

GOV. VIC ATIYEH  
"STATE OF THE STATE" ADDRESS  
TO THE 61ST LEGISLATIVE ASSEMBLY  
OREGON HOUSE OF REPRESENTATIVE CHAMBERS  
STATE CAPITOL, SALEM

MONDAY  
JANUARY 12, 1981

PREPARED TEXT

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MR. PRESIDENT . . . MR. SPEAKER . . . LADIES AND GENTLEMEN OF THE  
SIXTY-FIRST LEGISLATIVE ASSEMBLY . . . HONORABLE JUDGES . . .  
DISTINGUISHED GUESTS . . . AND, MY FELLOW OREGONIANS.

ON JANUARY 11, 1979, WE MET ON SUCH AN OCCASION AS THIS. WHO AMONG  
US THEN COULD HAVE ANTICIPATED THAT EVENTS IN THE TWO YEARS AHEAD WOULD  
BE SO TUMULTUOUS?

INFLATION PLUNDERED OUR INCOMES AND OUR SAVINGS. INTEREST RATES  
EXPLODED, CASTING A DEEP AND CRIPPLING CHILL ON OUR ECONOMY.

THE HARDSHIPS OF BEING UNEMPLOYED . . . OF BEING POOR . . . OF BEING  
ELDERLY . . . OF BEING IN NEED HAVE CAST A SHADOW OVER AN INCREASING  
NUMBER OF OUR CITIZENS.

AND, THE RESPONSIBILITY OF MITIGATING THESE HARDSHIPS SELDOM HAS BEEN SO SEVERELY TESTED.

IN IRAN, FANATICAL ANARCHISTS KIDNAPPED AMERICAN CITIZENS AND TODAY, NEARLY 14 MONTHS LATER, 52 OF THOSE AMERICANS ARE STILL HELD FOR RANSOM.

1980 SAW YEARS OF PREPARATION AND EXPECTATION STOLEN FROM AMERICA'S OLYMPIC ATHLETES.

IN OREGON, ACTS OF RACISM HAVE BEEN DISMAYING REMINDERS THAT BIGOTRY DIES HARD.

AND, OREGONIANS WERE WHIPLASHED BY A NATIONAL ECONOMY GONE SOUR. JOBS LITERALLY VANISHED IN OUR FOREST PRODUCTS INDUSTRIES, LEAVING WHOLE COMMUNITIES STAGGERED BY UNEMPLOYMENT.

ACROSS THE STATE, NEARLY ONE WORKER IN TEN IS JOBLESS. THE TENSION AND STRAIN OF A LINGERING RECESSION TOUCHED US ALL.

NOT IN RECENT HISTORY HAS THE WHOLE OF THIS NATION BEEN SO PERSONALLY AFFECTED AND TROUBLED BY DOMESTIC AND FOREIGN EVENTS.

THERE IS, HOWEVER, A STRENGTHENING LESSON IN ALL OF THIS.

IF EVER THERE WAS DOUBT ABOUT THE VITALITY AND RESILIENCY OF "WE THE PEOPLE" IN AMERICA, THAT DOUBT CAN BE PUT TO REST.

OUR NATION CONTINUES TO SURVIVE, BUOYED BY AN INDOMINITABLE WILL, TOUGHENED BY ADVERSITIES.

WE NOW POSSESS A DEEPER UNDERSTANDING OF OUR INDIVIDUAL WORTH AND A RENEWED SENSE OF NATIONAL PRIDE.

THE AGENDA I PRESENT TO THIS LEGISLATURE IS NEITHER A LAUNDRY LIST NOR A WISH LIST. TODAY YOU FACE AN AGENDA FILLED WITH PRIORITY CHALLENGES.

WE HAVE AN OPPORTUNITY TO CROSS OVER TO A NEW PEAK IN ELEVATING THE ENERGY SELF-RELIANCE OF OREGON THROUGH RENEWABLE RESOURCES AND CONSERVATION.

THE SPECIAL ENERGY PROGRAM I RECOMMEND IS A METICULOUSLY DETAILED STRATEGY BY WHICH OREGONIANS CAN FORGE ACHIEVABLE GOALS THAT WILL ASSURE A MORE SECURE AND DEPENDABLE ENERGY FUTURE.

IMPLEMENTATION OF THE NORTHWEST REGIONAL POWER BILL IS ESSENTIAL. I AM ASKING YOU FOR ENABLING LEGISLATION FOR THE APPOINTMENT OF TWO MEMBERS TO THE REGIONAL POWER COUNCIL REPRESENTING OREGON. IT IS IMPERATIVE THAT OREGON PLAY A FULL AND FORCEFUL ROLE IN THE TASK OF DESIGNING A REGIONAL PLAN. I ASK THAT YOU MAKE THIS ENABLING ACT YOUR FIRST AND MOST IMMEDIATE PRIORITY.

