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STATE OF THE STATE MESSAGE  
GOVERNOR MICHAEL V. DI SALLE  
103RD GENERAL ASSEMBLY

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THE STATE OF OHIO HAS BEEN FORTUNATE IN THE FACT THAT ENLIGHTENED CITIZEN INTEREST HAS PRODUCED OVER THE YEARS MANY CAPABLE PUBLIC OFFICIALS AND I BELIEVE THAT IT HAS HAD, OVER THE PERIOD OF TIME, A RESPONSIBLE TYPE OF LEADERSHIP IN ITS LEGISLATIVE HALLS.

TWENTY-TWO YEARS AGO, AS I STOOD BEFORE THIS ROSTRUM BEING SWORN IN AS A MEMBER OF THE LEGISLATURE, I LOOKED FORWARD WITH GREAT ANTICIPATION TO THE SESSION AND WHAT MIGHT BE ITS ACCOMPLISHMENTS AS FAR AS THE WELL-BEING OF THE CITIZENS OF THIS STATE WAS CONCERNED.

AT THAT TIME, THE LEGISLATURE WAS OVERWHELMINGLY DEMOCRATIC. FRANK UBILE WAS THE SPEAKER. JACOB DAVIS, OF PIKE COUNTY, WAS THE MAJORITY FLOOR LEADER LATER TO BE REPLACED BY BISHOP KILPATRICK, STILL A MEMBER OF THIS HOUSE. BILL MC CULLOCH WAS THE MINORITY FLOOR LEADER AND THE LATE HARRY MCGREGOR WAS HIS WHIP. ON THE SENATE SIDE, PAUL YODER WAS PRESIDING AS LT. GOVERNOR WITH KEITH LAWRENCE ACTING AS MAJORITY LEADER AND THE LATE VERN METCALF SERVING AS THE MINORITY LEADER. ONLY TWO OF THESE MEN HAVE LEFT THIS LIFE. THE REST ARE ACTIVE, RESPECTED CITIZENS IN VARIOUS WALKS OF LIFE BUT WITH ONLY TWO OF THEM STILL ACTIVE IN PUBLIC AFFAIRS.

THERE ARE NOT MANY PEOPLE STILL AROUND WHO WOULD BE ABLE TO NAME THE LEADERSHIP OF THAT PARTICULAR ASSEMBLY, BUT YET, IN THEIR OWN WAY, THEY FASHIONED A PROGRAM THAT SERVED THE NEEDS OF THAT PARTICULAR DAY. THE REPUBLICAN MINORITY WAS THEN SO HOPELESSLY OUTNUMBERED THAT MANY OF US FROM TIME TO TIME FELT IT NECESSARY, IN THE INTEREST OF MILITANCY AND COMPLETE DISCUSSION, TO JOIN WITH THEM IN GIVING VOICE TO AN ESSENTIAL

**REFERENCE**

1959

OF DEMOCRACY - FREE AND OPEN DEBATE OF THE ISSUES.

TODAY, IN THIS ASSEMBLY, THE LINES ARE MORE CLOSELY DRAWN SO THERE WILL BE VERY LITTLE NEED OF CLOSING PARTY LINES FOR THE PURPOSE OF OPENING UP THE DEBATE. BUT AS WAS THE CASE IN 1937, IT REMAINS VITAL TODAY THAT THE LEADERSHIP OF BOTH THE MAJORITY AND MINORITY PARTIES EMPLOY ABILITY AND RESPONSIBILITY. I AM CERTAIN THAT ON THOSE OCCASIONS WHICH AFFECT THE WELFARE OF THE STATE AND ITS FUTURE, THAT PARTIANSHIP WILL BE DISREGARDED AND THAT EACH OF US, IN HIS OR HER OWN WAY, WILL CONTRIBUTE CONSTRUCTIVELY TO BUILDING A BETTER STATE, A BETTER HOPE, AND GREATER OPPORTUNITIES FOR OUR FELLOW OHIOANS.

IN THE COURSE OF THIS MESSAGE, IT MAY BE NECESSARY FROM TIME TO TIME TO REFER TO THE PAST. I DO SO ONLY IN THE SENSE OF MAKING COMPARISONS AND DRAWING UPON THOSE EXPERIENCES FOR THE PURPOSE OF ATTEMPTING TO DEMONSTRATE IMPROVEMENTS WHICH WILL CONTRIBUTE TO A BETTER TYPE OF GOVERNMENT FOR THE TIMES IN WHICH WE LIVE.

EACH GENERATION, EACH ASSEMBLY, EACH ADMINISTRATION, OWES AN OBLIGATION TO FASHION NEW AND BETTER METHODS AND TECHNIQUES WHICH DRAW UPON THE EXPERIENCES OF THE PAST.

WE FACE MANY COMPLEX PROBLEMS AND WERE I TO ATTEMPT TO DISCUSS EACH ONE OF THEM IN DETAIL, WE WOULD BE HERE FOR TOO LONG A PERIOD AND I AM SURE THAT THE IMPORTANCE OF EACH WOULD BE LOST IN THE LENGTH OF THE TOTAL DISCUSSION. CONSEQUENTLY, IT IS MY PURPOSE ONLY TO OUTLINE THE PROBLEMS WE FACE AS A PEOPLE, AS A STATE, AND AS INDIVIDUALS BOUND BY A SOLEMN CONTRACT TO HAVE COURAGE AND CONVICTION IN MEETING SQUARELY THE RESPONSIBILITIES WHICH ARE OURS. I WILL SEND FOR YOUR CONSIDERATION IN FUTURE DAYS, INDIVIDUAL AND MORE DETAILED DISCUSSIONS OF ITEMS WITHIN

THE AREAS SKETCHED HERE TODAY AS WELL AS OF OTHER MATTERS WHICH, WHILE OF IMPORTANCE, CANNOT BE COVERED IN THIS ADDRESS.

