

Inaugural address
of

James H. Douglas

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Inaugural Address

Governor Douglas then presented the following remarks.

“Mr. President, Madame Speaker, Mr. Chief Justice, Members of the General Assembly, distinguished guests, fellow Vermonters:

“I am deeply honored to stand before you again and am humbled by the trust placed in me. I am proud to share this day with my family and especially my loving wife, Dorothy, and I thank them for their support throughout the years. I also want to thank Lt. Governor Dubie for his friendship, his leadership and his service to Vermont.

“No person ever stands here alone. Even as I rose in this chamber for the first time, thirty-two years ago, as a freshman legislator, and raised my hand to take the oath of office, I stood tall on the shoulders of our ancestors.

“Our forbears are the men and women of Vermont who battled to cut a living from her hills. From the tilled field and the ax swing came Vermonters’ reputation for rugged individualism, hard work and personal industry; from harvesting the autumn bounty, the easy generosity of having just enough and no more than you need; from the Sunday trips to town, the power of faith and the spirit of community.

“Our forbears worked hard this difficult land, and their reward was the freedom and independence of self-sufficiency. With this ethos, they charged their government to fill only the thin gaps left unfilled by community and family, recognizing, as they set forth in the Vermont Constitution, that “frequent recurrence to fundamental principles, and a firm adherence to justice, moderation, temperance, industry and frugality, are absolutely necessary to preserve the blessings of liberty, and keep government free.”

“I am lifted by the many things we’ve done to make Vermont better and stronger, protecting the most vulnerable while enabling individual growth and preserving essential liberty. In the last two years, we’ve worked together to bring hope where there was fear and opportunity where there was loss.

“As I am encouraged with our progress, I know the many real challenges that face us and the steps we must take to meet them. Programs that were once intended to fill the thin gaps have expanded far beyond our means. We must take action to curb the unbridled growth of these programs and return them to their most vital purposes.

“This is a task that will affect the Vermont we want a generation from now. It will set a course for the Vermont we will leave our children and grandchildren.

“I see a Vermont where every individual is joined with opportunity; where every person who wants a job has a job; where dependence on government is not a way of life, but a temporary stop on the road to self-sufficiency.

“I see a Vermont where every family is joined by compassion; where parents and children are united by understanding and unconditional love.

“I see a Vermont where every community is joined by possibility; where caring hearts reach out to troubled souls; where every child enters school ready to learn and leaves school prepared to prosper; where the dream of

homeownership is within reach of every family; where the grandeur of green mountains is the backdrop for downtowns bustling with commerce.

“And I see a Vermont where our government is joined in a common purpose, bound by the shared values that make our state so special.

“Today, I ask you to join me in a common purpose.

“In my first inaugural message, I promised to initiate positive changes that would begin to address the challenges that faced Vermont, and I asked for the cooperation of a divided legislature. Together, we put progress over partisanship and accomplished much for the people of our state. I come before you again in the spirit of bipartisanship, asking you to join with me to advance our common goals and address our common challenges.

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“Our future success will be built on the solid foundation we’ve laid over the past two years.

“We made job creation a priority and our focus is paying off: more Vermonters are working and we have the lowest unemployment rate in the nation.

“For the first time in many years, employers see that Vermont is “open for business” and ready to be a partner in creating jobs.

“We rejected the idea that job growth comes at the expense of our environment. Our permit reform measure brought the first meaningful changes to our regulatory system in thirty years and did so while affirming the environmental ethic Vermonters cherish. Our third way – the Vermont Way – is working and our economy is growing again.

“We’ve made state government a leader in energy conservation. Through better fleet management and efficiency measures in state buildings, we’ll stop hundreds of tons of pollutants from entering the atmosphere and save taxpayers millions. Our energy future is one of greater conservation and efficiency, and we will continue the robust dialogue on the diversity of alternative energy sources that best fit our state.

“In the last biennium, we made a historic commitment to accelerate the clean up of Vermont’s lakes and waterways. Key partners in our Clean and Clear initiative are the stewards of Vermont’s landscape – our farmers. Every sip of milk, drop of syrup, and ear of corn is a testament to their hard work and tenacity, to which we all owe gratitude and thanks.

“The General Assembly joined me in an unprecedented effort to give farmers emergency relief in a dark hour. The result is over one hundred family farms saved and many more lifted to financial security.

“Other unsung environmental stewards are Vermont’s hunters, anglers, and trappers who protect the values and traditions of outdoor sports in our state. Last year, we started to treat the plague of lamprey that are marring our fish. In the coming year, we must address the thinning deer herd to maintain the vitality of hunting in Vermont.

“In the last biennium, we reformed Act 60 and we will continue to bring property tax relief to working Vermonters. We reaffirmed our commitment to time-honored uses of the land and the industries that thrive on it.

“Two years ago, I challenged Vermont to confront the growing problem of illegal drug use among our youth. From all corners, the response was overwhelming and effects of our good work are being felt.