LAND USE PLANNING IN OREGON IS AT THE LONG-AWAITED THRESHOLD OF POST-ACKNOWLEDGEMENT. WE MUST ENACT LEGISLATION WHICH WILL PROVIDE GREATER CERTAINTY TO THOSE WHO MAKE LAND-USE DECISIONS AND WHICH PROVIDES ADEQUATE ASSURANCE THAT THE OBJECTIVES OF SENATE BILL 100 ARE FAITHFULLY CARRIED OUT IN THE FUTURE.

YOU WILL HAVE BILLS BEFORE YOU WHICH ADDRESS THESE ISSUES. I WILL TAKE AN ACTIVE ROLE IN PROPOSALS TO STRENGTHEN THOSE BILLS.

THIS SESSION MUST ADDRESS THE DELICATE AND THORNY ISSUE OF REAPPORTIONMENT, BOTH LEGISLATIVE AND CONGRESSIONAL. I WILL FORWARD TO EACH OF YOU THE PRINCIPLES WHICH WILL BE MY GUIDELINES ON THIS ISSUE.

OUR COURTS SYSTEM MUST BE IMPROVED TO ENSURE COMPLIANCE WITH THE CONSTITUTIONAL MANDATE FOR SPEEDY CRIMINAL TRIALS AND TO PROVIDE EXPEDITIOUS AND AFFORDABLE RESOLUTION OF CIVIL DISPUTES. THE BURDEN NOW IS INTOLERABLE.

THE COMMISSION ON JUDICIAL BRANCH REFORM HAS PREPARED A COMPREHENSIVE SET OF RECOMMENDATIONS. I SUPPORT MOST OF THOSE RECOMMENDATIONS.

OREGON'S WORKERS COMPENSATION SYSTEM HAS SERIOUS DEFICIENCIES -- BOTH FOR INJURED WORKERS AND FOR THEIR EMPLOYERS. THE WORKERS COMPENSATION TASK FORCE I APPOINTED IN JANUARY 1979 HAS DEVELOPED AN OUTSTANDING SET OF EFFECTIVE RECOMMENDATIONS FOR IMPROVEMENT THAT ARE BENEFICIAL TO BOTH. I URGE PASSAGE OF MY LEGISLATION TO IMPLEMENT THE TASK FORCE RECOMMENDATIONS.

THE INCREASED MOVEMENT OF HAZARDOUS MATERIALS AND LOW-LEVEL RADIOACTIVE WASTES ON THE PUBLIC HIGHWAYS OF OREGON DICTATES A CLOSE EXAMINATION OF POTENTIAL THREATS TO PUBLIC HEALTH AND SAFETY. I AM SUBMITTING LEGISLATION WHICH PROVIDES NEW AND NECESSARY SAFEGUARDS.

AN OVERBURDENED CORRECTIONS SYSTEM COMPLICATED BY A RECENT FEDERAL DISTRICT COURT DECISION PRESENTS A SPECIAL CHALLENGE. I WILL OFFER A NEW BONDING PROPOSAL TO FINANCE AND CONSTRUCT NEW CORRECTIONS FACILITIES. I BELIEVE SUCH A PROPOSAL WILL BE ACCEPTABLE TO UNDERSTANDING VOTERS IN VIEW OF THE CLOSE VOTE ON BALLOT MEASURE 8 LAST NOVEMBER.

THE FISHERIES OF OREGON, BOTH COMMERCIAL AND SPORT, ARE AT A PERILOUS CROSSROAD. IT IS TIME WE STOP FIGHTING OVER THE DWINDLING NUMBERS OF FISH WE HAVE LEFT AND TURN OUR MINDS TO IMPROVING THE RESOURCE.

I WILL OFFER LEGISLATION WHICH DEALS WITH FISHERIES RESOURCE ENHANCEMENT IN A COHESIVE, CONSTRUCTIVE, AND COMPREHENSIVE WAY.

IN THE PAST TWO YEARS THERE HAVE BEEN SEVERAL SERIOUS INCIDENTS IN WHICH PUBLIC HEALTH HAS BEEN THREATENED BY THE BREAKDOWN OF DOMESTIC WATER SUPPLY SYSTEMS. I WILL ASK YOU TO ADOPT A MEASURE TO ASSURE SAFE DRINKING WATER IN OREGON.