THERE IS NO DOUBT THAT WE FACE A NEW ERA OF GOVERNMENTAL FINANCE IN THE STATE OF OHIO. FOR THE FIRST TIME IN NEARLY TWENTY YEARS, WE CANNOT COME BEFORE YOU POINTING TO THE ACCUMULATION OF BALANCES IN THE STATE TREASURY. AS THE ACCUMULATION OF FUNDS IN THE STATE TREASURY WAS LARGELY A RESULT OF THE EVENTS AND CONDITIONS OF AN ABNORMAL PERIOD IN OUR HISTORY, SO WAS THE DISSIPATION OF THOSE FUNDS LARGELY A RESULT OF OBLIGATIONS WHICH GREW AT A CONCURRENT TIME.

IN THE LATE 1930'S UPON GOVERNOR JOHN BRICKER'S RECOMMENDATION, THE LEGISLATURE ADOPTED A PROGRAM WHICH REMOVED THE EARMARKING OF THE NEWLY LEVIED SALES TAX. THIS COURSE OF ACTION AS IT TURNED OUT PREVENTED THE WARTIME FLOW OF REVENUES FROM ACCUMULATING AUTOMATICALLY AT LOCAL LEVELS OF GOVERNMENT.

WITH THE ADVENT OF THE SECOND WORLD WAR - YES, EVEN IN THE EARLY DAYS OF POSSIBLE ENTRY INTO WAR, RESTRICTIONS BECAME SO PRONOUNCED THAT THE STATE WAS EFFECTIVELY PRECLUDED FROM MEETING EVEN MINIMUM NEEDS FOR CAPITAL IMPROVEMENTS IN THE FORM OF HIGHWAYS AND INSTITUTIONAL CONSTRUCTION. THIS CREATED THE RATHER PARADOXICAL SITUATION OF INCREASED REVENUES AND ACCUMULATING BALANCES BUT AN INABILITY TO KEEP PACE WITH THE OBVIOUS NEEDS OF OUR STATE.

IT WAS ANTICIPATED THAT THESE INCREASED BALANCES WOULD PROVIDE FOR OHIO'S NEEDS DURING THE POST-WAR PERIOD. THIS SITUATION CONTINUED DURING THE FIRST LAUSCHE ADMINISTRATION AND THROUGH A PART OF THE SUBSEQUENT ADMINISTRATION OF GOVERNOR HERBERT. AFTER GOVERNOR LAUSCHE HAD TAKEN

OFFICE FOR THE FIRST OF HIS FOUR SUBSEQUENT TERMS, THE KOREAN UNITED NATIONS ACTION INTERVENED AND AGAIN CERTAIN RESTRICTIONS ON THE USE OF STEEL RESULTED IN THE FURTHER POSTPONEMENT OF CONSTRUCTION PROGRAMS. IN ALL OF THESE DAYS, THE ACCUMULATED SURPLUS WAS ZEALOUSLY GUARDED AND INROADS WERE MADE ONLY FOR CAPITAL IMPROVEMENTS.

IN THE MEANTIME, THE PASSAGE OF THE \$500 MILLION DOLLAR BOND ISSUE FOR HIGHWAY CONSTRUCTION AND THE SUBSEQUENT FEDERAL HIGHWAY BILL PROVIDED FUNDS FOR A STEPPED UP HIGHWAY PROGRAM AND THE \$150 MILLION DOLLAR BOND ISSUE PROVIDED FUNDS FOR AN INSTITUTIONAL PUBLIC BUILDING AND SCHOOL CONSTRUCTION PROGRAM.

HOWEVER, THE RECESSION OF 1957 AND 1958, THE END OF WHICH IS NOT COMPLETELY IN SIGHT, CAUSED A DROP OFF IN SALES TAX REVENUES, BUT AT THE SAME TIME, INCREASED BURDENS WERE FELT IN THE SCHOOL PROGRAM, IN POOR RELIEF, AND IN CERTAIN OTHER AREAS. NEW INSTITUTIONS HAVE BROUGHT WITH THEM A NECESSARY INCREASE IN OPERATING COSTS. THE RESULT NOW IS A VIRTUALLY COMPLETE ERASURE OF THE BALANCES WHICH HAVE BEEN OUR CUSHION FOR MANY YEARS. WHILE THERE ARE MANY PEOPLE WHO HAVE INDICATED CONFUSION AS TO THE CONFLICTING STATEMENTS MADE WITH REFERENCE TO THE FISCAL SITUATION, THOSE WHO WILL STUDY THE FACTUAL SITUATION WILL FIND THAT THE RECORD DEMONSTRATES WITH CLARITY THAT THE DETERIORATION OF THE STATE'S FISCAL POSITION IS REAL AND CRITICAL.

MY DEFINITION OF A SURPLUS IS THAT AMOUNT OF MONEY YOU HAVE REMAINING AFTER YOUR COMMITMENTS HAVE BEEN TAKEN CARE OF. IF WE WERE TO ACCEPT WITHOUT QUESTION THE LAST ADMINISTRATION'S BUDGET DOCUMENT, WE WOULD FIND THAT AT THE TIME OF ITS SUBMISSION, WHEN NO THOUGHT WAS GIVEN TO A POSSIBLE RECESSION, THIS DOCUMENT SHOWED ON ITS FACE THAT RECOMMENDED

GENERAL FUND EXPENDITURES WERE EXPECTED TO EXCEED GENERAL FUND REVENUES BY SOME FORTY MILLION DOLLARS. THUS THE FISCAL PROBLEM IS NOT OF CURRENT ORIGIN NOR DID IT FIND ITS SOURCE IN THE RECENT RECESSION.

IT IS TRUE THAT CERTAIN REVENUES, PRINCIPALLY THOSE OF THE SALES TAX, DECLINED AS A RESULT OF THE RECESSION AND ALSO CERTAIN COSTS INCREASED AS A PRODUCT OF THE NATION'S ECONOMIC DECLINE. BUT, IT ALSO MUST BE NOTED THAT FOR THE GREATEST PART OF THE PRESENT BIENNIUM, THE GOVERNMENT OF OHIO HAS OPERATED BELOW APPROPRIATION LEVELS AND, IN MANY CASES, BELOW THE MINIMUM STANDARDS REQUIRED BY DECENCY. NOT ONLY HAS THE STATE BEEN UNABLE TO PROVIDE THOSE GOODS AND SERVICES WHICH ARE SO OBVIOUSLY NEEDED IN TERMS OF THE FUTURE WELL BEING OF OUR PEOPLE, WE HAVE NOT BEEN ABLE TO MEET PRESENT NEEDS - WE HAVE NOT MET BASIC REQUIREMENTS OF MEDICAL CRITERIA AND ACCEPTED SOCIAL STANDARDS.

