

# The Governors Speak – 2009

## Summary of State-of-the-State Addresses of the Governors

National Governors Association Center for Best Practices

March 2009

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Institute for the Study of Knowledge Management  
in Education

The tenor of the governors' state-of-the-state addresses in 2009 was tempered by a sharp downturn in state economic conditions, challenging budget decisions, and financial difficulties facing state residents.

Sixty-eight percent of governors (32 of 47) described austere economic conditions in 2009, including layoffs and rising unemployment rates. As New Mexico Gov. Bill Richardson said, "A cold financial winter has come, and our state faces a serious budget shortfall." Only 23 percent of governors (11) described their state's economic conditions as good or strong in 2009—down from 58 percent in 2008. In discussing their state's budget challenges, 79 percent of governors (37) described difficult cuts or revenue shortfalls that their state faced, compared with 36 percent who did so last year.

Safety nets emerged as a prominent response to difficult economic conditions, with 47 percent of governors (22) discussing plans to increase safety nets and other supports for families.

Despite the economic difficulties, however, governors remained proactive in the areas under their purview. They offered proposals to spur the state economy, improve education, promote energy development and conservation, improve health care, and

This summary is drawn from the full analysis of the state-of-the-state addresses, which is available as a Power-Point presentation at [www.nga.org](http://www.nga.org). The analysis is based on the state-of-the-state or comparable addresses delivered from January 1 to March 6, 2009, by 47 governors, including the governors of Guam and the U.S. Virgin Islands. State-of-the-state, budget, or inaugural addresses were not available online during this period for Delaware, Illinois, Louisiana, Maine, and North Carolina.

support infrastructure development. The governors' highest priorities in their 2009 state-of-the-state addresses included the following areas.

**Economic Development.** Ninety-one percent of governors (43) described initiatives to spur the state economy, often with an eye toward job creation. Fifty-three percent (25) discussed ways to leverage the federal stimulus package, particularly for infrastructure development. Another common theme was support for research and development initiatives, often to attract next-generation jobs in biotechnology. In addition, 40 percent of governors (19) discussed their efforts to build a green economy.

**Education.** Eighty-seven percent of governors (41) described initiatives to improve education, a decline from 96 percent in 2008. Sixty-four percent of governors (30)

discussed plans to improve or expand post-secondary education, often through affordability initiatives. Other topics commonly addressed were K-12 teachers, high school reform, and early childhood education. In proposing changes in teacher training and certification, Minnesota Gov. Tim Pawlenty said, “The quality of teachers is the most important factor in determining student success at school.”

**Energy and the Environment.** Eighty-one percent of governors (38) described their policies on energy development and conservation. The percentage of governors highlighting plans for renewable energy development or conservation remained at 81 percent (38), about the same as last year. As an example of this year’s initiatives, Tennessee Gov. Phil Bredesen proposed to “develop a Solar Institute in Tennessee that is the basic research leader in making solar power practical.” Forty-five percent of governors (21) highlighted climate change initiatives.

**Health Care.** Health care remained among the governors’ top priorities in 2009, with 81 percent (38) discussing health care issues. As in 2008, prominent themes included health insurance coverage, children’s health, and efforts to bring down health care costs—including the costs of Medicaid. However, only 45 percent of governors (21) discussed plans to improve health care coverage this year, a decline from 76 percent in 2008.

**Infrastructure Development.** Infrastructure development also surfaced as a prominent theme in this year’s addresses. Seventy-two percent of governors (34) discussed plans to build new or maintain existing infrastructure, often in the context of creating jobs. Governors focused on transportation infrastructure in particular, including road, bridge, and mass transit development. The development of other infrastructure, however, also figured prominently, including energy transmission, water supply, and schools.

For more information about these topics, including comparisons with prior years, please see the corresponding PowerPoint presentation at [www.nga.org](http://www.nga.org).

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*Suepattra May, Anastasia Karaglani and Clare Mortensen contributed to this analysis.*

# **The Governors Speak — 2009**

## **A Report on the State-of-the-State Addresses of the Nation's Governors**

March 2009

*Prepared for the National Governors Association Center for Best Practices  
by Thad Nodine and Cynthia Jimes  
of The Institute for the Study of Knowledge Management in Education*

# Source Information

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# Introduction

# The tenor of this year's state-of-the-state addresses was tempered by...

- A sharp downturn in state economic conditions
- Very challenging budget decisions and cutbacks
- Financial difficulties facing state residents

“A cold financial winter has come, and our state faces a serious budget shortfall.”