YOU HAVE MY RECOMMENDATION FOR A BALANCED BUDGET. IT IS A FISCAL PROGRAM CONSTRUCTED WITH PAINSTAKING CARE AND IS THE LEANEST STATE BUDGET SINCE WORLD WAR II.

BUT, MORE THAN THAT, THIS BUDGET ACKNOWLEDGES THREE INESCAPABLE REALITIES:

ONE, THE INCOME OF THE STATE WILL BE RESTRICTED SEVERELY DURING THE BUDGET PERIOD. REVENUE FROM EXISTING SOURCES IS PROJECTED TO INCREASE ONLY 3 PERCENT.

TWO, WE HAVE AN IRREVOCABLE COMMITMENT TO MAINTAIN PROPERTY TAX RELIEF.

AND, THREE, WE MUST RESTRICT SPENDING AND, AT THE SAME TIME, COAX MORE AND MORE MILEAGE OUT OF EVERY TAX DOLLAR TO PROVIDE ACCEPTABLE AND APPROPRIATE LEVELS OF ESSENTIAL SERVICES.



OUR GOAL FOR THE STATE'S SHARE OF BASIC SCHOOL SUPPORT IS 40 PERCENT. YOU AND I CAN SUPPORT THAT GOAL.

THE GENERAL FUND CANNOT.

IT WILL TAKE -- AND I RECOMMEND -- A 15 PERCENT INCREASE IN GENERAL FUND FINANCING TO PROVIDE A BASIC SCHOOL SUPPORT LEVEL OF 36 PERCENT. WITH THE LOSS OF FEDERAL REVENUE SHARING, THE NET INCREASE TO SCHOOLS WILL BE 10 PERCENT.

STATE AGENCY BUDGETS ALSO WILL BE LIMITED TO INCREASES WHICH COLLECTIVELY WILL NOT EXCEED 10 PERCENT. THAT AVERAGE INCREASE WILL BE DEVoured IF THE 20 PERCENT INFLATION RATE PROJECTED FOR THE BIENNIUM BECOMES A REALITY.

ALTHOUGH NO STATE AGENCY BUDGET WAS BEYOND SCRUTINY, HIGHEST PRIORITY WENT TO PROGRAMS WHICH PROVIDE SERVICES ESSENTIAL TO PUBLIC HEALTH AND SAFETY AND PROGRAMS WHICH HELP THOSE LEAST ABLE TO HELP THEMSELVES. ADDITIONALLY, I HAVE ATTEMPTED TO AVOID SHIFTING FINANCIAL BURDENS TO LOCAL GOVERNMENT WHEREVER POSSIBLE.

MANY CHOICES WERE PAINFUL. ALL WERE DIFFICULT. NEVERTHELESS, WE ARE FORCED TO ALLOCATE BETWEEN THAT WHICH IS DESIRABLE AND THAT WHICH IS ESSENTIAL.

I HAVE APPLIED EVERY ECONOMY TO THIS BUDGET THAT RESPONSIBLE JUDGMENT WOULD ALLOW. DESPITE THAT, IT BECAME CLEAR THAT THE STATE COULD NOT MAINTAIN MINIMAL ESSENTIAL SERVICES WITHOUT SOME INCREASE IN REVENUES.

THIS BUDGET IS PERMEATED BY AN INVISIBLE BUT TENACIOUS FORCE. YOU WILL NOT FIND IT LISTED IN THE BUDGET INDEX, BUT IT LURKS IN EVERY PAGE, EVERY LINE, EVERY ITEM.

THAT FORCE IS INFLATION OVER WHICH OREGON HAS LITTLE CONTROL.

WE PREDICT A "WORST CASE" INFLATION RATE OF 20 PERCENT OVER THE NEXT TWO YEARS.

WE HAVE BUDGETED FOR HALF OF THAT. ANY RELIEF FROM INFLATION MUST COME FROM THE FEDERAL GOVERNMENT. THE OBVIOUS BENEFICIARIES OF LESS INFLATION WILL BE THIS BUDGET AND ALL OREGONIANS.

I AM PREPARING AND WILL SUBMIT A SUPPLEMENTAL AND ENHANCED BUDGET FOR YOUR REVIEW AND APPROVAL IN THE EVENT REVENUES SHOULD EXCEED FORECASTS OR IF THE INFLATION TIDE RECEDES.

THE BUDGET AFFECTS EVERY OREGONIAN. I WOULD LIKE NOW TO RAISE AN ISSUE THAT SEEMS TO AFFECT ONLY A FEW, BUT WHICH REFLECTS ON US ALL.

