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GOVERNOR TED KULONGOSKI ADMINISTRATION

Jan. 13, 2003- Jan. 10, 2011

Biographical Note

Theodore (Ted) R. Kulongoski was inaugurated as governor of Oregon on Jan. 13, 2003. He was reelected in 2006. His second term expired in January 2011.

Kulongoski was born in rural Missouri in 1940 and grew up in St. Louis in a Catholic boys' home. After graduating from high school, he enlisted in the U.S. Marine Corps and, on returning from duty in Southeast Asia, spent a few years as a truck driver and a bricklayer in a steel mill in Alton, Illinois. Those experiences and the availability of the GI Bill gave him the impetus and the financial opportunity to put himself through the University of Missouri.



Kulongoski earned his undergraduate and law degrees at the University of Missouri. He went on to serve as a judicial clerk in Eugene and then established his own law firm. Kulongoski is the only governor in Oregon history to have served in all three branches of state government. While practicing law, he was elected to the Oregon House of Representatives (1975-1978) and the State Senate (1978-1983), where he authored the Oregon Public Employee Collective Bargaining Act. In 1987, he was appointed Oregon insurance commissioner. As insurance commissioner, he led the reform of the Oregon workers' compensation system, which is recognized nationally for reducing costs to employers while raising benefits for workers. Elected Oregon attorney general in 1992, he reformed the state juvenile justice system. In 1997, he was elected to the Oregon Supreme Court, where he served until mid-2001.

When Kulongoski was sworn in as governor in January 2003, Oregon faced a dramatic budget deficit. He responded by changing the way Oregon budgets, building a principle-based budget designed to establish fiscal stability while delivering measurable returns, including reforming the Public Employees Retirement System to save taxpayers billions of dollars. He made priority investments in economic development, workforce training, transportation infrastructure, and arts and culture that helped turned Oregon's economy around. In his first term, he helped create over 150,000 jobs, attracted over a dozen new major employers to Oregon and substantially reduced the state's hunger rate.

Winning reelection in 2006, Kulongoski remained committed to ensuring every Oregon child receives the educational opportunity to succeed and ensuring every student can access higher education or vocational training. In the 2007 legislative session, he championed record investments in pre-K-12 and post-secondary education, including the largest dedication of funding for financial aid in the state's history. Kulongoski also took the lead on renewable energy by establishing a new standard that will require 25 percent of the state's electricity to come from renewable sources by 2025. He continued his fight against global warming by requiring greenhouse gas levels be reduced to 10 percent below 1990 levels by 2020. Governor Kulongoski also led the charge to create a Rainy Day fund – the first in the state – so that Oregon is prepared to weather the next economic downturn without being forced to make drastic cuts to critical services for Oregon's children and families.

For the 2009 legislation session, even as the state faced tough budget decisions due to the global recession, Kulongoski ensured that Oregon continued to make key investments for the future. Kulongoski passed the

state's largest long-term investment in transportation infrastructure, putting thousands of Oregonians to work, and legislation to provide every Oregon child with access to health care. Kulongoski also passed several bills that encourage greater energy efficiency and investments in renewable energy, as well as signing into the law the state's first dedicated revenue source for the Rainy Day Fund.

Inaugural Address, January 13, 2003

Madam Speaker, Mr. President, legislators, elected officials, Senators Wyden and Smith, members of the Oregon Congressional delegation, former governors, honored guests, and citizens of Oregon: Thank you for allowing me to share this remarkable day with you.

I also want to give a special thanks to my wonderful wife, Mary. And to my children: Ted, Kristen, and Justin, and their mother, Lynn. And a special thanks to my mother-in-law, Elizabeth Oberst, and my late father-in-law, Professor Paul Oberst. Long before I was blessed with the opportunity to lead this great state, I was blessed with a family animated by love, and committed to supporting each other through thick and thin.

In the words of Robert Frost: That has made all the difference.

Elections are about choosing sides, but inaugurations are about closing ranks. Two months ago, I was elected Governor of Oregon by a majority of those voting - but today I take the oath of office in service to all of our citizens.