– New Mexico Gov. Bill Richardson

# Yet governors remained proactive in the areas under their purview

- Ohio Gov. Ted Strickland proposed to renew technology tax credits and expand job retention and creation tax credits
- Pennsylvania Gov. Edward Rendell proposed rail, water, and other infrastructure improvements, including a capital loan guarantee program
- Michigan Gov. Jennifer Granholm proposed the creation of a state Energy Corps to put unemployed residents back to work weatherizing buildings and installing renewable energy technology

# Governors' priorities for this year included...

Spurring the **state economy**, including the green economy

91% of governors

Improving **education**, often to create a 21st Century workforce

87%

**Energy development and conservation**, primarily renewable

81%

Improving **health care**, partly to bring down business costs

81%

**Infrastructure development**, often to create jobs

72%

# State of the Economy

# The vast majority of governors described austere economic conditions

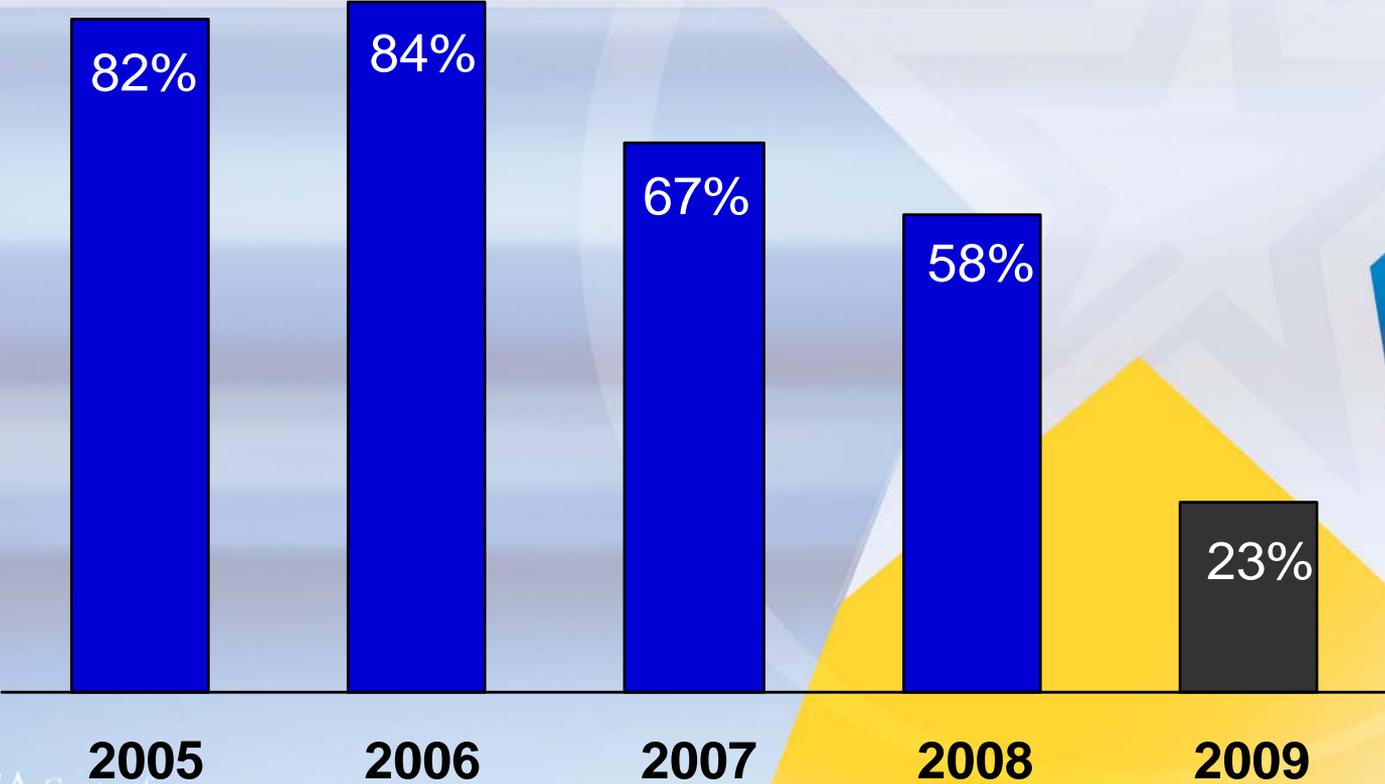
- 68% (32) described downturns in the state economy, layoffs, or increasing unemployment rates

“We face economic conditions ... the likes of which we have not seen since the 1930s.”

