

Governor Linda Lingle
STATE OF THE STATE ADDRESS

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Good morning fellow residents of Hawai‘i...our ‘ohana...kama‘āina and malihini...keiki and kūpuna...civilian and military...Speaker Say...President Hanabusa...other elected officials...and distinguished guests. Aloha kākou.

It is with a humble and grateful heart that I come before you this morning for my sixth State of the State Address.

My annual report to the people of Hawai‘i on the state of our beloved state is one of my most cherished privileges as Governor.

It gives me the opportunity to share some sense of where we have been...and then to focus on where I believe we should be headed...and how we will get there.

Before I discuss these ideas with you, I want you to know how grateful I am for the trust you have placed in me.

As issues arise each day, I am reminded of the very large responsibility that goes along with my job...and I am humbled by it.

Since my re-election in late 2006, people have continued to ask me and journalists have written about, which office I will run for next.

And there have been columns written about whether I might follow the pattern of those governors who tend to slow down in their second term.

My cabinet directors, Lieutenant Governor Aiona and I are not the kind of people who slow down in any endeavor...and we promise you that we will work hard every day for the next three years.

In fact, we all share a renewed sense of vigor and commitment as we look to a future full of great promise and potential.

Ladies and gentlemen...today is the first day of the rest of my Administration.

We are devoting ourselves to cementing a clear direction for our state: a direction that encourages personal responsibility, transforms the economy, focuses on energy independence, preserves our cultural and natural resources, and enhances our overall quality of life.

My fellow citizens, I have no other ambition than achieving these goals.

PERSONAL RESPONSIBILITY

Recent reductions in the projected rate of growth of tax revenues present us with an opportunity to renew our sense of ‘ohana and to take greater personal responsibility for Hawai‘i’s future.

Personal responsibility means more than just being responsible for decisions that affect us as individuals.

Personal responsibility means that we get involved to help others in need and to create a better Hawai‘i.

We get involved in our places of worship, our schools and our community.

We don’t just leave things to someone else.

We all share a belief that our family...our ‘ohana...numbers many more than just those living in our home.

Recently, I had the opportunity to spend several hours with a group of women living at a transitional housing facility that helps women on parole, and some who are still incarcerated, to successfully re-enter our community.

These women are part of our ‘ohana.

Despite the sexual abuse many of them have suffered, the years of drug addiction and homelessness, or the number of times they have been arrested, these women have now taken personal responsibility for their own lives.

They are an inspiration to me as they struggle to build new lives after years of degradation, disappointment and bad personal choices.

They are working valiantly to move past guilt and shame and fear of failure.

And, as a part of their program, they are now taking responsibility for others by performing volunteer community service.

I'd like to introduce you to TJ Mahoney's remarkable director, Ms. Lorraine Robinson, and six of the women from the facility:

Fay Medeiros, Masina Fauolo, Ipo Kock-Wah, Gina Ishida, Jackie Bissen and Lynick Ayau.

Please stand and be recognized.

Personal responsibility for the average citizen could mean getting involved enough to report abuse or neglect of a child in your neighborhood.

And it means government agencies admitting mistakes and working to fix the system.

It means parents teaching their children right from wrong, and showing aloha for our precious land and sea by not abandoning cars along the roads or boats on our reefs.

Personal responsibility means driving with aloha, watching out for pedestrians and not letting friends drive drunk.

Personal responsibility also means preparing our homes for emergencies, and eating and exercising in ways to maximize our own good health.

Hawai'i's people historically have shown a remarkable willingness to take responsibility not only for themselves...but for the well-being of others.

And yet there are still so many of our larger 'ohana who are struggling – those with mental illness, serious physical disabilities, kūpuna on fixed incomes, victims of abuse, and those trying to overcome a drug or alcohol addiction.

Although I join you in wishing that government could help everyone needing help, and fix every problem we face as a community, that just isn't possible.

Like you, I believe that government and its taxpayers have the capacity to do great good...but that capacity is not unlimited.

So, we must be judicious and prudent in our spending, and we must make decisions that guarantee a sound financial future.

Because only a fiscally sound government will be able to maintain an adequate level of needed services over the long-term.

Less than two weeks ago the Council on Revenues adjusted downward by \$59 million the amount of general fund tax revenue available through Fiscal Year 2009.