I do not come bearing a party label on my sleeve - or a quick fix in my back pocket. I do not come with a rigid ideology in my heart - or a soul that tells me to go it alone. I do not come to uproot tradition - or to be imprisoned by it. But I do come with this promise: As long as the sun rises over Ontario and sets over the Pacific, I will dedicate myself to bringing the people of Oregon what they want and need most - an era of hope, change, and economic renewal.

Too often Oregonians have heard little from their leaders in Salem except the discord of partisan rancor and stalemate. So it is not surprising that many have tuned out and lost faith in the ability of government to serve their needs. The time has come for our citizens to hear a different sound. The time has come for more harmony - and less counterpoint. For a chorus, not a battle of the bands.

So I pledge to legislators of both parties to set a new tone. To work with you and negotiate in good faith. To practice the skills of friendship and cooperation that I learned growing up. And to share with you the optimism and belief in the future that are as much a part of my nature as smiling when I see happy children.

The point is not that we should walk in lockstep with each other. That's not necessary. It's not even healthy. The point is, we must not walk away from the table until we finish the work that the people of Oregon sent us here to do: To work with each other and for the greater good. To bind up the wounds of our state, in just the way that the hard rains of January in Oregon bring green and rebirth in June.

To the people of Oregon I make a second pledge. This day - and the next four years - will be about trust and building. Trust that your government will hold itself accountable; will live within its means; and will be a partner for business, a catalyst for the creation of living wage jobs, a champion for working families, and a steward for our environment.

And with trust must come - and will come - building.

Building our economy that has lost none of its fundamental strengths - a high quality of life, an educated workforce, a growing community of young entrepreneurs - but has lost its ability to provide hope and financial security for thousands of Oregon families.

Building our timber and agricultural communities - rural communities that after previous times of economic hardship were often left at the starting line while urban Oregon raced towards recovery.

Building a better future for our children who suffer higher rates of hunger and poverty than any other state in the country - and whose schools face economic collapse.

And building our self-confidence, so that we know in our hearts that although these are challenging times, we are not adrift in an economic storm beyond our control.

The power to shape Oregon's future remains where it has always been - in our collective hands. Five short days from this inauguration will be the 200th anniversary of the inauguration of the Lewis and Clark expedition, which ended at the intersection of an untamed river, a continent, an ocean and the setting sun.

We are extraordinarily fortunate to be co-heirs, with our Native brothers and sisters, of this beautiful and blessed place - and heirs to the pioneer spirit that brought Lewis and Clark here. That spirit carries with it a willingness to make difficult choices. To sacrifice. To see beyond the mountain to the fertile valley on the other side. And to know that the right path and the easy path are rarely one and the same.

This is where we are today: At a moment of great sacrifice because our economy does not provide all the opportunities our citizens need - or all of the revenues our public services require. But I am determined that as we go into the next biennium, we will neither surrender to our fears - nor surrender to the illusion that there is an easy and painless way to balance the budget. There isn't.

Hundreds of millions have already been cut from the current budget. Even if Measure 28 - which I strongly support and urge Oregonians to support - passes in two weeks, we still must find a long-term solution for providing a fair and reliable revenue source for essential government services.

But the budgetary tremors that are shaking the ground beneath our feet are also our best hope for shaking up the status quo. As Governor, I intend to use this challenging time as an opportunity to set new priorities, and make government a more reliable partner for business, a better friend for Oregon's families - and a more trusted watchdog for taxpayers.

My budget will ask for many sacrifices from public servants and taxpayers. But the place to start is at the top. That's why as my first act as watchdog for taxpayers will be to reduce the base salary of the Governor by 5-percent. And I will direct that this money go to the Common School Fund.

As I said last Friday, my budget is guided by four principles: One, government will live within its means. Two, children are our first priority. Three, we must rebuild our economy and create new job opportunities for Oregon families. And, four, the days of business as usual in state government are over.

The first principle is self-explanatory. After the vote on January 28th, I'm not going to ask the Legislature, and I'm not going to ask the citizens of Oregon to raise taxes for the General Fund in this biennium. We will make do with what we have. And I mean what we really have. In my budget, the creative accounting and one-time borrowing that have been so prevalent in previous budgets are gone.

The second principle is both an economic imperative and a moral necessity. In my administration, when times are tough - as they are now - children go to the head of the line. My budget protects Healthy Start and

Crisis Relief Nurseries. But most important, it halts the downward spiral of state support for our public schools.

