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James B. Edwards Governor State of South Carolina January 18, 1977 STATE (CONDITION) OF THE STATE ADDRESS BY GOVERNOR JAMES B. EDWARDS COLUMBIA, SOUTH CAROLINA

January 18, 1977

Embargoed for 7:00 P.M.

Lt. Governor Harvey, President Gressette, Speaker Carter,
Speaker Emeritus Blatt, Members of the 102nd General Assembly
and my fellow South Carolinians: Under the dictates of the
Constitution of our State, I am directed to report to you on the
condition of South Carolina. It is a pleasure for me to fulfill
this obligation tonight.

I take this opportunity to publicly welcome all of you. I have enjoyed my association with many of you over the past years, and I look forward to establishing new friendships with you who are serving in the General Assembly for the first time. I commend you for making the personal sacrifice by offering for office and having achieved the support of the people you serve.

As we begin this year together, filled with a feeling of hope for the future, we should pause to review what we have accomplished.

Through cooperation, understanding and meaningful debate, much was done by the previous General Assembly including the adoption of a reasonable Ethics Law for public officials . . . implementation of Home Rule legislation to bring local government closer to the people . . . significant reform of our State Judicial System . . . and approval of a Constitutional Amendment to clarify taxation by classification of property.

We have made accomplishments but tonight let's look to the future of our State. Where we are going, how we are going, and what are our priorities?

The most important objective of government is to improve the quality of life for the people it serves.

Through experience I have learned that the key to a fuller life is knowledge. True education, which I define as the imparting of knowledge to a person which will prepare him to be a productive citizen, is our State's first priority.

We have placed greater emphasis on education by providing nearly 80 million federal dollars to help our public schools, our State's technical and vocational education system, and to provide on-the-job training for our people.

During the past two years we have increased the State's funding of public schools by over \$31 million, improved our State's kindergarten system, initiated a much needed program to teach consumer economics and the free enterprise system, updated statutes dealing with technical and comprehensive education, and established the Governor's School for Superior and Talented Students.

Upon my recommendation the Budget and Control Board, fully recognizing the priority of education, has proposed an 8 percent pay raise, including normal increments, for public school educators. This increase will bring our teachers' salaries up to the latest published Southeastern average.

My Committee on Educational Finance has made its report, and based on its recommendations, I want to urge adoption of legislation to establish an equal base of financing for each elementary and secondary school child in our State, without regard to where that child may live.

I commend the State Board for its new certification requirements. However, we must continue to stress teacher education programs, establishing higher standards for entry into the teaching profession if we are to insure the quality level of education to which our sons and daughters are entitled.

Education is a State responsibility as established by our Constitution, but it is rightfully a responsibility that has been shared with local school boards of trustees. To clarify this relationship, I recommend that we enact enabling legislation to give our school boards a firm basis for their actions. This legislation should include limited financial authority for general school operations and the right of school boards, through the referendum process, to seek approval from the people for any unusual additional funding needs.

It is our duty to insure that every child in South Carolina is provided with the basic educational skills of reading, writing and arithmethic . . . without such a foundation, our children cannot face the challenges of life.

I want to reaffirm my call for legislation revamping and strengthening the State Commission on Higher Education. This measure is needed to provide for orderly growth in post-secondary education. It would reconstitute the Commission into a group that would serve to meet the needs of our State rather than to protect individual institutions.

Education without employment opportunities will serve to breed discontent. Therefore, adequate job opportunities must logically follow.

In spite of the national economic slowdown, South Carolina has continued to expand its industrial growth and employment opportunities. Since I took office, more than one billion dollars has been invested in our State, creating nearly sixteen thousand new jobs. Although a Development Board study places us second in the Southeast, we must not be satisfied. We must continue with a vigorous industrial development program.

When I took office South Carolina had an insured unemployment rate of 10.2 percent. As a result of renewed confidence in our economy, unemployment has been reduced to 5.6 percent - well below the current national average.

