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STATE OF THE STATE ADDRESS

The Honorable Richard W. Riley  
January 17, 1979

Madame President, Mr. Speaker, Members of the General Assembly, Fellow South Carolinians:

One week ago, I took office as Governor and outlined the goals of this Administration. Tonight, I'd like to talk to you about how we can begin to get those things done and to give you my specific proposals for 1979. As a former member of the House and the Senate, I sat with you for 14 years; and I understand the legislative process in this State. I know enough to realize that without your support and cooperation, my goals and objectives don't have much chance for accomplishment.

But, I know most of you well enough to realize that we can share many of these same ideas and concepts. I know that we can work together on many of the problems where we are in basic agreement. I would also like to think that we can work together where we disagree, too, and come up with some solutions that are acceptable to us all and helpful to the people of this State.

It's customary, I realize, for a Governor to come before you with a lengthy list of legislative proposals in his State of the State speech. At the risk of disappointing some people, I am not going to do that tonight. I've only been Governor for a week, and I am not going to recommend anything to this General Assembly unless I have had ample time to do my homework. In all honesty, I would like for the first few months of the Dick Riley Administration to show that we did a few important things--and did them well--and got off on the right foot with the people and with the General Assembly.

We've got a lot of work ahead of us, and what we need to do this year is take the first steps toward getting that work done. Tonight, we can take the most important first step together. We can take the first step toward building--between the Governor's Office and the General Assembly--a partnership of productivity for the people of this State. As far as I am concerned, there is nothing more important for the progress of South Carolina.

For that reason--and as my first step toward building that partnership--I will pledge to each of you, individually, that the door of the Governor's Office will always be open, whether we belong to the same party, share the same philosophy, or agree on the specific issues or not. You will find an open door--and an open mind--firmly committed to sharing your problems and looking for sensible solutions together. As a first step toward four good years together, let us start building that partnership this evening.

As a theme tonight, let me suggest that we look at what this year means to us in terms of the future. The year 1979 is the last year of the decade, and maybe it is the last year of a whole era for us. Certainly, the time has passed when we could believe that government had all the answers and could solve everything with new laws and more money; the time has passed when we could put off the complicated problems of energy until tomorrow. Our natural resources are not unlimited, and we have got to plan how they are used. The human potential of this State requires that we work even harder to develop the maximum competency of every

person through a strong educational system. We need to find jobs for more and more people, and we need to realize that the minorities are growing tired of waiting for the rights and opportunities we promised them years and years ago.

In short, the decade of the 1980's is going to be something new and entirely different for all of us. The dreams of the 50's, the ideals of the 60's, and the unresolved problems of the 70's are all going to come to rest squarely with us in the 1980's. That means we've got to get ready this year. That means we have got a lot of preparing to do, and that's what I want to talk to you about tonight. I am going to discuss with you only five major items, but they are five items that will go a long way toward preparing us for the next decade.

It's what I call a Five-Point Program of Preparation; and it involves education, energy, economic growth, human needs and governmental reform. Here's what I have in mind.

## EDUCATION

Let's talk first about education. My two main concerns are early childhood education and parental involvement. Here's how I propose to address those issues.

As a first approach to early childhood education, I recommend to you that we lower the age of compulsory school attendance from seven to six for

the next school year and from six to five the following year. That means that by the school year 1980-1981, every child in this State between five and sixteen will be in school or kindergarten. That is the best way I know to prepare people for the decade ahead--with a good basic education--so let's hit that problem head on. I'm told it probably won't cost a great deal the first year and around \$3 million in State money the next year, and I say we can afford that for the young people of this State.

For children under the age of five, there are many programs now being operated by various agencies of the State. I think we can make these programs work better by making the State agencies work together better, and I'll use the Governor's Office to get that job done. By the time a child reaches age five, he has already established all of his learning patterns and has reached 60% of his learning capacity. We have got to become more involved in these early years of learning to give our children a fair chance in life.

You and I must continue to stress other important aspects of early childhood instruction--programs such as remedial education in reading and arithmetic, special programs for the gifted and talented, and counselling services in the early grades. I'll do whatever I can to see that these programs are funded and strengthened in the years ahead. These steps, I believe, will get us started in a big way toward a better school system in the 1980's. Some people may think I'm too optimistic; but I firmly believe that in a matter of a very few years, we, in South Carolina, can be first where it counts the most--in the first grade.

A lot of that will depend on how well we're able to get parents more involved in the school system, and that's the second of my educational priorities. Over the next four years, I'll be traveling into every school district in this State; and I'll be selling the idea of parental involvement. Wherever there is a School Advisory Council, or a PTA, or a PTO--or whatever the organization is called--we've got to make them stronger and active. And where there are no parental organizations, we've got to make sure one is started in every school in this State.

The same thing is true at the State level, with groups like the Coalition for School Financing, or the Crusade for Better Education Steering Committee proposed by the State Superintendent of Education, or any others. Whatever it takes, let's get busy putting the public back in the public school system.

