

STATE OF NEVADA

**STATE OF THE STATE
ADDRESS**

GOVERNOR BOB MILLER

**Carson City, Nevada
January 18, 1989**

Mr. President, Mr. Speaker, Members of the 65th Nevada Legislature, Members of the Judiciary, honored guests and fellow Nevadans:

I stand before you today to present the goals...we must reach, the hopes...we must fulfill, and the vision...we must realize.

Nevada enters its 125th year with great promise, unlimited potential and high expectations.

Nevadans are looking to us to provide leadership...and courage...in setting the course the state must take to meet today's challenges, and to set the direction we must follow to create tomorrow's opportunities.

We must create the environment in which all of us...young and old, urban and rural, weak and strong, can share in the opportunities arising from a prosperous, growing and dynamic Nevada.

From hotel employees in Las Vegas, small business owners in Reno, ranchers in rural Nevada, and parents and teachers throughout our state...the message comes to us loud and clear: put politics aside, work together, seek unity, be productive and rise to meet the challenges that face the fastest growing state in the nation.

I'm not going to pretend that everything is perfect. Along with our prosperity we have our problems.

Our tremendous growth can be our biggest asset or our biggest nightmare. If we handle our growth correctly - we will continue to prosper. If we fail to address the problems which accompany growth - we will go backwards fast.

Growth can be our friend or growth can be our enemy. With this in mind, tonight I have submitted to this legislature an executive budget. We prepared this budget to meet the demands of a growing state. Our goal was to balance the state's obligation to provide better education, better health care, stronger law enforcement, a cleaner environment, and help for the less fortunate with a commitment to keep Nevadans among the lowest taxed in America.

As a parent, my greatest responsibility is to my children. As Governor, my highest priority is to all the children in our state.

The time is now to reverse the increasing trends of alcohol and drug abuse, poor school performance, dropouts, juvenile delinquency, gangs, teenage pregnancy, child abuse and the ultimate tragedy - teenage suicide.

Nevada has the highest adolescent pregnancy rate in America...up to one-third of our children will drop out of school and never graduate...and most distressing of all, our teen suicide rate is the highest in the nation.

When this legislative session adjourns, I sincerely hope we will be able to go back to our children and say..."we have made a difference, we have helped you prepare for the future, we have improved your quality of life."

Let's begin this legislative session with one very clear-cut understanding...nothing is more important to me than the teaching and protection of Nevada's children.

Last May, parents, teachers, students, administrators and the community in Clark County united in a successful effort to pass a bond election for a school building program. The same success has been repeated in other communities throughout the state. There is no doubt - education is a high priority for Nevadans. We must join them in their efforts. And we must start by focusing on two areas.

Teachers are the heart and soul of our children's learning. Yet we have allowed teacher's salaries to slip in national comparisons.

Nevada must compete for the best quality teachers available.

I propose an across the board salary increase for teachers and college faculty of five percent effective July 1, 1989, continuing into the second year of the biennium. I also recommend that an additional 3-5% increase be triggered in the second year, depending on available revenues.

Frankly, they deserve more. This is just the first step toward fairly and justly compensating our teachers for the vital function they perform.

We must also begin tackling overcrowded classrooms. Currently Nevada is ranked 46th in the nation in student/teacher ratio. As Nevada continues to grow, this problem will only get worse.

We must begin a concerted effort to reduce class sizes to an acceptable level, especially for grades K through 3.

I propose we initiate in our most crowded schools a program which eventually will reduce class size to a pupil/teacher ratio of 19 to 1 for grades K-3 statewide. We can no longer afford to handicap our children and our teachers - the stakes are too high.

It is vital that we address these two areas. It is equally important that we indicate and maintain our commitment to our universities and community colleges. I am proposing that we fund 9 million dollars worth of new facilities at each of our university campuses in Reno and Las Vegas. We will construct an

engineering building in Reno where the community raised over 1.7 million dollars in private contributions to help pay for it. We also will build two new buildings, a health sciences building and a computer center, at UNLV. In addition, the budget calls for over 5 million dollars in new equipment for our entire university and community college system.

Education is a continuing process - especially the development of work related skills. I propose creating a Governor's Literacy Advisory Council to coordinate and oversee those programs helping the 67,000 Nevada adults who can't read well enough to find a job.

And education encompasses many programs. I am proud of Nevada's Job Training Programs which train and find work for the unemployed. One of these programs helps many Nevada welfare recipients find jobs. This program has become a working model for other states and the Federal Government. The proposed increases in this program will provide Nevadans a helping hand and not a handout.