THIS, AT LEAST IN PART, SERVES TO BRING INTO FOCUS THE MAJOR PROBLEM THAT WE NOW FACE. FOR THE PRESENT BIENNIUM, WE ARE DEFINITELY UNDER APPROPRIATED FOR POOR RELIEF, FOR AID TO THE AGED, AND FOR THE SCHOOL FOUNDATION PROGRAM. THE AMOUNT NECESSARY TO MEET THESE DEFICIENCIES WILL APPROXIMATE TWENTY MILLION DOLLARS PLUS THE COSTS RESULTING FROM THE FLOOD EMERGENCY.

ONLY WITH CAREFULLY APPLIED RESTRAINTS, CAN WE END THIS BIENNIUM WITH ANY CASH BALANCE AT ALL. MIGHT I SAY IN CLARIFICATION OF THE CONFLICTING BALANCE STATEMENTS, THAT THE BEST ILLUSTRATION IS THE INDIVIDUAL HIMSELF. THE MONEY HE HAS FLUCTUATES FROM DAY TO DAY. THE BALANCE HE HAS ON PAYDAY IS USUALLY NOT THE BALANCE HE HAS THE DAY AFTER PAYDAY. HIS FINANCIAL PICTURE ONLY BECOMES CLEAR AT THE END OF THE MONTH WHEN HE COLLECTS ALL

THE MONEY HE HAS COMING AND PAYS ALL OF THE OBLIGATIONS HE OWES. THE STATE OF OHIO HAS BEEN SUPPLEMENTING ITS CURRENT PAY BY WITHDRAWALS FROM A SAVINGS ACCOUNT PREVIOUSLY BUILT UP AND IT IS NOW WITHOUT FURTHER SAVINGS UPON WHICH TO DRAW.

OUR FUTURE INSOFAR AS FINANCES ARE CONCERNED AND MY RECOMMENDATIONS FOR THAT FUTURE WILL BE CLEARLY SPELLED OUT IN THE BUDGET MESSAGE NOW IN PREPARATION.

WE KNOW THAT THE DEPARTMENT OF MENTAL HYGIENE AND CORRECTION, EVEN WITH THE ADDITION OF MORE FUNDS, WILL STILL BE BELOW REASONABLY ACCEPTED STANDARDS, BUT THIS IS NOT SOMETHING WE CAN CONTINUE TO POSTPONE, IT IS A NEED AND OBLIGATION THAT MUST BE MET. WE KNOW FURTHER THAT SOME OF THE PROGRAMS OUTLINED HEREIN, SUCH AS THE REMOVAL OF THE \$65.00 CEILING ON AID FOR THE AGED PAYMENTS, WILL COST MORE MONEY, BUT THIS IS ALSO AN OBLIGATION WHICH MUST BE MET IN THE INTEREST OF DECENCY. WE KNOW THAT THE SCHOOL PROGRAM, THE NEED FOR INCREASED TEACHERS' SALARIES AND BENEFITS WILL PRODUCE INCREASED COSTS, BUT THIS, TOO, IS A RESPONSIBILITY THAT MUST BE MET.

ACTUALLY, THE NEW PROGRAMS SUGGESTED HEREIN, IN ADDITION TO THOSE FOR WHICH WE ARE NOW RESPONSIBLE, WILL BE MINIMAL IN THE NEED FOR FUNDS AND THESE FUNDS CAN BE CONSIDERED IN THE NATURE OF INVESTMENTS WHICH WILL PRODUCE RETURNS THAT WILL HELP SPREAD AND MEET THESE COSTS AS FAR AS THE FUTURE IS CONCERNED.

IN OUR BUDGET MESSAGE, WE WILL DEMONSTRATE BEYOND A SCINTILLA OF DOUBT THAT EFFORTS HAVE BEEN AND WILL BE MADE TO ELIMINATE DUPLICATION, WASTE, AND EXTRAVAGANCE AND THE SUMS OF THE FINANCIAL PROGRAM ARE THOSE REQUIRED TO TAKE CARE OF THE GENUINE NEEDS OF OHIO. IT IS OUR INTENTION

TO PROCEED WITH A MINIMUM OF IMPOSITION ON OUR CITIZENS AND THE CONTINUANCE OF THE CONDITIONS WHICH HAVE MADE OHIO'S INDUSTRIAL CLIMATE THE ENVY OF MANY OF ITS SISTER STATES: BUT WE WILL BE FRANK WITH YOU, THE PEOPLE OF OHIO, AND WITH OURSELVES.

WHILE IT IS MY INTENTION TO SET OUT A RECOMMENDED FISCAL PROGRAM IN THE BUDGET MESSAGE, I WOULD LIKE NOW TO MAKE CLEAR MY POSITION WITH RESPECT TO ONE AREA WHICH IS THE SUBJECT OF MUCH DISCUSSION. I RECOGNIZE THE POSSIBLE DESIGN OF AN INCOME TAX STRUCTURE WHICH MIGHT SERVE AS AN EQUITABLE VEHICLE FOR THE RAISING OF NEEDED MONIES, IT IS NOW MY SETTLED POSITION THAT TO PRESENTLY EMPLOY SUCH A DEVICE WOULD BE TOO DISRUPTIVE OF STATE-LOCAL RELATIONSHIPS IN LIGHT OF THE PRESENT UTILIZATION OF SUCH SOURCES AT THE LOCAL LEVEL. I WILL NOT, THEREFORE, RECOMMEND THAT THIS BODY ENTER THE STATE INTO THE FIELD OF INCOME TAXATION.