This is in addition to their earlier reductions in May and August of last year.

So although the economy remains fairly strong, the bottom line is that since May of last year when the Legislature adopted the biennium budget, tax revenue estimates have declined by \$353 million.

Government will never be able to solve all of society's problems.

It is only our shared sense of 'ohana...and the willingness to take personal responsibility for ourselves and others...that will see us through any challenging time...whether the challenge is fiscal, social or a natural disaster.

Our state's overall success ultimately rests in the collective hands of our people, not in government acting alone.

I am happy with that balance...and confident of its result.

Elected officials also need to take personal responsibility, not only for our state's long-term fiscal health, but for our economic health as well.

This means using our finite financial resources to maintain and expand existing infrastructure.

I commend legislators on your support for repair and maintenance of our schools, improvements to the highway system in rapidly growing parts of the state, as well as the modernization plans for our airports and harbors.

We have some tough choices to make together in the weeks and months ahead, and I look forward to collaborating with you on reaching the best decisions.

The public expects and deserves nothing less from us.

Those decisions include making strategic determinations about which direction we will lead the state in this exciting 21st century.

INNOVATION

During the past 12 months, I have shared with you a clear vision for the fundamental transformation of our economy away from an economy based too narrowly on land development...to one based on the infinite talent and intellectual capacity of Hawai'i pono'ī...Hawai'i's own people.

It is as certain as night follows day that we cannot speculate or sell ourselves into prosperity.

Instead, we have to be willing to invest in those education and workforce programs that will prepare people to succeed in an increasingly competitive world.

It will be an immense challenge to re-orient an economy long based on land, to one that has as its cornerstone the preservation of our cultural and natural resources.

But, it is a challenge we can and must meet!

We can do it by combining the native Hawaiian cultural values of aloha 'āina and respect for the ocean, with a skilled, well-educated population that believes innovation in all things is the path to success.

I want to thank all of those in the community who have embraced this new vision of Hawai'i's future.

And I want to thank those legislators who have supported this economic transformation by supporting some of our ideas, even though the support was not at the level we requested, and that we need, if we hope to succeed.

If the future were to be the same as the past, then our usual practices and pace of action could serve us adequately.

But the world's future and Hawai'i's future will be different than our past, so we no longer have the luxury of these past practices and slow, incremental change.

We need to make giant strides that bring about significant progress.

I am convinced that Hawai'i's recent strong economy has allowed us to postpone making difficult but important decisions, and has perpetuated education and workforce structures that do not fit well in the 21st century.

Experts say that we currently face a period of change as great as when human society went through the Industrial Revolution.

In this prediction I believe the experts are probably right.

To go from where we are, to where we want to be, may seem daunting...but this is a road we must travel...even if it is a rough ride at times.

The only way to reach our preferred future is to stay on this new road.

The progress we have made in the past 12 months is exciting and encouraging:

- We have launched a statewide program to increase the global education of Hawai'i's teachers, students and residents.

I am pleased to have with us today as my special guest, Madam Wu Chi-Di, vice minister of the Chinese Ministry of Education, with whom we hope to have more educational exchanges.

- We have begun to establish academies in middle and high schools that focus on science, technology, engineering and math.

We stress STEM education because it helps equip our graduates with the analytical thinking, problem-solving and teamwork skills necessary for any high-quality job of the 21st century.

- We have initiated the MELE program at Honolulu Community College to further build the artistic and commercial success of the Hawaiian music industry.

I want to thank the community college system for its leadership on these important initiatives.

- And we partnered with NASA, which will sponsor the *FIRST* Robotics Challenge at the Stan Sheriff Center in March, where 25 Hawai'i public and private schools will join 13 mainland teams in what is called the "Super Bowl of Smarts."

In total, today there are 95 schools statewide that are involved with a hands-on robotics program.

I would like to take a moment to recognize some of the students and their advisors who will be among those competing in the Regional *FIRST* Robotics Challenge in March.

These young people and their adult mentors are an inspiration to me in the fearless way they are embracing their future.

Their enthusiasm makes me optimistic about our state's future.

