



Governor Kathleen Sebelius' 2005 State of the State Address

REMARKS AS PREPARED FOR DELIVERY:

Mr. Speaker, Mr. President, Madam Chief Justice, members of the Legislature, members of the Court, Cabinet officers, elected officials, leaders of Indian nations, honored guests, and fellow Kansans.

I am pleased to report to you this evening that the state of the state of Kansas is good. And improving. Yet we have much to do. Over the past two years, working together, we have met the essential challenges of balancing the state's budget and enhancing its fiscal health, all without raising taxes on Kansas families. The economy is growing, and more Kansans go to work each day - overall, a growth of 25,000 jobs in the past year.

As governor, I have worked hard to insure that Kansas government makes the best use of every tax dollar that it receives. From paper clips to pharmaceuticals, driving down the cost of government and creating more value for the people of Kansas is the order of the day. I pledge to you, as your governor, I will continue these efforts. I will be vigilant in the use of our citizens' tax dollars - dollars that we invest to build a smarter, healthier, safer, and more prosperous Kansas.

This vigilance has produced real benefits for Kansas taxpayers. This year's budget will actually reduce General Fund expenditures by 9.3 million dollars from the figure approved by the Legislature. And my budget for Fiscal Year 2006 will also be lean - a proposed total increase of less than one percent over our fixed spending obligations.

Budget numbers are important to be sure, but this evening's remarks will not focus on the state's finances. We will have plenty of time for that in the months to come. Rather, I want you to envision, with me, what a truly healthy Kansas would look like. Let's think of new opportunities, not past constraints, as we visualize the future of the state that we call home.

We should not forget, however, how far we have come together. Today, we don't experience the deep sense of vulnerability that we felt in the wake of the September 2001 terrorist attacks. Nor do we face a fiscal crisis like that of 2002, when our state was left essentially broke.

Indeed, since 2003 we've gone beyond stabilizing our resources and have enacted far-reaching new initiatives that will move the Kansas economy forward, in every corner of the state. Over the past two years we have helped shore up Wichita's aircraft

industry, spurred business development in small-town Kansas, and invested heavily in world-class bioscience research at our universities and medical centers

In 2005, we can look ahead - to building the healthier, stronger Kansas that is well within our grasp. The challenges are great, and we must meet them head-on, with imagination, with good will, and with honest and civil discourse. These challenges include:

- an education system that requires not only more resources, but real reform;
- health care needs that grow larger each year;
- the solemn obligation to ensure the safety and security of all Kansans; and
- the need to generate more good jobs for a state economy that will provide the engine of growth well into the 21st Century.

I call upon all legislators to work with me to create a Healthy Kansas for every Kansan. And while the physical health of our citizens is of great importance, I see the health of Kansas extending far beyond the issues of prescription drugs, insurance costs, and affordable care. A Healthy Kansas means a state in which our well-being is ensured and enhanced through every policy we pursue.

Kansas public schools can boast of many success stories, ranging from the heartening test score increases in the Kansas City, Kansas, school district to the remarkable set of improvements at the Meadows Elementary School, just a few blocks from the state capitol.

Kansas students do - by and large - go to good schools with caring, effective teachers. Indeed, our best students compete with the very best in the nation. This November, for example, Ruth Anne French, a senior at the University of Kansas, became the 27th student from Kansas public universities to win a Rhodes Scholarship. Ruth Anne is a fifth-generation Kansan from Partridge. She graduated from Haven High School, and attended Hutchinson Community College. She will study environmental policy at Oxford as she prepares for a career in natural-resource protection.

Congratulations, Ruth Anne, and come see me about a job when you return.

Behind every successful student stands a corps of highly motivated, highly effective teachers. Tonight, we're also honored to have with us, Brett Potts, the 2004 Kansas Teacher of the Year. Brett teaches biology at Blue Valley Northwest, and is a graduate of both Pittsburg State University and Kansas State University. We salute your talent, energy, and commitment, Brett, and hope that all our children will have many teachers like you to inspire them.