#### INDUSTRIAL AND ECONOMIC DEVELOPMENT

AS THE STATE'S POPULATION GROWS, AND WE KNOW THAT IT WILL, THE PROBLEMS OF GOVERNMENT CAN BE MET ONLY WITH AN INCREASING ECONOMIC EXPANSION. THIS EXPANSION IS NOT ONE THAT CAN BE TAKEN FOR GRANTED.

TODAY, NEARLY EVERY STATE IN THE UNION IS ANTICIPATING THE NEED FOR GROWTH. NEW TECHNIQUES FOR SUBSIDIZING AND ATTRACTING NEW INDUSTRY AND INDUSTRIAL GROWTH ARE BEING DEVELOPED.

HERE IN OHIO, WE NEED SUCH A PROGRAM ON A STATE-WIDE LEVEL.

PRESENTLY, WE FIND OUR COMMUNITIES PITTED AGAINST WHOLE STATES IN THEIR QUEST FOR NEW INDUSTRY. WE FIND OUR LARGE COMMUNITIES VYING WITH SMALL COMMUNITIES, WHICH ARE AT GREAT DISADVANTAGE BECAUSE THEY DO NOT HAVE

THE FINANCIAL RESOURCES TO PRESENT THE MARKETING AND ECONOMIC DATA NECESSARY TO SUPPORT THEIR BIDS.

IN MANY CASES, THIS LOCAL COMPETITION WORKS TO THE DISADVANTAGE OF THE STATE AS A WHOLE.

THESE LOCAL COMMUNITY PROGRAMS MUST BE COORDINATED AND BOLSTERED.

WITH THIS IN MIND, I PROPOSE THE ESTABLISHMENT OF A DEPARTMENT OF INDUSTRIAL AND ECONOMIC DEVELOPMENT.

INTO THIS DEPARTMENT, I PROPOSE TO INCORPORATE THE EXISTING ECONOMIC DEVELOPMENT AND PUBLICITY COMMISSION, NOW IN THE DEPARTMENT OF COMMERCE. WE ALSO WILL PROPOSE TO INCLUDE THE STATE ATOMIC ENERGY ADVISORY BOARD AND THE CAPITAL PLANNING DIVISION, NOW IN THE DEPARTMENT OF FINANCE. IT IS OUR HOPE THAT THIS DEPARTMENT WILL SERVE AS AN ARM OF THE STATE IN THE INDUSTRIAL DEVELOPMENT FIELD. IT SHOULD BE STAFFED SO THAT IT CAN ASSIST THE STATE IN A NEEDED CENTRAL PLANNING FUNCTION WHICH WILL ATTEMPT TO ANTICIPATE THE NEEDS OF THE STATE AND PROVIDE THE DATA NECESSARY FOR US TO MEET THOSE NEEDS.

IT IS OUR HOPE THAT SOON WE WILL BE ABLE TO BRING TOGETHER IN COLUMBUS REPRESENTATIVES OF THE PUBLIC, LABOR AND MANAGEMENT AND THOSE COMMUNITIES WHICH NOW HAVE INDUSTRIAL DEVELOPMENT COMMITTEES IN ORDER THAT OUR SPECIFIC PROGRAM MAY TAKE INTO FULL CONSIDERATION THEIR RECOMMENDATIONS.

#### RESEARCH

IN THIS MODERN AGE, WE ARE CONSTANTLY BEING AMAZED BY NEW DEVELOPMENTS IN THE FIELDS OF SCIENCE AND MEDICINE. WE CAN ENVISION MORE IMPROVEMENTS IN EVERY AREA.

THE STATE IS SPENDING, AND HAS SPENT, MILLIONS OF DOLLARS IN THE TREATMENT OF DISEASE. IT WILL SPEND MORE.

IT WOULD BE WISE AND PROVIDENT TO INVEST A SMALL PERCENTAGE OF THESE DOLLARS IN THE AREA OF RESEARCH. IN THIS WAY, WE MIGHT CONTRIBUTE TO DISCOVERIES THAT WILL LIFT THE BURDEN OF TREATMENT FROM THE SHOULDERS OF FUTURE GENERATIONS.

WE ARE SPENDING MILLIONS IN THE TREATMENT OF THE DEAF AND BLIND AND A MERE FIFTY THOUSAND DOLLARS FOR RESEARCH INTO THE CAUSES OF THESE ILLNESSES. THE SAME IS TRUE FOR THE MENTALLY RETARDED. LOOK AT OUR EXPENDITURES FOR TREATMENT OF CHRONIC ILLNESS OF THE AGED.

IT IS MY HOPE THAT WE MAY BE ABLE TO ESTABLISH SMALL FUNDS, AT THE BEGINNING, FOR RESEARCH AT OUR STATE UNIVERSITIES IN THE VARIOUS FIELDS OF HUMAN SUFFERING.

WHILE ON THIS SUBJECT, MIGHT I SAY THAT OHIO IS DOING FINE WORK IN AGRICULTURAL RESEARCH.

THIS PROGRAM, TOO, MUST BE STIMULATED IN ORDER THAT WE MAY BE IN A POSITION TO ASSIST IN MAINTAINING OHIO AS ONE OF THE NATION'S GREAT AGRICULTURAL STATES.

#### POLLUTION

WE MUST PURSUE AN AGGRESSIVE POLICY IN ORDER TO PREVENT THE POLLUTION OF OUR WATER SUPPLY AND OUR AIR.

IT WAS THOUGHT, AT ONE TIME, THAT AN INEXHAUSTIBLE SUPPLY OF WATER PERMITTED US TO BE CARELESS AND RECKLESS. WE HAVE LEARNED THAT WATER FOR HUMAN CONSUMPTION AS WELL AS FOR INDUSTRIAL AND FARM USE MUST

BE CAREFULLY NURTURED AND KEPT CLEAN.

AIR POLLUTION PRESENTS A REAL DANGER TO THE HEALTH OF OUR PEOPLE. THE STATE MUST BEGIN- AT LEAST - TO AUTHORIZE THE ENTRY INTO COMPACTS BETWEEN COMMUNITY AIR POLLUTION GROUPS IN OHIO AND THOSE OF OTHER STATES.

