

Inaugural address
of

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Inaugural Address

Mr. President, Mr. Speaker, Members of the General Assembly, The Supreme Court, Ladies and Gentlemen:

First, let me thank the President for his most gracious words. When I got up here, I said to him that I was most thankful that the firm of Babcock and Stafford was still in business.

The opening events of this Session are unprecedented, in the recent history of our State, yet they are most gratifying. They have demonstrated clearly that Vermonters have not lost their talent to deal speedily and effectively with a complex, unique situation.

Your Canvassing Committee, under bi-partisan leadership, has done a truly remarkable job of ballot counting with complete fairness. It has done the work much faster than even the most optimistic believed possible.

It has set the tone for a short, hard and productive Session of the General Assembly.

Naturally I am elated at the outcome not only from a personal standpoint, but more particularly because it has completely vindicated the faith most of us have always had in the integrity of Vermont election officials.

We may have some rather unique ideas about ballot storage here and there, which can be easily corrected, but our elections are fundamentally honest and reliable. We can rejoice that this fact has been proved to our own satisfaction before the eyes of the nation.

There is no honor I would exchange for the opportunity to work with you on behalf of the people of Vermont. We are faced with difficult and challenging problems.

Following the example of the Canvassing Committee, let us get the job done promptly.

Let us operate on a full work week at once. If we do, this session can be materially shorter than those of the recent past.

You will have the fullest cooperation of the Executive Department to expedite your consideration of legislative work. I propose, in fact, with your consent, to deliver the Executive Budget Message to you during your next legislative day, so that your biggest task will be ready for your immediate consideration.

As Governor, I plan while you are in session, to decline all social and ceremonial engagements which might interfere with my first duty, as I conceive it, and that is to be available at my office in connection with the operation of our State Government, and your deliberations. I trust Vermonters will understand and will prefer things to be this way.

The problems you face as legislators are enormous in comparison with those of your more recent predecessors. Our State has unquestionably reached a crucial economic point where clear thinking, sound judgment and prompt action are necessary.

There can be but one ultimate aim for all of us. It is to take the necessary action today to make Vermont a better place in which to live in every spiritual, social and economic sense for ourselves and our children.

The budget for the next biennium will present your thorniest problem. It will require you, as it has me, to guess ahead concerning probable revenues for two and one-half years – a difficult task in the rapidly fluctuating conditions of this jet-propelled age.

You will do well to keep these facts in mind as you consider the amount of money you will authorize your State Government to spend in the next biennium.

First, Vermont's population has remained nearly constant in recent years. Increased spending on your part will mean higher taxes from present citizens.

Secondly, experts tell us that all taxes together—federal, state and local, now take about 24% of our citizens' income—a level of taxation approaching the point where taxes can become a stagnating influence upon the economy of the State.

Thirdly, your State Government is vastly larger and more expensive to operate than it was even eleven years ago. It has grown from 1537 full-time employees and total expenditure from all sources of \$27,500,000 in 1947 to 3321 employees and total expenditures of \$75,000 000 in 1958. Per capita incomes have risen in Vermont during this period, but nowhere near as fast proportionately as has the cost of your State Government.

Fourthly, we are just emerging from a period of recession and unemployment which has slowed the development of the State's economy over the past year.

These factors may well influence you, as they did me, to come to the conclusion that this is not the time to heap large new taxes upon our people.

I repeat that one of the main concerns of this administration will be the economic welfare of the people of Vermont. Unless our citizens are economically sound and have enough money to purchase the material goods necessary to their own existence, they cannot, they should not, be asked to support costly additional state services no matter how desirable such services may be. Let me also emphasize that an expanding economy in our State can in future years provide the necessary revenues from present taxes to pay for many additional state services.

The budget I shall present to you will not require major new taxes. I urge its adoption.

The program this administration proposes has three main objectives:

1. To stabilize the cost of governmental operation as the level of the last biennium as possible.
2. To make capital investments in projects best calculated to develop the economy of the State and thus provide new jobs and higher incomes.
3. To adopt such recommendations of the so-called "Little Hoover" Commission as will most likely make our State Government more economical and efficient.

May I now turn to a brief discussion of portions of the administration program which are not to be covered in the budget message.

SOCIAL WELFARE

You have an opportunity to do an immediate and outstanding service for the people of Vermont in the Social Welfare field. The new proposals in respect to liberalized policies and increased payments in the programs of Old Age Assistance, Aid to the Blind, Aid to the Permanently and Totally Disabled, and Aid to Dependent Children, are the most far-reaching and liberal since these programs were inaugurated many years ago.