– South Carolina Gov. Mark Sanford

- 23% (11) described their state’s economic conditions as good or strong, but most of these were in comparison with other states

This year showed a sharp drop in the percentage of governors describing the state economy as good or strong



# Safety nets emerged as a response to the difficult economic conditions faced by state residents

- 47% of governors (22) discussed plans to increase safety nets and other supports for families
- These included food programs, public health projects, housing assistance, workforce development programs, tuition support, and support for the unemployed

# Safety nets and supports discussed by governors included...

- Gov. Martin O'Malley announced that Maryland for the first time would distribute unemployment assistance via debit cards and direct deposit
- Colorado Gov. Bill Ritter outlined efforts to leverage federal funding to help struggling homeowners avoid foreclosure

# State of the Budget

# Four of every five governors are facing substantial challenges in balancing the budget

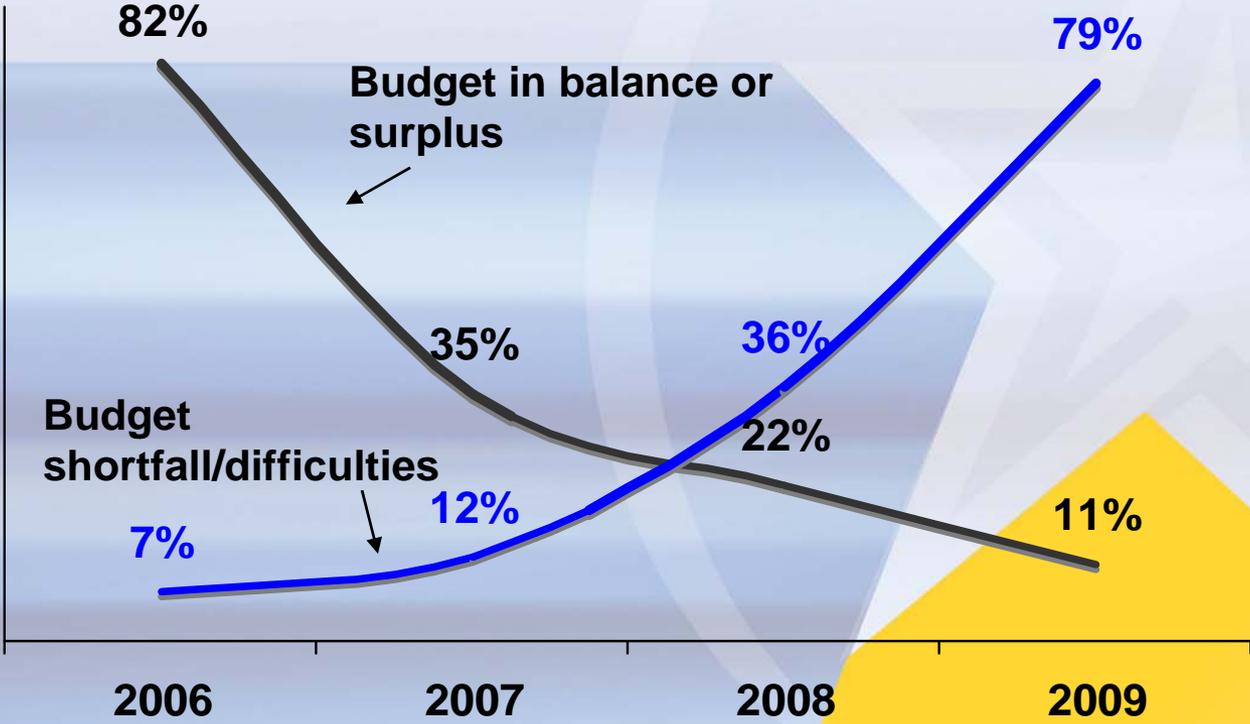
- 79% (37) described difficult cuts and revenue shortfalls their state faced
- 11% (5) said they had budget surpluses, although some of the surpluses came from cutbacks that had been made previously