The father of Hawai'i robotics, Art Kimura, and his wife, Rene, are here today along with students and their teachers from Waiākea and Hilo high schools on the Big Island; Waimea High School on Kaua'i; Baldwin High School on Maui; and Nānākuli, Maryknoll, Punahou, McKinley, St. Louis, Farrington, Moanalua, Kapolei, Waipahu, Hawai'i Baptist Academy, Campbell, 'Iolani, Waialua, Sacred Hearts Academy and Kamehameha high schools on O'ahu.

Please stand and be recognized.

Our efforts to promote innovation were recognized last year by the National Governors Association when we were chosen as one of six states to receive a grant funded by the Bill and Melinda Gates Foundation and Intel Corporation.

While I am somewhat satisfied with our progress, I know there is still so much more we need to do in order to secure a brighter tomorrow for future generations.

- We are proposing to start Creative Academies, modeled after the successful STEM Academies, to nurture and support the many talents of Hawai'i's keiki.

These academies would focus on animation, digital media, game development and writing and publishing in elementary through high school.

- And we are asking the Legislature to pass tax deductions of up to \$20,000 a year for parents or other family members saving for a child's college education.
- We propose the creation of a Commission on Higher Education made up of the presidents of Hawai'i's major universities, members of the community, and business leaders.

This Commission will give us the opportunity to embrace new ideas and new ways of using federal and state education dollars.

- And again this year we propose that the state retirement fund allocate \$100 million to invest in the creative ideas and talents of Hawai'i's companies and people.

You have my pledge that for as long as I am Governor, I will pursue these and other actions that will lead to the transformation of our economy and a higher standard of living.

It is the most profound legacy all of us can leave from our time in public office.

ENERGY

Another goal I will pursue with great intensity during the next three years is energy independence and security.

This is as important as anything else we do for the next three years.

Today, Hawai'i is the most oil-dependent state in America...and this has to change!

It means moving away from our current over-dependence on oil in favor of renewable energy...and that we do it more rapidly than some would like and others believe possible.

We have accomplished much together since launching our Energy for Tomorrow program in 2006, which was our first real collective attempt to change the energy paradigm.

I really appreciated the community and industry support for that package, and the Legislature's support was unanimous and bipartisan.

There were four legislators in particular who shared my passion for change, and really helped us make the sharp turn from near total oil dependency to a way forward for energy security.

I would like to thank Senators English and Hemmings and Representatives Thielen and Morita for their ongoing encouragement and enthusiasm.

To further speed our progress toward energy security and a clean energy future, the Department of Business, Economic Development and Tourism is being reorganized to re-establish an Energy Division.

Every week my departments are visited by developers of renewable energy projects – from wind to solar, from wave and ocean thermal to biofuel, from algae to even energy from space!

We need to take action now to make it easier for these kinds of projects to start up and to succeed in Hawai‘i.

We will continue to lead by example, both in the kinds of buildings we construct and by encouraging intra-governmental purchases of power so that federal, state and county governments can use our own assets to start producing some of our own energy, and, where appropriate, allow governments to purchase power directly from new, non-utility suppliers.

Less than two weeks ago, our Airports Division announced an historic plan to develop large solar power arrays at 12 government sites across the state.

This project has the potential to reduce Hawai‘i’s need to import 130,000 barrels of oil per year, and to generate enough power to supply about 9,000 homes per year.

This is one of the largest state government solar initiatives in the nation.

This and other of our efforts are receiving national attention and support.

I am pleased today to let you know that next week, the State of Hawai‘i and the U.S. Department of Energy will enter into an unprecedented and innovative partnership called the Hawai‘i Clean Energy Initiative.

This partnership is based on the vision that Hawai‘i must accelerate its transformation to a clean energy future by tapping into the latest national and global advancements, and that our abundant natural sources of energy position us to be a model for the world to show what can be accomplished by developing indigenous renewable energy.

This partnership will bring both technical assistance and project funding to Hawai‘i.

CONCLUSION

The subject of partnerships brings me to the final subject I would like to talk with you about today.

Earlier, I said that we can't speculate or sell ourselves into prosperity, but I do believe we have an opportunity to purchase a piece of our future.

I am proposing that we buy the 850-acre Turtle Bay property on O'ahu's North Shore.

I believe this is a once-in-a-generation chance to preserve both a lifestyle for thousands of residents, and a part of Hawai'i that millions the world over have come to love and identify as the real Hawai'i.

The purchase of this important property will create an opportunity for the community to shape a vision for this part of the North Shore.

