

**Governor George E. Pataki
The State of New York State 2006**

Chief Judge Kaye, honorable members of the Court of Appeals, Lieutenant Governor Donohue, Attorney General Spitzer, Comptroller Hevesi, Majority Leader Bruno, Speaker Silver, Leader Tedisco, Leader Paterson, distinguished members of the Senate and Assembly, and special guests...

Thank you for another opportunity to report to you on the state of our great State of New York, to impart to you my vision for New York and to outline what I see as our shared priorities for the upcoming year.

As always, and especially this year, I would like to begin by thanking my family for the steadfast support and sacrifice that have made my tenure as Governor possible.

Libby, thank you for always being there for me, for your love, reassurance, and understanding, and for being the best wife and mom a family could hope for.

And speaking of moms – my mother, who last month celebrated her 90th birthday, is here for the twelfth straight year.

Mom, whatever I have achieved to this point in my life and whatever I may achieve in the future, is due to the values you and Dad instilled within me through both your words and your deeds.

Thank you for giving me reason to always be proud of where I come from, for teaching me to meet life's challenges head on and to appreciate and savor all of life's blessings with grace and humility.

And to Emily, Alison, Ted and Owen – thank you kids, for making me the proudest father in the world and for providing me with a daily reminder of why I do what I do.

And I would be remiss if I didn't say one more thank you – to a man we all admire and respect: a trusted friend, a man who loves the people of this state like they were his own family – thank you Governor Carey for your support, your friendship and for once again dignifying this great chamber with your presence.

And in addition to thanks, there are congratulations in order.

First, to the great Mayor of New York, Mayor Mike Bloomberg.

Mayor, congratulations on a truly great win and thanks for the tremendous job you continue to do for the City of New York and its people.

And lastly, although he is certainly no stranger to this chamber, I'd like to formally welcome and wish all the best to the new leader of the Assembly Republican Conference, my good friend Jim Tedisco.

Each January for the past 11 years I have had the honor of addressing this joint session of the New York State Legislature in this great chamber.

Stepping to this podium, contemplating the splendor of the People's Chamber, and gazing upon all 212 members of New York's Legislative Branch, is an experience I wish all of you could know firsthand.

The array of faces reflects the source of New York's distinctive greatness – men and women from every corner of our geographically diverse state; Americans whose families came from every corner of the globe; individuals whose respective ethnic traditions, cultures and religions combine to form the most vibrant, glorious people in the world.

In marveling at the entirety of this esteemed body, I am reminded of what makes our work here so important.

I am reminded of our great responsibility to the people of New York; and of the thousands of respected legislators and scores of governors before us whose historic contributions within these hallowed halls bettered lives all across this great state.

Standing here, preparing to address this joint session for the twelfth and final time, I am reminded in the most compelling way, of the principles that led me to choose a career in public service, the

principles that continue to guide me to this very day.

I was fifteen years old when I heard President John F. Kennedy's Inaugural Address, and like so many Americans of my generation, I was inspired by the energy, optimism, and patriotism of his message.

When JFK urged us to consider what we as Americans could contribute to our nation, rather than what we could expect from it, that resonated with me, as I am sure it did with many of you.

We all bring something unique to this chamber – the products of our own individual backgrounds and experience: our own outlook, our own value system, our own inspirations that led us here.

My governing philosophy has been shaped by many forces – my proudly American working class family, my small-town Hudson Valley upbringing, the tumultuous period during which I went to school, my appreciation of history and my experience in government have all played a role in shaping the principles that continue to guide my actions as your governor.

I believe in active but limited government -- a government that is engaged and effective, but never intrusive or over-reaching: a government that works vigorously and diligently to identify problems and then creates opportunities for people to solve them; a government that staunchly protects its citizens' freedom to work, live and raise their families yet never dictates how they should do so.

I believe that government's fundamental purpose should be to empower the people we serve – to enact the policies that create opportunity and unleash the enormous creativity, industry and entrepreneurial spirit that characterize New Yorkers.

I believe a government has no greater responsibility than the safety and security of its citizens and that people must be held accountable for their actions.

I believe that we have a moral responsibility to help those who truly need our help, and also to leave our next generation a natural environment that is cleaner and better protected than we found it.

I believe that government should not simply hand people a living, but it must ensure that they have every opportunity to earn one for

themselves.