# The governors were clear about their budget challenges

“We face the largest budget shortfall in state history.”  
– Delaware Gov. Jack Markell

“Today’s struggling economy has created a deep hole in our budget.”  
– Hawaii Gov. Linda Lingle

# The percentage of governors describing state budget difficulties increased



# Economic Development

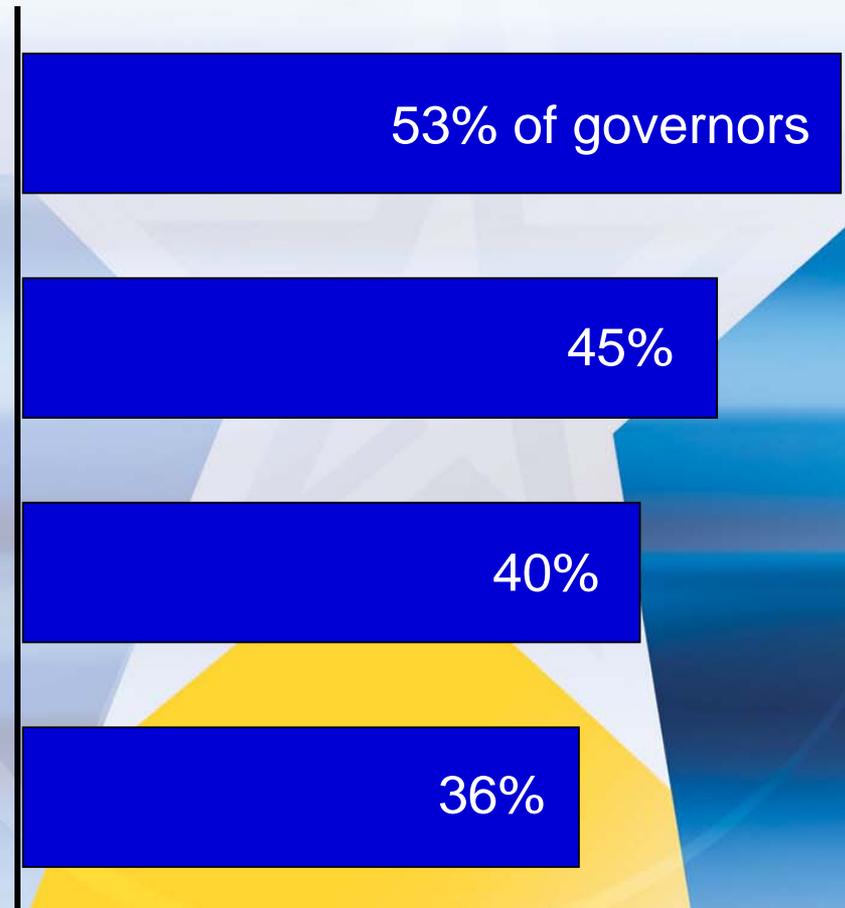
# Governors' priorities for economic development included...

Leveraging the **federal stimulus package**, particularly for infrastructure development

**R & D and innovation**, particularly to attract next-generation jobs in bio-tech and alternative energy

Building a **green economy**, including the creation of green jobs

**Workforce development**, including expanding the role of colleges in workforce training



Represents the percentage of governors discussing proposals in these areas. Total number = 47.

# Proposals for leveraging federal stimulus funding included...

- Iowa Gov. Chet Culver proposed up to \$750 million of bonds to build upon funding the state is hoping to receive from the federal stimulus and from flood recovery funds
- The governors of New Hampshire, Rhode Island, and Wisconsin proposed the creation of new state offices to use stimulus funds quickly to put residents back to work repairing roads and bridges, rebuilding water treatment plants, and weatherizing homes

# Proposals for investments in R&D and innovation included...

- Oklahoma Gov. Brad Henry proposed to increase a state endowment that funds R&D in biotech, aerospace, renewable energies, and other knowledge-based industries
- Virginia Gov. Tim Kaine proposed changes that would make it easier to take new energy technology discoveries made on Virginia campuses and turn them into new companies and new jobs in the state.