### CONSERVATION

ALTHOUGH WE DO NOT DEAL IN THE INTANGIBLES OF RESEARCH, CONSERVATION, TOO, IS A PROGRAM THAT NEEDS MORE VISION AND STIMULATION THROUGH EDUCATION.

WE MUST HUSBAND OUR RESOURCES. WE KNOW THAT THEY ARE NOT INEXHAUSTIBLE. WE KNOW BY OUR POPULATION GROWTH THAT THE NEED FOR THEM WILL BECOME GREATER WITH EACH SUCCEEDING GENERATION.

CONSEQUENTLY, GREAT CARE MUST BE EXERCISED IN THE PRESERVATION OF OUR FORESTS, OUR WATER SUPPLY AND THE RECREATIONAL FACILITIES THAT CONTINUE TO DISAPPEAR RAPIDLY BEFORE THE ONRUSH OF THE HUMAN ELEMENTS IN CIVILIZATION.

HUNTING AND FISHING AND BOATING HAVE SERVED AS INSTRUMENTS TO CREATE A GREATER AWARENESS OF OUR FIGHT FOR CONSERVATION.

I PROPOSE THAT WE PROCEED AS QUICKLY AS POSSIBLE TO ACQUIRE THE FORTY TO FIFTY THOUSAND ACRES IN OHIO PRACTICALLY ABANDONED AS A RESULT OF BEING DESPOILED BEFORE THE ADOPTION OF OUR STRIP MINING LAW. THIS LAND SERVES AS A DEPRESSING INFLUENCE ON THE VALUATION OF SURROUNDING PROPERTY.

OVER A PERIOD OF TIME, WE CAN, AFTER ACQUIRING THIS LAND FOR LITTLE OR NOTHING, RECLAIM FORESTS AND RESTORE IT FOR FUTURE GENERATIONS.

WE CAN ENVISION GREAT RECREATIONAL USES FOR THIS LAND WHICH IS NOW LYING IDLE, UGLY AND WASTED.

NOT ONLY DO I RECOMEND ACQUISITION OF THIS DESPOILED PROPERTY, BUT I WOULD INVITE THE CONTRIBUTION TO THE STATE OF ANY PROPERTY WHICH, IN SIZE, WOULD LEND ITSELF TO FUTURE DEVELOPMENT.

IN ORDER TO PREVENT RECURRENCE OF THE CONDITIONS THAT MADE THIS SITUATION POSSIBLE, I WOULD ADVOCATE THE REVIEW OF THE STRIP MINING LAW AND USE OF THE FEES COLLECTED FOR RECLAMATION PURPOSES ONLY.

#### LABOR

THE LABOR-MANAGEMENT RELATIONSHIP IN A STATE SUCH AS OHIO PLAYS A LEADING ROLE IN DETERMINING WHETHER THAT STATE WILL CONTINUE TO GROW. WE MUST, WHENEVER POSSIBLE, ENCOURAGE LABOR AND MANAGEMENT TO RESOLVE THEIR DAY TO DAY DIFFERENCES WITHOUT RESORT TO INDUSTRIAL WARFARE,

WE MUST, WHENEVER POSSIBLE, CONTRIBUTE TO THE MORE MATURE RELATIONSHIP THAT EXISTS WHEN EACH REALIZES HIS RESPONSIBILITIES TO THE OTHER PARTY IN THE CONTRACTUAL RELATIONSHIP.

WE MUST ENCOURAGE LABOR AND MANAGEMENT TO RECOGNIZE THAT THEIR PARAMOUNT INTEREST IS TO THE PUBLIC WELFARE.

IN THIS NECESSARY ECONOMIC MARRIAGE, THE MORE THE PARTIES HELP EACH OTHER IN THE RESOLUTION OF ECONOMIC PROBLEMS RESULTING FROM MALADJUSTMENTS, THE LESS THE BURDEN WILL BE ON THE PUBLIC GENERALLY.

#### SUPPLEMENTAL UNEMPLOYMENT BENEFITS

I FEEL THAT WHEN LABOR AND MANAGEMENT, THROUGH COLLECTIVE

BARGAINING, ARRIVE AT AN AGREEMENT WHICH IS NOT CONTRARY TO THE GENERAL WELFARE, THESE AGREEMENTS SHOULD BE INTERPRETED LIBERALLY.

THEY SHOULD BE ENCOURAGED AND GIVEN INCENTIVE RATHER THAN BEING HALTED, INTERFERRED WITH AND MADE MORE DIFFICULT.

THE LAW COVERING EXISTING CONTRACTS UNDER WHICH LABOR AND MANAGEMENT HAVE AGREED TO ESTABLISH A FUND TO SUPPLEMENT UNEMPLOYMENT BENEFITS SHOULD BE CLARIFIED AS SOON AS POSSIBLE.

THERE SHOULD BE NO QUESTION AS TO THEIR LEGALITY.

THE BENEFITS OF THIS PROGRESSIVE INNOVATION SHOULD BE MADE AVAILABLE TO THE PEOPLE OF OHIO AT THE EARLIEST POSSIBLE MOMENT. UNEMPLOYMENT COMPENSATION ON THE STATE LEVEL MUST KEEP PACE WITH INCREASED COST OF LIVING. THE STATUS OF THE TRUST FUND IS SUCH THAT IF WE ARE TO FULFILL THE MINIMUM REQUIREMENTS, AS ORIGINALLY INTENDED BY LAW, WE CANNOT INDULGE IN EXTREME REVISIONS OF THE BENEFIT SCHEDULE.

#### WORKMEN'S COMPENSATION

IT IS BETTER TO GIVE SOME PROTECTION TO ALL THAN TO DISSIPATE THE FUND QUICKLY.

WE MUST EXPAND THE BENEFITS DERIVED FROM WORKMEN'S COMPENSATION. THE WORKMAN AND HIS FAMILY MUST NOT BE PENALIZED AS A RESULT OF INJURY OVER WHICH HE HAD NO CONTROL AND WHICH RESULTS IN THE LOSS OF HIS EARNING ABILITY EITHER PERMANENTLY OR TEMPORARILY.

