

NATIONAL
GOVERNORS' ASSOCIATION
PLENARY SESSION

August 20, 1991
9:00 a.m.
Convention Center
Seattle, Washington

Reported by Lisa B. Ahlburg, CSR

APPEARANCES

Chairman:	BOOTH GARDNER, Washington
Vice Chairman:	JOHN ASHCROFT, Missouri
Louisiana:	BUDDY ROEMER
South Carolina:	CARROLL A. CAMPBELL, Jr.
Pennsylvania:	ROBERT P. CASEY
Delaware:	MICHAEL N. CASTLE
New Jersey:	JIM FLORIO
Maryland:	WILLIAM DONALD SCHAEFER
Kentucky:	WALLACE G. WILKINSON
Ohio:	GEORGE V. VOINOVICH
Indiana:	EVAN BAYH
Illinois:	JIM EDGAR
Arkansas:	BILL CLINTON
Florida:	LAWTON CHILES
California:	PETE WILSON
Oregon:	BARBARA ROBERTS
West Virginia:	GASTON CAPERTON
Montana:	STAN STEPHENS
Idaho:	CECIL D. ANDRUS
Utah:	NORMAN H. BANGERTER
New Mexico:	BRUCE KING
Guam:	JOSEPH ADA
American Samoa:	PETER T. COLEMAN
Northern Mariana Is.:	LORENZO I. DELEON GUERRERO
Virgin Islands:	ALEXANDER A. FARRELLY
Hawaii:	JOHN WAIHEE
Arizona:	FIFE SYMINGTON
Nebraska:	E. BENJAMIN NELSON
Alabama:	GUY HUNT
Michigan:	JOHN ENGLER
Wisconsin:	TOMMY G. THOMPSON
Minnesota:	ARNE H. CARLSON
Kansas:	JOAN FINNEY
Nevada:	BOB MILLER
Colorado:	ROY ROMER
South Dakota:	GEORGE S. MICKELSON
Wyoming:	MICHAEL SULLIVAN
Oklahoma:	DAVID WALTERS

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1 GOVERNOR GARDNER: We are in order.

2 It has been an honor and a challenge to
3 share in this organization for the past year and to
4 have all of you in our state.

5 A side bar for a moment, but the business of
6 sharing the name of our state with the nation's
7 Capitol has always been honored by those of us
8 here, but there seems to be no way out of it. For
9 a long time we have been the existential other
10 Washington. We kind of have a colonial mentality
11 at times, but we are proud to fight back. We are
12 tired of being called Washington State. They don't
13 call you Missouri State or Colorado State or
14 California State. I mean those are names reserved
15 for colleges, not states.

16 But if you want the real irony, when we
17 petitioned to become a state, we asked to be called
18 by the name of Columbia, not Washington. And
19 Congress thought that sounded too much like the
20 District of Columbia. So there's your typical
21 bellway thinking in action, something that we hope
22 to break out of.

23 But I digress. It has been an honor to hold
24 this position because my peers from around the
25 country are a pressedly talented and dynamic group.

1 And it has been a challenge because the focus of
2 our work has been nothing less than the most
3 difficult, complex and compelling domestic issue on
4 the American agenda.

5 To cut to the heart of this issue, I have
6 brought visual aids. If a picture is worth a
7 thousand words, then the video you are about to see
8 must be worth several million words.

9 (Video)

3 10 GOVERNOR GARDNER: The power of what you
11 have just seen comes from the fact that the people
12 that you saw in the video are real. They are my
4 13 constituents. They are my reason for my sense of
14 urgency about this issue.

15 And, ladies and gentlemen, they are here
16 with us this morning. I would like them all to
17 stand and I would like all of you to join me in
18 expressing our appreciation to them for sharing
19 their experiences.

20 (Pause in proceedings.)

21 GOVERNOR GARDNER: All of us has
22 constituents like these. Their names are real and
23 they are immediate. And they will be the ultimate
24 judges of our leadership. And what they need from
25 us is action. And as you heard one of them say in

1 the video, they are not going to let anyone off the
2 hook. Not Congress, not we governors, not the
3 White House. So now is the time to act.

4 I would now like to call on Governor Castle
5 to move for adoption of the health care policy
6 payment and make remarks on the findings in the
7 report in the policy. I would then call on
8 Governor Clinton for a second for his remarks on
9 his proposed policy.

10 Governor Casey.

11 GOVERNOR CASEY: Thank you, Governor
12 Gardner.

13 Thank you for the great coverage in addition
14 to all the great work you have done on the health
15 care policy.

16 The health care policy is I think C-28; is
17 that correct? C-28 in your books. I think you are
18 all familiar with it. For those of us I think it
19 was close to us a hundred percent who were involved
20 in discussions on Saturday and Sunday, this
21 Saturday and Sunday.

22 I think you realize the depth of this policy
23 and the importance of it. There was very long and
24 serious and I thought excellent debate on the
25 issues and there may be more here today. But

1 ultimately I believe that we adopted a policy
2 through the committee which is being presented at
3 the plenary session here today which is extremely
4 comprehensive, which is depended upon the state
5 demonstrations as a methodology of resolving the
6 problems of health care in the United States of
7 America.

8 We have heard from a number of state
9 representatives at this table about what they are
10 already doing in their states and you see that
11 those state solutions are working. I learned
12 personally about what could be done in Delaware. I
13 am sure all of us did about what we could do in our
14 own state concerning the problem. We do know that
15 there were concern about dates and the dates were
16 removed urging that we do all this as soon as
17 possible.

18 I will not take the time today because
19 there's much to be done to go over the entire
20 policy. I think you are familiar with it. But for
21 those who have not had a chance to read it in this
22 room, I would urge that you read not only the
23 policy but the narrative that accompanied it in
24 terms of what we as governors have done.

25 We have recognized the fact that there is a

1 problem. We have initiated a discussion which
2 needed to be initiated in this country and
3 hopefully we have moved to the next plateau in
4 terms of a resolution of the problems of health
5 care for the adoption of this policy.

6 We recognize the fact that the costs are
7 tremendous as we saw in the script here today. We
8 realize that if we are going to resolve these
9 problems there are going to be difficult political
10 decisions that are going to have to be made on a
11 state-by-state basis. None of this is going to be
12 simple and I don't think anyone thinks that we can
13 resolve it simply by throwing additional money at
14 it. But indeed we need to work with the public
15 government.

16 I think the time has come to stop some of
17 the finger pointing between the states and the
18 public government and the private sector and sit
19 down and work out whatever the differences are. If
20 somebody is not doing it correctly, be it us as
21 governors and states or the public government or
22 the private sector and the all the various
23 components of health care, then the time has come
24 to put a stop to whatever those practices are and
25 put together practices which are going to make a

1 difference to this country.

2 There are not many issues that we take up as
3 governors which affect each and every person in the
4 United States of America. But this is one of them.
5 We have a small sampling of these wonderful people
6 here in the audience today and their reactions to
7 some of the problems which they are facing. They
8 represent the constituents in all of our states.
9 They represent all of the constituents in all of
10 our states, each of whom at some time or another
11 will face a concern with health care; be it the
12 health care they can receive, the ability to afford
13 to pay for the health care which they receive, the
14 access to it, or whatever the various variant
15 inflections are with respect to health care, but
16 there is nothing of more significance.

17 We all know that if we are healthy, we can
18 make everything else happen. We also know that if
19 we are not healthy, that things cease to happen as
20 well as they did before and perhaps ultimately
21 there is a fate awaiting us which is not a very
22 good alternative.

23 And for all these reasons it is my hope that
24 we as governors can use this policy as a genesis or
25 a beginning for what we are going to do in the

1 future in our states. And frankly I look forward
2 not just to this session, but to what we are going
3 to do this winter, what we will do next summer and
4 in the future as we start to see what we are doing
5 in the various states in the country and be able to
6 exchange those thoughts and views and to use them
7 in each of our other states.

8 And for all these reasons, I move the health
9 care policy that the governors have adopted in the
10 earlier sessions to be adopted by this plenary
11 session and I look forward to it as being the
12 catalyst which is going to ultimately make a
13 difference in the quality of life of all of our
14 constituents.

15 GOVERNOR GARDNER: I now call on Governor
16 Clinton for the second.

17 GOVERNOR CLINTON: Thank you very much, Mr.
18 Chairman.

19 First I would like to thank you for your
20 leadership on this important issue and for putting
21 that marvelous film together with your very moving
22 citizens.

23 The three important features of this policy
24 are the following: First, it emphasizes a renewed
25 commitment to quality and a new emphasis on

1 preventive primary care, which will make us far
2 healthier at less cost; second, it tries to take on
3 head up the issue of cost. We are already spending
4 30 percent more on health care than any other
5 advanced nation of the world and getting less far;
6 and finally it addresses the issue of coverage, an
7 impossible fact that too many Americans don't have
8 it.

9 There are three points I would like to make
10 about this policy in seconding it. First of all,
11 even though we differ on the timing or federal
12 action set of comprehensive national health care,
13 we agree I think unanimously that our nation needs
14 immediate federal action to give the states the
15 waivers necessary in spending present federal money
16 to begin a solution that may not be a Canadian
17 solution but at least will be a Canadian process;
18 that is, we think the states can take this to a
19 national resolution, this issue, if the federal
20 government will support us and it needs to begin
21 tomorrow.

22 Secondly, this policy takes on the tough
23 issue of insurance reform in a way that is not
24 going to be addressed at the national level and
25 recognizes that we are being burdened with

1 incredible costs that have nothing to do with
2 health care. That as a result of that many people
3 cannot even change jobs because their spouses and
4 children have preexisting conditions and there are
5 many businesses who can't afford to get health
6 insurance in the first place are tragically
7 dropping it every year so that more and more people
8 become unemployed.

9 We must have insurance reform along with
10 governmental reform and other changes in the health
11 care industry.

12 And finally with regard to timing, let me
13 just say this -- we will have our discussion about
14 that in a moment -- but one of the big myths that
15 we continue to hang onto in this country is that we
16 are still the best in everything. And I just want
17 to close by saying we are the only advanced economy
18 in the world that has not figured out how to
19 provide some kind of insurance to every one of the
20 citizens. And what we do is we spend 30 percent
21 more of our income on everybody else and that means
22 that on our report we do on the timing here, we
23 cannot wait one more day to take action and begin
24 to implement this policy.

25 With that I second the policy and thank you,

1 Mr. Chairman.

2 GOVERNOR GARDNER: Thank you, Governor
3 Clinton.

4 It is now time for open discussion comments
5 for amendments.

6 I call on Governor Miller.

7 GOVERNOR MILLER: Nevada has had the dubious
8 distinction for some time in leading the nation in
9 hospital costs. Four years ago my predecessor,
10 Richard Brian, enacted a copy of cost containments
11 legislation which provided for two years of
12 governmental control cost. And in the spirit of
13 compromise was followed by two years of the market
14 control cost, which of course was pushed by the
15 office association. The first two years were
16 fairly successful. The last two years were
17 disaster.

18 And in our recently concluded legislative
19 session I pushed through legislation which freezes
20 the cost at any hospital in Nevada for the next
21 year and a half, at all times in the future limits
22 any additional cost to consumer price index which
23 in our state means a savings of almost 200 million
24 dollars over the next four years to constituents.

25 We also required them to reduce charges for

1 uninsured Nevada by 30 percent. We created, and
2 they have to fund it, but it is not under their
3 control, a consumer complaints division that will
4 arbitrate bill disputes and has the authority to
5 order refunds to individual patients.

6 We force the hospitals, who are obviously
7 profitable, to include in this legislation nursing
8 foundation to which they contribute a quarter
9 million dollars a year for most nursing education.
10 We provide -- they are required to provide technical
11 assistance from the urban hospitals to all the
12 rural hospitals a hundred thousand dollars a year
13 to public wellness programs and they are required
14 to provide acute care treatment to indigent
15 residents of our state and others that need health
16 care.

17 And all for all, this is only for one reason
18 and that is to emphasize that the government has to
19 correct this problem. It is not going to correct
20 itself. And that is the reason we need to act and
21 we need to act now.

22 GOVERNOR GARDNER: Thank you, Governor
23 Miller.

24 Governor Chiles.

25 GOVERNOR CHILES: Mr. Chairman, I again want

1 to join my voice in complimenting you and all of
2 the work that the committee has done. I think
3 there's some very, very fine work in the report. I
4 think your film has tremendous impact and I think
5 that it so clearly shows what I see happening in my
6 state and all over the country.

7 In a few moments I want to make a motion for
8 the amendment, but I would say that as I noted in
9 the film, when I go to Miami Jackson Hospital,
10 which does more indigent care in my state than any
11 other hospital, the people that I see in the
12 emergency room there or are not the poor. They're
13 all working. They are people that do not have
14 insurance.

15 And as we saw in the film today, we have
16 some coverage, albeit in Medicaid, that takes care
17 of the poorest of our people. The people that we
18 are neglecting as a country are the people that are
19 trying to work.

20 And now I think what we are now talking
21 about is the timing of that and I think also what I
22 want to talk about is leadership.

23 I spent 18 years in the Congress. I know
24 something about how that institution works, the
25 kind of deadlines under which it works. On my

1 plate was the deficit. I thought it was the
2 greatest problem facing the country then and I
3 still kind of think it is now. We are no closer to
4 solving it from the leadership than we were. And I
5 finally broke my pick on that and decided that it
6 wasn't going to be solved up there or not anything
7 that I could do and I left. And I thought I was
8 out and I was happy to be gone.

9 But then I began to see what a number of you
10 all were doing in your states. Literally that you
11 were grappling with problems and that you were
12 finding solutions and you quit waiting on
13 Washington to kind of decide that they were going
14 to do it for you and you started dealing with it
15 yourself. And I saw that there were some
16 opportunities in state government, more in the
17 local government where they again were not waiting
18 on us even in the state government. And that
19 induced me to kind of get back in it.

20 If there was any way that we could deal with
21 this problem ourselves, then that is what we ought
22 to be doing. And we would be looking to Washington
23 and we shouldn't be looking to them and each of us
24 in our state are trying to come to grips with it.
25 We are the ones who do get judged by results so we

1 can't put things off.

2 But I think it is very clear from another
3 resolution that we are going to be taking up here
4 that has to do with how you match some of the
5 funds, that we cannot deal with this problem
6 entirely in our states. It is not within our
7 grasp. We must have the assistance of the federal
8 government to truly come to grips with the health
9 problem.

10 So if we have got to have their help, how do
11 we send them some message that we think this is an
12 immediate problem. I said this about leadership
13 and I think very much it's about leadership. I
14 think that we have to send that message by putting
15 a date in this report. I think that we say we want
16 to be willing partners. We are willing to do our
17 share. We want to partnership with the Congress
18 and with the President in trying to solve this.

19 Now, I have noted in some of the writings
20 about my motion that it appears to be partisan. I
21 listened to the speaker and the speaker said we
22 will work hard and see if we can get it done by the
23 year 2000. I don't think that would cut it.