I believe in a government that works tirelessly to preserve and uphold the freedom of its citizens and takes great care in ensuring it never impinges upon it.

These are the precepts that have guided me for the past 11 years – they are the essence of the policies and initiatives I have advocated and advanced throughout my tenure as New York’s Chief Executive.

Over these years, together with you and so many other great public servants, we have been able to make a difference, to transform our state in a variety of ways, to change New Yorkers' lives for the better.

Each of us has fond memories of departed colleagues who helped make this state a better place.

Last year, we lost a dear friend, an extraordinary public servant whose vision, leadership and dedication continue to echo through the halls of this great Capitol.

Senator Ron Stafford didn’t just win people’s votes, he won their hearts.

Through Ron I gained a profound appreciation of the North Country, its beauty, its promise and the promise of its hard working people.

To Ron, the people of the North Country weren’t constituents, they were family, friends and neighbors.

The personal, humble, human way Ron Stafford served the people of his district, the wisdom and leadership with which he served all the people of New York, stand as an example to us all – he will be sorely missed.

Kay, we wish you and your family all the best and pledge to continue Ron’s great legacy of service to this great state.

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We also mark the passing of our friends and colleagues Pat McGee and Audrey Hochberg, who, like Ron, each made a lasting positive

impact on the Empire State -- their contributions were an indispensable part of the record of achievement we've realized together.

And whether you were elected in 1956 like Senator John Marchi, or just last year like Assemblyman Joe Giglio [JEE-leo], every person in this chamber has been part of that record of achievement, and on behalf of the people of New York, I would like to personally thank each and every one of you for your commitment, your hard work and your partnership.

And speaking of Senator Marchi, this year he will celebrate the 50th anniversary of his election to the New York State Senate – Senator, congratulations on that truly remarkable milestone and thank you for all you continue to do for the citizens of Staten Island and the State of New York.

When I took office back in 1995, New York was at a low point.

But what I saw was the limitless potential that the future held -- I saw a New York that was cleaner, safer, and more prosperous than ever before.

I saw our next generation of New Yorkers enjoying a wealth of wondrous natural treasures -- preserved, protected, and enhanced for future generations to cherish.

I saw New Yorkers walking safer streets and raising their children in safer neighborhoods all across the State of New York.

I saw New Yorkers empowered with economic freedom, jobs returning, businesses flourishing, and more and more New Yorkers moving from dependency to opportunity.

And together, we went to work to achieve that vision.

We recognized and embraced a new mandate and began to raise both the quality of life New Yorkers enjoy, and their expectations of what State Government is capable of achieving.

And together, we have achieved much for our state and its people.

Together, we've re-tooled our criminal justice system from top to bottom and turned New York from one of the nation's most dangerous states into the safest large state in America.

Together, we've led the nation in cutting taxes, and put the money back into the pockets of working families, because after all, they know how to spend it best.

Together, we've slashed job-killing regulations and strengthened our businesses' freedom to compete nationally and globally.

Together, we've raised educational standards, made record investments in our children's schools and enacted the STAR program to help provide school property tax relief to homeowners across New York State.

Together, we've sown the seeds for tomorrow's economic prosperity by establishing Centers of Excellence to spur the innovations and investments that will make New York a powerhouse in the emerging global high-tech economy.

Together, we've transformed the welfare system and in turn empowered more than one million New Yorkers to break out of the tragic cycle of dependency.

Together we've provided quality comprehensive healthcare to nearly one million more New Yorkers, granted prescription drug coverage to more seniors than ever before and increased the number of children covered by Child Health Plus fivefold.

Together, we've secured an inheritance of nearly one million acres of protected open space for the next generation of New Yorkers and a Hudson River that is far cleaner and more vital than when we found it.

And yes, together, with unshakable resolve, we've led New York and New Yorkers through and past one of human history's greatest atrocities, and helped both emerge stronger, and more vibrant than ever.

You and I, working together, helped make those dreams real for

millions of people who call New York home.

The totality of our achievements over the past 11 years, the new course for New York that we charted back in 1995, has made New York a stronger, safer, cleaner, more prosperous state than it's been in generations.

So today, January 4th, 2006, I am pleased to report to you the state of our State is strong and getting stronger every day.

Yes, we've accomplished much together, but we all know that where the well-being, prosperity and freedom of New Yorkers are concerned, no amount of progress is ever enough.