IN THE LAST YEAR, OREGONIANS HAVE WITNESSED SHOCKING AND DAMNABLE INCIDENTS OF RACIAL INTOLERANCE. THAT THESE WERE ISOLATED ABBERRATIONS MAKES THEM NO LESS TRAUMATIC TO INNOCENT VICTIMS, AND NO LESS ABHORRENT TO ME.

NOTHING DEFILES HUMANITY AS MUCH AS OUTRAGEOUS ACTS OF RACISM. THAT SUCH TERRORISM COULD HAPPEN IN OREGON TODAY IS A SOBERING REMINDER OF THE DORMANT SEEDS OF BIGOTRY.

BUT, WHEN THAT COVERT BIGOTRY IS MANIFESTED IN MALICIOUS AND WANTON RACIAL HARASSMENT . . . WHEN CITIZENS FEAR FOR THE SAFETY OF THEIR LIVES AND PROPERTY . . . THEN WE MUST BE PREPARED TO DO MORE THAN SIT BACK AND CALL THOSE DEPRAVED PERSONS WHO ARE RESPONSIBLE "COWARDS" AND "BULLIES".

I WANT THIS LEGISLATURE TO MAKE THE ACT OF RACIAL HARASSMENT A CRIME IN OREGON -- A FELONY, PUNISHABLE BY FINE OR IMPRISONMENT OR BOTH. I ASK YOU TO JOIN ME IN A RESOLUTE STAND AGAINST BIGOTRY, IN THE NAME OF JUSTICE AND EQUALITY.

HOWEVER, THE LEGISLATION I WILL OFFER IN ITSELF IS NOT ENOUGH.

CITIZENS WHO "DO NOT WANT TO GET INVOLVED" ONLY GIVE COURAGE TO THE LUNATIC FRINGE. NEVER FORGET THAT IF THIS DEGRADATION IS ALLOWED TO CONTINUE BECAUSE WE DO NOTHING TO STOP IT, THE BELL MAY TOLL FOR ANY ONE OF US.

I CALL ON EVERY CITIZEN AND EVERY COMMUNITY LEADER TO SPEAK OUT STRONGLY IN CONDEMNATION OF ANY KIND OF RACIAL DISCRIMINATION . . . AND I ASK YOU TO GIVE THIS LEGISLATION YOUR SWIFT AND SURE APPROVAL .

THE RECENT ELECTION HAS GIVEN US A CLEAR AND UNMISTAKEABLE MESSAGE:  
THE PEOPLE ARE THE ARCHITECTS OF DEMOCRACY. THE PEOPLE HAVE DRAWN A BLUEPRINT. IT IS NOW OUR TASK TO READ THAT BLUEPRINT AND FOLLOW IT WITH COURAGE AND CONVICTION.

THE POPULAR AND PREVAILING NOTION FOR THE PAST SEVERAL DECADES HAS BEEN THAT OUR NATION FACED NO SOCIAL ILL THAT A BENEVOLENT GOVERNMENT COULD NOT SOLVE.

THE FEDERAL GOVERNMENT HAS, WITH ALMOST RECKLESS ABANDON, LAUNCHED CRUSADES OF COSTLY SOCIAL EXPERIMENTS. SOME STATES -- AND OREGON IN PARTICULAR, TRANSLATED MANY OF THOSE FEDERAL PROGRAMS INTO NOTABLE SUCCESSES.

WE HAVE IMPROVED AND CONTROLLED AIR AND WATER QUALITY. WE HAVE DE-LITTERED OUR COUNTRYSIDES. OUR SOCIAL PROGRAMS ARE DELIVERED WITH PRUDENT CARE. WE HAVE MANAGED THE AFFAIRS OF GOVERNMENT IN A THOUGHTFUL AND MATURE MANNER.

MANY EXPERIMENTS DID NOT ACHIEVE THE PROMISES WHICH HERALDED THEIR CREATION.

CRIME HAS NOT ABATED.

THE ONCE-CELEBRATED WAR ON POVERTY, HOWEVER WELL-INTENTIONED,  
COLLAPSED UNDER THE BURDEN OF A COSTLY BUREAUCRACY WHICH RARELY DELIVERED  
SELF-HELP RESOURCES TO AMERICANS IN NEED.

TODAY, THE LEGACY OF THE CRADLE-TO-GRAVE PHILOSOPHY IS AN  
EVER-INCREASING POPULATION DRAGGED DOWN TO PERMANENT ADDICTION TO  
GOVERNMENT ASSISTANCE BECAUSE OF THE MISGUIDED POLICIES OF THAT  
GOVERNMENT.

GOVERNMENT CAN AND MUST BE AN INTERVENOR IN BEHALF OF THE COLLECTIVE  
PUBLIC INTEREST.