“Through my DETER anti-drug program, the General Assembly is directing more resources for education, treatment, enforcement and rehabilitation. With the help of additional troopers, the State Police, working with sheriffs and local departments, are aggressively targeting out-of-state drug dealers and sending a message to the street that dealers are unwelcome in Vermont.

“Our new high school drug counselors are reaching the at-risk population before it’s too late and our specialists are helping addicts stay clean and rebuild their lives through expanded recovery programs around the state.

“Several months ago, I had the opportunity to meet with three women at our new in-patient center in Bradford. They described their hard journey fighting addiction – the broken promises and bitter loneliness. But they spoke of the treatment center as someplace different, someplace where they could finally break free from the cycle of dependence. As I left, one of the women said to me, “For the first time in my life, I feel like someone cares about me.”

“But for all our progress, stories of grief remain. In recent months it has not been splashed across the headlines – but the addicted still face the quiet struggle – and their families still endure the quiet heartbreak. We must continue our fierce commitment to getting illegal drugs off our streets, away from our homes and out of our lives.

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“I was proud to sign a true Megan’s Law for Vermont, a measure that established an online public registry of sex offenders so these violent criminals may no longer lurk anonymously in our neighborhoods.

“But there is more we must do to help protect women and children against sexual predators. Vermont needs to enact a “civil commitment” law that ensures untreatable sex offenders are not released into the community to victimize again.

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“With all the challenges before us, let us pause to reflect on tragedy of an unthinkable magnitude half way around the world. Our thoughts and prayers go out to the victims and the families of the tsunami in South Asia.

“Last week, I had the solemn honor of joining more than a thousand firefighters at the funeral of their colleague, Ray Davison, a great man and a great innovator in the fire service. His passing reminds us of the men and women who are first on the scene to our everyday disasters – all of the firefighters, police officers, and emergency service workers – and the constant thanks we owe them.

“Right now, many of those first responders are answering a different call. They join their fellow Vermonters courageously serving our country and making our state proud in military operations around the world. We give our great respect and deep gratitude to all of these soldiers and their families for their sacrifice and service to our nation; and we remember those fallen and honor them for their courage and selflessness.

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“As these brave men and women fulfill their duty at home and abroad, it is our duty here to work together in common purpose to make the Vermont of their return even better than the Vermont they left behind.

“As public servants, our chief responsibility is to build a government that is responsive to the needs of the people who elect us to serve. The statement of priority of these needs is the state budget, and while the details of my proposal will be explained later this month, the gravity of the problem – many years in the making – merits emphasis now.

“Vermont has always taken pride in its reputation for balanced budgets, stubbornly adhered to as a top priority. This insistence on fiscal responsibility – despite being the only state in the union without a legal requirement for balance – has helped Vermont weather difficult financial times without resorting to drastic measures required of other states.

“Only rarely, and always briefly throughout our history, has that insistence on financial integrity not prevailed. In those instances when it has not, the steps required to return the state to balance have always been less desirable than a steady allegiance to sustainability. Although our budget is not yet out of balance, it is clear that that allegiance to sustainability has been breached and must be restored immediately.

“There are many areas of the budget that are growing at unsustainable rates, chief among them the Medicaid program. Nearly one in four Vermonters – compared to the national average of one in seven – now fall under the umbrella of this social welfare program originally designed specifically for the poor, infirm and disabled.

“Today, we face at least a seventy million dollar deficit in Medicaid. Left unrestrained, the very next legislature, in the very next biennium, will confront a deficit of almost two hundred seventy million dollars – over a quarter of a billion dollars. That’s an amount equivalent to twenty-five percent of our entire general fund budget.

“This deficit would be the largest in Vermont history. It threatens our fiscal stability, basic economic and health protections, and the already over-taxed Vermonter.

“To eliminate a deficit of this magnitude, the legislature would have to impose draconian tax hikes on working people: raising personal income taxes by over fifty percent or nearly doubling the sales tax or almost quadrupling the gas tax.

“These tax hikes would destroy the foundation of our economy. The fact is plain: we cannot, should not and must not tax our way out of this problem.

“In the last biennium I proposed reforms that would have reduced this deficit and relieved its impact on other programs, but those reforms were rejected. Now, we do not have the luxury of time.

“It falls on us – all of us – to find a solution that will save Medicaid for future generations before it collapses under the burden of its own weight. Getting spending under control will require leadership, and I am prepared to provide it. A solution will require a commitment as well from you, the legislature, to make those tough decisions required to put a responsible bill on my desk.

“As you consider all of the other spending pressures you will surely face, including and especially additional health care spending, I ask you to tend to what we already have. I ask you to save Medicaid first.

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“And as we seek a balanced budget, it is important to acknowledge that we did not get in this situation because Vermonters are taxed too little; we’re here because government has spent too much.

“Already, Vermont’s working families pay the 8th highest income tax rate in the nation and have the 12th highest burden of state and local taxes. And although we are making slow progress reducing the relative tax burden, it is still too high. Besides the heavy toll high taxes take on working families, a high tax environment also contributes to a business climate that makes job creation and economic prosperity more difficult.

