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state can...and must...do more to help create success stories on every main street in Nebraska. These towns and villages represent what is best about our state. They fully deserve our support and assistance. I have every confidence they will respond with enthusiasm and effectiveness. Both in the context of rural renaissance and economic development Nebraska must give serious consideration to upgrading our highway system. The Department of Roads has responded to the Legislature's request for a comprehensive assessment of the state's highway needs over the next two decades. In general, I found the results of the study to be reasonable and objective. They provide a sound basis for further discussion and conversation and consideration. And as with virtually every program of state government, the difficult decision will revolve around the issue of how highway improvements are to be financed. We must face the fact that Nebraska, more than most states, depends heavily on an effective and efficient highway system to sustain our economy and to continue our economic expansion. You are assured of my continuing cooperation as we develop solutions to our transportation problems. Since its days as a territory Nebraska's primary industry has been agriculture. It will remain so into the future. Our farmers and ranchers have faced many challenges during the past decade, the most recent, the unusually hot, dry summer of 1988. Fortunately, the drought did not severely affect the entire state. It did remind us, however, that we must always be diligent in conserving our natural resource base. In that light, it is my hope that an even stronger partnership can be forged between state government and the natural resource districts as we seek to preserve our soil and water for generations to come. New and expanded markets will continue to be the primary source of increased profits for agriculture. Therefore, I am requesting additional funding for our Department of Agriculture's Promotion and Development Division. Nebraska agriculture simply must be a major competitor in the world marketplace. I must report to you on activities surrounding one of the most vexing issues facing Nebraska state and local government, the continuing uncertainty surrounding local revenue due to the 4-R Act. My administration has been working diligently to find a remedy at the national level through the National Governor's Association and other organizations. Tax Commissioner John Boehm has testified before Congress and continues to work with national organizations of state and local officials to bring about a solution. Still, a solution to this problem is not imminent. My administration will continue to seek the cooperation of other states in working