At the same time, Kansas schools face an urgent need for action. Since 1999 the Kansas Legislature has deferred any decision to address issues of the adequacy and equity in K-through-12 school funding. Many proposals have been made, and many opportunities missed.

Now we have no choice.

We must act, and soon. The Supreme Court has spoken, and we must make responsible and effective decisions in the next three months, with the best interests of our children in our hearts and our heads.

Last Spring, I offered a package of educational reforms to strengthen Kansas schools, and I was disappointed when the Legislature failed to pass these initiatives, or the bipartisan proposals that others introduced. But this is a new year, and a new Legislature. We do not have the luxury of failing to act. So let's work together, to make sure that no Kansas child is actually left behind. We must back up rhetoric about commitment to schools with actions and resources that will guarantee a high quality education to all Kansas students, from the day they enter preschool to the day they graduate from high school, and beyond.

The Supreme Court's ruling requires the Legislature to fund a truly suitable education for all Kansas children. Neither the people of Kansas nor the Court will accept gamesmanship in interpreting the words of the decision. Reducing the standard for a "suitable" education is not an option. We cannot "dumb down" our standards, nor should we. We must strive for real improvement, rather than employing rhetorical devices that the Court might well reject.

Nor should we consider any one-time funding proposals or short-term fixes. We must address the issues raised by the Court through solid, long-lasting solutions, based on dedicated resources that will serve Kansas students for decades to come.

At the same time, we must be sure that Kansas school districts are spending their funds as effectively and efficiently as possible. Last year I proposed state-funded audits of school systems, but to no avail. Because I feel so strongly about ensuring accountability for every tax dollar spent, I sought private funds for these audits. I'm pleased that the Kauffman Foundation has agreed to support a series of efficiency evaluations for a number of Kansas school districts, both large and small.

These evaluations will show us where our money is well spent, and where changes are needed. We should spend every tax dollar as if it were our own, because, in the end, it is. This year's budget calls for more audits, and I hope you will join me in supporting increased accountability for Kansas school districts, as we have demanded throughout state government.

I believe we all agree that, for the health of Kansas, nothing is more important than education. In a knowledge-based economy, first-rate schools -- from preschool classrooms through our Universities' graduate programs -- represent the best investment we can make for our children and for the future of our state. That is why we must respond to the Court's urgent call for action with dispatch, common sense, and a commitment to educational excellence. Failing to do so would abdicate our most fundamental obligation as public servants.

Our citizens also face a quiet crisis in health care delivery, services, and costs. These costs continue to spiral upward, and put a quarter-of-a-million uninsured Kansans in financial peril every day of their lives.

Recently, a friend told me about a minor weekend calamity. His three-year-old son

took a spill, cut his forehead, and ended up in the emergency room. Three stitches later, the hospital bill came to almost \$1,000.

This was no family crisis. The father had health insurance and a good job. But what if this had been a Kansas family, with no insurance and barely making ends meet? A \$1,000 hospital bill would put the family in an impossible position, forcing a choice between paying the bill and putting food on the table.

That's just not right, and it's time for us to do something about it.

Over the past 18 years, as a legislator, as insurance commissioner, and now as Governor, I have fought for better health care, stronger insurance, and lower medical costs for all Kansans. In a bipartisan alliance with Insurance Commissioner Sandy Praeger, we have organized a single division that consolidates the state's purchasing power to obtain the best possible health-care pricing for the many Kansans who rely on the health insurance we provide. We also pay particular attention to private employers and have asked the Business Health Policy Committee to develop new ways to help small business owners offer affordable health care to their employees.

Attacking the rising cost of health care also means reducing how much we pay for its administration. Nationally, administrative costs for health care have increased by more than a third over the past four years. We simply must reverse this trend in Kansas, where these costs account for more than 30 cents of every dollar Kansans spend on health care. In December, I created the Kansas Health Care Cost Containment Commission, led by Lt. Governor John Moore and consisting of expert members from the worlds of medicine and business. The Commission will find ways to reduce the out-of-control administrative costs of health care and encourage a greater use of technology. In the end, more Kansans will receive affordable, high-quality care.