Together, we have overcome some of the most daunting challenges imaginable -- we've dared to persevere, to transcend, to thrive in the face of adversity.

But every triumph is a gateway to another trial -- there are plenty of challenges that still lie ahead.

And together, if we continue to aim high, to keep our sights fixed on all the future can hold, we can achieve even greater things for the people of New York.

What makes our actions noteworthy this year has nothing to do with one particular person, it has everything to do with the 19 million people relying on us to chart the course toward a bright, prosperous future for this generation and the next.

And the only way to chart an effective course is to have a clear understanding of where we want to go.

Every strategy begins with a specific goal -- every worthy pursuit is born of a dream.

The great American architect and native New Yorker Daniel H. Burnham once said:

“Make no little plans; they have no magic to stir [people's] blood and probably themselves will not be realized.

Make big plans; aim high in hope and work, remembering that a noble, logical diagram once recorded will never die, but long after we are gone will be a living thing, asserting itself with ever-growing insistency.

Remember that our [children] and [grandchildren] are going to do things that would stagger us...”

Let’s aim high, let’s have the courage and foresight to envision the ideal that should shape our actions here in Albany.

Let’s consider our highest hopes and ambitions for this great state and her people.

Let’s envision the New York State the next generation will inherit from us – let’s consider the limitless potential the future holds for the great State of New York.

Let’s envision and work toward a New York that is nothing less than the cleanest, safest, most prosperous state in America.

Our mandate, our obligation and responsibility as the elected representatives of our fellow New Yorkers, is the relentless pursuit of that dream.

My work, our work, on behalf of the citizens of this great state is far from done – indeed, so long as opportunities exist to better the lives of New Yorkers, our work is never done.

And as we proved so well last year, when we work together there is virtually nothing we cannot achieve.

We enacted the first on-time budget in over two decades and scores of important new initiatives including landmark government reforms, Medicaid reform, Vasean’s Law, tax incentives for businesses in Lower Manhattan, and we expanded Operation Impact and Empire Zones, to name just a few.

We could have simply rested on those accomplishments.

Instead, we came together just three weeks ago to enact two crucial

new laws – one that will keep illegal guns off our streets and one that will provide greater protections to the brave men and women sworn to protect the citizens of our state.

Congratulations to you all.

Now, let's build on that momentum.

I've said it many times, and it bears repeating -- government has no greater responsibility than the safety and security of its citizens.

And there is no case where this rings truer than when we are talking about our most vulnerable citizens – our children, our future, our most precious gifts.

There isn't a single person among us who would disagree with the notion that the intentional harm of a child is among the most monstrous and repugnant acts a human being can commit.

When that harm involves the sexual predation, exploitation and abuse of children, that is unconscionable – the physical and emotional damage inflicted by such crimes robs children of their innocence, and often their physical and emotional well-being.

As a parent, as a father, I ask you: when we know of a way to protect our children and families from known perpetrators of such crimes, how can we in good conscience fail to act on it?

Sexual predators are rarely cured – the rate of recidivism among these individuals is among the highest of any category of criminals.

When those who stalk and rape a child can be out on the streets in two or three years, when 5,000 sexually violent predators are currently awaiting release from our state prisons, it is clear that our work is not finished.

I have endeavored to do everything possible within my scope of authority as governor to keep dangerous predators away from our children and families.

Our goal must be nothing less than to provide our children and

families with every possible protection from sexually violent predators.

This year I will again send to you a bill aimed at preventing the release of sexually violent predators into our neighborhoods.

Please, for the sake of our children, pass it now!

In addition, I will send you legislation that creates longer sentences for those convicted of these crimes, ends the statute of limitations for rape and other sexual assaults, makes our Megan's Law statute even stronger and requires every criminal who commits a crime to give a DNA sample.

On behalf of families all across New York State, let's waste no time in our efforts to keep violent predators off our streets and away from our children – let's take up and pass these important measures as quickly as possible.

Yes, it is clear that we must continue to do all we can to protect our citizens from the threat of crime, but this is only part of our solemn obligation to protect the people of this state.

As we New Yorkers understand better than anyone, in today's world, the threat of terror is all too real, and over the last five years, no state has done more to ensure the security of its citizens than New York.

And while we in government continue to do all we can to protect ourselves from terror, the success of our efforts depends ultimately on the brave men and women in uniform who stand in harms way to protect and defend their fellow citizens.