24 And so if I am trying to point a finger at
25 someone, it is not just the President. It is

1 Congress and the President. It is Washington. And
2 it is for us to try to say we think this is
3 immediate. We don't think those people in that
4 film, the people that are in Miami Jackson can wait
5 until the year 2000. What happens to those little
6 earthquake babies, what happens to those families,
7 what happens to the fabric of this country and what
8 is happening everyday.

9 If I saw one thing that I challenge about
10 the film it was the 2,016. Education is already
11 being affected in my state. We are not able to do
12 what we should be doing for education, what we
13 should be doing for the environment, what we should
14 be doing for transportation, what we should be
15 doing in public safety in my state because all of
16 our money is being taken now for Medicaid and in
17 trying to deal with this problem because we do not
18 give access to all of our people, so therefore, we
19 cannot control costs. We all know that. The
20 question is are we going to try to come to grips
21 with that.

22 Now again I would like to say that I came
23 out here to show my people that I want to lead on
24 this. Nope. They are already ahead of me on this
25 question in my state. They are already literally

1 in the street about this question and they don't
2 think I am leading on this question worth a hoot.
3 They can't understand why we aren't doing
4 something, why we aren't coming to grips with it.
5 So if anything, I am trying to get in front or get
6 out there where my folks are on this because I
7 think they are out there. They want us to do
8 something.

9 If we are not willing, we who are
10 responsible and have to be responsible and have to
11 balance our budget and have to live with the
12 results that we have, if we aren't willing to say
13 this is an immediate problem, how can we expect
14 that we will ever get Washington to deal with it.

15 As Governor Miller said: This isn't going
16 to be solved by sitting back and not doing
17 anything. We ought to be marching, trying to lead
18 our people to the march on the Hill and trying to
19 say that we have to deal with this problem.

20 I feel that putting a date on this is the
21 step that we could take to strengthen the report to
22 say that we want to do something about people that
23 work who are not able to get coverage. That we
24 want to do something to see that this country is
25 going to be able to have healthy people, kids who

1 can learn because they have education. All of
2 those things I think we have an opportunity to do.

3 So, Mr. Chairman, I would move that we amend
4 the report to put a date in. And as we go in 28.2
5 in the governors' goal, that we add to that the
6 language you now have to be enacted by January 1,
7 1994.

8 And, Mr. Chairman, I would like to ask that
9 we have a role call on this. I want to at least be
10 able to go back home to my state and say I tried to
11 get out there where my people are on this question.

12 GOVERNOR GARDNER: Thank you, Governor
13 Chiles.

14 Any seconds?

15 Governor Engler seconds.

16 Is there a discussion?

17 Governor Schaefer.

18 GOVERNOR SCHAEFER: If we can solve the
19 problem of health care by publishing manuals, by
20 having emotional films like that, we would have
21 done it a long time ago.

22 If you brought in all the books that are
23 written on this, the newspaper articles that are
24 written on this, it would fill this room. I don't
25 mean any disrespect, but putting in -- I get

1 worried over this 1994.

2 I would much rather hear from you why we
3 can't convince members of Congress that there is a
4 national emergency in health care. They see the
5 same books year after year, the same
6 resolutions with a couple amendments to it, to them.
7 And we sit here and we say, well, now we have got
8 to convince them. Can you tell me how I can
9 convince my members of the legislature that there
10 is a national emergency when we have something like
11 a 50 million dollar deficit plus on health care?

12 You bring the people here. Every one of us
13 could applaud -- I could applaud hundreds of people
14 here the same way. I am disturbed on what we are
15 saying here.

16 If we know it, you mean to say the President
17 doesn't know it? You mean to say the senators
18 don't know it? I don't believe that is true. What
19 are we going to do to convince them that there is a
20 serious problem and a national emergency.

21 Putting in the date 1994, putting in the
22 date 2000, as soon as possible, I understand what
23 you are saying. I really understand it, but I
24 don't think it's going to make that much difference
25 unless we are able to get them to really understand

1 the seriousness of the problem.

2 I am going to vote with you only because you
3 are so sincere in trying to tell the Congress that
4 they ought to get off their base and do something
5 about it.

6 GOVERNOR GARDNER: Thank you, Governor
7 Schaefer.

8 Governor Campbell.

9 GOVERNOR CAMPBELL: Thank you very much, Mr.
10 Chairman.

11 I agree with what Governor Schaefer said
12 that we have to convince the Congress of the United
13 States that there is a problem. They should know
14 it.

15 The problems that we have in the states that
16 were cited by the senator, by the governor from
17 Florida, were interesting to me because he talked
18 about leaving Congress because Congress couldn't
19 solve the problems. And that is the truth because
20 the problems we are having in funding in our stat s
21 right now are largely because the Congress of the
22 United States had put mandates on the states to
23 tell us how to run our programs and have taken away
24 the flexibility in many instances by denial of
25 dollars for the use of the Medicaid programs to get

1 to the very people that you have that were shown on
2 this film.

3 In a state where you have optional programs
4 and you have taken them because your population
5 needs them and the Congress of the United States
6 comes in and says very specifically that you no
7 longer can have a Medicare program and we no longer
8 will take care of qualified medical beneficiaries,
9 you now must fund those out of your Medicaid
10 program and it then takes your money that you were
11 using for prenatal care or for those children that
12 were low birth weight babies because you have opted
13 into those programs, yes, we have a problem and I
14 agree with all of the statements that have been
15 made there.

16 The thing that concerns me is that the
17 resolution that was hammered out and was passed by
18 the task force, came through the task force and is
19 before us today, consisted of a lot of work. It
20 contains a word in it, not an arbitrary date. I
21 could say July the 15, 1993, or I could say August
22 the 21st, 1995. The date is arbitrary. The word
23 is "immediate." That was put in this resolution
24 and that is what it says. "Shall immediately begin
25 working to achieve."

1 The thing that scares me about putting in an
2 arbitrary date is that we profess to believe that
3 the innovation should come from the states, that
4 the programs should be there and that we should
5 bring the best to the table. That we should use
6 all of our demonstrations to convince the Congress.
7 And that I am concerned that we will deny the
8 states the time or even the incentive to do
9 anything other than just wait until the arbitrary
10 date and see what the Congress of the United States
11 does.

12 I don't think it is the way to solve the
13 health care problem. I think the way to solve the
14 problem is to utilize the ingenuity of the
15 governors in the states and put into place those
16 programs that address problems. And where the
17 government of the United States at the federal
18 level is standing in our way, to go to them to get
19 them out of the way.

20 So let's seek that partnership, work with
21 them in a positive manner and try to fashion a
22 system that will serve the people that are not
23 being served. But if you believe, if you believe
24 that amendments stuck in without a vote of the
25 Congress into continuing resolutions are not one to

1 continue to happen because maybe a representative
2 from California decides that is what he wants and
3 it never goes through committee, you think that is
4 going to fade into the sunset, you are fooling
5 yourself. We need to take the problem head on.

6 The problem of mandates from Washington
7 trying to tell people in California and South
8 Carolina and Wisconsin that you are all the same,
9 your problems are the same and this is how you must
10 deal with them. And we aren't the same. We have
11 different problems. We have different populations.
12 We have different things that have to be addressed.

13 And I am concerned that we are really asking
14 the Congress to come up with something by 1994 and
15 do it instead of trying to do what we can and
16 should do ourselves. That is the only concern I
17 have with it. I think the problem is immediate. I
18 think that we need the change and we need to get
19 health care to the front end. We need to go the
20 preventive side of it. We are trying to do that in
21 many states with specialty programs. And we have
22 to convince the Congress.

23 But to sit and to say we are going to ask
24 you to do it in 1994 is one thing. To say we want
25 you to start with us tomorrow morning because these

1 people need help now, brings to mind the word
2 "immediate" and that is what the task force came up
3 with.

4 Mr. Chairman, I would ask one other question
5 if I might at the chair as to the parlimentary
6 situation on an amendment brought up to the plenary
7 session.

8 GOVERNOR GARDNER: I got interrupted by
9 Popeye.

10 GOVERNOR CAMPBELL: Popeye was great. He
11 really was.

12 GOVERNOR GARDNER: Thank you, Adam.

13 GOVERNOR CAMPBELL: Could you tell us what
14 the parlimentary situation is on amendment in the
15 plenary session to a policy that has already been
16 adopted by the task force?

17 GOVERNOR GARDNER: Can we take a two-thirds
18 vote of the governors present.

19 GOVERNOR CAMPBELL: Thank you, sir.

20 GOVERNOR GARDNER: I would now call on the
21 four following order of speakers: Wilkinson,
22 Governor Walters, Governor Roberts, Governor Casey.

23 MR. WILKINSON: Thank you, Mr. Chairman.

24 I believe my voice is that of the governor
25 of Florida. He is absolutely correct and I would

1 say in his assessment of the situation and I would
2 say to the Governor of Maryland that, yes, there is
3 a need for a resolution or an amendment like this
4 to be made because it draws that attention to
5 exactly those objectives that you just so
6 eloquently espoused and to my friend from South
7 Carolina.

8 I would say that the choice here today as it
9 is set forth is to set a goal of the year 2000 as
10 opposed to some of us who believe that the state is
11 more immediate in nature and there is a greater
12 urgency than that. So the objective here I think
13 is to simply reduce the language to Congress and to
14 the White House and to the others to say that we
15 want this immediacy recognized and that it should
16 be done by 1994 rather than the year 2000.

17 And finally I would say let's look at what
18 we are considering here. We are saying the
19 governors believe the nation needs to have a system
20 that makes health care affordable and available for
21 all Americans. Who can vote against that
22 amendment? And further that the health care system
23 must have sufficient controls in place to ensure
24 the cost effective delivery of care. And we are
25 simply asking that that be the language be

1 inserted, and the governor of Florida is, and that
2 it be enacted by January 1, 1994.

3 And I would suggest, Mr. Chairman, if we
4 cannot do it by January 1, 1994, that we will never
5 be able to do it and I urge its passage.

6 GOVERNOR GARDNER: Thank you, Governor
7 Wilkinson.

8 Governor Walters.

9 GOVERNOR WALTERS: The amendment is simple.
10 It is direct. It's a simple expression of the
11 urgency that we all feel. Our chairman and our
12 task force has focused our attention. Governor
13 Lawton Chiles has summoned our consciences. This
14 is not roads and bridges. It is not a trade issue.
15 It is not economic development. This is health
16 care, but it's really lives.

17 In my state and in your state somewhere this
18 morning there is a mother tending to a sick child
19 who is confused about where to go for health care.
20 This is not a complicated request. It's a
21 statement of urgency. It is at least as practical
22 as half of the other things that will pass later
23 this morning.

24 I speak in favor of the amendment.

25 GOVERNOR GARDNER: Thank you, Governor

1 Walters.

2 Governor Roberts.

3 GOVERNOR ROBERTS: Mr. Chairman, I think as
4 we look at this issue we sometimes talk about it in
5 terms of its eating our budget alive over the next
6 few years. If indeed that is our major concern,
7 then 1994 is not fast enough.

8 But I think there is a broader issue before
9 us and it is the one that I think each of us needs
10 to sit back for a moment and think about.

11 I doubt that anyone is seated at this table
12 who does not have full insurance coverage. There
13 are people who work as many hours a week as we do
14 who have no health insurance coverage.

15 I sit and look at my own family and think of
16 eight years, we think from 1991 to the year 2000, I
17 think of what's occurred in my family in eight
18 years. My husband is not here with me, as many of
19 you know, because six weeks ago he had his second
20 bypass surgery. He also has had cancer in that
21 time. He was hit by a truck in a crosswalk. He
22 lost the use of both of his legs from radiation
23 damage and he has had other difficulties. I would
24 have had two grandchildren born in the last two and
25 a half years and one only ten days ago. This one

1 with full insurance coverage. The last one without
2 any.

3 Many people who watch us today and wait for
4 our leadership do not have health care coverage, do
5 not have the ability to come to a doctor when they
6 need it. And we are sitting here debating whether
7 1994 is too soon. The truth is for many people
8 1994 is too late. This is an amendment that we
9 know will not move mountains, but it will indicate
10 to Congress and the federal administration that we
11 need to move mountains.

12 Not everyone is as fortunate as we. We have
13 seen members of this organization use the health
14 care they have and use it for very serious
15 illnesses over the last year and a half, certainly
16 over the last few weeks. I think all we are asking
17 by this amendment is to move Congress and the
18 federal administration to understand that what we
19 have should be available to every single American
20 in this country. What I have should be available
21 to everyone and I think it's time we said to
22 Congress and to the federal administration, "You
23 can't wait."

24 I don't think that is too much to ask on an
25 issue that not only destroys our budget but

1 destroys our people.

2 GOVERNOR GARDNER: Thank you, Governor
3 Roberts.

4 Governor Casey followed by Governor
5 Bangerter by order.

6 GOVERNOR CASEY: Thank you, Mr. Chairman.

7 In October of 1987 I had open heart surgery.
8 I was one of those fortunate Americans who had a
9 good health care system. We have eight children.
10 And I thank God everyday that we have a good health
11 care system, a good health care plan to take care
12 of their needs.

13 And I read the literature that the people
14 most affected, and this is always the case, wars,
15 famines, droughts, recessions, those most affected
16 are the children. And here again, in the case of
17 inadequate health care, those who suffer the most
18 are the children.

19 Open heart surgery costs \$135,000 when you
20 can get it. It saved my life. If someone had said
21 to me in October of 1987, you need open heart
22 surgery, but you don't have health insurance. But
23 we are working on a plan and we are going to begin
24 immediately and by the year 2000 we might have
25 something to help you, I think I would have

1 responded: Forget it. Save your money. The year
2 2000 is too late. I need help now.

3 There are millions of people across this
4 country, people we will never meet, who are
5 anonymous, who have no lobbies, no special interest
6 groups to speak for them who are suffering right
7 now, who are dying right now. Who will dye
8 tomorrow or the next day and the day after that and
9 the day after that because they don't have adequate
10 health care.

11 This amendment speaks to a commitment. It
12 speaks to political will. It is designed to send a
13 wake-up call to the White House and to the
14 Congress. We are told that this issue is a top
15 priority. Well, the question is, is it really. Is
16 it a front burner issue or is it an incidental
17 issue. Is it something that can wait or is it
18 something that has to be addressed right now.

19 And if the answer is yes, and I believe it
20 is yes, because you know something, the American
21 people are caring people. They are a compassionate
22 people. And I believe them with every fiber of my
23 being and I think they are ready to respond. I
24 think we sometimes sell our people short. We do it
25 all the time and we are always wrong when we do it.

11 1 Let's not continue to do it in the case of health
2 care because they are ready.

3 Is this a tough issue, expensive issue? Of
4 course it is. Are there competing interest and
5 adverse interests? Of course there are. But you
6 know something? When the President of the United
7 States places the full force of his executive
8 leadership and the power of that office and the
9 power of the people of this country behind an
10 issue, things happen.