DEATH BENEFITS MUST BE INCREASED IN ORDER THAT DEPENDENT CHILDREN MIGHT BE PROTECTED IN THE LEGITIMATE ASPIRATIONS THAT WERE THOSE OF THE PARENTS WHILE THE BREADWINNER WAS STILL ALIVE.

THE REVISION OF THE LAW IN ORDER TO PROVIDE STATISTICALLY FOR THE POSSIBLE INFLUENCES OF INFLATION IN THE FUTURE, INSOFAR AS AWARDS FOR PERMANENT DISABILITY, IS ALSO A NECESSITY THAT MUST BE ANTICIPATED AT THIS TIME.

IN THIS REVISION, PROVISION MUST BE MADE FOR THE PERMANENTLY TOTALLY INJURED WORKER OF THE PRE-INFLATION DAYS WHOSE LIMITED INCOME NOW MAKES HIM A RECIPIENT OF RELIEF AND A BURDEN ON SOCIETY IN GENERAL.

THOUGHT MUST BE GIVEN TO INCLUDING THE TOTAL COST OF ADMINISTRATION OF THE PROGRAM AS PART OF THE EXPENSE CHARGEABLE TO THE FUND RATHER THAN TO TAXATION GENERALLY.

#### ANTI-RACKETEERING

THE LAST POINT ON THIS SUBJECT IS THE ADOPTION OF LEGISLATION DESIGNED TO PUNISH THOSE INDIVIDUALS WHO VIOLATE A POSITION OF TRUST FOR SELFISH PURPOSES.

THERE IS NO ROOM IN A DECENT LABOR MOVEMENT FOR RACKETEERS OF ANY KIND. THE LARGE NUMBER OF RESPECTABLE PEOPLE WHO LEAD THEIR FELLOW WORKERS ALONG LEGITIMATE ORGANIZATIONAL LINES, SEEKING TO PROTECT THEIR ECONOMIC INTEREST AS WELL AS THE PUBLIC, MUST HAVE THEIR REPUTATION PROTECTED BY THE ELIMINATION OF MEN WHOSE ONLY PURPOSE IS TO SERVE THEMSELVES.

THIS CANNOT BE LEFT TO THE LABOR GROUPS THEMSELVES, FOR THEIR BEST WEAPON IS SUSPENSION OF AN ORGANIZATION, LEAVING THAT ORGANIZATION FREE TO CONTINUE ITS PREYING UPON THE PUBLIC GENERALLY AND THE MEMBERSHIP WHICH, OF NECESSITY, REMAINS A PART OF THE SUSPENDED GROUP.

ALTHOUGH MOST ELEMENTS OF ORGANIZED LABOR, UNDER ITS PRESENT

LEADERSHIP, IS DOING A COMMENDABLE JOB IN RIDDING ITS OWN RANKS OF THESE VENAL LEADERS, THERE IS NO GUARANTEE THAT THE PRESENT LEADERS WILL NOT BE REPLACED OR THAT THE NEW LEADERS WILL HAVE THE SAME HIGH MOTIVES.

THIS IS A MATTER THAT MUST BE HANDLED BY LAW AND, REGARDLESS OF WHAT THE CONGRESS MIGHT DO, THERE IS NO REASON FOR THE STATE OF OHIO TO WAIT.

WE MUST ACT AND ACT NOW.

#### HIGHWAYS

SO-CALLED CRASH PROGRAMS ARE EXTRAVAGANT AND WASTEFUL.

IT IS OUR PURPOSE TO CONTINUE A HIGHWAY PROGRAM WHICH WILL MEET THE PRESENT AND FUTURE NEEDS OF THE STATE ON A PAY-AS-YOU-GO BASIS.

EMPHASIS WILL BE PLACED ON THE SAFETY OF THE TRAVELING PUBLIC, ELIMINATION OF TRAFFIC BOTTLENECKS AND THE MAINTENANCE OF A BALANCED SYSTEM WHICH WILL NOT NEGLECT A PART OF THE SYSTEM IN FAVOR OF ANOTHER.

THE FINANCIAL PICTURE AT THE PRESENT TIME IS CLOUDED. WE HOPE THAT BY THE TIME WE SEND UP THE BUDGET MESSAGE, IT WILL BE CLEAR ENOUGH TO GIVE THE ASSEMBLY A SOUND PROGRAM.

#### PUBLIC UTILITY RATES

THERE HAS BEEN A GREAT DEAL OF CONTROVERSY OVER THE EXISTING FORMULA FOR SETTING RATES FOR PUBLIC UTILITY SERVICES. WE WILL PRESENT A REVISION OF THIS FORMULA WHICH WILL BE DESIGNED TO BE FAIR TO THE CONSUMER AND, AT THE SAME TIME, PROVIDE A REASONABLE RETURN FOR THE INVESTOR. REGARDLESS OF WHAT FORMULA IS USED, THE ESSENCE IN ANY SYSTEM

DESIGNED TO PROTECT THE PUBLIC MUST REST IN A DEPARTMENT STAFFED AND ABLE TO PRESENT THE PUBLIC VIEW WHENEVER AN INCREASE OF RATES IS BEFORE IT.

IT MIGHT BE WELL, IN THIS INSTANCE, TO PLACE GREATER RELIANCE ON THE REORGANIZATION OF THE PUBLIC UTILITY DIVISION THROUGH IMPROVED ADMINISTRATIVE PROCEDURES THAN ON A SYSTEM OF RATE-MAKING WHICH CAN PROVE INEFFECTIVE IF A UTILITY'S CASE IS TO BE MADE BY HIGHLY SKILLED AND HIGHLY PAID REPRESENTATIVES IN OPPOSITION TO A POORLY PREPARED STATEMENT ON BEHALF OF THE PUBLIC.

#### CIVIL RIGHTS

IT IS MY HOPE THAT THE 103RD GENERAL ASSEMBLY WILL BE THE ONE TO BRING TO THE PEOPLE OF OHIO A COMPLETE GUARANTEE THAT THE CONSTITUTIONAL PROVISIONS FOR THE CIVIL RIGHTS OF ALL INDIVIDUALS BE IMPLEMENTED AND GIVEN LIFE BY THE CREATION OF A COMMISSION WHICH WILL HAVE COMPLETE POWERS OF MEDIATION, CONCILIATION AND PROPER ENFORCEMENT AUTHORITY WHEN EDUCATION AND OTHER METHODS HAVE FAILED. THERE IS NO VALID REASON TO WAIT ANY LONGER. THIS IS AGAIN AN AREA IN WHICH WE SHOULD HAVE ACTION NOW.