The Department of Social Welfare has completed a review and adjustment of its entire caseload and is in a position, with our prompt cooperation, to make higher payments on February 1st of this year. The Commissioner of Social Welfare informs me that there are sufficient unencumbered funds available to permit an increase in the three adult programs to maximum of \$75 a month. Legislation is ready for your immediate attention to this matter. I urge its prompt adoption so that the new benefit rates can be made this February 1st.

A method of utilizing other available funds to finance a program of nursing home care and hospitalization service for eligible recipients of Old Age Assistance, Aid to the Blind and Aid to the Permanently and Totally Disabled, has also been proposed and appears to offer considerable financial relief to the towns and cities of the State. It will insure better care and protection for those in need of such service.

HIGHWAY SAFETY

Substantial experience in the field of law enforcement has clearly demonstrated to me that there is no single measure no panacea which alone can cure our highway safety problem. Personally I believe that, notwithstanding the excellent reduction in number of deaths last year, the continuing loss of life, loss of

property and infliction of pain and suffering which results from automobile accidents within our borders, in spite of able law enforcement work, is so inexcusable, so unnecessary as to rank as the great tragedy of our time in Vermont.

The following measures will improve the situation:

1. Satisfactory completion of a driver education course for all who first apply for an operator's license in Vermont.
2. A re-examination program for accident-prone drivers.
3. Adoption of a point suspension system for Vermont drivers.
4. Adoption of so-called "implied consent" law with reference to drunken driving.
5. Jail for those driving while license is suspended.
6. Uniform traffic laws, so far as practicable, with those of our neighboring states.

HIGHER EDUCATION

This administration proposes to see that the encouraging increase in the numbers of Vermont youth who are able to continue their education beyond the high school level continues in the next two years. With this purpose in mind we recommend that tuition at the University of Vermont be maintained at \$345 for Vermont residents during the coming biennium. Further will be said on this matter in the budget message.

You will also be asked to create a State Scholarship Board composed of three educators and two senators to be appointed by the Governor with the consent of the Senate. One of the Board's principal functions will be to award the 300 scholarships now handled by our State Senators. This proposal is not made out of a feeling that the Senators have handled the scholarships badly but in the belief that the Board could do the matter better and at the same time administer a \$50,000 revolving fund for scholarship loans to outstanding and needy Vermont students who could not obtain a college education. You will be requested to authorize the Emergency Board to make such funds available at an appropriate time during the biennium.

PRIMARY AND SECONDARY EDUCATION

The highly successful program of state aid in the construction of new schools should be continued during the coming biennium. The details of the administration proposals in regard thereto are contained in the Budget Message.

It is also recommended that you provide our public school teachers with an opportunity by referendum on their part, to join their retirement system with Federal Social Security upon the same alternatives that were available to the members of the State Employee's Retirement System.

AGRICULTURE

The administration will make every possible effort to utilize effectively the resources of the State Government to assist our farmers to expand present and find new markets for the produce of Vermont farms. The drive to completely eradicate brucellosis from our dairy herds will be continued. I am personally prepared to take an active part in efforts to establish a plant of one of the large meat processing concerns in our state.

LABOR

The recession of the past year, with its attendant unemployment problem, has highlighted the necessity for a general overhaul of our laws affecting unemployment compensation. Bills are already in the legislative draftsmen's office which can serve as a basis for your consideration of this problem. I suggest that you consider:

First, increasing the maximum benefit amount payable to a figure approaching one-half of the average weekly wage of covered employees or a figure which would currently be about \$36; in Vermont;

Secondly, making provision for an allowance to dependents of \$2 per dependent up to five of a covered employee whose spouse is not working;

Thirdly, establishing an emergency fund for payments beyond 26 weeks duration when seven per cent or more of the labor force is unemployed for a period of four consecutive weeks—to continue until less than seven per cent of the labor force is unemployed for four consecutive weeks; such plan to provide for 13 additional weeks of payments.

Fourthly, that you permit a covered employee to earn up to \$10 a week from other sources before being disqualified from eligible for benefits; and

Fifthly, that the protection of unemployment insurance be extended to those employees working for employers of one or more.

The extension of this protection would exclude—those employed by employers otherwise exempt from coverage, such as agricultural laborers, domestic servants, casual laborers, etc.

It is also recommended that our minimum wage law be raised to one dollar to coincide with the present minimum under federal law.

HIGHWAYS

Modern highways are essential to the development of Vermont's agricultural, recreational and industrial future. They are equally important to the safety of our traveling public. Realization of this fact has spurred us on to undertake an ambitious highway construction program which is partially completed.