GOVERNMENT CAN AND MUST BE A BENEFACOR OF LAST RESORT. GOVERNMENT  
CAN AND MUST ENCOURAGE SELF-RELIANCE WHEN SELF-RELIANCE IS AN OPTION.

GOVERNMENT, HOWEVER, HAS NEVER BEEN VERY GOOD AT DRAMATICALLY CHANGING HUMAN NATURE. THOSE POLICIES WHICH ATTEMPT TO COMPEL CHANGE SELDOM HAVE WORKED. POLICIES WHICH LEAD AND ENCOURAGE CHANGE HAVE A FAR BETTER CHANCE OF SUCCESS.

WHEN OUR PRIVATE ECONOMY STUMBLES -- AS IT HAS OVER THE PAST TWO YEARS -- GOVERNMENT ALONE CANNOT BRING ABOUT RECOVERY.

GOVERNMENT'S PROPER AND MOST PRODUCTIVE ROLE IN ECONOMIC RECOVERY IS TO CREATE AND MAINTAIN AN ENVIRONMENT WHICH HOLDS OUT THE PROSPECTS OF REWARD TO THOSE WHO RISK THEIR LABOR AND THEIR CAPITAL.

MOREOVER, LADIES AND GENTLEMEN, I BELIEVE THAT IT IS TIME THAT WE ACKNOWLEDGE THE REALITY OF LIMITS. . .

-LIMITS ON WHAT GOVERNMENT REQUIRES OF ITS CITIZENS, AND,

-LIMITS ON WHAT CITIZENS ASK FROM THEIR GOVERNMENT.

ALL OF THIS I SINCERELY BELIEVE.



THIRTY-ONE OREGON GOVERNORS BEFORE ME HAVE ADDRESSED THEIR LEGISLATURES IN THESE JOINT SESSIONS. EACH HAD HIS VISION FOR THE FUTURE. EACH DEALT WITH EVENTS UNIQUE TO HIS TIME.

LET ME RECALL FOR YOU A REMARKABLY ENDURING AND, I THINK, A KINDLY ADMONITION FROM AN EARLIER ADDRESS. THIS GOVERNOR SAID:

". . . I WOULD SUGGEST THAT THIS STATE NOW HAS MANY LAWS, AND THAT THIS LEGISLATURE WOULD GO DOWN IN HISTORY MORE BLESSED FOR A FEW WELL CONSIDERED AND TIMELY ENACTMENTS THAN FOR A LARGE AMOUNT OF ILL-CONSIDERED AND FAULTY LEGISLATION."

THAT, MY FRIENDS, WAS SAID BY OS WEST, 70 YEARS AGO. IT WAS AND IS WISE COUNSEL.

I HAVE A GREAT SENSITIVITY TO THE TRUISM THAT A GOVERNOR PROPOSES AND THE LEGISLATURE DISPOSES. WE WILL BE BLESSED OR CURSED, DEPENDING UPON HOW WE EXERCISE THOSE SEPARATE RESPONSIBILITIES.

WE WILL NOT ALWAYS AGREE. BUT, I BELIEVE WHAT THOMAS JEFFERSON SAID IN HIS FIRST INAUGURAL ADDRESS IN 1801, " . . . EVERY DIFFERENCE OF OPINION IS NOT A DIFFERENCE IN PRINCIPLE."

OREGONIANS ARE DETERMINED THAT YOU AND I MEET PROBLEMS HEAD-ON AND SOLVE THEM -- NOT JUST TALK ABOUT THEM.

IN MY MIND, MEASURING UP TO THAT STANDARD IS AN EXCITING CHALLENGE AND AN ACHIEVABLE GOAL -- NOT AN OVERWHELMING AND MELANCHOLY IMPOSSIBILITY.

THESE ARE NOT TIMES FOR THE TIMID. THESE ARE TIMES THAT WILL TEST OUR VALUES, OUR JUDGMENT, OUR STAMINA AND OUR STRENGTH.

WE FACE DIFFICULT AND UNAVOIDABLE DECISIONS -- BUT WE ARE NOT WITHOUT THE WISDOM, COURAGE AND INGENUITY TO MAKE THOSE DECISIONS.

WE ARE IN A TIGHT ECONOMIC SITUATION -- BUT WE ARE NOT DESTITUTE.

WE FACE AN UNCERTAIN FUTURE -- BUT WE ARE NOT WITHOUT THE TIME-TESTED  
INSTINCTS WHICH HAVE SERVED US SO WELL IN THE PAST.

THE BEST WILL HAPPEN BECAUSE WE MAKE IT HAPPEN. THE WORST WILL  
HAPPEN ONLY IF WE LET IT.

THANK YOU.