An integral portion of our job market is textiles and textile-related industries. Therefore, I want to encourage the Textile Study Committee to continue its efforts to advise us on the adverse effect of imports on the jobs of thousands of our workers. When the textile industry is in decline, as it now is, we let foreign nations, which do not have to comply with environmental, OSHA, or other regulations increase the dollar value of goods shipped to this country at the rate of 6 percent per year. This 6 percent represents 44 thousand annual textile jobs in our country.

Agri-business development represents one of our best opportunities for immediate economic growth. We must attract processing industries, improve foreign and domestic markets, and increase development efforts that will add to our State's agricultural base.

As we look to realistic job opportunities, our coast line offers real potential. About fifty-five thousand men and women are employed in marine-related activities such as commercial

fishing, shipbuilding, shipping, trade and other coastal industries which produce in excess of \$700 million annually.

The growth of our coastal industries brought considerable debate over preservation of that area. It is vitally important for us to continue to protect our natural resources in this region for future generations.

The State of South Carolina and the federal government now hold almost 200 thousand acres in perpetuity. There is one 80 mile section of our 280 mile coastline presently held in public trust.

In any legislation we must make sure that private property interests are protected. We must continue to respect the right of local governments to control zoning in their areas. Local citizens are best qualified to deal with their zoning issues. Another key aspect of this issue is the necessity of validating title of our marshlands through reasonable legislation.

Last fall I re-established the Coastal Zone Management Council and directed its members to draft legislation. I am pleased to say that they have worked diligently and I expect their recommendations will be ready during this session.

I recommend that once the validation issue has been resolved, we should consider the establishing of a State fund to provide for the purchase of tidelands properties if the rightful owners are willing to offer them for sale.

We must work toward that delicate balance between reasonable preservation and responsible development of our natural resources for the benefit of all South Carolinians.

The quality of life cannot be measured only in terms of educational attainment or job opportunities.

Our present recreational activities pump over \$1.1 billion into our economy. Fifty-four thousand of our people are employed in this growing field. Future development in this area should be aimed at improving facilities and expanding recreational activities rather than the proliferation of site acquisitions. Quality should be the key word for the future.

Our aims are two-fold: 1) to provide for our people's recreational needs and 2) to attract tourist dollars into our economy achieving economic and recreational advantages where they are needed most - here at home.

Another key ingredient for the attainment of quality life is to insure our citizens that they will indeed be safe in their homes and on the streets.

Last year we took firm action to speed the delivery of justice and strengthen public confidence in our State's court system through the adoption of judicial reform legislation. Forged in the spirit of cooperation, the Supreme Court under firm leadership of our quiet, but forceful Chief Justice, established a sound system of judicial grievance and discipline insuring continued respect for the entire judicial process in South Carolina.

We have reduced the enormous backlog of cases on our dockets by expansion of the court system. We have created a form of qualification screening for the new family court judges to be elected this year. I urge you to avoid making firm commitments on these judgeships until the screening committee has had a chance to make its report. I hope that this foundation will lead you to adopt a true system of merit selection for all judges.

In crime control we have expanded communications, upgraded training and education opportunities for law enforcement officers, and provided mandatory sentences for those convicted of armed robbery. Figures show this new law has helped decrease the number of such crimes by 37 percent.

We have increased training in community relations at our Criminal Justice Academy and established a bi-racial team of law enforcement officers to visit our schools to improve understanding and renew respect for law enforcement.

A dedicated committee of concerned citizens has thoroughly studied the issue of police-community relations. You have all received a copy of the recommendations. I urge your consideration of them.