#### MENTAL HYGIENE

MUCH HAS BEEN SAID ON THE SUBJECT OF THE TREATMENT OF OUR MENTALLY ILL. SETTING ASIDE THE DEBATE THAT GOES ON CONSTANTLY, HERE, TOO, THE DIFFICULTY RESTS IN THE IMPROPER EMPHASIS ON THE PROGRAM. WE NEED PEOPLE, TRAINED PEOPLE, SKILLED PEOPLE - PSYCHOLOGISTS AND PSYCHIATRISTS AND NURSES. IN ORDER TO OBTAIN THEM, WE NEED FUNDS AND WE NEED TRAINING PROGRAMS. YET, I WOULD NOT ASK THESE FUNDS TO BE PROVIDED UNTIL WE HAVE

DEMONSTRATED THAT THE ADMINISTRATION OF THE DEPARTMENT IS IMPROVED, THAT REASONABLE STANDARDS HAVE BEEN ESTABLISHED, THAT THE ELEMENTARY CARE OF PERSONS AND PROPERTY ARE BEING PROVIDED. THIS, TOO, WILL BE TREATED MORE FULLY IN A SPECIAL MESSAGE DEALING WITH THE LEGISLATIVE NEEDS OF THIS PROGRAM.

PUBLIC HEALTH

IN A STATE SUCH AS OHIO, THERE CANNOT BE TWO TYPES OF PROGRAMS FOR THE PROTECTION OF HEALTH. THE HEALTH OF OUR CITIZENS IS CERTAINLY AS PRECIOUS IN OUR LESS POPULATED DISTRICTS AS IT IS IN THOSE WITH HIGHER DENSITIES OF POPULATION.

OUR HEALTH PROGRAM MUST PROCEED FROM THE BASIC, FUNDAMENTAL PRINCIPLE, THAT ITS PURPOSE IS TO PROTECT PUBLIC HEALTH AND TO ACT AGAINST CONTAGION AND ELEMENTS THAT MAY RESULT IN DANGER TO HEALTH WHENEVER IT MIGHT EXIST. THE LEGISLATIVE PROGRAM OF THE DEPARTMENT OF HEALTH IS A REASONABLE ONE AND ONE THAT I BELIEVE WILL MERIT YOUR SUPPORT.

LIBRARIES

NOTHING - NO ONE SINGLE ENDEAVOR - CONTRIBUTES MORE TO THE CULTURAL DEVELOPMENT OF OUR CITIZENS, YOUNG AND OLD, THAN THE PUBLIC LIBRARY SYSTEM. WE SHOULD, IN EVERY WAY POSSIBLE, ATTEMPT TO EXTEND UNIFORM LIBRARY SERVICE THROUGHOUT THE STATE.

AID FOR THE AGED

THE PRESENT SIXTY-FIVE DOLLAR A MONTH CEILING IMPOSED ON OLD

AGE ASSISTANCE IS UNREALISTIC. WE MUST REMOVE THIS ARTIFICIAL BARRIER WHICH HAS NO RELATION TO REASON OR PRACTICALITY AND ESTABLISH OLD AGE ASSISTANCE ON A NEEDS BASIS.

WE WILL BEGIN THE ADMINISTRATIVE WORK NECESSARY TO ESTABLISH THE PROGRAM. WITH YOUR HELP, IT IS OUR HOPE THAT WE CAN PUT THE NEW SYSTEM INTO EFFECT WITH THE BEGINNING OF THE COMING BIENNIUM OR SHORTLY THEREAFTER.

#### EDUCATION

AS OUR POPULATION CONTINUES TO GROW - CREATING THE NEED FOR MORE CLASSROOMS AND MORE TEACHERS - WE MUST BEGIN AN ORDERLY REASSESSMENT OF THE PART THE STATE MUST SHARE WITH LOCAL COMMUNITIES IN THE SUPPORT OF AN EDUCATIONAL PROGRAM AT ALL LEVELS.

WE CAN NO LONGER CONTINUE TO IMPROVISE FROM SESSION TO SESSION.

WE MUST BECOME DEFINITE AS TO THE STATE'S RESPONSIBILITY. WE WILL HAVE SOME SPECIFIC RECOMMENDATIONS IN THE BUDGET MESSAGE.

#### STATE OF OHIO SCHOLARSHIP ENDOWMENT FUND

WE DO PROPOSE, AT THIS TIME, THE ESTABLISHMENT OF A STATE OF OHIO SCHOLARSHIP ENDOWMENT FUND, WITH TRUSTEES TO BE APPOINTED FROM ALL SEGMENTS OF OUR ECONOMY.

THE FUND WOULD BE FINANCED IN PART FROM PUBLIC SUBSCRIPTION AND THE BALANCE WOULD BE CONTRIBUTED FROM PUBLIC FUNDS BY THE STATE OF OHIO.

THE ULTIMATE OBJECTIVE OF THIS FUND WOULD BE ONE THOUSAND SCHOLARSHIPS A YEAR, TO BE AWARDED ON A MERIT BASIS. THE TRUSTEES WILL WRITE THE RULES, CHANGING THE TYPE OF SCHOLARSHIP TO BE AWARDED AT THEIR

DISCRETION IN ANTICIPATION OF THE NEEDS OF OUR SOCIETY AT A PARTICULAR TIME.

THESE SCHOLARSHIPS WILL BE IN THE AMOUNTS DETERMINED BY THE TRUSTEES, BUT LIMITED TO THE AMOUNT EARNED BY THE INVESTMENT OF THE CAPITAL ACCOUNT. THE OBJECTIVE WILL BE TO RAISE THE CAPITAL ACCOUNT TO TWENTY MILLION DOLLARS IN THE SPACE OF TEN YEARS WITH THE STATE PROVIDING TWENTY-FIVE PERCENT OF THE TOTAL AMOUNT OVER THIS PERIOD OF TIME.