This past November, Kansas became the fourth member of the I-SaveRx program, in which states drive down costs by allowing their citizens to buy safe, low-cost prescription drugs from state-approved pharmacies in Europe and Canada. I urge the Legislature to work with me to make sure that this program lives up to its potential for assisting all Kansans who rely on prescription drugs.

No single program can address all the problems of providing first-rate health care to all our citizens. But the initiatives before us, along with my absolute commitment to fight any Medicaid cuts from Washington, will allow us to protect more children, to offer more coverage for working families and small business employees, and to reduce the costs of prescription drugs.

Health care costs continue to soar, and that affects all Kansas families and all Kansas businesses. This trend will only accelerate in years to come, consuming public resources that would otherwise be spent on schools, roads, and economic development. Even more importantly, businesses will suffer from rising costs, reducing their ability to compete effectively. We do not face a Supreme Court ruling that forces our hand in health care, but the need to act is no less urgent.

In sum, a Healthy Kansas means that we must be committed to improving health care for all Kansans and investing in efforts -- such as reducing tobacco use -- that will produce benefits for the state over the long run.

A Healthy Kansas is most certainly a prosperous Kansas. Agriculture, aviation, and energy - the historic cornerstones of our economy - have been stabilized and stand ready to expand. We continue to fight for additional markets - both overseas with beef, grain, and technology, and at home with increased production of ethanol and other value-added agricultural products.

In the past two years, the state has regained much of its economic footing, and I am confident that we are on the right track. On this score, you don't need to take my word for it. Rather, you can rely on the *Forbes* magazine report that ranked Kansas first among all states for economic freedom. That is, businesses face the fewest obstacles here in either establishing a new enterprise or expanding one that already exists. And *Site Selection* magazine ranked Kansas tied for first in its rating of states that have moved the farthest in encouraging the online conduct of governmental business.

We must take advantage of this solid foundation of economic freedom and streamlined bureaucracy to build an even more vibrant, more productive business environment to benefit all Kansans.

Our Economic Revitalization Plan has succeeded in encouraging new investments in biosciences and other knowledge-based fields, but we must do more. Likewise, if we are to tackle tough education, health care, and security issues, the state must have the jobs and growth to support these key initiatives. With many new economic tools in place, we will continue our progress in expanding the economy.

But the dollars spent on economic incentives and new investment strategies are wasted unless we seriously address the two most important economic issues in Kansas: education and health care.

Kansas cannot be a truly healthy state unless it is both safe and secure. All our citizens must feel safe from crime and secure from the threat of terrorism, and feel protected from the natural disasters that have demonstrated their power, both here and around the world, over the past year.

Effective protection from terrorism and natural disasters requires the best possible communication among a wide range of government agencies. Using Homeland Security funds, we are well on our way to making sure that first responders -- police, fire, and other emergency personnel -- can talk directly with each other and can coordinate early warnings, searches, rescues, and relief efforts.

As for crimes that affect all Kansans, nothing is more important than stopping the illicit methamphetamine industry in its tracks. Working with the Kansas Bureau of Investigation, the Kansas Highway Patrol, and the Attorney General, I have charged a task force with developing legislation, and I am pleased that some lawmakers have already embraced this idea by pre-filing a bill on the subject. We simply must make it more difficult for meth producers to obtain the chemicals that they use to concoct their deadly drugs. Oklahoma has already enacted a law that does just this, and I feel confident that we will have strong, effective laws in place by mid-year.

In large part, we in Kansas are secure because of the immense sacrifices of our military. Sixteen Kansans have made the ultimate sacrifice in Iraq and Afghanistan. These include two members of the Kansas National Guard, Army Sgt. First-Class Clinton L. Wisdom of Atchison and Sgt. Don A. Clary of Troy, both of whom served

in the 130th Field Artillery. I join with all Kansans in expressing our grief over these most profound losses, as well as those suffered by the families of the 42 Fort Riley soldiers who have lost their lives.