11 We mobilized the entire country for the
12 Desert Storm Operation and all of us were proud of
13 that, weren't we? And it was done in a matter of
14 months. Government responds to deadlines, whether
15 we like it or not.

16 The President said he wanted a crime bill.
17 Not by the year 2000 but in 100 days. Why?
18 Because that was a priority. That was important to
19 him. That wasn't incidental. It wasn't the
20 essence of what this country needed in his
21 judgment.

22 This amendment merely says, Mr. President,
23 we want the same commitment where health care is
24 concerned. Mr. Foley and the Congress, we want the
25 same commitment where health care is concerned.

1 That is all.

2 It is not enough to begin. It is not enough
3 to begin this race. We have to finish it. We have
4 to get the job done. Beginning is wonderful, but
5 results are what count. And that is really what's
6 involved in this amendment.

7 Truly in two and a half years, given the
8 complexity and the difficulty of this problem,
9 surely in two and a half years we can come up with
10 a plan working with the states. And I am not
11 advocating some monolithic mandate to the states of
12 this country. I am not saying we turn off the
13 inventive genius in the states of this country.
14 Let them have full rein in putting this plan
15 together. But let us not only begin, but let's g t
16 the job done in a time frame that is relevant to
17 the children and families who need this help and
18 need it now.

19 I urge everyone here today to vote in favor
20 of this amendment.

21 GOVERNOR GARDNER: Thank you, Governor
22 Casey.

23 Governor Bangerter.

24 GOVERNOR BANGERTER: Thank you, Mr.
25 Chairman.

1 I hesitate to speak on this issue. I have
2 listened with great interest for the past three
3 days to the debate. I have not been a member of
4 the health care task force and I have not abused my
5 seven years as governor my prerogative to speak in
6 this forum.

7 I do feel, however, that the point is well
8 taken that this is an emergency problem that needs
9 to be dealt with immediately. I don't necessarily
10 speak for or against Governor Chiles' amendment,
11 but I think we ought to remind ourselves of a thing
12 or two when we discuss this issue and any other
13 issue.

14 We are having an emotionally charged debate
15 with which we all feel great affinity and feeling
16 and don't have to go beyond the confines of our own
17 families to find the kinds of challenges that we
18 saw in the tremendous film that was presented here
19 this morning. We can all do it. I can do it. My
20 immediate family. Not enough insurance, not enough
21 money.

22 We are going to leave this conference this
23 afternoon and we are all going to go home. And we
24 are going to face our budgets. And we are going to
25 sit down with our people and we are going to hear

1 the requests that come to us day after day, month
2 after month, year after year, and we are going to
3 stand up and say, yes, we like that, but, no, we
4 don't have the money.

5 Now the difficulty that I see with this
6 program is not whether it is 1994, not whether it
7 is immediate, but whether or not we are willing to
8 see that something is done. We all know that the
9 current system cannot last. We sit around and we
10 get picked off one at a time by the federal
11 government with programs that they mandate and that
12 we can't afford.

13 Unfortunately all too often our solution for
14 those problems is to say to the federal government
15 do not give us another mandate as you did last year
16 for three years. By the way, you pick up the cost
17 that the mandate would cost us for the next three
18 years and you pay for it.

19 Now if we wanted to change subjects and go
20 to the budget and the budget resolution, or I call
21 irresolution, we would all be just as emotionally
22 charged about the inability of the Congress to deal
23 with that issue.

24 And I think that we ought to be responsible
25 enough as governors who have to balance our budgets

1 to not ask the Congress and the President to do
2 something we can't do.

3 I have to tell you I was impressed with
4 Governor Waihee's program. He took some unilateral
5 action. I am impressed with what Governor Roberts
6 is doing. She's doing some good things. We are
7 doing some things with the rest of the uninsurable
8 and the people in our state. We have to do that.

9 Now if we want to make a policy and if we
10 want to have an impact on the federal government on
11 this issue, I don't think we go to 1994. I think
12 it might be time that we say to the federal
13 government we are no longer going to allow you to
14 dictate to us and recreate a real crisis. And a
15 real crisis if we were to say, no, we will not take
16 your mandates, we will not take your program. And
17 we are willing to stand solid together to force a
18 change not in 1994, not in the year 2000, but
19 today.

20 What's wrong with the budget resolution
21 process? Basically that it's always a five-year
22 target. We all know that they will never balance
23 the budget as long as they talk about five years.
24 We will never resolve the health care issue if we
25 talk three years or four years or ten years. If we

1 really want to take some action, it is time for us
2 to stand together as governors and say no.

3 I had to spend an extra million dollars on a
4 little medically needy program that the
5 administration bothered me on, but I got in a
6 lawsuit that I was out of compliance. I didn't
7 serve one more person, but they took me to court
8 and I couldn't win. And that is the problem that
9 we have is that we do not stand together. We allow
10 ourselves to be picked off.

11 I am not going to make a formal motion and I
12 am not speaking for or against 94, but 94 won't
13 solve our problems. I am going to be gone in a
14 year from my job in '94 and that is not going to
15 make any difference in my administration, but it
16 will to the guy that follows me.

17 I say that if we really want to get serious
18 about some of these federal state issues, we better
19 start sitting down and getting a little bit tough
20 and say, no, you are not going to do it to us one
21 at a time. We are going to stand together. And if
22 you want Medicaid program to be funded on that
23 level on that basis, you better pick up the tab
24 because we can't play in your game anymore. We
25 have got to have the intent that we have to go home

1 and balance our budget.

2 So emotionalism, the need is there. We are
3 all charged with this issue. But let's be careful
4 that we do not say to the Congress to do something
5 that we would not be willing to do ourselves if we
6 were sitting there.

7 Thank you.

8 GOVERNOR GARDNER: Thank you.

9 Governor Bayh, Governor Florio and Governor
10 Thompson.

11 GOVERNOR BAYH: Thank you, Mr. Chairman.

12 I would like to first compliment you and the task
13 force. I know I speak for all of us in expressing
14 our gratitude. I will be brief.

15 My thoughts go back this morning to my first
16 plenary session and first summer session I attended
17 about two years ago. At that particular time some
18 discussion was given to the whole issue of federal
19 mandates and certainly the resolution signed by all
20 50 governors, as I recall every democrat, every
21 republican, every state assigned to this resolution
22 asking for as I recall a one-year moritorium on
23 additional federal mandates. I was excited about
24 that. I thought it would certainly involve the 50
25 governors joining together to petition the federal

1 government for a little relief in this area and
2 that certainly we would get some respect and some
3 consideration from our federal colleagues in
4 Washington.

5 It wasn't but five months later that they
6 responded to that resolution by enacting the
7 largest Medicaid mandate in the history of the
8 United States of America. And since that time all
9 of us have felt our budget is pitched in education,
10 in infrastructure development and all of the other
11 important areas of which we must yield. Which
12 leads me to the following two points I would like
13 to make.

14 First I think that it is very, very
15 important that we stand up for some vitality in the
16 federal system. Governor Campbell spoke to that.
17 It seems to be the states' rights these days, Mr.
18 Chairman, consist of the states bearing more and
19 more of the burden with less and less assistance
20 from Washington. In an area of unquestion, the
21 federal and national reports of health care, that
22 simply will not do any longer because we cannot
23 shoulder all of the burden ourselves and yet meet
24 our important obligations in the other areas.

25 So for that reason, I favor the amendment

1 that the Governor Chiles has proposed this morning,
2 but I think there is even a more significant issue
3 at stake here this morning, that is the vitality
4 and effectiveness of this organization.

5 Certainly passing Governor Chiles' amendment
6 will not guarantee success anymore than the
7 resolution adopted two years ago, as guaranteed a
8 success at that point in time. But I think it is
9 incumbent upon all of us to try, particularly in
10 this area. We seem to get a lot of symbolism in
11 politics these days. I think it is incumbent upon
12 us to try to get some teeth in this measure, some
13 accountability in this measure. Without that I am
14 afraid that I will recall the words of William
15 Shakespeare in one of his plays wrote about a
16 similar debate that was Great Sound and Fury that
17 signified nothing. And if that turns out to be the
18 case, unfortunately Governor Schaefer will be
19 correct and this will simply be one more study
20 piled upon many others. But this is too important
21 to let that happen.

22 I will vote yes on this amendment. We need
23 to keep trying.

24 GOVERNOR GARDNER: Governor Florio.

25 GOVERNOR FLORIO: Thank you, Mr. Chairman.

1 Let me express my strong support for this
2 amendment. Having had some experience in
3 Washington, the failure to impose a deadline will
4 be that the executive branch and the legislative
5 branch will do nothing. Failure to do nothing
6 deserves the status quo that we have just spent
7 three days lamenting, having the impact and the
8 consequences that we saw in the video that was
9 portrayed.

10 I think it is also important to dispose of
11 one strong man that seldom have tried to present as
12 an excuse to not to take action at the federal
13 level. And that is somehow there's an
14 interpretation that is being advocated that is a
15 federal monolithic health care straightjacket that
16 is going to preclude the states from taking the
17 leadership roles that I think we all want them to
18 take.

19 I would suggest that no one who is even
20 semi-serious about this problem and how to resolve
21 it wants to move in that direction. Rather what we
22 want is a national framework as early as possible
23 to provide to all of us the rules and the
24 guidelines within which we will celebrate and work
25 with the diversity that we have in our states. The

1 failure to provide that as early as possible will
2 mean that we will be stuck with the situation that
3 I have been hearing this whole argument against in
4 the last few days.

5 Health care, health care financing
6 administration traditionally has been the source of
7 arbitrary actions. Waivers that should be granted
8 aren't granted, delays in arbitrary deprecious
9 actions that cause us to have problems because the
10 people of this nation have problems, actions which
11 preclude us moving in the direction we all talk
12 about in wanting to resolve these problems.

13 I will offer to you no better example than
14 the situation we have been all unhappy with in the
15 last few days. OMB administrative agencies is in
16 the process of changing the rules in the middle of
17 the game or in Medicaid financing that will cause
18 great hardships to our people.

19 If we want to avoid that type of arbitrary
20 action, we have to have this national framework
21 within which we can all operate. This proposal is
22 the only way that we are going to get there sooner
23 rather than later.

24 GOVERNOR GARDNER: Thank you.

25 Governor Thompson.

1 GOVERNOR THOMPSON: Thank you very much, Mr.
2 Chairman.

3 Let me compliment you, the state on hosting
4 this and your leadership of the past year. It has
5 been excellent.

6 I bring in the subject in front of the
7 conference of governors I think is in the
8 discussion of emotionalism and has been one that
9 was badly needed. I think this discussion has been
10 excellent. And if I really want, by passing this
11 amendment we would get action, I would support it.

12 I look at the amendment and I look at the
13 report. And I see the report had originally
14 decided the year 2000. Governor Chiles was taken
15 out. It was too far, too long in the distance. We
16 have an immediate problem. Look around this table
17 I see every governor shaking their head in
18 agreement. There isn't a state, there's isn't a
19 town, city, county, who doesn't have budgetary
20 problems dealing with health care and medical
21 needs.

22 Wisconsin is no different. We have taken it
23 upon ourselves in our own state to pass the most
24 comprehensive medical assistance and Medicare
25 provisions of any state. We are number one. We

1 offer more for the variables than any other state
2 because we want to give our people in Wisconsin the
3 best that we possibly can afford as Governor Casey
4 has indicated.

5 Then I look at what Governor Bayh has said.
6 I found out that past year the reason that I can't
7 give more and do more for education infrastructure
8 and health care in Wisconsin is because of
9 Congress, SOPRA and OPRA and continuing
10 resolutions. Hundred million dollars it took out
11 of my budget and I'm no different than South
12 Carolina. Wouldn't it have been nice to take that
13 hundred million dollars and devise a medical
14 program for the people of Wisconsin that would have
15 given immediate care. Not in 1994, not the year
16 2000, but right now, in 1991.

17 And I couldn't do that. And you know why I
18 couldn't do that? Because Congress passed SOPRA
19 and OPRA and said we know better and we want that
20 money for our programs and this is an on-funded
21 mandate for you, Wisconsin, South Carolina,
22 California, Indiana, Florida.

23 So then I look at this and listen to the
24 debate. I said, well, if January 1st, 1994 is
25 magic, are we going to really be able to hit that

1 date? Then I recall the President of the United
2 States coming in front of Congress and a moment of
3 elation. We just conquered the Middle East. We
4 just succeeded. Never seen a president get so many
5 standing ovations.

6 Everybody in the United States was
7 witnessing what this President said. He said let's
8 see if we can address some of the needs of our
9 society by passing a comprehensive crime bill and a
10 comprehensive transportation bill within 100 days.
11 A hundred days have come and gone. We are no
12 sooner closer to passing those bills than we were
13 when the President made the announcement.

14 Sure, there is some action on the
15 transportation bill. So do dates work? No, they
16 don't work. If the Congress wants to take it up,
17 they will take it up. If they don't want to take
18 it up, they don't.

19 But passing the resolution, by putting the
20 date in there, sure we can feel good and go home
21 and issue a press release and say, yes, we did
22 something. But if we are really serious, if we as
23 governors really want to do something, and in this
24 area I think we do, Governor Gardener, and I
25 compliment you on your leadership of this issue. I

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GOVERNOR CARLSON: Well, Mr. Chairman, in the interest of time of this issue I will be brief.

The issue I wanted to raise was the issue of mandates. And we are being told here today the federal government will not put us in a straightjacket. We are told to build you some sort of an overall theoretical approach that allows us to maintain and maximize our ability to be flexible and creative. If you truly believe that, I have some stock in a plutonium uranium mine in the arctic that I would like to sell.

We have never once seen the federal government do anything other than act as if states are in a straightjacket. Just three days ago we were in this room and we literally condemned Medicare. We said it -- or Medicaid. We said it was a program that was out of control. We said it was a program that was mismanaged. We said it was a program that was so bad we had to start from the beginning.

And now we come back today and say to those states that have already taken the initiatives, states like Wisconsin, we like to think that we are on the cutting edge. Telling states that want to be creative, that want to exercise some creativity,

1 don't bother, you're no longer the laboratory of
2 democracy. You're no longer the citadels of
3 creativity. We are going to kick this problem to
4 the federal government. So that between now and
5 1994 we can say to our people it is not our
6 problem. It is now the federal government's
7 problem, knowing full well that their paralysis
8 will overtake the problem and cause us and our
9 people ultimately to continue to suffer under the
10 current system.

11 GOVERNOR GARDNER: Thank you, Governor
12 Carlson.

13 Governor Mickelson.

14 MR. MICKELSON: Mr. Chairman, I will be very
15 brief.

16 You know since we have taken advantage of
17 some parliamentary rules, perhaps addressed other
18 issues than just the amendment, I wanted to take
19 ten seconds and make sure that at least it is my
20 belief that we would make a big mistake if the
21 public is listening to this debate would think that
22 it's a success or failure to vote on this motion
23 was on an arbitrary date, which it isn't.