Two weeks ago, I convened a conference which, for the first time in our State's history, brought together the leadership of the criminal justice system to adequately determine the true needs for dealing with crime and justice. Their recommendations will be presented to you this session. I recommend immediate positive action on the following:

- (1) Legislation to bring our capital punishment statutes into compliance with recent Supreme Court rulings;
- (2) Establishment of a mandatory minimum sentence for habitual offenders with provisions for speedy dispositions:
 - (3) Adequate funding for full-time solicitors;
- (4) Selection of magistrates in non-partisan general elections;

- (5) Development of improved methods of meeting future demands placed upon our State's correctional system;
- (6) Establishment of minimum training requirements for all law enforcement officers; and
- (7) Consideration of updating the South Carolina Code of Criminal Procedures.

In an effort to bring law enforcement and our citizens closer together, we have approved a program to provide CB radios in all highway patrol cars. By monitoring Channel 9 for emergencies, this will establish a communications link with many of our people and the patrol and wildlife officers.

This will improve law enforcement communications and be a valuable addition in upgrading our State Emergency Medical Service Program. Although many counties have done an outstanding job, it is obvious that an up-to-date Statewide EMS program is still needed. In an effort to improve this system, I propose that we implement the universally accepted 911 emergency telephone reporting number to improve the response of our protective services. Emphasis must continually be placed on training of highly competent emergency medical technicians to provide on-the-scene lifesaving aid.

This leads us into another aspect of our quest for quality life - insuring every man, woman and child the best possible health care at the least possible cost.

Much has already been done in this direction. The Pee Dee Area Regional Hospital in Florence, now under construction, will complete the implementation of the Regional Hospital concept. We have established four Health Service Areas and have appointed the State Health Coordinating Council. We have created Family Practice

Training Centers in Charleston, Greenville, Spartanburg, Anderson and Columbia. In addition we allocated 5.5 million dollars in State and federal funds to construct and renovate facilities and to implement programs for prevention, primary care, manpower training and EMS development.

Health care planning, involving at least a dozen State agencies, was originally under the direct control of the executive branch of State Government. Under an opinion of the Attorney General, this planning function has been transferred to the Department of Health and Environmental Control.

I oppose any concept which would allow a single State agency to dominate both planning and the allocation of funds to other State agencies. This is an executive function. I recommend legislation to return this function to the Governor's Office.

A major concern is the lack of reasonably priced medical malpractice insurance. This has caused a substantial increase in the cost of medical care and created undue hardships on private doctors within our State. I urge that the recommendations of the Special Medical Injury Reparations Committee be considered and appropriate legislation be passed to resolve this problem.

In the area of mental health, we are in need of a simplified commitment process that will enable us to provide meaningful help in a more timely and efficient manner. We must remain vigilant in our care for mentally handicapped citizens and insure humane and dignified treatment for these individuals.

It is my hope that through a concerted effort, directed toward a better quality life, future generations will find more personal freedom from social service programming. In the interim, we have

an obligation to aid our less fortunate fellowmen. We also have the responsibility of insuring proper management and operation of our social service delivery system.

Currently, the Department of Social Services is conducting a study of their internal management including financial accountability. Last fall, I commissioned an outstanding private consultant to review existing policy and statutory provisions, both federal and State, relating to the delivery of these services.

It is my belief that, when completed, these efforts will lead to a more efficient and responsible method of providing and accounting for these services.

Throughout my remarks tonight has been the theme of quality life. An awareness of South Carolina's great potential has not developed overnight in our government. We have gone through a process of refining our functions to enable us to continue to provide dynamic, well-informed leadership.

To insure the fiscal integrity of our State government, we reduced the appropriations in 1975 - 76 by \$49 million. This year, we reduced the appropriations in excess of \$35 million and rejected another \$197 million in proposed new agency spending. In so doing, we preserved our Triple-A credit rating.

Our budgetary process has come under careful review. In the past we planned our expenditures on tenuous estimates of general fund revenues. Traditionally, we have appropriated all our <u>estimated</u> revenues. As a result, we have had to severely cut appropriations during the past two years. Our legislative sessions have been prolonged by the lengthy budget process, and the legitimate anxiety by the General Assembly for the latest possible economic data.