The refurbished Turtle Bay Hotel and condominiums currently provide needed jobs in the community. Its restaurants provide a welcome place for local families and visitors to enjoy a Sunday brunch or special family meal, and the golf courses host internationally recognized tournaments.

We appreciate these contributions to our state, and want them to continue to be successful.

But how the balance of these lands can work in harmony with what exists is something that we should decide together with the community.

I have been inspired by what community leaders and residents on the North Shore have achieved through their efforts to preserve other lands for the public.

I have invited some of these community leaders to be with us today.

I would like you to meet Larry McElheny, founder and member of the board of directors of the North Shore Community Land Trust; Denise Antolini, director of the Environmental Law Program at the UH Richardson School of Law; and Lea Hong, Hawai'i director of the Trust for Public Lands.

Larry, Denise and Lea, please stand and be recognized for your efforts to protect important lands for future generations.

I expect there will be more than a few people, including some legislators, who will question my proposal to acquire these lands at the same time we face so many other needs, and at a time of moderating revenue growth.

This is a reasonable question to ask, but Larry, Lea, Denise, and thousands of others concerned about what kind of Hawai‘i future generations will enjoy, stand ready to help us.

Our previous successes of preserving Waimea Valley and Pūpūkea-Paumalū and our ability to save Kukui Gardens affordable housing inspires me to believe that the Legislature and I can work with the community to make this happen.

I propose that the Legislature, my Administration, and community leaders form a working group to explore options and develop an action plan to make sure that this property stays in public hands.

I have thought hard about what I am proposing, and I believe in my heart that this is the right thing to do for those of us living today, and for those who will be born in the decades ahead.

And I believe this will be a defining moment for all of us – a moment that communicates to young people that we care more about their future than about our present.

So, rather than viewing this proposal as something that will be very difficult or even impossible to achieve, I ask that you view it as the right thing for us to do, and that if we work together we will find a way to make it happen.

I have thought about at least a dozen ways we could mix and match revenue streams to finance such a purchase.

These include, selling off the resort portion of the property to pay down the debt, exchanging other state lands, creatively using tax credits spread out over time, a tax check-off on our income tax returns, private grants, allocating Legacy Land Funds, federal conservation dollars, and a worldwide Internet fundraising campaign to “Save Hawai‘i’s North Shore.”

I know that there are many other ideas, but the point is that I believe this is both doable and essential to protect our way of life.

The North Shore is an important escape valve for O‘ahu’s increasingly urbanized lifestyle.

It is a place we take visitors when we want them to experience the “real” Hawai‘i.

It is a place that gives us comfort just by being there, even if we don’t go there very often.

And it is a community of residents who have chosen the North Shore because it provides a slower, more rural way of living.

It would be naive for anyone to think this land acquisition will be easy.

The land ownership structure is complex and the debt owed is sizeable.

Nevertheless, I am committed to these lands remaining in public hands.

The residents on the North Shore call it “keeping the country, country.”

I call it fulfilling commitments to future generations...and I ask everyone listening today to join me in this effort.

Before I finish this morning, I want to thank the people of Hawai‘i once again for the trust you have placed in me, for making me part of your ‘ohana, and for inspiring me to take on the great challenges of our day.

And finally, I want you to know that I truly love my job. I love being the Governor of Hawai‘i...your governor. There is no better job in the world.

The more opportunities I have had to travel to different states and countries, the more obvious it has become to me that the people of Hawai‘i are unique in all the world, and, that there is no place on earth like these islands.

Oftentimes, it is music, more than words alone, that can best express our true feelings.

I would like to end my State of the State Address this year in an unconventional way...but in a way I hope touches your heart.

I invite you to listen closely to the words and to feel the music of Kaukahi, who so beautifully capture the essence of how we all feel about our home – Hawai‘i.

Kaukahi is the winner of the 2007 Nā Hōkū Hanohano Awards for Group of the Year, Song of the Year, and Graphic Art for Album Design.

The members of Kaukahi are: Barrett Awai on upright bass, Dean Wilhelm on guitar, and Kawika Kahiapo on electric bass.

I know that you will enjoy Kaukahi as they perform for you now their Nā Hōkū Hanohano Award winning Song of the Year – “Life In These Islands.”

Ladies and gentlemen, let us all feel the words and the music of...Kaukahi!