We owe our utmost gratitude, respect and admiration to all of our courageous soldiers, sailors, airmen and Marines - the men and women who serve so bravely and well in the global war on terror.

As the Governor and a citizen of this great state, I could not be prouder of the outstanding job our National Guard soldiers and airmen have done defending freedom overseas and ensuring our security here at home.

Thousands of soldiers from the National Guard's 42nd Infantry Division, the renowned Rainbow Division headquartered across the river in Troy, recently returned from a historic deployment to Iraq.

Just as their forbears have for over two centuries, these heroic citizen soldiers left their families and careers behind to heed their nation's call to duty.

They served in some of the most volatile areas in Iraq as they endeavored daily to seek out and destroy the terrorist insurgency, so that democracy could take root and thrive in that embattled nation.

Some of these recently returned heroes have joined us today, together with their fellow combat veterans from the 108th Infantry, the 53rd Troop Command and Manhattan's famous Fighting 69th.

Brave soldiers, as your Governor and as the proud father of a Marine Corps Second Lieutenant; on behalf of the people of New York and everyone in this chamber, I would like to extend to you our profound thanks and infinite gratitude.

But we owe these brave returning soldiers more than our gratitude.

We owe them, and all New Yorkers, nothing less than the opportunity to succeed, to provide for their families, to live, thrive and achieve their own American dream right here in the state they call home.

That is what I've endeavored to do for the last eleven years, and that is exactly what I intend to keep doing for the next twelve months.

Let me be clear on that -- I swore an oath to serve New Yorkers until my very last day in office and I intend to fulfill that oath in its entirety.

The 2006 Legislative Session represents another indispensable opportunity to build on the great foundation of progress we've engineered together – an opportunity we must seize in earnest.

Let's get to work.

Today we find ourselves at the dawn of an emerging global economy – one characterized more and more by international competition, one in which companies on six continents are able to compete with our own on an increasingly level playing field.

In today's rapidly changing world, it is clear that we need to continue to hone New York's competitive edge and leverage the great ingenuity, industry and spirit of our people.

This year, I propose to you an agenda with straightforward, achievable objectives that will empower New York State to excel in the emerging global economy.

Objectives based on the same principles and priorities behind some of our greatest successes – cutting taxes, improving our children's education, creating jobs, and protecting our natural environment.

It is an agenda aimed squarely at some of the most significant challenges we face in 2006:

It continues to cut taxes on working families and their employers to provide New Yorkers with greater opportunity and financial freedom;

It accelerates our commitment to educational excellence to better prepare our students for global competition;

It invests in and helps build the intellectual capital and research infrastructure we need to succeed in the high-tech economy of tomorrow; and

It takes decisive action to cut New Yorkers' fuel bills and protect our environment by reducing our dependency on foreign oil.

First, let's strengthen families and create jobs by lowering the burden taxes place on New Yorkers.

We've proven time and again how tax cuts create the financial

freedom that yields even greater opportunities for New York's citizens.

We've led the nation in cutting taxes – 81 cuts to 19 different state taxes that have pumped more than \$140 billion back into New York's economy and led to the creation of over 600,000 new jobs.

Tax cuts work. And when we cut taxes, New Yorkers work.

If our goal is to position New York State to thrive in the face of evolving global competition, our fight to cut taxes must continue.

This year, I will send to you a pro-family tax cut program – a series of measures that will reduce the tax burden on working families, stimulate the economy and foster the competitiveness that will attract even more investment and jobs to New York.

Let's completely eliminate the marriage penalty to encourage rather than penalize marriage in New York State.

Let's provide a \$500 heating fuel tax credit to thousands of seniors across New York to give them the ability to meet soaring home heating costs.

Let's help family farms and small businesses, and allow our seniors to spend their golden years in New York with their families and friends by eliminating the estate tax.

Let's cut the income tax rate that most New York families pay, and grant even greater financial freedom to families all across New York State; and

Let's cut taxes on businesses once again and give New York's employers even greater freedom to grow and create jobs.

But we all know that income and business taxes are only part of the problem – property taxes represent the fastest growing segment of the tax burden New Yorkers face.

That's why we created the STAR program that has cut New Yorkers' school property tax bills by almost \$18 billion since 1998.

That's why last year, we took square aim at property taxes once again, by capping counties' Medicaid costs so that those costs would not be passed on to county property taxpayers.