Oregon has a long history of having one of the best public school systems in the country. It is a sad commentary that today we face a choice between having schools that are a monument to our past - or schools that will be the lifeblood of our future. But since that is our choice, let us resolve to choose wisely. Public education is a resource that is every bit as important to Oregon's economy as our other resources, like our forests and our position on the Pacific Rim. That means we shortchange our schools at our peril - and our shame. Yet that is exactly where we're heading.

One Oregon student said it best when she told a reporter, "They're stripping our schools for parts." This cannot - and must not - go on. Instead of being chop-shops for disassembling Oregon's economy, our educational system must be retooled to produce a generation of high-performing students with the skills to compete anywhere - but the desire and opportunity to live and work here. The only way to do that is to come up with stable long-term funding for K-12 education and to guarantee that the money ends up in the classroom where it belongs - not diverted into administrative overhead. These will be a difficult goals to reach. But in education - as in all government services - we must always choose the right path, not the easy one.

My third principle is tied to the second. We cannot provide for our children's future when Oregon families are out of work, getting by on part-time work, or fearful that their next paycheck will be their last. For these families, the recession isn't something to read about in the newspaper, or argue about on talk-radio. It is the nightmare of bills unpaid. Health care needs unmet. Retirement savings lost. And college dreams put out of reach.

That's why my budget focuses on business retention, expansion and recruitment. I'm going to promote Oregon to businesses around the world because the private sector is the greatest source of living wage jobs. And when opportunities arise to bring jobs and businesses to Oregon, I won't be sending a delegation - I'll be leading one.

Government must be a partner with business. So not only will I devote a lot of my time to promoting Oregon, I'm also calling for a major public investment in transportation. Oregon's economy needs new roads and bridges to move what we produce - everything from wood chips to silicon chips - into the global marketplace. And Oregon's unemployed need the jobs that will come from new investment in transportation. We must put our people to work, and building our transportation infrastructure is a way to do just that. Our displaced workers do not belong at home or standing in unemployment lines. They belong in the workplace. I will not forget Oregon's unemployed! Today, I'm asking you not to forget them either. Their untapped contributions to our economy is wealth we may never recover. And any unwillingness on our part to stand with them is grace we may never recover.

My fourth budgetary principle is that there will be no more business as usual in state government. For starters, budgeting based on the current level of services is over. The baseline for agencies will not be last year's budget, or even the previous year's budget. It will be what we can afford - with the core functions of government being our only priority. One of those core functions is public safety. I will restore some of the funding that's been cut from the Oregon State Police. And under my budget we will not close any adult correctional facilities or release prisoners before they have served their sentences.

Another core responsibility is health care. One of the best ways to control the rising cost of health care is to better control the cost of prescription drugs for government - and for people. There's no easy answer. But the future of the Oregon Health Plan may well depend on our ability to find a solution to this problem.

Ending business as usual for the state also means forging a stronger partnership between business and the state. We're going to make it easier and faster to get a permit; measure the performance of agencies; and increase the availability of industrial lands without changing Oregon's long tradition of protecting our environment for future generations. I will be a steward for our environment. Oregon's environment is not only critical to our economy. It defines who we are. It is an eternal good - even when times are not good. We cannot afford to let our environment slip from our hearts - or our environmental laws slip from tough enforcement. As long as I'm governor - they won't.

Putting an end to business as usual is little more than an empty slogan if it does not include reforming PERS. I want to say something about our public employees. These men and women have chosen public service. Without them, the rest of us could not enjoy the beautiful and unique way of life we have in Oregon. Many public employees have already borne the burden of this recession, and, yes, I am asking them to sacrifice even more. But I will never lose sight of how hard they work, and their value to our children, families and state.

The debate we're having over PERS is creating real uncertainty for our public employees. I know that. I also know that PERS - as it is currently structured - is creating financial uncertainty, bordering on crisis, for Oregon. We need to go back to the drawing board and come up with a retirement system that is fair, sustainable, and affordable. This is a test of leadership for both the Legislature and me. It is also a test of leadership for those who speak on behalf of public employees. We are duty-bound to get this job done.