Modern highways cost a great deal of money. We want to build roads as fast as we can afford the cost of their construction and maintenance, but it would be courting financial disaster to go beyond this point. The financial problems inherent in future highway construction and maintenance will be discussed in the Budget Message. Let it suffice here to say that this administration believes we should complete our present construction program and re-evaluate our needs and financial resources before considering another large bond issue. With this in mind I propose that we authorize only enough additional highway construction bonds in the second year of the biennium to insure utilization of all available federal funds. About \$3,000,000 in bonds will be required to attain this objective.

RECREATION

Americans are estimated to be spending some twenty billion dollars a year on recreational travel. Naturally we want our share of this growing economic bonanza and we can get it in spite of the sharp competition of neighboring states if we act with vigor and imagination to fully develop Vermont's outstanding four-season natural attractions.

There is need in our State for many more public parks, campsites, bathing beaches and the like. We need to build them at the right time and in the right places. In short, we need a carefully and scientifically prepared long-range plan for public parks expansion. Specifically we should embark upon an eight-year program of public park construction calling for a total investment over the full period of four million dollars. The program can be financed by bond issues which in turn can be, to considerable degree at least, self liquidated by revenue from the facilities they will construct. In the Budget Message you will be asked to authorize the first step in this program whose objective will be to make Vermont the undisputed vacation capitol of eastern America.

INDUSTRIAL DEVELOPMENT

Vermont's growth in the years ahead will depend to a considerable degree upon the acquisition of new industries and the expansion of those we now have.

Competition to secure the presence of an industry seeking a new location is severe, yet we in Vermont can obtain new industries if we create the right "climate" and take the necessary steps.

One step which has proven to be a successful means of bringing an industry to a community is to have a modern manufacturing plant ready for immediate occupancy. There are all too few such plants available in Vermont. We need many more to serve as the basis for a state-wide industrial solicitation program.

Such plants are frequently put up by local non-profit development corporations but they are expensive and often the local development corporations require help in the form of some guarantee of their financial obligations in order to raise the necessary money.

Many states, including some of our neighbors, assist local development organizations by guaranteeing their bonds through the agency of a State Industrial Building Commission. We do not have such an agency in Vermont as yet, but one is required if we are to keep up with the rest of the country in the acquisition of new manufacturing concerns.

A State Industrial Building Commission is recommended. Its principal function would be to guarantee the financial obligations of approved local development corporations and to make such obligations when guaranteed legal investments for all purposes.

Such an agency would cost nothing, yet it might well be the catalyst which could bring about significant plant construction and expansion in our State. This would mean, in turn, more jobs, more people, more pay and a broader tax base.

CONSTITUTIONAL AMENDMENTS

Vermont's Constitution can be amended but once every ten years. The next opportunity will be in 1981. I propose we prepare for that time by creation of an interim commission to make recommendations for, the amendment of the Constitution to the General Assembly of 1961. It is hoped that such a commission will consider possible amendments:

1. To eliminate the ten-year interval between opportunities to make changes in the Constitution while retaining all of the other safeguards against hasty action such as two successive legislatures and a referendum.
2. To provide for a four-year term for Governor.
3. To authorize annual sessions of the Legislature for a constitutionally limited period of time.
4. To change the present requirement for counting votes for Governor, Lieutenant Governor and Treasurer so that legislation may be authorized providing for prompt recount of challenged state-level elections.

So much for the highlights of the administration program. The proposals for Constitutional amendments lead me directly to some final observations. We live in an age of jets, atoms, satellites and electronics. The pace of life has vastly accelerated within a decade. Emergencies, social and economic, come and go with amazing rapidity. They make the task of shaping Vermont's destiny for two and one-half years in the future infinitely complex and difficult. The work could better be done by annual sessions.

I am shortly to present to you a budget. My advisors and I have worked hard to make it a realistic budget, yet none of us is sure what the economic situation will be in the, second year of the biennium. We could plan more accurately upon annual basis.

You are about to receive and consider many proposals from the so-called little Hoover Commission. These will require careful study and under standing on your part and on the part of the public as well before final action is taken upon them.

An adjourned session of this General Assembly could not only provide an interval of time to permit general understanding of the Commission Report, but could also afford us an opportunity to deal on a timely basis with one or two other matters which will be discussed in the Budget Message.

The programs outlined here provide for a stable government, some desirable economics and some capital investments calculated to make Vermont more attractive to visitors and to ourselves. I believe this course at the moment, rather than a program of vastly increased expenditures, is the one of real progress. Our economy will grow if we do not smother it with taxes.

I share with you great faith in the future of our State. It can be any thing we want it to be if we are willing to work hard, plan intelligently, and act promptly.

Let us work together to make our State a place in which we can live in comfort and dignity—a place in which our children will be able to lead an abundant life—a State in which democracy can continue to flourish.

I shall look forward to working with you in the months ahead. Thank you.