Fifty-seven percent of my proposed budget is dedicated to education.

1.8 million dollars, or 54%, of all new appropriations is for education. And this figure does not include proposed new appropriations for other child related programs.

Our commitment to our children must, in fact, go beyond education and training. The budget I have submitted contains significant increases in many services for children. We have to make sure people can find those services when they need them. Today, children needing help are too often shuffled from agency to agency to agency. They are tested, interviewed and delayed. Caseworkers change when agencies change and the process starts all over. This is just plain unacceptable.

Therefore, I am proposing we create a Children's Resources Bureau. This Bureau will bring together our existing services with one intake point. We will determine what families need and get them necessary help without the costly and painful delays that too often plague us now.

And we cannot ignore the nearly 25,000 children who were financially abandoned by their parents in 1987.

Children should not be forced to live in poverty because of unpaid child support. I am proposing dramatic increases in the enforcement staff of the Child Support Enforcement Division.

The budget also provides for an alternative placement program for young adults. This will fill a need in an area such as that left by the loss of the Home of the Good Shepherd.

I've talked a lot about our young. But the immeasurable debt we owe our parents and grandparents is just as important as our obligation toward our children and young adults.

It is impossible to measure the wealth of knowledge, experience and caring our parents and grandparents provide us with.

How can we adequately repay these people who took care of us when we were young, fought our wars, forged new territory, developed new industry and are most responsible for the benefits we enjoy today. Sometimes...they need our help.

Geneva was a Nevadan for over 70 years...certainly a pioneer. Last year, she became very ill and was admitted to the hospital. While in the hospital, Geneva was visited by a neighbor, offering help. She had no family to turn to and most of her friends were gone. Eventually she signed a power of attorney to her neighbor.

Geneva was later transferred to a convalescent home for what was to be a short stay. While she was there, the neighbor sold Geneva's assets and moved out of the state. Geneva was too frail to fight. Everything she had worked for and saved was gone. Where could she seek help? Who could she call? She didn't know.

Geneva died, destitute, a ward of the state. And...there have been many other Genevas. I don't want a Nevada that allows this type of injustice to exist.

As just the first step in fighting back, I am proposing a Senior Abuse Help Line, supported by a Senior Rights Specialist. By calling this number, seniors can get instant professional support, legal counselling and protection from someone who would hurt them the way Geneva was hurt.

Seniors, families, young adults, children. Each of these segments of our population has problems which seem to impact on that particular segment harder than on the others. But there is one problem which affects all of us alike. Maybe the greatest threat to our moral fiber today is drug abuse. The state can and must play a vital role in combatting this destroyer of people's lives.

As a district attorney, I saw first hand the agonies produced by drug and alcohol abuse. Over 6 million dollars in federal funds have been funneled into Nevada over the last three years for drug education, treatment and tougher enforcement. This has led to increased anti-drug efforts throughout the state - by the police in our streets and the educators in our schools and the parents in our homes. We are all working toward a common goal. But we must assure that we are working toward that goal together.

Therefore, I am proposing the creation of the position of drug czar for Nevada. The person placed in this position will work with local, state and federal law enforcement authorities...with teachers, parents, principals and counselors...and with kids

themselves to vigorously continue and coordinate anti-drug efforts. To assist in this effort, the budget contains 20 new narcotics enforcement positions, including a new investigative support unit.

An outgrowth of the drug problem that is becoming of increasing concern to Nevadans is youth gangs. Over 5,000 gang members have been identified in Las Vegas alone - 4,000 of which belong to just two gangs. But we will never surrender to cowardly drive by shootings and senseless violence.

In many cases, the continued existence of these gangs depends on the money they make from drug sales. Without drugs they won't be able to continue. By stepping up our attack on drugs, we will intensify our war against gangs! I will instruct our new Drug Czar to cooperate in every way possible with law enforcement authorities to combat the gang presence in this state.

In spite of the increasing problems that Nevada is encountering with drugs and gangs, over the last two years violent crime has actually dropped in Nevada. Police officers all over Nevada deserve the lion's share of the credit, particularly those, like Las Vegas Metro Officer Mark Kahre, who have made the ultimate sacrifice by giving their lives while fighting crime to protect Nevadans. We are proposing an increase in the funding for the POST program to assist our law enforcement personnel.

Fortunately, too, our police officers have had the support of many tough judges, hard working prosecutors and cooperative Federal agencies.

