Mister Speaker, Mister President, ladies and gentlemen of the House and Senate, Reverend Clergy, my friends throughout Connecticut:

At your kind invitation, I appear today to present for your consideration the highlights of my budget proposals for the upcoming fiscal year. These highlights are many. They number more than three million strong.

They are the soul of Connecticut. They are its heart. They are the richness of the past and the brilliance of the future. They are our greatness and our greatest obligation. They are our single exclusive reason for being here. As Governor and Legislature, we have no other purpose but to serve them, each of them, all of them. They are the people of this great State of Connecticut.

We are a government by, for and of the people, and the budget we fashion must therefore serve no other objective and reflect no other interest. We are a people's government. We must craft a people's budget.

We have served our people well in the past and, for that reason, we are positioned well to serve them in the future.

In the years since the economic recession of the late 1970's, Connecticut's government has worked to restore the worker to the workplace. We have planned for economic diversity. We have assisted our established industries to regain their strength, and we have assisted new industries to locate within our borders. We have created or saved 180,000 jobs since I first took office. We have put more people to work in Connecticut than ever worked in Connecticut before. We have achieved for our citizens the second highest per capita income of all the 50 states, and we have created the best business climate of all the 50 states. We have outperformed not only the national economy, but the individual economies of every other state in the nation.

As a direct and intended result of our economic progress, we lead the nation in social progress as well. During this fiscal year, Connecticut's government is doing more for Connecticut's people than we have ever done before. Because we rebuilt our economy, we are rebuilding our roads and bridges. Because we rebuilt our economy, we are better able to educate, to house, to care for and feed our people. Because we rebuilt our economy, we will have, based on current projections, a $100 million surplus by the end of this fiscal year, in addition to $220 million in our Rainy Day Fund, in the bank and earning interest.

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And because Connecticut's government is a government of Connecticut's people, because Connecticut's government is a government by Connecticut's people, because Connecticut's government must always be a government for Connecticut's people, we must always strive to do more.

We must be prudent. We must not dissipate the resources we have worked so hard to attain. We must be efficient. We must continue to streamline the way in which we deliver services to our people. We must be prepared. We must anticipate contingencies which may be thrust upon us by influences outside of our control.

But we must also be bold. We must always cast our vision beyond the next horizon. We must be imaginative. Our minds must forever be open to new solutions and new possibilities, to new opportunities to realize the fullness of each human's potential.

And our hearts must always remain strong and caring. We must find ways to take our weak and make them strong, to take our sick and make them well, and to deliver the dreams of our citizens, dreams of prosperity and of freedom, dreams of equal and equally excellent opportunity for all who live within the borders of our state.

These virtues must everywhere be evident as we govern, and they must all be reflected in the most fundamental document of our government -- our budget.

First, among all our dreams, we must deliver the dream of excellence and equity in education. Just eight short days ago, Christa McAuliffe, a brave woman and a teacher in our neighboring State of New Hampshire, died for the dream of excellence in education. In Connecticut, we must draw strength and inspiration from her sacrifice. We must dedicate ourselves to the cause for which she gave her life. We must assure each child in Connecticut the educational opportunity necessary for fulfillment, for personal satisfaction, and for leadership in our ever more complex world.

We must make 1986 The Year of Education in Connecticut. We must provide educational excellence for our children. We must demand the ability to educate excellently from our teachers. We must raise the standards for all because the future holds increased demands for all.

Educational excellence cannot be attained cheaply. The budget proposals I place before you total $91.3 million in new educational spending during the next fiscal year. They call for the minimum teachers' salaries required to attract the excellent educators necessary for educational excellence. They call for upgraded pre-teacher subject matter testing, career incentive programs, and an assessment of the feasibility of a statewide Standards Board so that we will not only attract, but will maintain excellence within our teaching profession.

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Because we must guarantee not only educational excellence, but educational equity across our state, my proposals call for us to take the first step in a five year process of increasing the level of state support for local education until we reach a full 50 per cent of those costs.

I say again, educational excellence cannot be attained cheaply, but we must spend on education this year so that we may reap the rich dividends of education in the future. We cannot afford not to spend this year because we cannot afford a future without learning in a state without education. We must educate our young minds. They are our future.

For all of its importance, however, education alone will not solve all the problems of the future. We need to fund the educational process itself, and we need to create meaningful job opportunities for those we educate. Even as we train tomorrow's leaders, we must provide employment for today's worker and plan for the economy of the future.

Each of us, in government and in the private sector, owes a great debt of gratitude to the working men and women of Connecticut. From their toil comes our ability to provide. If we neglect Connecticut's workforce, any budget we might adopt would amount to no more than a wish list which we would be financially incapable of fulfilling.

We are blessed now with a strong economy, and, just as that economy did not gain its strength without careful planning, it will not retain its strength unless we anticipate the future, plan for the future, and position ourselves to engage the future on our own terms.

Fortunately, we have not been waiting idly for tomorrow to arrive. Two and one half years ago, I convened a conference of business, labor, academic and government leaders at Yale University. This public-private partnership undertook the important task of anticipating Connecticut's long range economic needs, and has performed brilliantly. In January, I received their report, Jobs for Connecticut's Future, and I regard it as our blueprint for prosperity, our roadmap through the hazards of the rapidly changing and developing world economy in which Connecticut competes. To remain a leader in that fierce economic competition, we must begin now to implement the economic measures which will assure our prosperity, fund our generosity, and enable each of our citizens to lead lives of dignity and respect.