Now, it is time to take the next step.

My pro-family tax cut strategy includes two new enhancements to STAR.

Seniors must not be forced from their homes because of escalating school property taxes -- let's provide them with an increased STAR benefit, and give them the economic freedom to continue living in the homes they have built, paid for and earned.

And second, let's help families across the state, from Long Island to Grand Island, by putting a direct school property tax rebate check in their pockets.

If we are to compete and excel, if our families are to thrive in the global economy of tomorrow, we must not allow high taxes to place us at a competitive disadvantage.

Let's continue to cut taxes at the state and local level and bring even greater economic freedom to New York's hardworking taxpayers and their families.

Cutting the tax burden will surely strengthen our competitiveness on a national level.

But in tomorrow's economy, our stiffest competition for jobs, investment and opportunity will not come from places like South Carolina or Indiana; it will come from places like South Korea and India.

This summer I embarked on a trade mission to China to explore opportunities for partnership and investment and to see first hand the dynamics behind the world's fastest growing economy.

China has recognized that tomorrow's economic power will be driven by innovation.

Accordingly, they are making huge advancements in education -- particularly in the areas that will be most in demand in tomorrow's economy -- math and science.

In his best seller "The World is Flat," Thomas Friedman illustrated this point by noting that in 2004, 6 million Chinese students competed for a spot in the worldwide Intel Science and Engineering Fair.

Here in the United States, just 65,000 students competed.

Six million aspiring scientists versus 65,000.

Today, opportunity follows the brain power, and companies will travel to the end of the earth to find it, invest in it and harness it. As Friedman said, "it's not follow the money, it's follow the brains."

It is clearly time to re-align our educational priorities to meet the ever-changing demands of the 21st century.

Yes, we've made great strides in education over the past eleven years – record investments in our schools, tougher standards and testing, innovative initiatives like Charter Schools, Teachers of Tomorrow, and school report cards, but it is not enough.

Let's set a goal today – let's not only renew our commitment to improving educational opportunities for all students in New York State, let's make New York the nation's leader in preparing our students for careers in math, science and engineering.

This year, I will send to you a comprehensive package of education reforms and enhancements to provide new opportunities for our students and empower parents to ensure their children are able to realize their full potential.

Let's start out by renewing our commitment to providing additional

funding to high- needs schools – in New York City and across the state.

Next, let's give parents of students in under-achieving schools the power to maximize their children's potential. Let's give parents the chance to give their kids the tutoring, after school programs and other educational opportunities they need to succeed.

Our Charter Schools have been a great success – competition works.

Now, let's build on that success by dramatically expanding charter schools throughout the entire state.

Let's give middle school students an academic boost – let's provide them with new math and science summer programs at our community colleges all across the Empire State.

Let's create more math and science high schools like the Tech Valley Science High School in the Capital Region– schools focused specifically on teaching the skills our students will need to succeed in the high-tech economy of tomorrow.

And finally, let's invest in our future by providing free SUNY or CUNY tuition to students who pursue math and science degrees and commit to teaching right here in New York State.

Together, let's make a New York education an invaluable competitive advantage for our next generation.

Let's empower our children to be the eminent achievers, innovators and creators of tomorrow.

Today is clearly the dawn of a new economic paradigm – where brains rather than brawn, research rather than resources, will be the determining factors in the increasingly global competition for growth, investment and jobs.

Over the last two centuries, the economic strength and stability of a

state or a nation was determined largely by its ability to out-produce the competition.

And with our abundant natural resources, outstanding workforce, and through historic innovations like the Erie Canal, New York has led the way in commerce and industry since the earliest days of our nation.

Over the next decade, our ability to compete in the emerging global marketplace will depend more and more on our ability to innovate -- to break new ground -- to develop, apply and produce the technologies of tomorrow.

Working with our vastly improved SUNY and CUNY schools, we'll create a new Empire Innovation program that will attract even more top flight researchers and the federal grant dollars they bring with them, to public colleges and universities throughout New York.

And let's go even farther. Our Centers of Excellence are the envy of states from coast to coast – I'd like to thank you for your strong partnership in establishing and supporting them.

Our Centers in Rochester, Albany, Buffalo, Syracuse, and Long Island have already attracted over \$8.5 billion in new investment, and are propelling New York toward a future as a global leader in university-based research, high-tech business creation, and job development.