24 I think I am very proud of your leadership,
25 Mr. Chairman, and this organization for the very

1 aggressive attitude we have taken. Governor
2 Carlson of Minnesota, Senator Burkas and I hosted a
3 rural health in the beginning in Eagle Falls, South
4 Dakota because it was a very important for us and I
5 know others of you that we talked about not only
6 financial access, which is very much a health care
7 issue, but also geographic access. It is not all
8 money; it is also the flexibility that we have
9 talked about.

10 The report that we are voting on here this
11 morning is -- I am very pleased with what the task
12 force did in addressing the need for mid level
13 practitioners, emergency medical care, flexibility,
14 other kinds of things that address the geographic
15 access. Frankly, it could be taken care of much
16 sooner than January 1 of 1994.

17 And the second point that I want to make is
18 that I came here last Saturday as most of you
19 sitting around this table. We listened to the same
20 debate last Saturday. It was my understanding, and
21 maybe I am the only one that is confused, but it
22 was my understanding that when we left that meeting
23 on Saturday and when we came back on Sunday it was
24 the general consensus of this group that we should
25 use the word "immediate" rather than 2000 or rather

1 than a specific date.

2 And I am reading the proposed amendment and
3 also the policy and the policy definitely says
4 "immediate." And to me I am much more comfortable
5 with that than a date that we may or may not be,
6 but I vote that we do this immediately.

7 GOVERNOR GARDNER: Thank you, Governor
8 Mickelson.

9 Governor Nelson.

10 GOVERNOR NELSON: Thank you, Mr. Chairman.

11 I too would like to compliment the committee
12 for an excellent report. I think that what we are
13 talking about may seem largely symbolic, the
14 difference between now and 19 or the year 2000.
15 But I think it is important that the symbolism of
16 this discussion to send the right message as well.
17 And that the year 1994 really represents now, the
18 year 2000 represents a time when perhaps no one
19 around this table will be in his seat today. Or
20 may also stand for when we get around to it.

21 The year 2000 means that we are all gone,
22 very few will be here. Even if I have a second
23 term, I will be gone. Congress will be gone or
24 turned over to some extent. The administration
25 will be gone.

1 The year 1994 does in fact mean now. It
2 means while many of us who entered this office in
3 this last session will still be here. It means
4 that the administration if it is re-elected will
5 still be here, will be responsible. It means that
6 Congress will be accountable and they will have to
7 face it now.

8 We have heard the impassioned pleas of this
9 video to begin now, right now, not when we get
10 around to it. We know that the American people
11 want it now, right now, not when we get around it.
12 And we know that we must begin now, right now, not
13 when we get around to it.

14 That is why I am going to vote for the
15 Chiles amendment. I think that in fact it does
16 send the message right now.

17 GOVERNOR GARDNER: Governor Stevens.

18 GOVERNOR STEVENS: Well, I will also be
19 brief, Mr. Chairman.

20 I, too, commend you and the task for the
21 excellent work that you have performed in bringing
22 this resolution to the NGA.

23 To follow up what Governor Nelson just said,
24 I agree with him. It should begin right now. And
25 that is precisely what the resolution says:

1 Congress and the President shall immediately begin
2 working with the governors to achieve this system.

3 Now we heard the speaker here the other day,
4 Speaker Foley. And Speaker Foley has as much
5 compassion and concern for this issue as anyone in
6 this room. I am concerned that those that may
7 disagree with what I think is a redundant date,
8 would be cast as wanting to wait to the year 2000.
9 There is no one that wants to wait until the year
10 2000 to resolve this issue and I think that is a
11 false impression that is being cast when I think
12 everyone in this room wants to begin immediately to
13 resolve the problem.

14 The date January 1, 1994 -- and I have got
15 great respect for Governor Chiles -- but it has
16 been said by others in this room it really doesn't
17 mean anything but symbolism. The point we are all
18 trying to reach is that we begin immediately and
19 seriously to work with the Congress, to work among
20 ourselves and to work with the President to resolve
21 this issue.

22 And, therefore, I think the debate really is
23 somewhat immaterial when we talk about any date,
24 whether it is January 1, 1994 or '93 or '95. But
25 let's please not mistake the issue as being either

1 in favor of 1994 or the year 2000.

2 I am in favor of beginning immediately. I
3 think all of us are. I think we should get on with
4 it and not just get hung up on a date two and a
5 half years down the line.

6 GOVERNOR GARDNER: Thank you.

7 Governor Castle and we will end the
8 conversation with Governor Ashcroft.

9 GOVERNOR CASTLE: Mr. Chairman, I don't
10 think anything I could possibly say could ever
11 influence any votes in this room at this point. I
12 have no illusion about that. But I did want to
13 just put all in perspective from the point of view
14 of Washington's involvement with this from the
15 beginning.

16 When we started this entire health care
17 policy, we realized it would take some time to
18 really get a satisfactory conclusion. And it was
19 suggested and eventually adopted for the date 2000.
20 I have been bothered by that date from the very
21 beginning because it just seemed too far away.
22 Some of the others point out it's beyond our terms.
23 It's just a very troubling date to some degree.

24 I thought the introduction of the original
25 amendment that Governor Chiles introduced brought a

1 new element. It brought the resolution to the
2 problem that I had because we took the date 2000
3 out and we inserted the word "immediately" into the
4 policy. For that reason, I plead that we have done
5 what all of us feel. That this has been in the
6 seven years I have been as governor this is the
7 best debate I think I have seen over a span of a
8 couple days and then again today in terms of
9 feelings of the governors.

10 I don't doubt for a minute that all
11 governors in this room and all governors who could
12 not be here today believe that we need to do
13 something about health care immediately. I don't
14 doubt for a minute that you are all doing something
15 about health care already or you're taking the
16 steps in your various states. I am not sure if any
17 of the dates are of particular importance. I think
18 the important thing is to move ahead. The
19 intensity of the debate shows that we are moving
20 ahead. And I think what has happened here today is
21 very good.

22 I would just ask for one thing. As I said I
23 am not going to try to influence votes on the
24 amendment. I think that is pretty well cast. I
25 just hope that everybody regards to how this bill

1 will vote for the policy because I think the policy
2 as written, regardless of whether the date is in
3 there or not, is of vital importance to all of us
4 and something we should go ahead with before this
5 day ends.

6 GOVERNOR GARDNER: Governor Ashcroft and
7 then we will go to Governor Chiles because he made
8 the amendment and close and then ask you to move
9 for a vote for the amendment on this issue.

10 GOVERNOR ASHCROFT: Mr. Chairman, I think it
11 is important to understand that the task force
12 worked very effectively to balance a number of
13 concerns in this report to provide that the policy
14 ultimately adopted by the federal government would
15 be informed by, influenced by and improved by an
16 awareness of things that were happening at the
17 state level. And I believe that was an important
18 part of the consensus building ingredients in the
19 report and I don't want to jeopardize that capacity
20 of the ultimate objective here to be achieve by
21 virtue of a mandatory date to develop this report.

22 There's some things that have been said that
23 I think can be clarified. First of all, the report
24 that is before us does not contain any reference to
25 the year 2000. There has been reference made by

1 about half the speakers who have spoken saying
2 castigating the year 2000. I hope to live to see
3 the year 2000 and I hope it's a good year, but it
4 is not mentioned in the report.

5 What the report says now is that we should
6 begin immediately to address this problem. I
7 believe that is the view that is shared by every
8 single Governor. The amendment that has been
9 proposed by the Governor Chiles of Florida does not
10 make reference to the beginning date. It
11 references the end date. It says that we shall
12 conclude the project.

13 Now I think the nature of the need we face
14 does require us to begin immediately. But you
15 don't really have that as the sole consideration
16 that would dictate when we should try and finish
17 this. I think the quality of what we get should
18 have some influence on how we finish this. That is
19 why the process ought to be allowed to work.

20 And I really liked what Governor Stephens
21 said about Montana. I was a little alarmed to hear
22 individuals suggesting that Speaker Foley was not a
23 compassionate speaker. They were concerned because
24 he had thought this might take longer than two and
25 a half years. My own sense of thinking is from my

1 understanding of the speaker, and he and I have a
2 great number of political differences, that he's a
3 compassionate person, fully aware.

4 I think if we arrogate ourselves in the
5 position of saying we know a whole lot more about
6 this problem than the Speaker of the House does, I
7 think we fooled ourselves immeasurably. It may
8 sound good in terms of rhetoric to sit here in his
9 absence. It would suggest that he doesn't have an
10 awareness of this issue. He does, but I think he
11 has a realistic understanding that the issue, if it
12 is to be solved in a compressed time frame, is
13 likely to be solved the way other expansions of
14 health care have.

15 What has been the response of our
16 organization to the way we have -- the Congress has
17 approached expansions of health care to date. The
18 way they have done it is to ask us without even
19 opening our mouth to ram it down our throats. That
20 is hard not only on our esophagus but our teeth
21 because we don't have our mouths open at the same
22 time.

23 I think what we need to understand is all of
24 us, I believe, have a clear understanding that we
25 should begin immediately. But to say when we

1 should end this process, I think begs a little bit
2 responsibility. My judgment is we should end this
3 process doing it well. And it may not make a whole
4 lot more sense to say that we want to end this
5 process at a specific date and especially when the
6 experts who are there say it is unlikely to be done
7 by that date and it would be that the men that fly
8 back to the east coast end after two hours. You
9 may be able to make the demand and you may be able
10 to land the plane, but you may be landing in the
11 Colorado Rockies instead of where you want to go.

12 I think it is important for us as governors
13 to indicate that we want a good program, that the
14 federal program should be informed by the
15 experimentation and experience of the states and a
16 number of you have done good things. I am
17 interested in the federal program and you ought to
18 be interested in it as well.

19 So this resolution as it stands unamended
20 makes no reference to the year 2000. In fairness,
21 this reference says we should begin immediately.
22 This reference then puts all of us on record as
23 saying that we understand the urgency.

24 I think responsibly we ought to ask that w
25 begin immediately and we ought to demand that we do

1 things that make progress, but I don't think we
2 should rule out the potential of having the federal
3 program informed by the state and invite a disaster
4 of merely having more mandates issued by the state
5 or things that are not considered as carefully as
6 they ought to be considered.

7 And, Mr. Chairman, I believe that the task
8 force work as amended in the task force and as
18 amended in the executive committee providing for an
9 immediate beginning is the most reasonable,
10 compassionate and likely to be -- likely to result
11 in good policy position that this association can
12 adopt.
13

14 And I would ask that before you close the
15 debate on this issue that you recognize Carroll
16 Campbell from South Carolina.

17 GOVERNOR GARDNER: Governor Campbell.

18 GOVERNOR CAMPBELL: Mr. Chairman, I
19 would like to offer an amendment to the amendment.
20 From a parlimentary standpoint I understand that
21 that is correct.

22 After the word "system" in lieu of the
23 pending amendment as follows: "In order to begin
24 the process to bring relief as soon as possible,
25 the National Governors Association should seek a

1 joint meeting with the leadership of the Congress
2 and the President at the earliest possible time."

3 GOVERNOR GARDNER: Would you start over and
4 go a little slower, please

5 GOVERNOR CAMPBELL: Am I going a little
6 fast?

7 GOVERNOR GARDNER: Yes.

8 GOVERNOR CAMPBELL: After the printed
9 amendment, after the words "system" would appear in
10 the policy, would strike all of the words to be
11 enacted by January 1, 1994 and add the following:
12 "In order to begin the process to bring relief as
13 soon as possible -- and to bring relief as soon as
14 possible -- the National Governors Association
15 should seek a joint meeting with the leadership of
16 the Congress and the President at the earliest
17 possible time to ask for relief from the federal
18 mandates in Medicaid that deny us the ability to
19 address many of our problems and to seek an
20 expedited process for granting waivers in the
21 medical field so that the states may immediately
22 begin to address the problems using innovative ways
23 to improve health care delivery for our citizens.

24 GOVERNOR GARDNER: Governor Thompson
25 seconds.

1 GOVERNOR CHILES: Mr. Chairman, I would like
2 to move to table the amendment to the amendment.
3 My feeling is that it really is not really
4 responsive to the date we are talking about, the
5 mandates here. And we are dealing with that so I
6 would like to motion to second.

7 GOVERNOR GARDNER: Second. Second.

8 It is not debatable. It's a simple
9 majority.

10 All in favor of tabling the amendment to the
11 amendment raise their hands.

12 MR. CAMPBELL: Roll call. I request a roll
13 call.

14 GOVERNOR GARDNER: Okay. All right.

15 It takes ten governors to have a roll call.
16 Are there ten governors who wish to have a role
17 call?

18 One, two, three, four -- is your hand is
19 up? -- five, six, seven -- we have a roll call.

20 This is a roll call on the motion to table.

21 GOVERNOR CASEY: This is a roll call to
22 table the amendment to the amendment; is that
23 correct?

24 GOVERNOR GARDNER: Roll call to the table.

25 GENTLEMAN: Governor Casey?

1 GOVERNOR CASEY: Aye.
2 GENTLEMAN: Governor Campbell?
3 GOVERNOR CAMPBELL: No.
4 GENTLEMAN: Governor Hunt?
5 GOVERNOR HUNT: No.
6 GENTLEMAN: Governor Engler?
7 GOVERNOR ENGLER: No.
8 GENTLEMAN: Governor Thompson?
9 GOVERNOR THOMPSON: No.
10 GENTLEMAN: Governor Carlson?
11 GOVERNOR CARLSON: No.
12 GENTLEMAN: Governor Finney?
13 GOVERNOR FINNEY: Yes.
14 GENTLEMAN: Governor Miller?
15 GOVERNOR MILLER: Yes.
16 GENTLEMAN: Governor Romer?
17 GOVERNOR ROMER: Yes.
18 GENTLEMAN: Governor Mickelson?
19 GOVERNOR MICKELSON: No.
20 GENTLEMAN: Governor Sullivan?
21 GOVERNOR SULLIVAN: Aye.
22 GENTLEMAN: Governor Walters?
23 GOVERNOR WALTERS: Yes.
24 GENTLEMAN: Governor Symington?
25 GOVERNOR SYMINGTON: No.