Both before and after the election, I spent a lot of time traveling around the state. I've talked to thousands of Republicans and Independents, as well as Democrats. Let me tell you what is not on peoples' minds: Politics. They don't care about who's up and who's down. They don't care about who gets the credit and who gets the blame. What they care about is their children's education, the safety of their communities, and whether--when they wake up tomorrow--they'll still have their job.

And what do they want from us - their Governor and Legislators? They want to know that we put them first. They want to know that we can rise above parochial interests and make the economic future of rural Oregon as important as urban Oregon. They want to know that we understand their daily struggles to educate their children and afford basic health care. And they want to know that we recognize their commitment to their communities - and their willingness to volunteer to make their communities better places for them and their families. That's why on each of your desks, you will find a copy of the Oregon Owners Manual - from the Oregon Community Foundation and SOLV - which is filled with great ideas for people who want to volunteer.

Looking forward, I have one worry: I worry that many Oregonians fear that this state that we love so much for its natural beauty, and respect so much for its tradition of tolerance and social justice - will have less to offer our children than it has already offered us. I am going to spend the next four years proving that these fears are unfounded - because I believe at the core of my being that they are unfounded.

For me, optimism about Oregon and our future comes as naturally as breathing. I know from personal experience that the toughest challenges are no match for an unwavering belief in hard work, personal responsibility, and the power of family and community. I know from personal experience that one life can be turned around. That one community can be turned around. And that one state can be turned around. That's what we will do. We will turn Oregon around and earn lasting rewards for our economy - and our collective spirit.

The Bible says, "The last shall be first." In many ways we already are first. Oregon is the New World's Promised Land. The place Lewis and Clark journeyed to find - and Thomas Jefferson impatiently waited to hear about.

The journey continues - to remain first in quality of life, environmental stewardship, and protection of fundamental civil and human rights. And the journey continues to become first in economic growth, job creation, education, research, health care coverage, and high tech manufacturing.

We will get there. Not because I say so. But because if we stick together, listen to each other, and build our common future in this most uncommon place - we cannot fail to do so.

Whether we were born in Oregon or came from someplace else, we - like Lewis and Clark - have reached our destination.

Working as one - we will also reach our dreams.

Thank you very much.

Inaugural Address, January 8, 2007, "Opportunity is the Oregon Way"

Speaker Merkley, President Courtney, members of the 74th Legislative Assembly, my former colleagues on the Oregon Supreme Court, Governor Roberts, friends and fellow citizens: I'm honored to share this day with you.

Before I say more - I want to say thank you: First to the people of Oregon - and a special thank you to my wonderful wife Mary. To my children Ted, Kristin, and Justin, their mother Lynn, and the most important blessing I received in 2006 - my first grandchild, Peter.

I also want to remember my mother-in-law, Elizabeth Oberst, and my father-in-law, Paul Oberst, who as lawyers in the 1960s helped bring the walls of discrimination tumbling down. My parents-in-law were a great inspiration. Their lives were a roadmap for me - and countless others - for how to live a life of integrity and moral courage.

Today I am inspired again - by the thousands of Oregon soldiers, sailors, airmen and Marines serving our state and nation in Iraq and Afghanistan. Over Thanksgiving I visited these Oregon heroes in both countries. Many of our troops gave me the telephone numbers of loved ones and asked me to call over the Christmas holidays with Christmas greetings from them - which I was honored to do. I tell you - these brave young men and women are the best Oregon has to give.

They have sacrificed in ways we can hardly imagine. But their place in history is not hard to imagine. Shakespeare gave us the words: "This story shall the good man teach his son ... From this day to the ending of the world, we in it shall be remembered; we few, we happy few, we band of brothers." With that I ask for a moment of silence in remembrance of the 77 Oregonians, including 15 from the Oregon National Guard, who have made the ultimate sacrifice in Iraq and Afghanistan - and their courageous families.

In his second inaugural, President Lincoln noted that there was little new that he could say about the previous four years. His war-ravaged nation knew what it had been through. Our last four years have been difficult. But the people of Oregon know that. After all, it was their resilience; their hard work; and their deep faith that brought us back from the worst economic collapse since the Great Depression.