If we need money to help get parental organizations active, then I'll personally go to the private sector to raise the money. And I'll ask my wife, who has long been active in public education in this State, to head up a statewide effort to get the parents, the students, the teachers, administrators, government, and business excited about the public schools and working toward the common goal of excellence.

The members of this General Assembly need to know how much they've helped in public education, also. Passage and funding of the Education Finance Act represents a major turning point in the public commitment to public schools. I supported the concept seven years ago, and I still

support it fully. If there was ever any question about how we stand on educational needs, then your action in this regard should have erased any doubts. Now, let's continue the job and fund the next year fully at \$55.9 million as recommended by the Budget and Control Board. For the 630,000 public school children in this State, that's money well invested.

## ENERGY

Next, let's talk about energy. This is an area where people have spent so much time fighting among themselves that they haven't made as much progress as we need. The Dick Riley Administration isn't going to take sides; it's going to try to solve problems.

As far as conservation is concerned, we're kidding ourselves if we don't admit that we're wasting energy. South Carolina's per capita consumption is well above the national average. We're running out of time, and I'll ask every citizen to work with me in cutting down on the use of energy. It's a bigger job than we realize, and I'm talking about more than carpooling and turning down thermostats.

We're also kidding ourselves if we don't recognize that jobs, schools, industry--the very lifeblood of this State--depend upon growing energy supplies and new energy sources. I don't have all the answers. The best way I know to find the answers is to bring together a well-balanced group of advisors to help me with a comprehensive energy plan so that you and I might fit all the pieces together and know where we are headed in the 1980's.

As far as nuclear energy is concerned, the question is not whether we'll have it or not. Over 50 percent of the electricity generated in our State already comes from nuclear power plants, and that's way above the national average of 10 percent. The real question is one of safety for the people of this State. I'll work directly with those at the national level in developing a permanent policy on nuclear waste disposal to assure that the best interests of the people of this State are protected.

### GROWTH POLICY

Now let's talk about the growth needs of this State. Without question, sound economic growth will be most important to us if we are to be where we want to be in the 1980's. It can't simply be more of the same; growth where growth is easiest.

As far as I'm concerned, we are going to continue to pursue economic growth; and I'll commit to do everything I can, including the personal involvement of my wife, Tunky, and myself, and the full use of the Governor's Office and your Governor's Mansion in any way possible. But if we're to prepare for the decade ahead of us, we've got to do so with a plan--a plan which takes into account the needs of all the people--especially the unemployed and the underemployed--the needs of every city, town, and county of this State and the protection of this State's natural beauty and environment. That's an early job I'll give Max Heller and the Development Board, working with you members of the General Assembly, other State agencies, as well as business and citizen leaders.

South Carolina's future depends upon a reasonable and effective growth policy, and I'll see that we have one.

As far as the environment is concerned, there's an important step we can take this year toward stabilizing our coastal resources. I am talking about the comprehensive coastal management plan approved by the Coastal Council. I ask that you adopt that plan during this session of the General Assembly.

#### HUMAN NEEDS

Next, let's discuss the human needs of this State. We're still struggling to find answers to the problems of discrimination and deprivation, and there's no point in ducking that one. For my part, I think it's important that this General Assembly pass legislation extending the authority of the Human Affairs Commission to investigate equal employment complaints in the private sector. It's something that many business leaders themselves support; and to me, it makes good sense.

But, there's so much more to do. For all our past good intentions, minority employment and minority promotion into upper level jobs in State Government have not kept pace with the rightful expectations of the people. As far as I'm concerned, I'll invite anyone to look at my office to see how equal opportunity really works; and then I'll deal with every State agency to see that affirmative action is a fact of life in this State and not just an empty document of false hope.

There are other human needs we must discuss, and I'll confess that I have a special interest here. I'm talking about the elderly, those people who should be enjoying the benefits of their years of labor and service and paying taxes. Instead--to our great distress--over one-third of them live below the poverty level.

As an original proponent of the Homestead Exemption Act, I'm going to suggest that we spend a little bit more State money this year for that program. For \$1.9 million, we can raise the Homestead Exemption Act from \$12,000 to \$15,000; and I recommend we do that. In addition--for \$304,411--we can raise the Medicaid eligibility ceiling from \$410 to \$568--the federal level. That will fill an important gap in services, and I think we should do it.

That's not the whole answer, though; and I'll talk to you next year about adopting "medically needy" standards which will allow more older citizens to receive treatment in their homes, and will do away with arbitrary income ceilings. It'll cost more money up front, but we'll save money in the long run.

#### GOVERNMENTAL REFORM

Now we come to governmental reform, and I've got a couple of recommendations to make. As far as the Public Service Commission is concerned, I'll come right to the point. Most of you are familiar with my position, and you've seen the proposal which I placed before you last

week. I realize that I've got opposition in this matter; and I know I've got some support, too--but I am also convinced that the people support this change, and they mean business.