1 GENTLEMAN: Governor Waihee?
2 GOVERNOR WAIHEE: Aye.
3 GENTLEMAN: Governor Farrelly?
4 GOVERNOR FARRELLY: Yes.
5 GENTLEMAN: Governor Guerrero?
6 GOVERNOR GUERRERO: No. No, sir.
7 GENTLEMAN: Governor Coleman?
8 GOVERNOR COLEMAN: No.
9 GENTLEMAN: Governor Ada?
10 GOVERNOR ADA: No.
11 GENTLEMAN: Governor King?
12 GOVERNOR KING: Yes.
13 GENTLEMAN: Governor Bangerter?
14 GOVERNOR BANGERTER: No.
15 GENTLEMAN: Governor Andrus?
16 GOVERNOR ANDRUS: Aye.
17 GENTLEMAN: Governor Stephens?
18 GOVERNOR STEPHENS: No.
19 GENTLEMAN: Governor Nelson?
20 GOVERNOR NELSON: Aye.
21 GENTLEMAN: Governor Caperton?
22 Governor Roberts?
23 GOVERNOR ROBERTS: Aye.
24 GENTLEMAN: Governor Wilson?
25 GOVERNOR WILSON: No.

1 GENTLEMAN: Governor Chiles?

2 GOVERNOR CHILES: Aye.

3 GENTLEMAN: Governor Clinton?

4 GOVERNOR CLINTON: Yes.

5 GENTLEMAN: Governor Edgar?

6 GOVERNOR EDGAR: No.

7 GENTLEMAN: Governor Bayh?

8 GOVERNOR BAYH: Yes.

9 GENTLEMAN: Governor Voinovich?

10 Governor Wilkinson?

11 GOVERNOR WILKINSON: Yes.

12 GENTLEMAN: Governor Schaefer?

13 GOVERNOR SCHAEFER: Yes.

14 GENTLEMAN: Governor Florio?

15 GOVERNOR FLORIO: Yes.

16 GENTLEMAN: Governor Castle?

17 GOVERNOR CASTLE: No.

18 GENTLEMAN: Governor Ashcroft?

19 GOVERNOR ASHCROFT: No.

20 GENTLEMAN: Governor Gardner?

21 GOVERNOR GARDNER: (inaudible)

22 Table motion passes 18 to 16. Motion to
23 table.

24 GOVERNOR CHILES: If I might just briefly.

25 GOVERNOR GARDNER: Governor Chiles.

1 GOVERNOR CHILES: Mr. Chairman, I think this
2 has been an excellent debate. I think everybody
3 kind of knows exactly what they want to do.

4 I just want to say that it seems to me the
5 President set a date for Saddam to get out of
6 Kuwait. He drew a line in the sand and I think if
7 that date had not been set Saddam would still be
8 Kuwait. I think that we are talking now about
9 whether to begin immediately to address this
10 problem addresses it or not.

11 I could begin immediately to think about my
12 income tax return and I might think about it a long
13 time, but there is a date that says April 15th I
14 have to file that return. And so around the 14th
15 my immediacy becomes a hell of a lot more
16 immediate. And I think we know that a date can do
17 that.

18 I think it is interesting a lot of people
19 perhaps that are watching this debate without their
20 program might not totally understand, but it seems
21 to me that as I hear the discussion here I hear the
22 democratic governors are ready to put heat on the
23 Congress, which is controlled by the democrats. I
24 don't hear that exactly coming from the other side
25 that they are ready to put heat on the President.

1 It seems to me that at some stage we have
2 got to decide, you know, whether we want to speak
3 to this question or not and I think we all know a
4 date that makes us speak to the question.

5 GOVERNOR GARDNER: Thank you, Governor
6 Chiles, and commend Governor Chiles for the
7 amendment. He has asked for roll call. It takes
8 ten governors to have a roll call on the amendment.

9 We will have a roll call.

10 GENTLEMAN: Casey?

11 GOVERNOR CASEY: Aye.

12 GENTLEMAN: Governor Campbell?

13 GOVERNOR CAMPBELL: No.

14 GENTLEMAN: Governor Hunt?

15 GOVERNOR HUNT: No.

16 GENTLEMAN: Governor Engler?

17 GOVERNOR ENGLER: No.

18 GENTLEMAN: Governor Thompson?

19 GOVERNOR THOMPSON: No.

20 GENTLEMAN: Governor Carlson?

21 GOVERNOR CARLSON: No.

22 GENTLEMAN: Governor Finney?

23 GOVERNOR FINNEY: Yes.

24 GENTLEMAN: Governor Miller?

25 GOVERNOR MILLER: Yes.

1 GENTLEMAN: Governor Romer?
2 GOVERNOR ROMER: Yes.
3 GENTLEMAN: Governor Mickelson?
4 GOVERNOR MICKELSON: No.
5 GENTLEMAN: Governor Sullivan?
6 GOVERNOR SULLIVAN: Yes.
7 GENTLEMAN: Governor Walters?
8 GOVERNOR WALTERS: Yes.
9 GENTLEMAN: Governor Symington?
10 GOVERNOR SYMINGTON: No.
11 GENTLEMAN: Governor Waihee?
12 GOVERNOR WAIHEE: Yes.
13 GENTLEMAN: Governor Farrelly?
14 GOVERNOR FARRELLY: Yes.
15 GENTLEMAN: Governor Guerrero?
16 GOVERNOR GUERRERO: No.
17 GENTLEMAN: Governor Coleman?
18 GOVERNOR COLEMAN: No.
19 GENTLEMAN: Governor Ada?
20 GOVERNOR ADA: No.
21 GENTLEMAN: Governor King?
22 GOVERNOR KING: Yes.
23 GENTLEMAN: Governor Bangerter?
24 GOVERNOR BANGERTER: No.
25 GENTLEMAN: Governor Andrus?

1 GOVERNOR ANDRUS: Yes.
2 GENTLEMAN: Governor Stephens?
3 GOVERNOR STEPHENS: No.
4 GENTLEMAN: Governor Nelson?
5 GOVERNOR NELSON: Yes.
6 GENTLEMAN: Governor Roberts?
7 GOVERNOR ROBERTS: Aye.
8 GENTLEMAN: Governor Wilson?
9 GOVERNOR WILSON: No.
10 GENTLEMAN: Governor Chiles?
11 GOVERNOR CHILES: Yes.
12 GENTLEMAN: Governor Clinton?
13 GOVERNOR CLINTON: Yes.
14 GENTLEMAN: Governor Edgar?
15 GOVERNOR EDGAR: No.
16 GENTLEMAN: Governor Bayh?
17 GOVERNOR BAYH: Yes.
18 GENTLEMAN: Governor Voinovich?
19 GOVERNOR VOINOVICH: No.
20 GENTLEMAN: Governor Wilkinson?
21 GOVERNOR WILKINSON: Yes.
22 GENTLEMAN: Governor Schaefer?
23 GOVERNOR SCHAEFER: Yes.
24 GENTLEMAN: Governor Florio?
25 GOVERNOR FLORIO: Yes.

1 GENTLEMAN: Governor Castle?

2 GOVERNOR CASTLE: No.

3 GENTLEMAN: Governor Ashcroft?

4 GOVERNOR ASHCROFT: No.

5 GENTLEMAN: Governor Gardner?

6 GOVERNOR GARDNER: Yes.

7 GENTLEMAN: Motion fails 19 to 17.

8 GOVERNOR GARDNER: Nineteen for, 17 against.

9 Takes a two-thirds vote to pass.

10 Amendment failed.

11 We now move to adopt the entire policy. I
12 call first on Governor Miller.

13 GOVERNOR MILLER: Mr. Chairman, I would like
14 to add an amendment to second 28.2 which would
15 state that after, "Further the health care system
16 must have sufficient controls in place to ensure
17 the cost-effective delivery of care" and before the
18 words "Congress and the President" that "The
19 National Governors Association will as soon as
20 possible meet with the Congress and the President
21 to begin work as to accomplish the following."

22 GOVERNOR GARDNER: Governor Romer seconds.

23 Any discussion?

24 All in favor say "Aye."

25 GOVERNORS: Aye.

1 GOVERNOR GARDNER: Opposed?

2 Carried.

3 Thank you, Governor Miller.

4 Governor Castle, I call on you to make the
5 motion for the overall policy table.

6 GOVERNOR CASTLE: As I have indicated before
7 when I spoke to Governor Gardner, it is my belief
8 that with or without the date this is an extremely
9 valuable policy to all of us. And with that in
10 mind and with the wonderful debate behind us, I
11 move the adoption of the new health care policy.

12 GOVERNOR GARDNER: With the seconds and we
13 had an earlier discussion on this issue we are
14 prepared to roll.

15 Governor Schaefer.

16 GOVERNOR SCHAEFER: After listening to the
17 governor from Florida and Governor Bayh, I wonder
18 if all members of Congress know how important this
19 is. I asked this question earlier today and there
20 was not an answer, but every member of Congress
21 gets a copy of our health statement, every member
22 of Congress is told that we have some problems.

23 So I just make a suggestion, I am going to
24 do it to my people, and that is we write to each
25 member of Congress, each member of Congress, not

1 just the leadership, and ask them if they
2 understand that there is an emergency in health
3 care and that action must be taken immediately for
4 the welfare of the people and that we oppose to
5 mandate and ask them if this is a priority with
6 them. This to me would give an indication on
7 whether everyone in the Congress understands the
8 plight.

9 We are all talking to ourselves or
10 convincing ourselves. Why are we convincing
11 ourselves that we have a very serious problem. I
12 think that motion by Governor (unintelligible) was
13 an excellent one because everyone had an
14 opportunity to go over it. But I would like to see
15 whether all members of Congress really get these
16 reports and knows there is a problem with all of
17 our states.

18 That is my only a suggest.

19 GOVERNOR GARDNER: Thank you, Governor
20 Schaefer. I intend to personally write
21 individually each member of my delegation and talk
22 personally --

23 GOVERNOR SCHAEFER: That is what I mean.
24 Under the banner of the National Governors
25 Association that the association write each one,

20
1 each and every one under the banner of the
2 association sending them a copy of this and asking
3 them: Do you understand there's an emergency and
4 do you understand that mandates are bad for us and
5 we would like to get your opinion.

6 GOVERNOR GARDNER: You have my word that
7 will occur.

8 Governor Wilson?

9 GOVERNOR WILSON: Mr. Chairman, I had not
10 intended to participate because I thought most of
11 what I felt had been very well expressed by the
12 speakers. But I have changed my mind after what I
13 think was practically somewhat unfortunate. I
14 suspect this organization does better when it
15 doesn't engage in straight partisan votes.

16 I think it would be unfortunate if you left
17 the impression that there is a partisan division
18 with respect to the eagerness to address the
19 problem.

20 What I do think is that as good as this
21 report is, and I commend you, sir, I think with due
22 thanks to the leadership, simply handing them a
23 report and sending it to Congress, I assure you --
24 and I learned a little more quickly than my friend.
25 He spent 18 years; I quit after eight to come where

1 the action is. I will just tell you that I think
2 that as good as the policy is we cannot count on it
3 being read or heeded.

4 What is necessary is what we had thought to
5 do at the conclusion of the February meeting in
6 Washington. We were going to undertake an
7 extensive personal lobbying program. Now the
8 precise process of that we could argue about.
9 Governor Campbell just a moment ago used language
10 to the effect that we begin immediately to seek a
11 meeting with Congress and with the President to ask
12 for relief from federal mandates and for a process
13 of expediting waivers.

14 What we all know is the cost of health care
15 has become largely unaffordable in great measure
16 because in direction of good intentions have gone
17 unfunded or at least inadequately funded or at
18 least have been imposed on us requirements that we
19 couldn't meet.

20 I still think that if the work of this task
21 force, and if your leadership is to be vindicated
22 in a way for which we all hope, that kind of
23 process is going to have to go forward.

24 We didn't act on Governor Campbell's
25 proposals, his amendment to the Chiles' amendment.

1 But until we as an organization do so, I think we
2 are raising false expectations for our constituents
3 and frankly for ourselves.

4 I would hope that we would move forward with
5 some specific plan to get relief from mandates, to
6 get the kind of waivers that Don Schaefer just
7 talked about.

8 GOVERNOR GARDNER: Thank you, Governor
9 Wilson.

10 I have talked with Vice Chairman Governor
11 Ashcroft and he has agreed to allow me to continue
12 to work this issue.

13 I want to thank all of you that attended
14 this meeting for what I thought in my seven years
15 as a governor belonging to this organization was as
16 fine a debate on this issue that I have heard over
17 the three days. It was compassionate, it was
18 articulate, it was factual and I believe that in a
19 sense we have set out to control explosion and w
20 are going to see a chain reaction throughout the
21 states where the action is, as you said, Governor
22 Wilson. And we are going to drive home the point
23 to the Congress and the President of this country
24 that this is an issue in which they have to deal
25 alongside of us because we can't do it alone,

1 although we can certainly get the process going.

2 Governor Campbell?

3 GOVERNOR CAMPBELL: Mr. Chairman, what I
4 want to do is echo the sentiments of the governor
5 of California first in thanking you for your
6 leadership in this issue and for your leadership in
7 this entire conference and over the last year for
8 the National Governors Association.

9 And to reiterate for what the governor of
10 California said, there is consensus among the
11 governors that this problem must be addressed. It
12 is not partisan. It is not regional. There is
13 consensus that the problem is there.

14 The question of solutions may differ from
15 state to state, but it is incumbent upon us to seek
16 to pressure in any way we can the Congress of the
17 United States and the President to convince them
18 that a latitude must be given to us. And I believe
19 that the report that we have drafted through the
20 task force and through the committees is an
21 excellent report and you should take great pride in
22 it.

23 It should be adopted unanimously by the
24 Governors Association and we should in this next
25 year mobilize all the forces that we can to make

1 the Congress aware of the immediate need of
2 addressing problems and seek that type of
3 partnership to find solutions.

4 GOVERNOR GARDNER: Thank you, Governor
5 Campbell.

6 We will now vote.

7 Everyone in favor of adopting this policy
8 raise their hand. Thought you could get away with
9 the voice vote.

10 Governor Andrus, get your hand up.

11 It is unanimous. Just one hand would do,
12 Governor Andrus.

13 Thank you all very much.

14 Governor Voinovich.

15 GOVERNOR VOINOVICH: I would like to know as
16 a new governor, are you and John going to sit down
17 and try and get a meeting with the President and
18 the leadership of Congress?

19 GOVERNOR GARDNER: John and I will sit
20 down -- we haven't discussed this so I am talking
21 to you, John, as I talk to you -- but we will sit
22 down and discuss a gameplan and pursue -- we will
23 do it in the spirit of what Governor Schaefer and
24 others have mentioned -- and we will share with all
25 of you. But we will move strongly and quickly and

1 forcibly to take, carry this message as has been
2 suggested.

3 GOVERNOR VOINOVICH: Because I want to say
4 to you that we did come together on that Medicaid
5 thing in February and nothing happened. And I
6 think that we ought to let the people in Washington
7 know that now they are shoving it down to us, that
8 they have to sit down and talk with us.

9 And I agree with a lot of other people. We
10 have to get our dander up on some of these issues
11 and let them know that we are not going to take it
12 anymore and that we will work with them as a
13 partner, but we are tired of them going off on
14 their own and just not consulting with us.

15 GOVERNOR GARDNER: Thank you. Message
16 received and agreed to entirely.

17 We are now going to shift gears. I am going
18 to call on Governor Romer and Campbell to bring us
19 up to date on what's occurred on the goals matter
20 and the (unintelligible).