America's global involvements continue to affect us here at home. Even election to public office has not precluded the call to military duty. State Representative Lee Tafanelli, from Ozawkie, who also serves as a Lieutenant Colonel in the Kansas National Guard, resigned his seat effective today, given his yearlong assignment in Iraq. He joins the thousands of Kansans serving around the globe. I greatly respect Representative Tafanelli's dual service to his state, and we look forward to his safe return, along with all our fellow Kansans who serve.

But wishing our Kansas soldiers "God speed" is not enough. We need to comfort, care for, and protect their families. And we should ease the financial burdens that these families often face. That is why later this month I will propose a Military Bill of Rights for Kansans who serve. This important legislation will offer financial assistance to state employees called to duty, address broader financial issues for all Kansans who serve, and create a relief fund for military families.

Those who serve abroad honor us at home by defending the very democratic values that have made this state and this nation great. In turn, we must honor them by being able to disagree with each other without demeaning our opponents.

A healthy state encourages discussion on the great issues of the day, and finds ways to resolve them. A healthy state values the beliefs of all its citizens, and honors the contributions of citizens from all races, religions, and ethnicities.

The bedrock of a healthy state lies in the people's trust of the electoral system. Citizens must feel that elections have been conducted freely and fairly. All votes should count the same, and all political contributions and expenditures should be treated the same.

Kansans should be proud that, in the state's great progressive tradition, our elections have not been plagued with controversy and uncertainty. But our campaign finance laws do need a serious and thoughtful overhaul to address changes in electoral politics. All campaign contributions and expenditures must be reported in timely and transparent ways by candidates, parties, and outside groups. These groups now raise and spend large sums to affect election results, and they must play by the same rules that apply to candidates and parties.

A healthy state also requires a strong and talented corps of state employees. I want to express my personal gratitude to the Kansas state workforce, whose members contribute so much, day in, day out, to the quality of state services. We have become leaner and more productive over the past two years of belt-tightening. Much as I worked to avoid layoffs in tough fiscal times, the state's workers have found hundreds of ways to increase the efficiency of government. I thank them one and all, and will continue to find ways to reward them for their good work.

Tonight, I have outlined my vision of a Healthy Kansas: a robust, growing state with a vibrant economy from east to west, a state with solid and improving schools that will encourage all children to reach their potential, a state with health care investments that improve the lives of all its citizens, especially the most vulnerable

among us.

A Healthy Kansas goes beyond schools, physical well-being, and jobs, of course. We must be safe in our homes, and secure as we face an uncertain world. We must have a political system in which elections are fought out freely and fairly, with an electorate that has all the information it needs in choosing among candidates.

Kansans should engage in healthy, productive discussions over core issues of faith and family. We must strive to respect the values of all our citizens, both in our policies and in the ways we address these issues. The moral power of Kansans will guide our actions and will strengthen the fabric of a state that encourages the expression of deeply held personal values.

And I welcome -- indeed, I encourage -- the active participation of all Kansas citizens in the discussions that take place and in the decisions that are made under the Capitol dome. I am your Governor, and this is your Legislature. If your voices are not heard, you can be sure that many others will be -- in particular those who are paid to present a point of view, and often do it most effectively. In the spirit of civility and democracy, I urge you to make your feelings known, whether to your local officials, to your lawmakers, to your school board, or to me.

But I ask one further thing in return.

You must listen to those who do not share your feelings; you must respect their points of view. If we all do that in our coffee shops, our church basements, and our city halls, then those who serve in this building will be all the more likely to follow suit. A healthy state encourages many voices -- and lots of listening.

Nowhere is this more important than in supporting our schools. We in this building must listen to the Court, listen to the people of Kansas, and listen to each other, as we strive to meet our constitutional obligations and maintain our control, as elected officials, over the schools of our state.

As we begin this new year, there is much to be accomplished. I urge the Legislature to roll up its sleeves and to join me in making sure that the health of the state continues to improve in every way. I pledge my best efforts to do this, and fully expect the same of those who represent our neighbors across the state.

These are exciting times, with great opportunities to be grasped. And we must reach for these opportunities with an optimistic, productive, and bipartisan approach that serves the interests of all Kansans.

I thank you for the great honor of allowing me to serve as your governor. Good night, and may God bless the great state of Kansas and the United States of America.