MEMORANDUM

December 4, 2002

TO: Governor Musgrove

FROM: John Sewell

RE: Interview with Will Lester, Associated Press

CC: Phillip Kinney

Part of Will's interview will focus on your administration and what's being done. Message should focus on education (with particular focus on your budget) and jobs.

- Have set priorities for MS
- Determined to make a difference in education
 - o Teacher pay from 49th to 19th
 - o Computers in Classroom / NGA says MS first in nation
 - Difference between being wired and being connected
 - o MS one of six states for "Following the Leader"
 - o Leadership Summit / six priorities from early childhood to adult learning
 - o Test scores up / Princeton Review ranked MS testing sixth in U.S.
 - o More high school graduates going to college
- Keeping education a priority with budget that puts 62 percent toward Schools First
- Brain trust / \$200M commitment to keeping best and brightest in MS
 - o Build intellectual capacity / research capabilities
 - o Momentum for economic development
- We've invested hundreds of millions in buildings; time to invest in people
- Job creation more than 47,000 new jobs over past three years / over 1,800 facilities built or expanded / \$12.5B invested
 - o Over 21,000 jobs through expansion of existing industry
- Administration known for creating jobs, but education is personal passion

- Election Day 2002 was a good Democratic night for governors across the country.
- We picked up a net of 4. There are now 25 Democratic governors in the country. This continues our trend of picking up seats in every election since 1999.
- We picked up 10 Republican and one independent seat, taking 10 of 15 of the open Republican seats and taking one incumbent Republican seat (WI).
- Democratic Governors in the United States will represent 53% of the U.S. population in January and will govern 9 to 13 of the top 20 largest states.
- Democrats had big gubernatorial wins last night in Wisconsin, Michigan, Illinois, and Pennsylvania and won races in heavily republican territory in Kansas, Oklahoma and Wyoming.

Why It Happened

- Let me tell you why we did so well last night, because of:
 - o The strength and quality of our candidates, enhanced by 3 new women in chief executive roles (KS, MI, AZ);
 - o First Hispanic Governor since 1982 Bill Richardson of New Mexico.
 - o As a governor, what you do matters for the people in your state; and
 - o It matters for our families, for our kids, our grandparents, the economy, and our schools.
- Democratic Governors and candidates succeeded despite a popular incumbent Republican president sitting atop the largest political war chest in history, because our candidates were better and they much more closely represent the values and priorities of the majority of Americans.
- Let me remind you of where Democratic Governors stood just 4 years ago:
 - o 17 states/27% of the U.S. population.

What it Means

- Due to our strength in numbers and the quality of our Governors, Democratic Governors are a force to be reckoned with in both policy and politics.
- On policies, when President Bush pursues his Republican agenda, he needs to keep in mind Governor Tom Vilsack, Governor Elect Kathleen Sebelius. These men and women are tireless advocates for issues that matter and they will drive the critical debates ahead.
 - Our strength in promoting policies that makes a real difference in the lives of Americans.
 - In the economy creating jobs and promoting economic development, education, and healthcare, Democratic governors have and will continue to affect the national agenda.

- Democratic governors will make a difference:
 - Economic Discipline: Faced with the lowest revenue growth in half a century, Iowa Gov. Tom Vilsack made difficult decisions in spending without sacrificing the state's top priorities: education, child welfare and senior care. Education is the state's biggest winner--with a budget of \$60 million. And a pledge of no future budget cuts.
 - Education: Newly elected Governor Kathleen Sebelius has a sound education plan that would use a review of the state's education funding formula in determining how to give school districts permissible options to generate increased revenue.
 - Healthcare: Reigning in health care costs is a challenge faced by most governors.
 Maine is no exception as Governor-elect John Baldacci tackles the problem by first creating an office of health policy to implement and coordinate the state's health initiatives. His proposed state health plan will cover Maine's uninsured.
- On politics, Democratic Governors will also be a national force and will have a big impact in the 2004 presidential election:
 - o Campaign finance reform strengthens the Governors role at the state and national level.
 - o For a presidential challenger, governors provide a strong political and financial foundation on which to build a successful campaign.