21 GOVERNOR ROMER: I will be very brief on
22 this.

23 We had a fairly thorough discussion in the
24 governors-only session, but let me just tie this
25 into the last debate.

1 We cannot afford health care in this nation
2 unless we have a productive work force. We are
3 going to have a report card September 30th. That
4 report card is going to say we have a lot of
5 distance to close.

6 I would like to highlight this issue by
7 referring to Governor Wilkinson of Kentucky. I
8 spoke with him this morning. He said they are
9 going to put in over a period of years \$20 million
10 in better assessments. And I think that the report
11 card that we have is a good first step, but we have
12 got a lot of work yet to do.

13 Let me use the analogy of a CAT scan. You
14 go to a hospital, you use a CAT scan. You get
15 three answer. One, what is health; two, where am
16 I; and, three, what are we going to do it about. I
17 think that is the same three questions we need to
18 address in education in this country. We need to
19 be more clear about what educational health is,
20 what the standard is.

21 Secondly, we need to be more accurate about
22 our measurement board.

23 The third and most important, we have to say
24 collectively what are we going to do about it. I
25 think that is the essence of this report card. I

1 think that is the essence of Governor Ashcroft's
2 programs in education and I think that will be the
3 agenda of Governor Campbell as he takes over the
4 goals panel.

5 Governor Campbell?

6 GOVERNOR CAMPBELL: Thank you very much,
7 Chairman, Governor Romer.

8 I want everybody to realize that we should
9 look at this report card as an opportunity, an
10 opportunity to take information that we haven't had
11 before and to begin to improve the education system
12 of this country.

13 There have been some who have said they were
14 afraid that this was just a means of comparison.
15 That is not what it is for. It is to allow us to
16 know where we stand and where we think we need to
17 be going and to challenge us individually as states
18 and particularly as governors to lead the way
19 towards improving education in the country.

20 We have done away with the wall chart of the
21 Department of Education. We requested it, we
22 opposed it and Laurel Alexander has said there will
23 be no more wall charts in Paris. What this should
24 do, this report, is to spur program reform. That
25 is our intent. We believe that the report will

1 begin to do that. And we think that it will give
2 you information and indeed be the catalyst that can
3 help you pull together a number of people to
4 improve the educational quality in your own state.

5 I want to just say in closing that I have
6 enjoyed working with Roy Romer, who chaired this
7 panel over the last year. He's given a great deal
8 of time and energy to it. And we think that we are
9 on the right track.

10 GOVERNOR GARDNER: Thank you, Governors
11 Romer and Campbell. We met with them in the
12 governors-only session and had an opportunity to do
13 our questions and answers then so we will proceed
14 with the meeting.

15 We now go to committee reports. We will do
16 it alphabetically, each of the speakers, chairs
17 will move their amendments in a grouping.

18 I call first on Governor Mickelson who is
19 chair of the Committee in Agriculture and Rural
20 Development.

21 GOVERNOR MICKELSON: Mr. Chairman, I will be
22 very brief to save time.

23 The Agricultural and Rural Development
24 Committee had a very lively discussion with the
25 Environment and Energy Committee where we had a

1 good discussion about the environmental issues and
2 how they concern agriculture, or at least industry
3 in this nation.

4 I might say secondly that because there is
5 no need for the resolutions to appear in two
6 places, we took part in the Environment and Energy
7 Committee resolution and debate, that the
8 resolutions that came out of it will be presented
9 by that committee.

10 GOVERNOR GARDNER: Thank you, Governor
11 Mickelson.

12 Governor Edgar. Governor Edgar chairs the
13 Committee on Economic Development and Tehnological
14 Innovation.

15 GOVERNOR EDGAR: Thank you, Mr. Chairman.

16 The Committee on Economic Development and
17 Technological Innovation amended one resolution
18 yesterday and adopted one resolution and one policy
19 without amendment and those three are the
20 resolution on taxes and finances. It was amended
21 to include language on two bonds which are
22 supported by the Anthony Commission on Public
23 Finance.

24 Second one is the resolution on federal
25 action, which supports states to reaffirm existing

1 policy.

2 And, three, the policy on a Uniform Product
3 Liability Code contains the technical updates from
4 existing policy.

5 Mr. Chairman, I move the adoption of this
6 report.

7 GOVERNOR GARDNER: Motion second?

8 Second.

9 Any discussion?

10 All in favor say "Aye."

11 GOVERNORS: Aye.

12 GOVERNOR GARDNER: Opposed?

13 Carried.

14 And I will call on you, Governor Bangertter,
15 Vice Chair, Committee on Energy and Environment.

16 GOVERNOR BANGERTTER: Mr. Chairman, I would
17 like the regular order of business for the
18 Committee on Energy and Environment recommends the
19 adoption of four amendments, the NGA policy and one
20 new policy.

21 The amendments cover a comprehensive new
22 policy on water resources, measures to deal with
23 the interstate transportation solid and hazardous
24 waste and the management of the exclusive economic
25 zone while the new policy is on geographic mapping.

1 I would presume that you have all read
2 those, but I would like to point out that
3 significant changes were made by the governors in
4 the committee session with regard and regard to the
5 importation of waste to recommend states be given
6 the authority to propose limited bans on
7 importation in carefully defined circumstances. We
8 will direct our staff to define these circumstances
9 and bring us recommendations in our February
10 meeting.

11 I also would like to emphasize that we
12 believe that the cooperation is the key, that we
13 have a responsibility to one another to solve these
14 problems on a national level, but most importantly
15 to work together as states.

16 Now before I place that, Governor Coleman
17 has asked for the opportunity to offer an
18 amendment.

19 GOVERNOR GARDNER: Governor Coleman.

20 GOVERNOR COLEMAN: Mr. Chairman, I refer to
21 policy 48.3 on the exclusive economic zone. And
22 this refers to the three specific infra-areas, the
23 Northern Mariana Islands, Guam and American Samoa.

24 Somehow in the process, which has taken out
25 over a year, American Samoa (unintelligible).

1 Secondly, I move that American Samoa be
2 added (inaudible) to Guam. The economic zone,
3 exclusive and common zone for (inaudible).

4 And I respect (inaudible) and second.

5 GOVERNOR GARDNER: Okay.

6 Governor Bangerter, do you second this
7 amendment?

8 GOVERNOR BANGERTER: Yes.

9 GOVERNOR GARDNER: Do you approve the
10 amendment?

11 GOVERNOR BANGERTER: I approve him bringing
12 it up, but I think this is an issue you could spend
13 a lot of time debating. It relates not only to
14 territories but the circumstances are different for
15 these individuals.

16 GOVERNOR GARDNER: That is not changing the
17 intent of the policy.

18 GOVERNOR BANGERTER: It does not change the
19 intent, but it certainly broadens it, what was
20 originally brought to us by Governor Guerrero.

21 GOVERNOR GARDNER: All it takes is a
22 two-thirds vote to put an amendment on the floor.
23 We will vote on your amendment.

24 All in favor say "Aye."

25 GOVERNORS: Aye.

1 GOVERNOR GARDNER: Opposed?

2 Pass.

3 Thank you very much, Governor Coleman.

4 GOVERNOR BANGERTER: I now move for adoption
5 of the (inaudible) new policy.

6 GOVERNOR GARDNER: All in favor say "Aye."

7 GOVERNORS: Aye.

8 GOVERNOR GARDNER: Opposed?

9 Carry.

10 Thank, Governor Bangerter.

11 GOVERNOR BANGERTER: Mr. Chairman, the
12 Committee on Energy and Environment also recommends
13 the suspension of the rules to allow consideration
14 of policy amendment to electromagnetic fields.

15 This is an amendment that Governor Sinner
16 proposed and Governor Walters representing him in
17 the committee yesterday when it was adopted and
18 he's promised to explain to anyone who has
19 technical concerns.

20 GOVERNOR GARDNER: Anybody has any technical
21 questions of Governor Walters?

22 All in favor. This also takes a two-thirds
23 vote.

24 All in favor say "Aye."

25 GOVERNORS: Aye.

1 GOVERNOR GARDNER: Opposed?

2 Carried.

3 GOVERNOR BANGERTER: Mr. Chairman --

4 GOVERNOR GARDNER: Now the amendment is
5 before us.

6 Do you have anymore?

7 GOVERNOR BANGERTER: I move to adopt the
8 amendment.

9 GOVERNOR GARDNER: Move the adoption of the
10 amendment.

11 Governor Ashcroft?

12 GOVERNOR ASHCROFT: I hate to be so
13 inquisitive as to want to know what this is about.
14 I don't know anything about this.

15 Can someone explain what we are going to
16 vote on?

17 GOVERNOR BANGERTER: I would defer to
18 Governor Walters.

19 GOVERNOR GARDNER: Governor Walters.

20 GOVERNOR WALTERS: Governor Sinner proposed
21 simply or proposed a change in policy that has us
22 calling for further study of the health risk and
23 health concerns that have been raised in regards to
24 electromagnetic fields. And he pointed out that
25 there is concern in several states for this and

1 there is very little data to support whether or not
2 there is any health risk.

3 If the policy statement provides for
4 essentially a sunsetting of this after three years,
5 as studies indicate that there aren't any problems,
6 but he is simply calling for us to support an
7 effort to collect some additional research data.

8 GOVERNOR GARDNER: Thank you, Governor
9 Walters.

10 We are going to hold for a couple of seconds
11 here while we find the amendment in our packet.

12 GOVERNOR BAYH: Mr. Chairman?

13 GOVERNOR GARDNER: Who called?

14 GOVERNOR BAYH: I wanted to explain my vote
15 on the committee's work.

16 I have compliments to Governor Bangerter and
17 particularly Governor Roberts for their work with
18 the solid waste policy recommendation. We have
19 come a long way.

20 Yesterday an amendment was included
21 authorizing the limited bans. The time for that
22 was not clear and the year, five-year transition
23 period was included. In the state of Indiana we
24 only have 4.2 years disposal capacity left.
25 Because of the lack of clarity and the phasing

1 period, I voted no on the amendment. But there is
2 a great deal of good work that has been done and I
3 hope between now and February we can clarify the
4 immediate period of the limit bans we will be
5 working on.

6 GOVERNOR GARDNER: I share your concerns.
7 Thank you.

8 This is a suspended amendment. This will
9 require three quarters vote to pass.

10 All in favor raise their hand.

11 Thank you.

12 Opposed?

13 Pass.

14 Do you have any further business, Governor
15 Bangerter?

16 Governor Carlson, you're going to report on
17 the meeting on human resources?

18 GOVERNOR CARLSON: Mr. Chairman, on behalf
19 of the chairman and vice chairman of the Committee
20 on Human Resources, there are three policies for
21 consideration.

22 Louder? Okay.

23 The Committee on Human Resources approved
24 policy regarding postsecondary education,
25 employment security and child support. Before

1 moving the adoption of the policies in a block,
2 what I would like to do is offer a friendly
3 amendment that is relatively related to the
4 postsecondary education policy that was agreed to
5 in principle by the committee yesterday and drafted
6 by staff overnight. The amendment is in front of
7 you.

8 Basically what that amendment does is it
9 allows higher education to participate in review of
10 its own practices so that it too can answer the
11 question of affordability and accessibility of a
12 higher education in the future.

13 Mr. Chairman, if I may, I would like to ask
14 a unanimous consent to submit that amendment as
15 part of the overall amendment.

16 GOVERNOR GARDNER: All in favor say "Aye."

17 GOVERNORS: Aye.

18 GOVERNOR GARDNER: Opposed?

19 Carried.

20 GOVERNOR CARLSON: Mr. Chairman, I move the
21 adoption of it.

22 GOVERNOR GARDNER: All in favor of the
23 policy presented by Governor Carlson please say
24 "Aye."

25 GOVERNORS: Aye.

1 GOVERNOR GARDNER: Opposed?

2 Carried.

3 GOVERNOR ROMER: Mr. Chairman?

4 GOVERNOR GARDNER: Governor Romer.

5 GOVERNOR ROMER: This is in reference to
6 human resources.

7 If any governor wants to sign the last draft
8 letter in front of them on unemployment insurance,
9 I have it and gladly pass it around.

10 GOVERNOR GARDNER: I will repeat.

11 Governor Romer has the letter on
12 unemployment insurance. If you wish to join in
13 signing that letter, see him.

14 Governor Thompson, would you please report
15 to us on the Committee on International Trade and
16 Foreign Relations, please.

17 GOVERNOR THOMPSON: Thank you very much, Mr.
18 Chairman.

19 We had a very interesting meeting yesterday
20 and I was very happy that you attended, an
21 excellent session with trade ministers of Canada,
22 Mexico and the United States. They are meeting
23 this very morning too in Seattle to continue their
24 trilateral negotiations. We are very happy to be
25 unable to join them this afternoon, but we have had

1 piggyback committee meetings.

2 Anybody who wants to attend, please feel
3 free to do so.

4 Yesterday the committee considered a total
5 of five policies. Three of them are technical
6 updates and reaffirmations. And I won't go into
7 them further because you have them before you.

8 The other two pertain to trade agreements
9 and I would like to quickly summarize the changes
10 because they're very important. They were agreed
11 upon in the committee.

12 I refer you as governors to page seven,
13 Bilateral and Regional Agreements, and briefly the
14 language has been put into the following. It
15 highlights the special U.S.-Canadian relationship
16 by the bilateral trade agreement. It recognizes
17 the recently formed (unintelligible) by the Mexican
18 government and calls upon U.S. government to pursue
19 a range of bilateral issues, either as part of
20 NAFTA or through other parallel bilateral
21 governments.

22 It specifies in the agreement to provide
23 adequate time for industries and farmers to adjust
24 to the changes. It calls upon the federal
25 government to enhance environmental protection,

1 something that all of us are concerned about,
2 including standards that enforce them in working in
3 cooperation with Mexico. And it stipulates
4 effective worker training programs should be
5 available. They should be accurately funded at the
6 federal level and they should be coordinated with
7 existing programs at the state level.

8 And last, the policy was amended in
9 committee in order to recognize the special needs
10 of the territories and urges the federal government
11 to actively seek consultation with each of the
12 territories to determine the impacts and the
13 agreements on their economies.

14 The second item concerns amendment H-9, the
15 GATT negotiations, which specifically the new
16 language is in the section on government
17 procurement. And last summer our organization
18 agreed that states should consider eliminating
19 preferences in government purchasing. We agreed
20 this should be a voluntary process and that it
21 should be done on a reciprocal basis.

22 Ambassador Bills has asked each governor --
23 and I want to state this so that each of you
24 understand this again and I ask that you do this --
25 to indicate an interest in voluntarily joining the

1 international procurement codes.