# Education

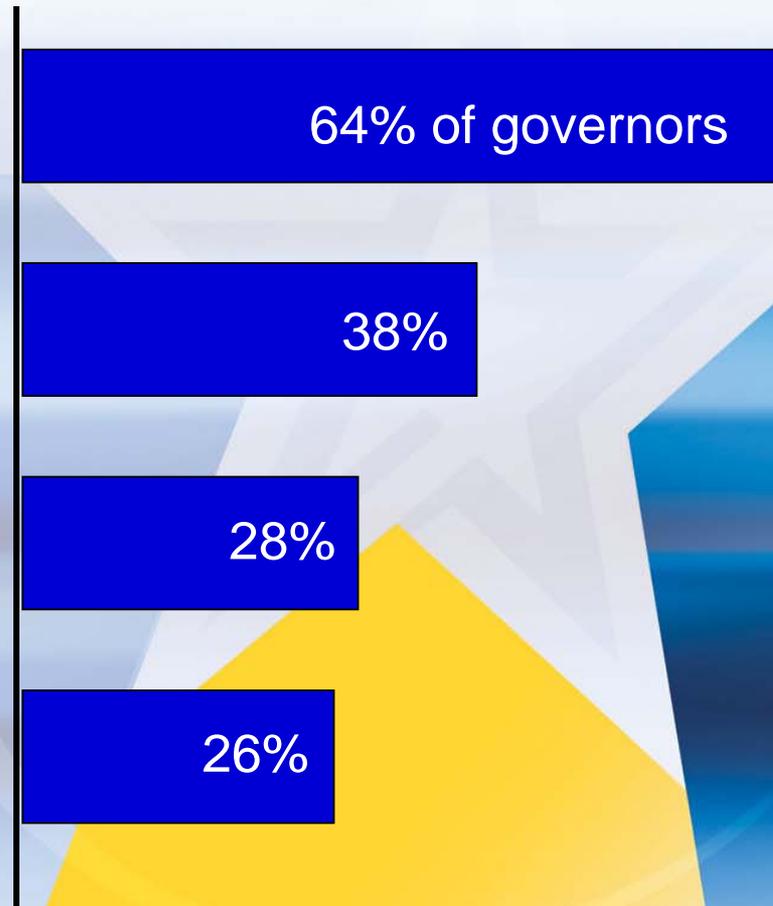
# Governors' priorities for education included...

Improving or expanding **postsecondary education**, including improving affordability

**K-12 teachers**, including increases in teacher pay, and improved teacher training

Improving **high schools**, including reducing drop-out and improving college readiness

Emphasis on the need for **early childhood education**



Represents the percentage of governors discussing proposals in these areas. Total number = 47

# The governors addressed concerns about college affordability

- Arizona Gov. Janet Napolitano tripled the state's commitment to student financial aid and launched a new program to put more middle school students on the path to college
- Pennsylvania Gov. Edward Rendell's budget included new college tuition assistance to families earning less than \$100,000 a year
- Vermont Gov. Jim Douglas proposed a 20% increase in funding for higher education despite the difficult budget climate, in order to keep down costs for students and families

# Governors proposed changes in teacher training and development

- Ohio Gov. Ted Strickland proposed major transformations in teacher development, licensure, and compensation
- Minnesota Gov. Tim Pawlenty likewise proposed major changes in teacher training and certification, and committed to the state's on-going efforts to reform teacher compensation.

“The quality of teachers is the most important factor in determining student success at school.”