The issue at hand transcends the cost of electricity and the level of utility rates. What we're really talking about is public trust and public confidence in government, and--my friends--that's going to be a more and more important issue in the 1980's.

I'm suggesting to you tonight that my proposal for the selection of Public Service Commissioners to be based on merit, and not politics, is the best way I know to begin rebuilding the people's confidence in their government.

As many of you know, my proposal calls for the selection by the Governor of a Merit Panel broadly representing the public. The Merit Panel, in turn, would select a name for each vacancy on the PSC and submit that name to the Governor for appointment. Neither the General Assembly nor the Governor would have direct involvement in the selection process. The Governor's only role would be a possible veto of a selection made by the Merit Panel. And--I might add--members of the Merit Panel and the PSC--would be selected with consideration being given to race, sex, geographic location, and economic status. Persons with conflicts of interest--or current members of the legislature--would not be eligible.

I ask that you give my proposal your serious attention, and I would be glad to discuss it with any of you. I've also got another request: I would like to see this proposal receive a full hearing and a full opportunity for passage before the selection of any new PSC members under the old method. Holding off on these elections would be a courtesy to the Governor, and a gesture of good faith to the people of this State.

While this change in the PSC will not guarantee lower utility bills, there is something we can do this year to provide relief for practically every household in this State. I'm talking about removing the sales tax on residential utility bills in its entirety effective January 1, 1980. And I recommend this relief to you tonight--it will save the taxpayers \$8 million the first year, and they need the money more than we do.

I have one more proposal I think can move us positively toward what I've called better government, not bigger government. I'm talking about a reasonable and sensible approach to the matter of long-term tax limitation. I don't favor the "meat-axe" approach taken in other states. But I do believe we can show the people that we are concerned about holding the line on government growth and taxation. My proposal is that we submit to the people next year a constitutional amendment requiring that any increase in the general taxes of the State be approved by 2/3 of each house of the General Assembly. As we head into the 1980s, the people of this State should be assured that they will not see in the next decade what has happened in the 1970s--a virtual tripling in the size and cost of government.

As I mentioned at the beginning of my remarks, I'm discussing with you only five major items of business. That doesn't mean, however, that there are not many, many more problems we've got to face--now and over the next four years. For example, we've got to complete our effort of judicial reform to meet the State's responsibility of administering justice for our people. We've got to take another long, hard look at our higher education institutions, and I believe the time has come when every institution should have its own particular mission to pursue. We've got to strengthen the role of technical and vocational institutions in training people for the new and sophisticated jobs in modern industry. To help state, county and local governments deal better with each other, I plan to establish an Advisory Council on Intergovernmental Relations. I will continue to encourage programs of consumer advocacy and representation, and I will work with you on the ongoing problems of insurance law reform. I understand the principle of public purpose, and I share with you the concerns about people with special needs--the mentally ill and retarded, the disabled, the disadvantaged and the handicapped. I recognize also that we cannot overlook the great needs of law enforcement, criminal justice, corrections, highway safety and all the many, many important programs and services rendered by this State.

Tonight, however, I want to leave with you a clear idea of what my priorities are, and what I'm asking you to do. Several of my five broad proposals do not require legislation--energy, economic growth and parental involvement in education, in particular. They are matters we can work on together without any new laws, at least for now.

But so you'll know what my specific requests are for legislation, let me list them for you:

1. Merit selection of public service commissioners.
2. Removal of sales tax on utility bills.
3. Lowering the compulsory school attendance age.
4. Constitutional amendment requiring two-thirds vote of each House for tax increases.
5. Authorizing the Human Affairs Commission to investigate in the private sector.
6. Raising the homestead exemption and raising the Medicaid income ceiling.
7. Adopting the Coastal Zone Management Plan.

In presenting my recommendations to you, I have also tried to keep account of the cost, and I realize that I am asking for some changes in this year's appropriation bill. Since I did not have the opportunity to work on this year's budget, however, I ask that you work with me on these proposals, and help me to make available whatever funds are necessary within our concept of a balanced budget.

These are my proposals, and I appreciate your time and attention tonight in listening to them. I challenge you to join me in preparing for the new decade ahead, and we can do so, as a first step, by sitting down and reasoning together. Even though the problems are heavy, we should feel confident and optimistic about the future. Above all--whether we are



talking about education, energy, economic growth, human needs or governmental reform--we are talking about people. For my part, I am convinced that the 1980's will be the decade of people's government in South Carolina; people involved in schools, people involved in energy and economic planning, people working to meet the needs of others, people regaining their confidence in government.

For us, the job is one of leadership. You and I together can make 1979 a year of action and a year of preparation, a year in which we bring government and the people closer together, and build a strong foundation for the 1980's. You and I know each other well enough to realize that we are willing to work hard, and fight hard for what we think is right. I'm suggesting to you tonight that we make that a joint fight on behalf of the people of South Carolina. With that kind of partnership of the Governor, the General Assembly and the people themselves, we can't lose.

Thank you.