2 There are two key advantages to this
3 participation. First it has to do with the
4 expanding export opportunities for American
5 companies who want to sell to the local governments
6 in Europe, Canada and Japan. Secondly, by
7 expanding the fullest for state purchased goods,
8 state participation, the code offers greater choice
9 and lower purchase price for the goods that
10 taxpayer dollars will eventually purchase.

11 Fifteen states have already known
12 preferences in the purchasing departments, another
13 28 states with only a single item preference
14 depleted a vast amount of the purchasing open as
15 well.

16 The amendment today, H-9, recognizes that
17 fact. It says the states' majority have open
18 procurement practices, will be able to participate
19 in the international procurement code and
20 encourages them to do so.

21 Mr. Chairman, I move the governors accept
22 all these changes in the NGA policy.

23 GOVERNOR GARDNER: Thank you, Governor
24 Thompson.

25 Second?

1 All in favor say "Aye."

2 GOVERNORS: Aye.

3 GOVERNOR GARDNER: Opposed?

4 Carried.

5 Thank you, Governor Thompson.

6 Governor Miller, Committee on Justice and
7 Public Safety.

8 GOVERNOR MILLER: Thank you, Mr. Chairman.

9 Yesterday we met and began our discussion on
10 the focus on child abuse and family violence. The
11 importance of all of us as individual governors
12 recognizing that this is not a family matter but a
13 criminal act I think is emphasized by one statistic
14 that came forth: Every 18 seconds a woman in our
15 country is battered. If that can't drive the issue
16 home, I don't think anything else can. So I
17 encourage all governors to work or correct an issue
18 in their state of this growing problem.

19 We also met with some of the military
20 leaders of our country and I am sure all of you
21 would like to have had the opportunity we had to
22 express our pride in the recently concluded Desert
23 Storm activity. Those military leaders are of the
24 commanding generals of our guard and reserve units
25 throughout the country and the chairman of those

1 association.

2 In response thereto you will see a
3 resolution in highly reduction and strength of the
4 National Guard. This resolution is based on our
5 current National Guard policy, B-11, and addresses
6 the impact of the defense costs new guards make on
7 a governor's ability to manage emergencies, support
8 the war on drugs and to form various commitments in
9 front of you in your golden rod government.

10 I move for the adoption of this resolution.

11 I think Governor Waihee seconds.

12 GOVERNOR GARDNER: Governor Waihee seconds.

13 Any discussion?

14 All in favor say "Aye."

15 GOVERNORS: Aye.

16 GOVERNOR GARDNER: Oppose?

17 Carried.

18 GOVERNOR MILLER: In accordance with the
19 subset policy, the NGA committee wishes to reaffirm
20 and update and delete policy B-1, B-7, -8, -12,
21 -14, -15, -16, -17, -18, -19 and -20.

22 I move that this action be taken in block.

23 GOVERNOR GARDNER: Moved and second. All in
24 favor say "Aye."

25 GOVERNORS: Aye.

1 GOVERNOR GARDNER: Carried.

2 Thank you very much, Governor Miller.

3 GOVERNOR MILLER: Mr. Chairman, I just have
4 two other brief matters.

5
6 Governor Schaefer, Thompson and I have been
7 circulating a letter, and our staff has it here,
8 which it is to the President, to Speaker Foley and
9 Majority Leader Mitchell regarding the National
10 Guard policy. I would urge all governors to
11 consider it for signatures.

12 And also we announced yesterday in that
13 committee that in conjunction with the Department
14 of Justice, what I believe is the nation's first
15 seminar on problems of gangs, will be held in Reno,
16 Nevada from October 7th through the 9th.

17 I invite the governor and encourage the
18 senate representatives to that.

19 Thank you.

20 GOVERNOR GARDNER: Thank you very much.

21 Governor Wilkinson.

22 GOVERNOR WILKINSON: Thank you, Mr.
23 Chairman.

24 The Transportation, Commerce and
25 Communications Committee adopted the following
policy changes in the committee session on August

1 18th.

2 An amendment to F-1, transportation policy
3 overview; an amendment to F-2, Highway
4 transportation; an amendment to F-4, concerning
5 rail transportation. In addition we reaffirm the
6 two policies for technical updates that we are
7 going to sunset on that day, which is F-5, water
8 transportation, and F-7, the pipeline
9 transportation amendment.

10 I want to take this opportunity to urge all
11 governors that unlike some of the debate that has
12 happened here this morning, there is a deadline
13 with regard to National Surface Transportation
14 Authorization Act and that deadline is September
15 30. All of us are working desperately to have a
16 reorganization act passed by the time the currently
17 Authorization Act -- Reauthorization Act that is
18 passed under the current Authorization Act expires.

19 So let me encourage you to contact me or my
20 staff or NGA for any information you need, but
21 please, please, please get involved and help us get
22 this Reauthorization Act in place by the expiration
23 in the current laws.

24 Having said that, Mr. Chairman, on behalf of
25 the Transportation, Commerce and Communications

1 Committee, I move the adoption of these amendments
2 on block.

3 GOVERNOR GARDNER: So moved.

4 Second?

5 Second.

6 All in favor say "Aye."

7 GOVERNORS: Aye.

8 GOVERNOR GARDNER: Carried.

9 Let me break in for just a moment and remind
10 all of you, ask you to express a feeling of
11 appreciation to Governor Wilkinson for his fine job
12 as a member of this organization.

13 By constitutional limit his term as governor
14 ends so this is his last meeting with us. And we
15 want you and Martha to know how much we appreciate
16 knowing you, your contributions, your willingness
17 to host the new governors' conference, all that you
18 have done to make this organization a better
19 organization. And you will be remembered by all of
20 us for a long time to come.

21 We have a gift. If you would come up, I
22 would appreciate it.

23 It says the "National Governors Association
24 commends Wallace G. Wilkinson, Governor of
25 Kentucky, for outstanding leadership and dedication

1 to the vision and its guidance of the association
2 established in 1908."

3 With it is a pictures of all the governors
4 from 1908.

5 GOVERNOR WILKINSON: You honor me and I
6 thank you for that.

7 I must say that probably I am one of a
8 privileged few that have had an opportunity to get
9 to know you collectively as I have gotten to know
10 you over the last four years. And I must tell you
11 that that is an association that has enriched my
12 life. And I shall for all of the rest of my life
13 be grateful to you for that. You are the greatest
14 group of leaders that have ever been assembled and
15 you continue to produce the greatest nation on the
16 face of the earth as a result of it.

17 And I thank you for the experience and honor
18 of being able to work with you over the last four
19 years.

20 With that I will simply say thank you, good
21 luck and goodbye.

22 GOVERNOR GARDNER: Now I would like to call
23 on Governor Ashcroft to address the executive
24 committee recommendation.

25 GOVERNOR ASHCROFT: Having already embraced

1 the health care report and task force report, there
2 are but two basic items which I will move together.

3 One, the resolution brought to our attention
4 by Governor Clinton regarding donated funds,
5 dedicated taxes and intergovernmental transfers and
6 then updates on public pay and pension plans,
7 federal tax administration and now the state sales
8 tax collection were brought to our attention and
9 passed unanimously in the executive committee at
10 the motion of Governor Campbell.

11 I move the adoption of this report at this
12 time.

13 GOVERNOR GARDNER: The move seconded by
14 Governor Edgar.

15 Governor Edgar?

16 GOVERNOR EDGAR: Yes. Thank you, Mr.
17 Chairman. I will be very brief. I hate to take
18 the time.

19 One of the resolutions I think is the most
20 important, an issue I won't take up this session,
21 was the immediate issue in my state and I suspect
22 many other states, that is the dedicated fund issue
23 for Medicaid.

24 We don't know yet for sure what the
25 administration will do. We hope they will read

6
1 this resolution because what is reported that they
2 will do in my home state of Illinois and I suspect
3 many other states, we will see hospitals and
4 nursing homes have to close their doors. It is
5 going to be a very, very serious problem throughout
6 the nation.

7 I hope that they will read this resolution.
8 I know they get a lot of resolutions. It is
9 extremely important. But if I also be helpful to
10 them, and I am sure we are all in politics and we
11 like to know how things are viewed, one of the old
12 axioms, how will it play in Peoria. Well, this
13 proposed rule that at least is reported to be
14 coming out of the White House will not play well in
15 Peoria. In fact, the headline in the Peoria paper
16 yesterday said, "Medicaid move could spell
17 disaster." And I just hope before anyone takes
18 action that they will think through what the
19 ramification of that action will be.

20 In Illinois that ramification could be
21 disaster. And I just hope that they will pay
22 attention to this resolution and reconsider any
23 proposal they might be thinking about putting
24 forward.

25 Thank you. /

1 GOVERNOR GARDNER: Thank you, Governor Edgar.
2 Governor Ashcroft has a recommendation
3 before us.

4 All in favor say "Aye."

5 GOVERNORS: Aye.

6 GOVERNOR GARDNER: Opposed.

7 Carried.

8 Now we go to another part of our agenda
9 which is kind of a fun part because it's the
10 presentation of the 1991 NGA awards for
11 distinguished service, state government and the
12 arts.

13 First I want to thank all of you governors
14 who participated in the nominating process, to
15 Sandra Miller and the members of the selection
16 committee.

17 And also I would like to thank a special
18 friend of mine, Jean Gardner, who chaired the Arts
19 Review Panel for the past two years, and her
20 committed membership.

21 As the winners are announced, and they are
22 sitting off to my left, if their governors are here
23 would come forward, be honored to help us honor
24 them, I would appreciate that.

25 We are honoring five states officials and

1 five citizens who have made extraordinary
2 contributions to state government. We will honor
3 two citizens for outstanding service to the arts.
4 We now begin.

5 Our first winner in the state official
6 category is Tom Butler, Deputy Director of the
7 Arkansas Department of Health.

8 Governor Clinton described him as someone
9 who epitomizes the quiet competence and
10 steadfastness of the career public servant and a
11 good person who never forgets the impact that his
12 decision might have on real people.

13 Those qualities deserve enormous
14 appreciation and respect and are symbolized by this
15 award.

16 Thank you.

17 (Award presentation.)

18 Next is Christine Letts, Secretary of the
19 Indiana Family and Social Services Administration.
20 She is described by Governor Bayh as the sort of
21 public administrator who can change the culture of
22 the organization which she leads and turn
23 government bureaucracy into organizations dedicated
24 to serving their clients. That is a talent truly
25 and deserving of recognition.

1 Congratulations and please send me your
2 resume.

3 (Award presentation.)

4 Third is George Barbour, a Commissioner of
5 the New Jersey Board of Public Utilites.

6 We are sorry that Mr. Barbour cannot be here
7 today. He is a former member of the New Jersey
8 General Assembly and has served 15 years in his
9 current position. His service to the public during
10 those years included active support for school
11 funding, helping to invert bankruptcy at the New
12 Jersey State Utility and expanding the major water
13 system in the face of serious drought.

14 Through his lifetime of quiet and creative
15 public service he has earned, not won, but earned
16 this award and we will see that it is sent to him
17 with proper letter.

18 Fourth is Geno Natalucci-Persichetti,
19 Director of the Ohio Department of Youth Services.

20 He has provided important leadership in
21 developing programs for juvenile drug offenders in
22 community-based corrections. These are areas in
23 which we clearly need bold and innovative
24 leadership and so it is a special pleasure for all
25 of us to recognize and reward such a leader.

1 Congratulations.

2 (Award presentation.)

3 Our final winner in the state official
4 category is James Klauser, Secretary to the
5 Wisconsin Department of Administration.

6 While overseeing a state budget of over \$12
7 billion, he has held spending below the rate of
8 inflation. He has also been a leader in the state
9 recycling programs and an effective advocate for
10 retraining and other benefits for workers who lost
11 their job because of a major plant closure.

12 Congratulations.

13 (Award presentation.)

14 Next we honor the most precious resource of
15 all, active citizens who help keep democracy alive
16 and address the values of civil participation to
17 our youth.

18 First in this category is Asa Whitaker, Jr.,
19 Quality Management Coordinator for the Arkansas
20 Eastman Company.

21 He is described as a gospel preacher for
22 quality management. As an executive on loan to the
23 State of Nebraska -- or Arkansas, he has created
24 created a long-term partnership between the public
25 and private sector that has helped to improve

1 employee involvement and quality management
2 throughout his state.

3 Congratulations to you, Mr. Whitaker, on
4 your achievements to Governor Clinton for having
5 you in his state.

6 (Award presentation.)

7 Second is Mable Allen, who passed away last
8 month at the age of 95.

9 In 1924 Ms. Allen visited the Preston School
10 of Industry in Ione, California, and was disturbed
11 to find that there were no religious services for
12 the young being incarcerated there. For the next
13 67 years she nurtured programs to foster the
14 spiritual wellbeing of the young men she had com
15 to know and love.

16 We are profoundly sorry that she could not
17 be here today and we are profoundly grateful for
18 the lessons that her life teaches all of us.

19 Thank you.

20 Third is Richard Chalfant, Plant Manager of
21 Kraft-General Foods in Dover, Delaware.

22 Mr. Chalfant, who is alive and well but
23 cannot be with us today, has provided example of
24 how the private sector can improve the lives of
25 children by supporting the social services, helping

1 to fund recreational facilities and helping the
2 state to address disparities in funding between
3 rich and poor school districts.

4 Next: John Chrystal, Chairman of the Iowa
5 State Savings Bank has devoted more than 30 years
6 to public service. He has been involved in
7 improving relations with the Soviet Union since
8 1959 and has traveled extensively to the USSR and
9 helped the Soviets to improve their agricultural
10 productivity and promote trade relations. That
11 work is now expanded to include Eastern Europe.

12 Congratulations to a genuine pioneer and a
13 leader. Pleased to have you here.

14 (Award presentation.)

15 George Walker, President of the Delta Wire
16 Corporation, has worked tirelessly to improve
17 health care services to the poor in rural
18 Mississippi. His resume is a testament to his
19 understanding that human resources and wellbeing
20 are vital to his state's future. Education, health
21 care, job training and human services all figure
22 prominently in his long list of accomplishments.

23 Congratulations to you both for your wisdom
24 and for your achievements.

25 (Award presentation.)

3 The winner for artistic production is the
4 Crossroads Theatre Company of New Jersey. This is
5 one of America's best regional theatre companies
6 and it is a national leader promoting
7 African-American culture.

8 Accepting the award are Mr. Andre Robertson,
9 managing director and Ms. Penelope Langler, the
10 (unintelligible) president.

11	(Award presentation.)
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12 The award for the art support has been one
13 by Helen Valdez, President of the Mexican Fine Arts
14 Center Museum in Chicago.

15 She understands the most dynamic force of
16 the arts in America is the interaction between
17 diverse cultural conditions. And she has helped to
18 ensure that the art of Mexico will be a powerful
19 force in shaping our cultural future.

20	Muchas gracias.
----	-----------------

21	(Award presentation.)
----	-----------------------

22 This morning we also wish to honor Dr.
23 Samuel Solemon, who for the past 60 years has
24 studied and written about the role of governors.
25 Dr. Solemon cannot be with us this morning, but we

1 honor his contribution to our work to the
2 understanding of our mission and responsibilities
3 as governors.