– Minnesota Gov. Tim Pawlenty

# Energy and Environment

# Governors' priorities for energy and the environment included...

**Energy development and conservation,** including alternative energy sources

81% of governors

**Climate change** initiatives

45%

**Land use policies,** including safeguarding natural resources and preserving open space

34%

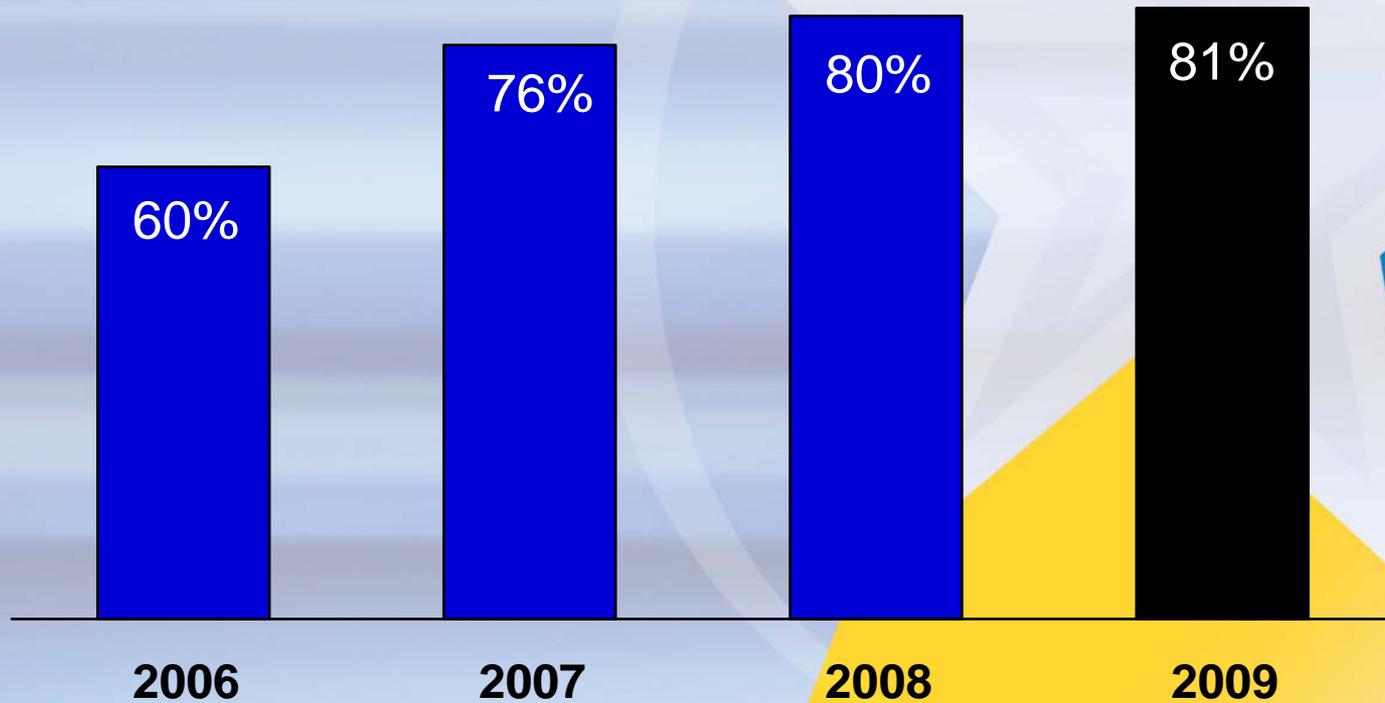
**“Lead-by-example” clean energy** plans for state government

30%

# All governors that discussed energy highlighted plans to develop renewable energy sources

- New Mexico Gov. Bill Richardson proposed several tax credits to support renewable energy. He also proposed the creation of a Green Grid to harness solar and wind power, and use smart electronics to deliver energy to consumers cheaper and more efficiently
- Tennessee Gov. Phil Bredesen proposed a Solar Institute to help position the state as a research leader in making solar power practical.

The percentage of governors highlighting plans for renewable energy or conservation remained about the same as last year



# Climate change proposals focused on energy conservation, reduction of greenhouse gas emissions, and creation of alternative energy

- New York Gov. David Paterson said New York is participating in the nation's first carbon cap and trade framework
- Virginia Gov. Tim Kaine adopted the Climate Change Commission's top recommendation: to reduce electricity consumption by 19 percent by 2025

# Health Care

# Governors' priorities for health care included...

**Health insurance coverage**

45% of governors

**Children's health**, particularly health coverage in this budget climate

45%

**Health care reform or cost cutting**, including consolidation of public purchases and fees on hospitals and insurance plans

