

**BUDGET MESSAGE
OF
GOVERNOR VICTOR E. ANDERSON**

January 7, 1959

The budget recommendation which I am presenting to this honorable body today represents a conservative middle-of-the-road approach to state spending. Nearly everyone in the state is familiar with my fiscal policies and my desire to provide all the necessary services to the people at the least possible expense, and at the same time to continue Nebraska's progress. I have at all times recommended that we be penny wise without being pound foolish. I am sure that our tax paying citizens have a right to expect this kind of administration.

I have always favored spending money to save money; in other words, spend money to improve methods which in the long run will be beneficial to our state. We have all seen the results which are obtained by this kind of program and I urge you to continue to probe and examine all spending, to continue to keep the taxpayers' interest foremost in your deliberations and to continue Nebraska's progress.

We frequently hear the statement that "our budget must be within our ability to pay". That is undoubtedly true, but it should not be the only test. We must not spend our financial resources simply because we are able to foot the bill. We must only spend when absolute need arises. Any other policy is foolhardy and builds a feeling of contempt for government.

Nebraska has the best tax record in the nation and this has not come about by accident. As a matter of fact, Nebraska's taxpayers paid \$1,348,000 less in property taxes last year than they paid in 1955. Many of you have served in previous sessions and know from first hand experience how we happen to be in our present enviable position. You are to be congratulated on your part in making such a record possible and my wish for you is the strength and courage to continue.

State budgeting is not merely a study of how to find a way to raise the money requested. It is the much more difficult task of determining whether the requests are for necessities. When it is felt that frills have been included, or that selfish pressure groups have been influential in the request, we are faced with the unpleasant job of saying so.

The budget presented to you today indicates an overall increase of 3.8 per cent. Some items, I believe, deserve specific comment.

The University of Nebraska has requested a substantial increase. I believe in our University, and I am convinced that we should keep it a strong institution, one that ranks high in the nation.

The "A" or Continuation Budget for the University requests salary increases for members of the faculty. We cannot have a high ranking University without a capable staff, and we cannot retain our capable staff unless we overcome our disadvantage in the current spirited competitive bidding for the services of our faculty by other educational institutions. I recommend that the "A" Budget increase of \$4,272,000 be granted.

We find ourselves in a rapidly changing agricultural situation. Not only is our agricultural economy changing, but also we are attempting to change our farming methods to keep pace with Twentieth Century progress. A great deal of the research which will enable us to maintain our progress can and should be done by our University. Of prime importance is the possible development of industrial uses for farm produce, research into groundwater and irrigation, continued research into better seeds which will produce better plants, more adaptable to Nebraska conditions. Very important to all of us is research into control of livestock diseases and many other items of vast importance to our agricultural economy.

In the "B" or Expansion Budget the University requested slightly less than two million dollars which is not for strictly educational purposes. Most of this money is for further development of our agricultural experiment stations and research, and directly benefits Nebraska's agricultural economy and our farmers and ranchers. I have recommended an increase of \$1,078,000 of the "B" Budget, \$796,500 of which is for the important research matters I have just mentioned. My recommendation is about one-half of the original request. After conferring with Chancellor Hardin and the Agricultural Advisory Council, I feel that this amount is necessary. This recommendation has the approval of the Agricultural Advisory Council. The Council is made up of leaders of our state who have taken a sound, realistic approach to the problem of development of agriculture in Nebraska. These people serve the state unselfishly, I am impressed with the reasonableness of their approach, and therefore recommend the foregoing amount.

Our Normal Schools have, for the past several years, faced many of the same problems that have plagued the University. High on the list of obstacles in the way of improved operation is the faculty salary schedule. Here again I have recommended that we raise our standards to somewhere near the average being paid by competing educational institutions. Therefore, I have recommended an increase of \$2,216,000.

Civil Defense should rank very high in your considerations this session. In the light of world conditions today, I feel I have a duty to call your special attention to the fact that protection of the lives and the property of our people is the responsibility of all officials at all levels of government. In this day of guided ballistic missiles, bombs of terrifying destructive power, and man made rockets orbiting in our universe, we can no longer expect invasion to begin on the perimeter of our country. Invasion can start anywhere, including Nebraska.

In the last three years our state has taken the lead in the preparation of comprehensive plans for Civil Defense and the preservation of government in an emergency. These plans have been approved by the federal government, and have served as models for the other states. I consider it important that they be put into effect immediately. Our previous appropriations for Civil Defense have been extremely modest, and in my opinion are now entirely inadequate. My budget recommends additional funds for this purpose.

Also included in my budget is the recommended increase for our State Safety Patrol. My recommendation indicates the necessity for an increase in order to keep the Patrol operating at its present level of service. The "B" Budget asks for a substantial increase in personnel with a corresponding substantial increase in funds.

I have allowed the request for increased personnel to remain in my budget, but only conditionally. The frightening highway fatality toll is something we cannot and must not ignore. However, the increase in fatalities experienced in Nebraska this past year did not occur on our state highway system. As a matter of fact, the state highway toll was somewhat less than in 1957. I believe this demonstrates the effectiveness of the comparatively small force in our highway patrol, and I would recommend some increase in personnel for work on our state highway system and the new interstate highway as it progresses. I do not recommend the entire requested increase unless the Legislature should decide that our Safety Patrol should engage in some work away from our state highway system. In other words, if additional patrol duties are assigned, I could recommend the entire request. If no additional duties are assigned, I could recommend only a modest increase in patrol personnel.

In the last session of the Legislature, a budget in excess of \$100,000 was granted to the Soil and Water Conservation Committee. \$50,000 represented an increase in the Committee's budget for an experiment. The experiment consisted of placing a part time state employee in the various federal soil conservation offices throughout the state, which then enabled the federal soil technicians

to do more work in the field. According to the reports made to me, the experiment was more successful than had been anticipated, and our agricultural population is enthusiastic for expansion of this service. Therefore I have recommended an increase of \$285,200 for the Committee.

The Board of Control has asked again for a modest increase in the mental health program. You will recall that at the last two sessions I specifically requested a substantial increase for this program. I did this because I felt that the program would be beneficial to Nebraskans, and also the program would be "spending money to save money". As a result of the Legislature's decision to grant an increased budget, we today have about 623 less mental patients than we had in 1955. We have about 623 more people leading normal lives, when just a few short years ago they could have been expected to remain in our mental institutions for the rest of their lives. We cannot measure a useful life in dollars but the facts show that the counties now have to pay a great deal less because of the reduction in the number of patients. True, the treatment costs the state more per patient but Dr. Wittson feels that in continuing the program, it will be possible to reduce our patient population by another 500 in the ensuing years. I am sure you will see the great need for continuing this program.

This session of this honorable body will be faced with many difficult and important decisions, not the least of which will be the appropriation bill. I have served in the Legislature, and I know from experience just how important your actions will be to the people of our state. You will be called upon to make decisions that affect the lives and bank accounts of all our people. I am sure that Nebraska's Legislature is a great deal more responsive to the wishes of the people than some of the complex Legislatures of other states. I am hopeful that your decisions will be made easily, simply because you are especially alert to the wishes of the people.

(Signed) Victor E. Anderson

BILLS ON FIRST READING

The following bills were read the first time by title:

LEGISLATIVE BILL 35. By George Syas of Legislative District 4.

A bill for an act relating to the Governor; to provide that in case of vacancy in the office of Governor and there be no Lieutenant Governor or Speaker of the Legislature, the duties of the office shall be performed as prescribed until the vacancy is filled.