“During the past two years, we took many steps to improve Vermont’s job environment. Our robust recovery has resulted in strong revenues that allowed us to replenish our rainy day funds and get Vermont on solid footing. This will make balancing the budget for the coming fiscal year easier than it would have been, but it would be a serious mistake to reverse this progress by raising taxes now.

“I challenge this legislature to deliver to me a fiscally responsible, balanced budget that does not raise the tax burden on the people of our state.

“The stakes are high, and the pressure exerted on us will be intense. As we work together for the benefit of all Vermont, special interests will fight fiercely. They will speak loudly, stage protests, and make dire predictions. But if we fail to stand firm, the eye of history will stare far more sternly on us than any special interest.

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“Within the constraints of a balanced budget there is little room for new spending programs.

“That is why I have proposed affordable health care reforms that will move us toward universal health insurance coverage, bringing peace of mind and security to thousands of uninsured Vermonters, while reducing the cost of health insurance for those who already have it, and employers who want to offer it to their workers.

“Like saving Medicaid, health care reform is an issue that cannot tolerate delay. Vermonters’ insurance premiums are swelling, prescription drug costs are rising, and small businesses and working families are having trouble affording the care they need. My plan for health care reform provides concrete steps to address these concerns.

“The plan that I have offered is built around five fundamental principles to which any comprehensive plan must adhere.

“Real health care reform must lower the cost of care for those Vermonters who are struggling to keep up.

“Reform must be patient-centered and put decisions in the hands of patients and their doctors, not politicians and bureaucrats.

“Reform must increase choices and options of care.

“Reform must be affordable for Vermonters and sustainable for state government.

“And real reform must lower the cost of prescription drugs with initiatives at both the national and state levels.

“As we begin this new biennium, let us demonstrate our bipartisanship by crafting together a drug reimportation bill that will not undermine our first-in-the-nation lawsuit against the FDA.

“At the same time, we must be honest with the people of Vermont: drug reimportation is at best a short-term fix – perhaps short-lived – and will not be a viable option for many Vermonters. We must continue our fight for a national solution.

“We must also recognize that prescription drugs are only one part of the soaring cost of health care. To fundamentally lower costs, we need to take more responsibility for our own health. That’s why I will continue to push for innovative health care programs like the Chronic Care Initiative, Fit & Healthy Kids, and a Healthy Choices discount.

“My plan for real health care reform is a starting point for this General Assembly. I know there will be other designs for new systems of care. I look forward to an open and honest debate about their merits and their value. But the final product must meet the fundamental principles I’ve set forth and cover all aspects of reform.

“Vermonters cannot wait for another study, another year where premiums continue to rise and care moves out of reach. I ask this Legislature to act thoughtfully – but to act quickly – and deliver me a comprehensive and fiscally responsible health care reform package by adjournment this year.

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“As the pace of our economy’s transition from a largely industrial base to a global information age quickens, we must continue our work to improve our infrastructure and empower Vermonters with the education and skills they need to excel in the next generation of jobs.

“To keep our economy moving forward, we must keep goods, people, and ideas moving forward. Repairing roads and bridges, building critical transportation arteries, and expanding broadband and cell coverage must remain central to our job creation strategy.

“We need to remain steadfast in our commitment to improve primary and secondary education, close the performance gaps, and encourage innovative approaches and technologies that improve student achievement.

“Participants in today’s – and more importantly, tomorrow’s – economy must have opportunities to continue learning and upgrade their skills. We need to sustain our efforts to make our colleges more affordable by improving our support of higher education.

“Everyone, young and old, must have access to the knowledge and skills to participate in the evolving economy. That is why I am proposing that we place an even greater emphasis on skills training so every working Vermonter can compete and succeed in the 21st Century.

“Working together, we can educate and inspire a workforce that is second to none, making our working families more secure and our communities more prosperous.

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“Vermonters are known not for their wealth of riches, but for their richness of spirit. It is our strong-hearted independence and unforced kindness that defines us and our desire to make better that unites us.

“Our urge to refine – to smooth the roughhewn and find natural symmetry – is elemental to the soul of Vermont. We carry it to our government – into school boards, town halls, committee rooms, and into these chambers – with the noble ambition to make the bad good and the good better.

“It has brought us together today.

“As we consider the work before us, let us also consider how fortunate we are.

“If, at the beginning, the Almighty gave to humanity a sliver of globe on which to carve a heaven on earth, it would be filled with verdant hills and sparkling lakes, open fields and forests thick with all His majesty. The joy of changing seasons would bless a people with a cycle of life and instill in them the spirit of freedom and a sense of unity.

“And they would call it Vermont.

“With a commitment to cooperation and common sense, we’ve put Vermont back on the path to prosperity. But there is much more for us to do, and Vermonters expect, demand and deserve a government that will continue to work together.

“And so it has come down to us: two chambers solidly Democrat, and one man loyally Republican, to come together in the spirit of civic virtue.

“Guided by a common purpose, bound by a common history, with a genuine desire for cooperation, let us today begin the march toward our common destiny.

“Thank you.”