So I am not here to talk about what was. I'm here to talk with you about what will be. This is a great moment of opportunity for Oregon. Our economy is strong. Our confidence is renewed. Our belief in the future is redeemed. I have another belief - that every citizen shares my vision for turning this great moment of opportunity into Oregon's longest and strongest period of prosperity.

We have the opportunity to fully fund education - from pre-school through workforce training - while building a reserve fund that will shelter us from the storm of the next recession.

We have the opportunity to see that every Oregon child has access to quality health care.

We have the opportunity to protect our quality of life and preserve our reputation as a people who honor our natural environment.

We have the opportunity to make Oregon a leader in alternative and renewable energy.

We have the opportunity to protect all of our citizens from all forms of discrimination.

We have the opportunity to strengthen Oregon's cultural legacy.

And we have the opportunity to make sure that when a fellow Oregonian – faced with a global economy that moves jobs around the world like pieces on a chess board, and continually demands more education and greater skills – asks, “Does anyone care about me?” and “Who will give me a chance?” the answer comes back loud and clear from each and every one of us: We will!

The next four years is more than an opportunity to build on the gathering strength of Oregon's economy. It is an opportunity to remember why we love this place called Oregon – and wouldn't live anywhere else.

Oregon is the state that beckons us to search out and find where the sunrise begins and the river ends: Part nature, part spirit, part memory, part dream – and always asserting its independence and freedom to think different.

There is nothing wrong with setting limits. And there is everything right about making sustainability the fundamental test of our social, economic and environmental policies. But we must never set limits on the spirit and conscience of Oregon, which is to always do better, see farther, think smarter, and imagine greater.

Opportunity did not carry me across the finish line. But it did put me on the starting line. And that's all I ever wanted. My story is not so different from your story – and the story of millions of other Oregonians. We weren't asking for a guarantee of success – just an opportunity to find success. So in this gray and rainy season, I tell you that opportunity is the sunlight and water that will give every child in Oregon – from Ontario to Lincoln City – the chance to bloom.

Opportunity transforms equity and fairness from moral words into social and economic action – and closes the gap, as we must, between those who have found the American Dream and those whose faces are pressed up against the window of that Dream.

Opportunity lifts Oregonians – of every race and ethnic background – onto the economic ladder, allowing them to learn a skill, find a family wage job, purchase a home, pay for health insurance, and save for college. And opportunity is a message to every Oregonian worried about what tomorrow will bring.

These fellow citizens did everything that was expected of them: They worked hard. Paid their taxes. Supported their schools. Raised their children. And kept our economy on track. So to every Oregon family and Oregon worker who feels insecure about the future, I make this promise: We will not abandon you. We have not stopped needing you. We will help retrain you – and see that you have the skills you need to compete in a global marketplace.

Why should we pay so much attention to giving the gift of opportunity? Because opportunity is the Oregon way. We are not a place that tells our fellow citizens: You're on your own. We care about each other – and watch out for each other. Our neighborhoods and cultural traditions are sewn together into one quilt – not separated by walls and fences, or mountains and valleys. We do not move ahead by leaving others behind. We move ahead by tapping the skills, creativity and potential of each and every one of us. That makes

opportunity a two-way street. We invest in the individual – and that investment pays for itself many times over for all of Oregon.

I said that we have reached a defining moment of opportunity for Oregon. But to seize that opportunity we must stand united. Too often we are defined by our differences – usually measured by our support or opposition to this ballot measure or that social issue, or by where we live – or our way of life.

But defining ourselves by our differences can never move us forward. And opportunity is all about moving forward. I don't expect any of us to give up our core values. And as long as we are a state made up of diverse people, from diverse places, contributing to the economy in diverse ways – we're going to have lively debates.

But sure as I am standing here, there is only one way that we can take advantage of the opportunity that comes with a growing economy, we must work out our different points of view by working together! Before we are members of political parties – we are Oregonians. Before we are shop owners or shop stewards – we are Oregonians. Before we are electricians or engineers, preservationists or developers, producers or consumers – we are Oregonians.

And before we chose to call any one town or region home – we chose to call Oregon home. So let us commit ourselves to a new birth of unity. And with that unity – a new birth of shared responsibility.

Government has an important role to play in my vision of shared responsibility. For Oregonians who simply cannot care for themselves, the only morally acceptable choice is for government to lend a helping hand. And government bears a special responsibility to children.