THIS WILL PROVIDE A CONTINUING SOURCE OF THE TALENTS NEEDED BY THE CITIZENS OF OHIO AND MAKE AVAILABLE TO WORTHY INDIVIDUALS AN EDUCATION WHICH THEY MIGHT OTHERWISE NOT BE ABLE TO OBTAIN.

#### LOCAL GOVERNMENT

HERE AGAIN IS A SUBJECT THAT NEEDS A NEW APPROACH. NO LONGER MUST WE CONSIDER THAT WE ARE SUBSIDIZING OUR LOCAL POLITICAL SUBDIVISIONS. WE MUST EITHER GIVE THEM THE RIGHT AND AUTHORITY TO FINANCE THEIR OWN GOVERNMENT OR TO SPELL OUT THE SERVICES PRIMARILY RENDERED BY LOCAL GOVERNMENTS ON BEHALF OF THE STATE AS A WHOLE.

ONCE HAVING ASCERTAINED WHAT THESE SERVICES ARE, THEN WE MUST ARRIVE AT A FORMULA FOR COMPENSATION FOR THOSE SERVICES. WE WILL OFFER SPECIFIC SUGGESTIONS AND HOPE THAT, WITH YOUR COOPERATION, WE WILL FIND A FINAL ANSWER TO THIS EVER VEXING PROBLEM.

#### LAW AND ORDER

IN ADDITION TO THE LEGISLATION PROPOSED REGARDING CERTAIN LABOR-

MANAGEMENT PRACTICES, I PROPOSE THE STRENGTHENING OF OUR CRIMINAL CODE. I RECOMMEND ENACTMENT OF A LAW MAKING IT A CONSPIRACY, PUNISHABLE AS A FELONY, FOR TWO OR MORE PEOPLE TO ENTER INTO AGREEMENTS TO CONDUCT GAMBLING VENTURES, PROSTITUTION AND THE SALE OF NARCOTICS.

INCLUDED AS A PARTY TO SUCH CONSPIRACY WILL BE THOSE PUBLIC OFFICIALS WHO PARTICIPATE BY BECOMING A PART OF SUCH AGREEMENTS.

NO LONGER CAN WE CONTINUE TO TAKE THE PETTY GAMBLER WHO FRONTS FOR A SYNDICATE, PUNISH HIM WITH A NOMINAL FINE OR A FEW DAYS IN THE WORKHOUSE, WHILE PERMITTING INDIVIDUALS WHO PROFIT MOST FROM THIS ENTERPRISE TO SIT IN THE BACKGROUND AND REAP THEIR UNLAWFUL HARVEST.

#### CAPITAL PUNISHMENT

THE STATE OF OHIO IS ACHIEVING MATURITY. WE HAVE BEEN A STATE SINCE 1803. DURING THIS PERIOD, WE HAVE USED CAPITAL PUNISHMENT IN AN ATTEMPT TO DETER THE MURDERER. YEAR AFTER YEAR, WE ELECTROCUTE, AND IN THE PAST, WE HAVE TAKEN TO THE GALLOWS, INDIVIDUALS CHARGED AND CONVICTED OF THE CRIME OF MURDER.

BUT MURDER CONTINUES AS A CRIME, ALONG WITH ROBBERY, BURGLARY AND ALL THE RELATED ILLS OF ORGANIZED SOCIETY.

I WOULD RECOMMEND THE REPEAL OF THE DEATH PENALTY IN OHIO AND SUBSTITUTE LIFE IMPRISONMENT - WITHOUT HOPE, WITHOUT PAROLE, WITHOUT PARDON.

I BELIEVE THAT THE STATE, BY ITS REFUSAL TO TAKE THE LIFE OF A HUMAN BEING, WOULD BE SETTING AN EXAMPLE OF PROPER MORALITY WHICH WOULD SERVE ITS CITIZENS IN GOOD STEAD. I WILL PRESENT A SPECIAL MESSAGE ON THIS

IN THIS ACHIEVEMENT, I HOPE YOU WILL AGREE WITH ME IN THE NEED FOR LEGISLATION THAT WILL SPELL OUT CLEARLY THE PUBLIC EMPLOYEES' UNDIVIDED OBLIGATION TO HIS PUBLIC TRUST AND THE WRITING IN LAW WHAT CERTAINLY OUGHT TO BE OUR ETHICAL AND MORAL OBLIGATION IN NOT ENGAGING IN AN ACTIVITY FOR PROFIT OR FOR FRIENDSHIP WHICH CONFLICTS WITH A PERSON'S OBLIGATION TO HIS PUBLIC EMPLOYMENT.

WE CANNOT PERMIT A CONFLICT OF INTEREST TO EXIST WITH THE PUBLIC EMPLOYEES IF WE ARE TO ATTAIN THE HIGHEST DEGREE OF EFFICIENCY AND RESPONSIBILITY.

THANK YOU FOR YOUR KINDNESS IN GIVING ME THE OPPORTUNITY TO BE WITH YOU TODAY. THERE WILL BE OTHER MESSAGES, ON OTHER SUBJECTS, IN THE FUTURE.

IN DELIBERATING THE RECOMMENDATIONS MADE TO YOU TODAY, THERE WILL BE DIFFERENCES OF OPINION. THERE WILL BE DIFFERENCES AS TO THE NEED OR TIMING OF THESE PROPOSALS. WHEN THOSE DISAGREEMENTS ARE PRESENT, LET US CONDUCT OURSELVES IN THE DEBATE WITH AN EARNEST DESIRE TO INFORM THE PUBLIC OF THE REASON FOR OUR VARYING POSITIONS. LET US NOT PERMIT THE GREATER AREAS OF AGREEMENT TO BE CLOUDED BY THE VIOLENCE OF THE SMALLER CLOUDS OF DISAGREEMENT.

WE SHALL CONTINUE TO WORK TOGETHER IN THAT SERVICE TO WHICH WE ARE COMMITTED; THE BUILDING OF A BETTER STATE FOR ALL.