But a solid judicial system depends on the fear of punishment...the fear of going to jail.

In order to avoid creating a revolving door criminal justice system in Nevada, I am recommending additional funding for prisons.

Our prison budget provides for opening the maximum security prison in Ely this July, and provides initial funding for a medium security facility in Lovelock.

Punishing offenders is only half of what the criminal justice system should be about. The other half, the justice half, concerns the victims. From my first public office as a justice of the peace and throughout my career, I have worked to make sure victims' rights are as protected as the criminals' rights. This state can be proud of the protection and compensation we afford the victims of crime. This session I will ask the legislature to treat the victims of drunk drivers as other victims in this state and entitle them to compensation from court administrative assessment monies.

As we look to help others, we cannot ignore the area of mental illness which is in desperate need of our attention.

The previous legislature made some important improvements. This year, it is urgent we take even more initiatives.

An interim study committee, chaired by Assemblyman Jim Spinello, has found that increases in staff, training, education, and facilities are required...right now.

My budget reflects my support by providing increases in those vital areas.

Additionally, I am recommending a 25% increase in home self-help programs for the physically disabled.

Two years ago, Governor Bryan waged one of his heaviest and most significant battles against the ever increasing costs of health care.

While working with many of you here tonight, he took the first bold stroke at reducing hospital rates, while not sacrificing quality. We must review and continue on that track.

This year, another serious threat confronting health care is the nursing shortage, hurting not only Nevada but all of America.

Last year, Nevada's major hospitals had to direct critically ill patients to other facilities because they lacked proper staff to treat those patients.

A legislative interim committee, chaired by Senator Ray Rawson, has recommended a scholarship program for nursing students and others who wish to work in direct patient care.

Tonight, I am happy to announce that, as a result of meetings we have held with the hospital industry, it has agreed to fund a program that will make these scholarship programs possible. No tax dollars will be necessary. The scholarships will be available particularly to those who choose to work in nursing homes and in rural Nevada.

Important to our future are our present efforts in economic development and tourism. As Lt. Governor, I had the privilege of chairing those commissions. I enjoyed the tremendous experience of working with representatives of private industry, sharing and providing Nevada with their respective expertise.

Largely due to their efforts, Nevada's record of economic development and diversification is one I point to with great pride.

Over the last five years, 124,000 new jobs have been created.

Our unemployment rate of 4.4 percent is the lowest ever.

In 1987 and 1988, 20,681 new businesses opened.

And because 80 percent of our economy is based on small business, on people who are betting on Nevada's future, I am proposing the creation of an Office for Small Business Advocacy. This Office will serve as the ears and voice of small business in state government, with special sensitivity to helping minority business owners.

Furthermore, I am recommending a 1.5 million dollar rural community development grant, to help rural Nevada keep pace with our state's growth.

Nevada's growth in its permanent population is matched by the increasing number of people who just come to visit. Nevada's past and its future are tied to tourism. Last year over 27 million people visited Nevada and spent seven and a half billion dollars.

By helping tourism, we help ourselves, which is why I'm proposing in the Tourism Commission budget that a greater emphasis be placed on marketing and advertising to attract new visitors to our State.

The Nevada we leave for our children won't be focused on today's growth but on the environmental legacy we leave behind. That legacy revolves around water management. To help in this effort, my budget proposes to revive the Division of Water Planning to support regional water planning efforts.

And we must continue our fight to bring water to the Stillwater Wildlife Management Area as well as to preserve the natural beauty of Lake Tahoe for generations to come.

Protecting our families and our environment includes safeguarding against dangers that we face from events such as the PEPCON explosion last year. That explosion highlighted the need for all of us to be aware of potential dangers which may threaten our daily lives. I call upon the legislature to remove from statute all provisions which inhibit public access to the records of state safety inspections of industrial plants.

In addition the budget addresses some of the recommendations made by the Henderson Commission, which I chaired and which was formed after that explosion. Heading the list is construction of a training center in Southern Nevada to train those who handle hazardous materials in Nevada.

However, the greatest threat to our environment today is the proposal to locate a high level nuclear waste repository in Southern Nevada.

This facility would mean at least 70,000 metric tons of the most dangerous, highly radioactive by-products of the nuclear power industry would be shipped to Nevada from all across the country. Ten truckloads a day...every day...for 30 years...140,000 truck shipments...carried over our highways to Yucca Mountain.

This dump threatens our prosperity and our lives. Last week I was asked by a member of the media if the Yucca Mountain repository "wasn't a done deal?" I'll respond now as I did then, "It ain't over 'til its over!"