Four years ago I said that when times are tough – children go to the head of the line. Well, times are much better now, but that changes nothing. Children still go to the head of the line. That is why I am asking this Legislative Assembly to make Head Start available to every eligible three and four year old.

We know how important it is to introduce children to reading at a very early age. But pre-school is only the beginning. The time has come to make a real investment in children – starting with adequate and stable funding for every level of education – including our community colleges and universities.

The same is true for health care. Every Oregon child – up to age 19 – needs, deserves, and must have health insurance. On this issue, the age-old questions still apply: If not now, when? And if not us, who?

Insuring all children is the beginning, not the end, of our health care challenge. When no Oregonian goes to bed fearing the cost of their next visit to the doctor or hospital – then we will have met our health care challenge. If this sounds too difficult, I remind you what President Kennedy said: We do not do things because they are easy – we do them because they are hard.

Government's shared responsibility includes being a partner with the private sector in combating global warming –and making sure we attain energy independence and sustainable economic development. Let me ask you a question: How much do you think the war in Iraq is projected to cost? One Nobel prize-winning economist put the figure at 2-trillion dollars. I ask you to think for a moment about what we would have accomplished for America with a 2-trillion dollar investment in education, health care, and an energy policy that puts this nation on a path to energy independence.

If you believe that the Iraq war was at least partially motivated by America's addiction to oil – I have good news for you: There is a solution within our grasp: Reduce our demand for fossil fuels. I want Oregon state government to be a leader in the new movement away from fossil fuels. That means cutting our own energy consumption, shifting state energy use to renewable sources – and creating opportunities for green companies to grow and prosper here.

We can – and will! – make Oregon the renewable energy capital of America.

A generation ago Oregon led the nation by preserving our coastlines and beaches, and by our stewardship of public land. Today we must lead on global warming – and the development of biofuels and other alternative energy sources. Past is prologue. On energy independence, where Oregon goes, America will learn to follow.

As for a sustainable economy – I'll say simply this: Put aside the legalisms and complexities for a moment and remember why we care about the environment in the first place. Protecting our open spaces, our forests, and our rivers and wetlands defines us as Oregonians. It is who we are!

Sustainability is another opportunity – an opportunity to stay true to ourselves, and to pass to future generations the same environmental treasure that our forebears – both native and pioneer – passed to us.

As we start this New Year, we must also ask: What is the business community's shared responsibility to make the most of this moment of opportunity for Oregon? I have traveled across this state calling for Oregon business leaders to be the strongest advocates for raising the corporate minimum tax and placing the corporate kicker in a reserve fund.

Not because it's the right thing to do – although it is. Not even because it's the fair thing to do – although it is that too. But because it is the smart thing to do. No one has more riding on my commitment to fiscal stability and creating the best trained, best skilled, best educated workforce in the world than Oregon's business community. The public wants this change. The business community needs this change. And the time has come for the Legislature to make this change.

Let me close by talking about the shared responsibility of citizens. Last month, Oregon experienced the trauma of two heartbreaking rescues that literally captured the world's attention. But it wasn't just the search that people were watching – it was the searchers. Heroic Oregonians – some in uniform some not – put their own lives at risk to save strangers. Thousands more offered their prayers and support for the families.

Our people know that we are each other's keeper, and that we have a shared responsibility to look out for our neighbors, to teach tolerance, to be good stewards of the environment, and to do – in President Lincoln's words – “right as God gives us to see the right.”

As Oregonians, we have taken – and passed – this great test of our character and humanity many times before. But with every new challenge to our moral courage, and every old injustice not stricken from our laws or banished from our hearts – the test comes our way again.

The test we face today is: Can we “see the right” in a time of prosperity? Or will we be too blinded by the light of our good fortune to notice the many among us who are just one opportunity away from their own good fortune? I said that opportunity is the Oregon way.

But will we only admire opportunity from a distance – and remember it from our past? Or will we use the power of opportunity this year to raise hopes, change lives, and build a more perfect future?

This is our moment to decide. This is our children's moment to flourish. And by extending the hand of generosity, equality and opportunity to all – this is the State of Oregon's moment to be reborn as America's State of Grace.

Thank you. God bless you. And God bless Oregon.