At the beginning of this year's budgetary process, the Budget and Control Board set top-dollar limits on the various broad areas of service such as higher education, corrections and health services. Under this procedure, the current year's increase in appropriations was based on the growth in personal income of working people in South Carolina. The growth figures were averaged over a five-year period.

The agencies were required to submit a budget within the constraints of this growth. In addition, they submitted two alternate proposals, one based on less funding and another without limits.

As a result of this innovation, the Board was able to present its recommendations to the Ways and Means Committee on December 7. This gave the Budget and Control Board the ability to review priorities set by the agencies. Equally important it simplified and speeded up the budgetary process for the agencies and the General Assembly.

Four days ago the Budget and Control Board took another step to insure our State's financial integrity. A proposal was made to establish by Constitutional provision, a reserve fund equal to 5 percent of the general fund revenues of the preceding year. This fund will be maintained to provide a cushion for those years when our revenues do not meet our expectations. In any year that the reserve fund falls below the prescribed level, only 95 percent of the estimated revenue can be committed to that year's budget. The availability of such a fund will:

- (1) Reduce the possibility of mid-term budget cuts;
 - (2) Provide a mandatory reserve fund;

- (3) Insure compliance with the Constitution to adhere to the balanced budget requirement;
- (4) Prevent surplus money from finding its way back into the annual operating budget.

We have worked together to improve our budgetary process and to insure the fiscal integrity of our State. If we are to insure that our citizens receive the quality of life they deserve, we must begin now to reorganize State government to make it truly responsive.

I pledge my full cooperation to you and the Reorganization

Commission. In my role as the Chief Executive, I seek no additional authority for this Administration, only for future Governors.

The Constitution of South Carolina describes the Governor as having "Supreme Executive Authority." The intent was to delineate the separation of powers: Legislative, Judicial and Executive.

Over the years, the authority of the Governor has been diluted and dispersed among the various boards and commissions which govern the multitude of State agencies. Effective government is dependent upon equal powers among the three branches.

In the last five years government in South Carolina has grown from 28 thousand employees to 51 thousand employees and from a \$1.25 billion total budget (of State and federal funds) to a \$2.18 billion budget.

My statement of fact should in no way be interpreted as a negative reflection on the many men and women who have dedicated their lives to serving the State. In fact I urge immediate positive consideration of the proposed 8 percent pay increase to insure the continued availability of top quality State employees.

Proliferation of State agencies through the years has brought us to the point where we now have 26 agencies involved in education, 5 in physical and mental health, 10 in social rehabilitation services and 40 charged with regulatory services. Virtually every function of State government is divided among so many agencies that no single agency can be held accountable. Neither is there coordination and direction to reach stated goals and objectives.

These agencies are directed by private citizens who come to Columbia on a part-time basis to execute the affairs of their respective agencies. As a result of this, the agencies are not run by elected officials, nor their boards, but are run by paid, full-time staffs, bureaucrats, if you will, who are not accountable to the voters.

I, therefore, propose that we re-establish true Executive Authority through passage of legislation and Constitutional revision making all agency heads directly responsible to the Governor and retaining the present boards and commissions in an advisory capacity. These agency heads would be appointed by the Governor. I also recommend that the agencies be regrouped along functional lines and reduced to a total number not to exceed forty. This system will return authority and accountability to the people through their duly elected Chief Executive as he executes the laws and mandates of the General Assembly.

As we come to the close of our Bicentennial and start our Country's third century, let's be thankful for our Nation's strengths, our rich resources and our strong and resilient people. We are together a new team for South Carolina. As we enter this

era, let's do it with a new resolve, a renewed spirit, a real dedication to the people we serve. Let's solve problems and seize opportunities. Let's accept the challenges that are ours and truly create a better quality of life for all people in our State - - together with God's help we can fulfill this commitment.

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