We must begin this year by adding three new areas to our first-in-the-nation Enterprise Zone program, and by expending within our Enterprise Zones the opportunities for the smaller entrepreneurial and service firms which will play so large a role in our economic future.
We must begin this year by expanding the pilot programs we developed last year and which have been so successful in taking our citizens off welfare rolls and putting them on payrolls. We must this year spend the $3.5 million which will enable Connecticut residents to find fulfilling employment and which next year will save Connecticut taxpayers $1.2 million in welfare payments and will generate tens of millions of dollars in productivity.

We must begin this year by enhancing our job training and dislocated worker programs in the departments of Education, Human Resources and Labor. We must fund vocational education in our high schools and universities. We must support the new projects in our Department of Economic Development which will guide us to future success, just as their old projects have brought us to our present prosperity. We must continue to identify and intensify our development efforts in depressed regions of the state so that all may share equally in the progress it is within our power to create. We must replicate in our Northeast CORNER, without sacrifice of its rural character, the vibrant economic renaissance of the Naugatuck Valley.

Because we have given our people jobs, we have both the ability and the duty to keep them in jobs. We must enable each Connecticut citizen to lead a better life, to better support a family, to enjoy all the riches our state has to offer. Never again in Connecticut shall we allow the despair of unemployment to replace the dignity of the workplace.

And we have special groups among our citizens who have special needs. It is our duty, as stewards of the welfare of all our people, to respond to those needs with the same energy and the same generosity we bring to any other problem of government.

For our children, who are so very special, we must provide not only instruction, but our highest measure of protection and love. We must give our babies a healthy start in life. We must attack with all our resources the scourge of infant mortality in Connecticut. We must shelter our young from the grinding poverty and, where it occurs, the domestic disarray which threatens to darken the bright eyes of childhood and to tear the joy from adolescence.

For our elderly, to whom we owe our legacy of dignity, we must guarantee dignity in equal measure. We must assist them with their medical needs, provide them with the range of housing opportunities they deserve, and show them in all that we do how respectful we are for all they have done for us.

In our generosity for the least among us, we must shelter the homeless. In our hopes of maximizing opportunities for all of our citizens, we must free the physically impaired from those disabilities which society has imposed upon them.
In our wisdom, we must continue the process of dealing responsibly with the new crises as they arise, whether they involve decreasing housing stocks or increasing insurance rates. Clearly, we must continue to cope with this ongoing problem of rising insurance costs, a problem which affects nearly every aspect of our lives, from municipal taxes to medical care. You have on your desks the solid beginning of an answer to that problem in the form of a report from my Task Force on Insurance Costs and Availability. Let us build on that foundation. Let us find that solution which is fairest and which protects all of our citizens.

Out of our duty to protect all of our citizens, we must act forcefully to provide speedy justice so that the drunken driver knows what awaits him if he ventures onto our roads, so that the criminal can be certain of a prison cell should he dare to enter our homes.

We also have a very special duty we owe, not only to the Connecticut citizen of today, but to the Connecticut citizens who will populate our state long after we are gone. Today, Connecticut's environment is cleaner and purer than it was five years ago, but more remains to be done. We must begin the programs this year which will have ready for them, in their time, the cleanest water and the freshest air we can provide. We may neither breathe that air nor drink that water, yet -- as a government -- we must guarantee their purity. That is why you will find in my budget funding for the first year of an Environmental Infrastructure program which will allow the Connecticut citizen of the year 2005 to fish, swim and drink from those ponds, those rivers, and those streams which are not accessible for the same purposes today.

We have many obligations, and we must be prudent if we are to meet them. We have many challenges and much uncertainty ahead. We must be prudent if we are to overcome the challenges, and we must innovate if we are to pierce the uncertainty.

In many respects, Connecticut is a small player on the field of federalism. Even as we fashion that budget which each of us ultimately believes will best serve our citizenry, we must be aware that its fabric may be subject to stresses which we are not yet able to measure. We can be certain that Gramm-Rudman-Hollings will reduce federal expenditures for Connecticut by millions of dollars, and that it will do so just three short weeks from now. But we cannot be certain whether Gramm-Rudman-Hollings will withstand the constitutional challenge which has been mounted against it, and we cannot today assess the full effect which will flow from the federal budget unveiled in Washington only this morning.

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Confronted with this degree of uncertainty, we must look closely at any proposal which would reduce state resources and thereby undercut our ability to withstand budgetary pressures from whatever source. In this period of prosperity, we must reduce the burden on our taxpayers, but we can do so by easing local tax burdens as well as by cutting state taxes.

For example, dollars of state revenue which we channel to our cities and towns will enable local governments to better withstand the pressures to increase local taxes. Since our cities and towns will surely bear the greatest effect of any federal budget reductions, we must not, in our zeal to serve, create a plan which would give state tax relief with one hand while forcing an increase in local taxes with the other.

Let us strive together in this chamber and in this building. Let us resolve together, by the end of this legislative session, the very problems which seem beyond resolution at its beginning. We have done so in the past, and I am confident that we can do so again. Although we may offer different strategies, we have a common goal -- the preservation, protection and defense of the welfare of our people.

Let us begin today to fashion a budget which best serves the needs, the hopes, the ambitions, and the dreams of the citizens who brought us to office. Let the actions which begin on this day grace the memory of Ella Grasso who died on this day five years ago. Let us honor the trust of the people who elected us by acting wisely. By everything we do within these walls, let us ensure a brighter posterity for those who will elect our successors.