I urge this legislature to send a clear and unequivocal message to Washington, D.C. Nevada will not...under any condition...approve the withdrawal of any land at or near Yucca Mountain for the purpose of building the nuclear dumpsite.

Let us turn for a moment to another area - that of the state's leaders maintaining the public's trust and confidence. We in the administration will do our part. I expect all administration officials to live by and enforce the standards set forth in the Ethics in Government Law. We will keep government open to the public, and operating in the sunshine.

Much more is needed. We need to face the tough issue of campaign reform. Secretary of State Frankie Sue Del Papa, as the State's chief elections officer, has a plan that deserves serious attention. I believe there must be restrictions on the use of

campaign contributions. Campaign funds should not be used for a candidate's personal expenses.

No money should ever be accepted during a legislative session, or within 30 days on either side of one.

Political action committees must be required to disclose where their money comes from. Right now there are too many ways contributions can be hidden. "Ghost contributors" must be exorcised.

Public interest, not special interest, should control our government.

The budget I am proposing does many other things that prepare us for our future. It continues our commitment to get the best university students to enter the field of teaching via scholarships.

It transfers \$116,000 in Tourism Commission revenues to the Council of the Arts - more than doubling the state money available to that agency.

It provides \$400,000 to the Railroad Museum to enhance our historical railroad projects statewide.

It adds positions to the Attorney General's office to bolster people oriented programs that fight crimes such as insurance fraud.

It provides our state workers - professional, dedicated people serving all of us - with the same pay increases I am recommending for our teachers.

And it provides for 17 badly needed new technicians in the state's Special Children Clinics to help infants suffering from birth defects affecting their physical and mental development, thus improving the child's chances of leading a more normal life.

Each and every proposal that is contained in the budget I am presenting tonight can be funded by revenues currently projected over the biennium. But so much more could be done. Teachers compensation is too low, there are no funds for counselors in the early grades, and the battle against drug abuse demands much more emphasis.

Where can we get the needed funding, without burdening homeowners and wage earners?

Mining in Nevada has never been more lucrative. Nevada is this country's largest gold producer, and Nevada mining companies supply 65% of all the gold that the U.S. produces. We lead the

nation in the production of silver, and we're among the leaders in the production of lithium, mercury and barite.

The mining industry earned 1.4 billion dollars in Nevada last year. 1.4 billion dollars! The industry every single day produces 14 gold bars worth a quarter of a million dollars each. That's three and one half million dollars of Nevada gold every day - 365 days a year!

Yes, mining is important to Nevada's rural communities and to our entire state economy. We are all proud of the historical significance of the industry and we are proud to call our miners fellow Nevadans. We are proud to have their children in our schools.

This is not an initiative against the miners. They live in this state and share our dreams.

It is against the mine owners. The fact is this: mining does not pay its fair share to the state. A gold mine that would pay a million dollars in state and local taxes in Nevada pays eight million in Colorado.

And you know, that might be tolerable if the mines were taking a renewable resource from the ground. But they're not. One day, the ore will be gone. And so will the companies. And so will that source of income. Half of the top twelve largest mining

producers in Nevada have major foreign ownership. Their profits are leaving the state and leaving this country.

The Las Vegas Hilton Hotels alone pay more taxes in this state than the entire mining industry.

Because of the mining industry's unwillingness to pay its fair share, we may not have enough money to achieve some of the goals we have set for better preparing Nevada's children for the future.

I support SJR 22, a revenue raising proposal agreed on two years ago. It's a start - but it's not enough. With a slightly larger share from mining, we can make kindergartens available to every Nevada child, particularly in rural counties where kindergarten instruction is not available.

We can provide a teacher for every 19 children in every first and second grade classroom statewide, beginning this fall. And we can hire school counselors for two-thirds of all the elementary schools without one today.

Remember those facts the next time you see a television commercial or newspaper ad that says, "Mining, it works for Nevada." It is not working hard enough.

In closing, let me again call upon all Nevadans and all its industries to join together - close ranks - and tackle our problems together.

Improving education isn't a Democratic problem - it's not a Republican problem - it's Nevada's problem.

Winning the war against crime and drugs - that will take a unified effort, north and south. Crime is bipartisan, it has no boundaries.

The fact is - few problems are really insurmountable if people work together.

I love Nevada.

To me, Nevada is more than just a special state - it's truly America's finest state. I promise to work with all of you to keep it that way.

Thank you and good night.