30%

**Holding down Medicaid costs** as unemployment increases

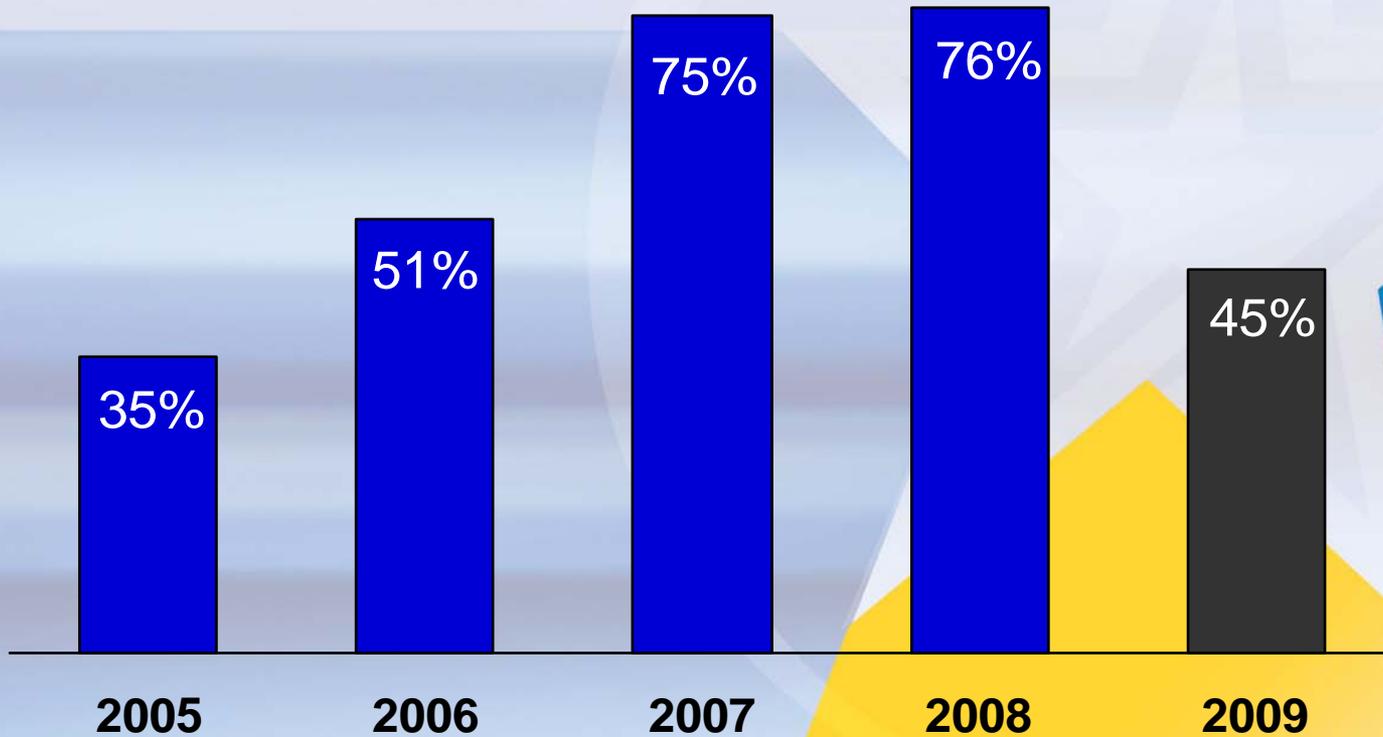
30%

Represents the percentage of governors discussing proposals in these areas. Total number = 47

# In speaking about health care, many governors addressed coverage and cost

- Maryland Gov. Martin O'Malley proposed investing \$15 million to assist small businesses with obtaining health care coverage for their employees
- Nevada Gov. Jim Gibbons proposed to increase health coverage and hold down costs by improving efficiency, such as through state purchasing of prescription drugs
- Vermont Gov. Jim Douglas proposed to realign Medicaid benefits and share costs broadly so as not to eliminate coverage

# Percentage of governors discussing plans to expand health care coverage declined



# Infrastructure

# 72% of governors (34) highlighted plans for infrastructure development

- 62% (29) focused on transportation infrastructure, including roads, bridges, and mass transit
- 43% (20) discussed proposals for other infrastructure, including water supply, energy transmission, and schools

“In large measure, Idaho’s success depends on our willingness to address the infrastructure challenges we face.”

– Idaho Gov. C.L. “Butch” Otter

# Other Issues

## Other primary topics included prison reform, crime, and homeland security

- 47% (22) discussed prison reform or crime
  - This included the impact of budget constraints on prison funding, the need for tougher drunk driving and domestic violence laws, and the opening of state-of-the-art crime labs
- 28% (13) discussed homeland security issues
  - This included National Guard deployments, energy security, and infrastructure protection

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*by*

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