4 Governor Edgar is accepting this award on
5 behalf of Dr. Solemon.

6 (Award presentation.)

7 I now would like to call on Governor Coleman
8 to move adoption of the report of the nominating
9 committee.

10 Governor Waihee will second the motion.

11 GOVERNOR COLEMAN: Thank you, Mr. Chairman.

12 Hello, governors, ladies and gentlemen,
13 after a very careful consideration the nominating
14 committee submits the follow nomination for
15 1991-1992 executive committee.

16 Governor Bill Clinton, Arkansas; Governor
17 Michael Castle, Delaware; Governor Terry Branstad,
18 Iowa; Governor Ray Mabus, Mississippi; Governor
19 Carroll Campbell, South Carolina; Governor Booth
20 Gardner, Washington; Governor Mike Sullivan,
21 Wyoming; Governor Roy Romer, Colorado, Vice
22 Chairman; Governor John Ashcroft, Missouri,
23 Chairman.

24 I ask for unanimous consent for the adoption
25 of the state administration.

1 GOVERNOR WAIHEE: Second the motion.

2 GOVERNOR GARDNER: We ask for unanimous
3 consent of the adoption as presented by Governor
4 Coleman.

5 All in favor say "Aye."

6 GOVERNORS: Aye.

7 GOVERNOR GARDNER: Opposed?

8 Thank you.

9 Before I hand the gravel to Governor
10 Ashcroft, I would like to thank all of you for the
11 seriousness and purpose and the hard work you have
12 put into making NGA an effective agent for change
13 and progress.

14 Chairing this organization has been both
15 satisfying and gratifying and challenging because
16 of your creativity and your support and your
17 commitment for serving the real needs of people.

18 I would now like to turn the gravel over to
19 Governor Ashcroft and wish you very well on your
20 tenure as NGA chair.

21 GOVERNOR ASHCROFT: May I take this
22 opportunity, Booth, if you would stand back up a
23 minute, to commend your outstanding leadership,
24 your excellent, dedicated commitment to moving not
25 only this organization but the State of Washington

1 and indeed the United States of America forward.
2 There is no question in my mind that the debate
3 that surrounded your achievement in the health care
4 reform moved us forward.

5 I think it would be a mistake indeed if it
6 were to be characterized that this organization was
7 divided in moving forward. There is a monumental
8 achievement in the assembly of this task force
9 report and its unanimous consent and agreement on
10 the importance of the report and its adoption. And
11 I commend you for that and I thank you for that.

12 First of all, before I do anything else, I
13 would like to give you a leather bound copy of the
14 state action report. This report will be very
15 valuable to the states in considering alternative
16 approaches to increasing access and controlling
17 costs and I am sure it will be an important part of
18 your library in remembrance of what you have done,
19 not only for this organization, but for the
20 country.

21 Secondly, I would like to present to you the
22 traditional, honorary gravel as a symbol of our
23 appreciation for your leadership in this respect.
24 The plaque on the front of the gravel reads:
25 "Presented to Booth Gardener, Governor of

1 Washington State --" Washington State, that is the
2 college, isn't it? -- "for his outstanding
3 leadership as chairman of the National Governor's
4 Association 1990-'91 on the occasion of the 83rd
5 annual meeting, August 20th, 1991."

6 I am grateful to you and I appreciate your
7 work, commend you and thank you on behalf of the
8 members of the organization.

9 GOVERNOR GARDNER: Thank you very much.

10 I just want to take a moment and I told you
11 how much I enjoyed the opportunity to chair, but it
12 was unusual to hold chair and host the NGA at the
13 same time.

14 And if you enjoyed the meetings, it was
15 because my wife and her committee did such an
16 outstanding job of organization. And I would like
17 her to be recognized in your presence.

18 GOVERNOR ASHCROFT: I want to thank those of
19 you who remain for your persistence. Persistence
20 is required if we are going to achieve the kind of
21 objectives that we must achieve to serve the
22 people.

23 This opportunity to work with so many of
24 America's finest public servants that are brought
25 together under the National Governors Association

1 is an opportunity that I accept with real
2 gratitude. Gratitude to each of you, gratitude to
3 the people of my state, gratitude to my family,
4 Janet and my daughter, Marney, are here with me
5 today, and gratitude for the job.

6 Gratitude is the most profound privilege
7 that any of us ever undertake, the privilege of
8 shaping the world in which we live. The
9 opportunity to develop public policy which will
10 change and brighten the future for those who follow
11 us is indeed an opportunity which I cherish.

12 Booth, you have not only been a good friend,
13 a great leader but tremendous host. Thank you very
14 much.

15 Around the globe and here at home these are
16 challenging times for the exercise of leadership.
17 Revolutionary change is not mere digits on a
18 calendar or sweeping us toward a new millennium.

19 Questions of time have grown painfully
20 familiar. Can America compete? What is our new
21 potential? Helping our citizens respond to these
22 questions is a major calling that we have as
23 governors. For while politics is called the art of
24 the possible, leadership is the art of redefining
25 the possible. As governors we must challenge and

9 1 empower each American to envisage, to redefine a
2 future more full of opportunity than ever known
3 before.

4 The power of such a new vision has been on
5 display in the Soviet Union. Mikhail Gorbachev
6 sparked within his people a substantial new
7 aspiration to freedom, an aspiration that brought
8 action previously thought impossible. And even
9 yesterday's attack by an oppressive cabal
10 eventually will fail to reverse that action.
11 Brighter possibilities, once defined, can neither
12 be erased from the hearts of those in a nation nor
13 can those possibilities fail to guide their
14 actions.

15 Redefining America's potential is the
16 opportunity we must embrace. Future of opportunity
17 where each citizen can reach his or her new, whole
18 God-given potential cannot be built within the
19 realm of our present actions and aspirations.

20 Education has been the foundation of
21 American opportunity and it must be our solid
22 cornerstone as we build a new future of greater
23 opportunity. We recognized that last year when we
24 lifted that cornerstone into place as we joined
25 President Bush in the adoption of national goals

1 that raised America's educational expectations and
2 answers to fears that our aspirations are
3 impossibly high. We must insist that the possible
4 must be redefined by restructuring education for
5 greater learning capacity.

6 This year and for the remainder of this
7 decade, the National Governors Association is going
8 to make NGA stand for the National Goals
9 Achievement. I am establishing three action teams
10 of governors and national business leaders to
11 redefine and demonstrate new possibilities in three
12 critical areas: School readiness, the school years
13 and life-long learning.

14 They are not being asked for more study of
15 the issues. As members of action teams, governors
16 have agreed to undertake major state level reform
17 initiatives designed to make progress for one or
18 more of the national goals. Because this year's
19 emphasis will be on action rather than on study, we
20 are asking business leaders to participate directly
21 as members of our teams, something we have not done
22 before.

23 Governor George Voinovich of Ohio will be
24 chairing the school readiness team, will target
25 initiatives to motivate and support parents as the

1 first and best teachers of their children. Efforts
2 were high on the parents' and teachers' program in
3 Missouri, and we will explore other strategies to
4 assure that young children begin school ready to
5 learn.

6 Governor Mike Sullivan will chair the action
7 team for the school years. That team will focus on
8 the experience of students from kindergarten
9 through high school. We must set higher standards
10 and demand broader achievement from our most
11 successful students and for those who found
12 learning is more difficult.

13 The challenge crosses all the lines of
14 student achievements are best, must even become
15 better.

16 Members of the life-long learning team, lead
17 by Governor Thompson of Wisconsin, will undertake
18 initiatives dealing with higher education and/or
19 adult education and training. That is especially
20 crucial to our immediate economic potential and
21 productive capacity of our country.

22 The essential challenge is the same for
23 every action team in the state. We need to
24 establish systems that elicit high quality results,
25 not just from exceptional students and

1 institutions, but from ordinary people in ordinary
2 places.

3 We should give special attention to two
4 particular efforts that are essential to a thorough
5 therapy for change. First, we must raise the
6 expectations and standards of performance that are
7 internalized in our citizens and institutions.

8 Second, we must develop systems with
9 powerful incentives and we must have incentives for
10 these systems to spur action to meet those higher
11 standards of achievement. Higher standards of
12 achievement and incentives to spur action to
13 achieve. Lifting expectations, redefining in the
14 public mind not only what is possible but what is
15 in fact necessary and imperative is the first
16 prerequisite to success.

17 America can't simply -- America can't
18 compete by putting couch potato contentment up
19 against people who are so thirsty for freedom they
20 brave a column of tanks or so hungry for learning
21 they will spend four years in school.

22 We now face a situation in which American
23 students must succeed in meeting the higher
24 standards required in the next century instead of
25 failing at the outdated standards set for the last

1 generation.

2 As Kay Whitmore of Eastman Kodak put it: We
3 can raise our standard of performance or lower our
4 standard of living.

5 Our next step in leading our states to
6 achievement of the national education goals is
7 crucial. Our primary focus for this year should be
8 we must convert our national goals and other state
9 and community achievement goals into clear
10 standards sufficiently specific to permit every
11 student, school, community to internalize them as a
12 gauge of their own performance. This single
13 accomplishment would make this year the most
14 important year in the history of American
15 education.

16 Now the national education goals panel has
17 part of this work already underway. But we must
18 give it meaning at the local level. We have to
19 assure, for example, that a high school diploma, a
20 college degree and completion of other training
21 certify real standards of ability.

22 We do students no favor by tossing them out
23 into a competitive marketplace armed with empty
24 credentials. And when students know that is what
25 our schools offer, it is not surprising -- pardon

1 me -- when students know that is what our schools
2 offer, it is not surprising that most expend so
3 little effort to earn them.

4 Good students as well as poor ones will turn
5 on the -- pardon me -- will turn off the tube and
6 get into long hours of work and not just prowl the
7 halls of the malls of our country if they know that
8 real study is expected. This should be a year when
9 clear standards replace empty credentials.

10 In defining new standards must be followed
11 up by restructuring our systems around. The second
12 prevailing strategy of our action teams and states
13 should involve building systems with real
14 incentives: First, high standards; second, real
15 incentives to meet new standards and goals.

16 We know that our education programs and
17 institutions need to be restructured. Presidents
18 in Lamar Alexander's America 2000 plans to admit
19 new American schools is ambitious and it needs to
20 be.

21 But they recognize as we do that when it
22 comes to structuring actual classroom activity and
23 learning, it can't be done from Washington or from
24 the Capitols of our states. Local communities,
25 parents, educators know best how to succeed with

1 their students. And if they are be accountable for
2 results, they deserve the flexibility to design
3 strategies that they can call their own.

4 Our job is to structure a framework with
5 incentives that will motivate communities and
6 educators to organize for achievement and encourage
7 students to work hard to succeed.

8 Let's think first about the students.
9 Special rewards, graduation requirements, college
10 admissions, financial aid and job opportunities
11 should be geared more closely to academic
12 achievement.

13 Al Shangler wisely reminded us: Every
14 mother and father and teacher in Japan, Great
15 Britain, France, Germany, Holland, can say things
16 to students that we can't say honestly. They can
17 say if you don't learn this and if you don't do
18 this very, very well, you will not be able to go to
19 college. He said I think we ought to be able to
20 say that too.

21 Well, Al is just as direct about job
22 incentives. He says to employers, be public about
23 it. Put out posters. Put it on stationery just as
24 you would say to your equal opportunity employers,
25 why not say you are an excellent student employer?

1 Students will work to prove their skills if they
2 know that we as employers are interested.

3 We need more incentives for our institutions
4 and educators as well. There should be rewards for
5 success and consequences, yes, consequences for
6 persistent failure to improve.

7 The merit school program of the America 2000
8 initiative provides another great example of what
9 we could do in our own states. It also offers the
10 prospect that the federal government will be a
11 strong partner in rewarding real productivity and
12 results.

13 As our schools and colleges commit
14 themselves to the performance that America needs,
15 they should know that achievement will not only be
16 recognized but in fact rewarded. We need to focus
17 on designing and implementing performance
18 incentives including formulas for college funding
19 as well as incentives for schools and training
20 programs.

21 The need for action is urgent. The world is
22 racing ahead as our students move toward the
23 starting gates again this fall. They need to
24 understand what a new century expects of them.

25 Their situation has been compared to Alice's

1 wanderings through Wonderland. She finally asked
2 the Cheshire cat which way she ought to go. It
3 replied that that depended most on where she wanted
4 to be. And Alice said she didn't really know.
5 About that time the cat suggested by example that
6 if you don't know what you are doing, you can get
7 by if you just keep grinning until it is over.

8 Well, for two long we as governors and
9 people associated with schools from the parents of
10 kindergarteners right up to university presidents,
11 we haven't known what we wanted of American
12 education or haven't expressed it very clearly.
13 Our students have been left believing that they get
14 an education if they just keep grinning until it is
15 over.

16 We need to redefine education to give it new
17 meaning for their lives. A decade of self
18 examination and extensive experimentation and a
19 historical national summit have given us goals that
20 can provide that meaning. We must now build
21 systems that require an entire nation of students,
22 not just an exceptional few, but an entire nation,
23 all those to pursue those goals with a redetermined
24 sense of energy and perseverance.

25 Within our states and as an association for

1 the national goals achievement, we must lead the
2 way. I know that we will and thank you for this
3 opportunity to serve with you. I pray to God rich
4 blessing upon each of you as you endeavor to make
5 the national goals a reality in your states and as
6 we work to elevate the capacity of the students who
7 will be the future of our country.

8 Do I hear a motion to adjourn this meeting?

9 All of those agreeing with the move motion,
10 may move.

11
12 (The governors' plenary
13 session was concluded at
14 12:00 p.m.)
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CERTIFICATE

STATE OF WASHINGTON)) ss.
COUNTY OF KING)

I, the undersigned Notary Public in and for the
State of Washington, do hereby certify:

That the annexed and foregoing deposition of each witness named herein was taken stenographically before me and reduced to typewriting under my direction;

I further certify that each said witness examined, read, and signed his deposition after the same was transcribed, unless indicated in the record that the parties and each witness waive the signing;

I further certify that all objections made at the time of said examination to my qualifications or the manner of taking each deposition, or to the conduct of any party, have been noted by me upon each said deposition;

I further certify that I am not a relative or employee or attorney or counsel of any of the parties to said action, or a relative or employee of any such attorney or counsel, and that I am not financially interested in the said action or the outcome thereof;

I further certify that each witness before examination was by me duly sworn to testify the truth, the whole truth, and nothing but the truth;

I further certify that the deposition, as transcribed, is a full, true, and correct transcript of the testimony, including questions and answers, and all objections, motions and exceptions of counsel made and taken at the time of the foregoing examination.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this _____ day of _____, 1991.

LISA B. AHLBURG
Notary Public in and for the
State of Washington, residing
at Seattle.