Last year the federal government and the nation's semi-conductor industry announced a collaborative initiative that will result in two new state-of-the-art research facilities to drive the computer chip breakthroughs of the future – one of these facilities will be located in California's Silicon Valley.

Yesterday, we announced that the other facility, a brand new \$435 million semiconductor research and development center, is coming to Albany Nanotech -- right here in New York's Tech Valley.

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This newest addition to New York's high-tech boom is just the latest example of how our Centers of Excellence continue to act as magnets and catalysts for investment and opportunity.

Now, it is time to take the next steps – to propel New York and New Yorkers to the forefront of the worldwide race toward high-tech supremacy.

This year I will propose even greater capital investments in our Centers of Excellence, but that is only the beginning.

The Empire Zones we have launched together have led to new investment, opportunity and jobs all across this great state.

Last year, we authorized the creation of 12 new Empire Zones over the next four years. Yesterday, we announced the location of three of those new zones – Lower Manhattan, Nassau County and Livingston County.

This year I will send you legislation that accelerates that process and ensures that every county without an Empire Zone gets one by the end of the year.

The Empire Zones program and our Centers of Excellence have given rise to important new opportunities all across our state -- Why not combine the proven power of these two great initiatives?

This year, I will propose new Tech Zones that will be affiliated with our Centers of Excellence, and provide Empire Zone-like benefits that will ultimately turn research and ideas into jobs and opportunity.

By combining our Centers of Excellence and new Tech Zones with our new math and science high schools, we'll create five hubs of high-tech education, innovation and manufacturing across the state.

At these central locations in Buffalo, Rochester, Syracuse, Albany, and Long Island, we'll train tomorrow's high-tech innovators, facilitate research to spawn tomorrow's greatest technological advances, and create jobs in modern production facilities where those advancements will come to life.

And in New York City, home to some of the best research hospitals in

the world, let's expand our efforts to keep New York at the forefront of the current revolution in bio-med and bio-tech research.

Last year, we committed \$1 billion to technology improvements and upgrades for New York's hospitals to improve healthcare for every New Yorker across this great state.

This year, I will propose an unprecedented \$600 million bio-tech research challenge grant initiative -- a public/private matching funds partnership that will capitalize on the strength of great institutions like Sloan Kettering, Mt. Sinai Hospital, Cornell, NYU and Columbia University to fuel even more research, jobs and opportunity in the Empire State.

Let's have the foresight and vision to position the people of New York to soar to new heights of success and prosperity.

Let's act today to ensure that New York has what it takes to compete and thrive in the emerging age of technological innovation.

For more than a decade, we in New York have been aggressively pursuing the solutions to one of our generation's greatest challenges -- reducing our dependence on expensive, polluting, terror-promoting foreign oil.

We don't have to look far for evidence that the time to transition away from foreign oil is now -- it is right there on the gas pumps and in our home heating bills.

Not just here in New York, but across the nation, our reliance on foreign oil is hampering the financial freedom of our working families and their employers; it is hurting our economy, damaging our environment and enriching regimes that support, harbor and encourage the terrorists who threaten our national security.

Since 1995, we've established New York as a national leader in environmental protection -- we've preserved nearly a million acres of open space, cleaned up rivers and revitalized waterfronts across the state.

We have made great strides to reduce pollution from power plants by implementing the toughest acid rain regulations in the nation.

Most recently we led the way as seven Northeast states put in place the first regional market-based program to reduce greenhouse gas emissions in American history.

Let's continue to build on that record of accomplishment by making New York State the leader in reducing dependence on imported energy.

The entire world is now grappling with the question "where will we get the energy to power the global economy of the 21st century without causing irreparable damage to our natural environment?"

Let's make New York the place where that defining question is answered.

Let's make New York the worldwide center for clean, renewable energy research, product development and job creation.

Let's attract companies from around the world that are developing the clean, renewable energy sources of the future – let's make the entire state a tax free zone for this growing industry.

We cannot address the issue of oil dependency without talking about transportation.

Because of the investments we have made in mass transit, we already have the most efficient transportation system in America, but we can do more - much more.

Our transportation system is still over 90 percent dependent on petroleum products. The huge price increases we have seen at the pump are likely to get worse as developing countries like China and India consume an increasing amount of oil.

