highway Safety Bill contains more than 40 provisions which, taken together, represent a historical effort by our State. It is urgent that we send a clear signal that South Carolina is fed up with misuse of our highways and I implore you to give swift action to a Bill that will protect our people.

Safer highways not only affect the health of our people, they affect their pocketbooks as well. You can bet we'll never get a handle on automobile insurance rates without better driving habits.

So the driving public has a responsibility if car insurance rates are to be lowered for good drivers, but so do the General Assembly and Governor of South Carolina. I am here tonight to say we will not rest nor cease our efforts until we break the back of the automobile insurance crisis in this State.

We took a first step last year with the passage of Act 166, which shifted more of the insurance losses to the bad drivers who are producing them. The Bill unfortunately was watered down by more than two dozen amendments and - sadly - has yet to take effect. In fact the major provisions of this Act were delayed by the Legislature and won't take effect until July of this year - more than a year after I signed it.

Despite these shortcomings, however, some good drivers in South Carolina will experience a slight rate reduction.

But I said last year and again tonight that Act 166 won't solve a problem that has evolved since 1974, the last time the General Assembly seriously dealt with automobile insurance.
I want to say something directly to those South Carolinians listening tonight who have clean driving records and don't understand why their rates continue to spiral. Did you know that you will pay 73 dollars per year per car to prop up those who aren't as safety conscious as you? It's because the State has in essence declared auto insurance to be a right instead of a privilege, extending to any person with a license regardless of his or her capacity to behave responsibly on the highways. In other words, we have insurance welfare.

I want to ask the driving public another question: Did you know that more civil lawsuits were filed last year in South Carolina than any other year in history? Suing each other seems to be one of our favorite pastimes in this State. As a matter of fact, our rate of litigation is about double that of Alabama, a state close to our size. In most instances, everyone loses except the lawyers.

So why do we have an auto insurance crisis today? We sue each other in courts too much, we run into each other on the highways too much and we demand that our insurance laws do too much. That's why we pay too much. I requested two Bills last year and I repeat my requests tonight.

I not only call upon the General Assembly to pass laws stopping the carnage on the highways, I implore you to pass tough tort reform to stop the carnage in the courtroom.

In addition, I am developing a package of substantive automobile insurance reform legislation which I will send up in a few days. This proposal piggybacks with Act 166 and I ask you to give it urgent consideration this year.

Many of the measures I've outlined tonight cost money and are included in the budget we proposed in the Budget and Control Board. It funds our basic needs and targets education as top priority without raising the taxes of the people of South Carolina. I know you'll want to make some changes, but I hope you'll join me in declaring that we'll stay committed to education, work within our means and won't raise taxes.

I am guardedly encouraged with the budget picture. Though we're not out of the woods yet, your support of my vetoes, along with the capital expenditure fund, gives us a reasonable chance of avoiding disruptive mid-year budgets cuts for only the third time in eight years.

I strongly encourage you to use only one revenue estimate in the legislative process and we must avoid at all costs funny money schemes and pie-in-the-sky programs we can't afford.

I told you last year that budget reform is critical to our State's stability, and I say it again tonight.

In this regard, I commend the Reorganization Commission and the Ways and Means Committee for moving forward toward a programmatic budget. This is critical to ferret out waste and mismanagement in the bureaucracy.

The General Assembly wisely created the Legislative Audit Council several years ago to be a watchdog over state agencies. The Council has done an outstanding job but, as The Columbia Record recently pointed out, "Some of these meaty findings have gone the way of many other government reports: They have been shelved and forgotten."

I commend Senator Drummond and Representative Kirsh for a Bill to determine whether the agencies are making efforts to comply with the Council's findings. State agencies should not be allowed to thumb their noses at the chief investigative arm of the General Assembly. It's called accountability and we need a little bit more of it in State government.

I would respectfully request one other thing of you tonight: I'm asking you to cap the general reserve and capital expenditure funds at five percent. We need both funds but we cannot expect our people to pay taxes to a government that saves a higher percentage of income than they do.
A five percent savings account is enough. The excess should go to education and a five percent pay raise for our long-neglected state employees.

I've outlined programs and strategies this evening which have one common purpose: to provide opportunity for our people. Everything I've talked about will affect our children more than our generation. Keeping education on track, creating jobs, responsibly managing our resources - it is all cumulative, with the greatest impact on generations yet to come.

Government cannot be held responsible for giving our children a secure future, but we are obligated to give them a sound foundation on which to build their own futures.

But let us not do it out of obligation, but love for our children.

The story is told of the well-to-do man being driven through a blighted inner city neighborhood. He was repulsed by the sight of some poor, dirty children playing in the street and said so. The taxi driver rebuked him: "You see," he said, "The child's mother loves her child but doesn't hate the dirt. You hate the dirt but you don't love the child. Until love for the child and hate for the dirt get into the same heart," he explained, "the poor child remains just about as he is."

Let us all, therefore, hate everything that crushes ambition and limits opportunity, and let us love our children enough to do whatever is necessary to help them help themselves.

Thank you and God bless you.

Upon the conclusion of his address, Governor Campbell and his escort party retired from the Chamber.

JOINT ASSEMBLY RECEDES

The purposes of the Joint Assembly having been accomplished, the PRESIDENT announced that under the terms of the Concurrent Resolution the Joint Assembly would recede from business.

The Senate accordingly retired to its Chamber.

THE HOUSE RESUMES

At 7:44 P.M. the House resumed, the SPEAKER in the Chair.

Rep. BLACKWELL moved that the House do now adjourn which was adopted.

ADJOURNMENT

At 7:45 P.M. the House in accordance with the motion of Rep. BLACKWELL adjourned to meet at 10:00 A.M. tomorrow.

* * *

This web page was last updated on Tuesday, June 30, 2009 at 1:37 P.M.