Later this session, I will propose a plan to jumpstart a new era of statewide availability and use of renewable fuels – ensuring that more of our energy dollars stay right here in New York.

It begins with an initiative to make renewable fuels available at service stations all across the state, starting with the New York State Thruway.

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And then, it goes a step further, by making that renewable fuel tax-free throughout the entire State of New York.

This plan will also provide for the establishment of refineries that make ethanol out of agricultural products from our farms and wood products from our northern forests;

It will create shovel ready sites and help finance advanced clean coal power plants that will burn our most abundant fuel without the pollution of yesterday's dirty plants.

It will spur the development of efficient hybrid vehicles that can actually be plugged in at home or alternatively run on renewable bio-fuels.

This comprehensive strategy to reduce dependence on foreign oil, will allow us to seize the future today and create the clean energy technologies that can be exported around the world tomorrow.

The time to prepare for a future powered by clean energy sources is now -- not just here in New York, but across our entire nation.

We've shown time and again that when New York leads, others follow.

Let's act this year to make New York State the energy independence capital of America, and set the stage for a cleaner environment and an even stronger, more prosperous New York for the next generation.

The agenda I propose today is a clear-cut, forward-looking approach to meeting some of our greatest challenges.

Greater economic freedom for our families and competitiveness for our state by renewing our commitment to cutting taxes;

New educational opportunities to produce the innovators of tomorrow;

High-tech research and jobs that position New York as a leader in the emerging global economy; and

An energy independence plan that sets the standard for our country.

While there are other critical issues and initiatives that we must and will address this year, achieving this agenda would establish a solid foundation for a successful 2006.

I believe it is a worthy and worthwhile challenge.

And like we've done so many times before, let's rise to meet this challenge and fulfill our promise to the people of this great State -- right now, this year, in this chamber, for this generation, and for generations to come.

If there's one thing we New Yorkers have proven over the last decade, it is that we refuse to be defined by the challenges we face. Rather, we define ourselves by the courage and optimism with which we confront and overcome those challenges.

Four years ago, we were struck by one of history's most heinous and heartbreaking disasters and with it some of the most significant challenges we have ever faced as a people.

And like true New Yorkers, we dared to transcend the challenges before us -- we established and met an aggressive timetable and series of objectives for the revitalization and rebuilding of Lower Manhattan.

Today, Lower Manhattan is experiencing an unprecedented wave of investment and construction activity -- this year, \$10 billion worth of new construction involving over a dozen major projects is moving forward, 75 large companies and thousands of small firms have

committed to Lower Manhattan -- all within blocks of the World Trade Center site.

Lower Manhattan is and will remain the financial capital of the world.

World Trade Center 7 is ready to open its doors, PATH service is fully operational, and both the Calatrava-designed transportation hub and the new Fulton Transit Station are being built as we speak.

And this spring, the crowning achievements of this noble undertaking, the Freedom Tower and the World Trade Center Memorial, will begin to take form -- to remind, to inspire, to reflect the power, promise and pride of New York.

The Memorial will be an inspiring and worthy tribute to the heroes we lost on Sept. 11th, and a forum for future generations to learn about their sacrifice and courage on that terrible day.

The Freedom Tower will rise 1776 feet above Manhattan's bustling streets, invoking a pivotal moment, 230 years ago, when New Yorkers joined others who dared to dream, to embrace freedom and to transcend great challenges.

Even from under the thumb of a great global empire, they dreamt of a future of limitless hope, opportunity and freedom.

Their cause was just, but the odds were long.

By holding tightly to their dream, they won their freedom and gave rise to a nation.

But that was just the beginning.

Who among them would have thought that two centuries later, the nation they founded would span the seas and emerge as the world's freest, greatest, most prosperous nation?

Who would have thought that their fledgling nation would give rise to the greatest upsurge of freedom the world has ever known?

By relentlessly pursuing their dream the heroes of 1776 changed the very course of history.

They clearly made the most of their opportunity.

Let's do likewise.

Let's heed destiny's clarion call.

Let's promote freedom and opportunity at every turn.

Let's dare to dream of all our great state can be.

Let's pursue that dream relentlessly, in partnership and unity.

Let's fulfill New York's limitless promise.

Thank you for your partnership over the past 11 years.

Thank you for your continued partnership over the next twelve months.

God Bless you, the great State of New York, and all of its people.

Thank You.