



SUMMARIES OF GOVERNORS' 2017 STATE OF THE STATE ADDRESSES

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Overview

State of the State speeches this year have been influenced by both the current fiscal and political landscape. Governors are contending with not only slow revenue growth and constrained spending, but also federal uncertainty in a number of areas including the possible repeal and replacement of the Affordable Care Act, the consideration of federal tax reform, and discussion regarding various infrastructure proposals. Although many states are facing tight fiscal conditions, governors highlighted a number of new proposals designed to help states grow and address current challenges.

Many governors began their speeches by discussing improvements in the state since the end of the Great Recession, including lower unemployment rates, job growth, strong credit ratings, increased investments in priority areas, restructurings and efficiency efforts, structurally balanced budgets, and higher rainy day fund levels. They then turned to challenges the state continues to face and how best to address them. Much of the focus centered on efforts to grow the economy and meet future demands. A number of governors spoke of the need to modernize their state's tax structure to adapt to a 21st century economy, while also discussing reducing regulations to help businesses grow. Governors also called for increased workforce development and job training, through partnering with both the private sector and educational institutions. Additionally, governors spoke of the need to increase investments in education and to help all students succeed, no matter where their school is located. Some specific proposals included added funds for early learning and full-day kindergarten, increased pay to attract and retain teachers, helping students obtain job skills while still in school, reforming education funding formulas, and increasing school choice. In the area of higher education, many governors called for tuition growth limits, increased

degree and certificate attainment, and efforts to help relieve student debt. Notably, several governors also discussed varying plans to make tuition free for residents at two-year or four-year public colleges and universities. Governors once again discussed the link between infrastructure and economic development, with several calling for raising the gas tax, increased borrowing, or other new funding mechanisms. Many also called for increased investments in broadband to help foster growth in impoverished and rural areas.

Several areas received more attention in this year's State of the State addresses compared to previous years. A growing number of governors discussed the toll that drug addiction, specifically related to opioids, is having on their state, and called for increased law enforcement, added substance abuse treatments, and efforts to help addicts obtain a job. Another area of focus was the need to reform the foster care system and child protection services, with several calling for added workers to reduce caseloads. Other areas of emphasis included new initiatives regarding mental health, the need to help veterans, and various personnel related proposals including increasing pay for law enforcement and possible reforms to pensions. Finally, governors discussed the impact of possible changes at the federal level. Many spoke of improvements in their state due to Medicaid expansion, while others were hopeful for increased healthcare flexibility. Several governors spoke of the potential to work with the federal government on priority areas such as permitting the taxation of online sales and addressing infrastructure demands.

Below are state-by-state summaries of State of the State addresses with links to the speeches. Additionally, [click here](#) to access governors' proposed budgets for fiscal 2018.

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[Alabama's](#) governor spoke about progress in the state over the past six years, while noting that the state needs to stay the course and finish the race no matter the obstacles. The governor touted economic progress including lower unemployment and business moving to the state, while also highlighting an infrastructure program that was created five years ago and has led to the creation of 700 projects. Looking forward, the governor said Alabama will continue to implement the Great State 2019 Plan, focused on education and training while connecting and constructing basic opportunities for all citizens; launched in 2016, the plan is specifically focused on rural counties. Some specific proposals discussed by the governor include the possible elimination of the sales tax on food, an expansion of technology in schools, further growth in the pre-K program and early learning initiatives, increasing funding for loan-repayment programs for healthcare providers in poorer counties, and increased efforts to combat opioid abuse. The governor also discussed needed corrections reforms including the construction of new facilities, a reduction in the prison population, and broader rehabilitation programs.

[Alaska's](#) governor focused on the need to pass a plan this legislative session to fix the state's fiscal crisis. The governor noted that state revenues are down more than 80 percent from four years ago, mostly due to declining oil prices. Even though the budget has been cut 44 percent, the state still faces a \$3 billion budget gap. The governor's fiscal plan includes spending cuts, the use of Permanent Fund earnings, and a broad-based tax to balance the state's budget. Regarding spending cuts, the governor said that while the budget is at its lowest level since 2007, he is proposing additional reductions as well as freezing salaries. On taxation, the governor stated that he continues to support a modest income tax and other revenue bills. Additionally, the governor outlined his plans for addressing education reform and combatting the state's opioid epidemic during his speech.

[Arizona's](#) governor focused his speech on the theme of "boundless opportunity," with a primary emphasis on the need to make increased investments in education. The governor said that when the state has available resources, the bulk of the dollars will go to public education. Specifically, the governor called for teacher pay raises and bonuses, expanded all-day kindergarten, making changes to teacher certification, and increasing students' access to broadband. The governor also discussed changes to the criminal justice system including involving the faith and non-profit communities in efforts to reduce recidivism, expanding access to Vivitrol (a medication used to fight drug addiction), and adding employment centers to prisons. Another area of potential reform is TANF, with the governor calling for longer assistance for those actively seeking work. Finally, the governor called for reducing red tape, and asked the business community to help identify unneeded regulations.

[Arkansas'](#) governor spoke about four primary goals during his address. First, the governor called for improving the performance and efficiency of state government by eliminating unnecessary boards and realigning state agencies. Second, he called for improving the way the state funds higher education by basing funding on the educational progress of the student. Third, the governor called for reforming the tax code, including a \$50 million tax cut for low-income workers and tax relief for military retirees. Fourth, the governor called for improving opportunities for the next generation, including paying the tuition and fees for anyone pursuing a high-need skill at a two-year college or technical school. During his speech, the governor also called for increasing funding for foster children, reducing the waiting list for people with disabilities, and a continued look at the state's criminal justice system.

[California's](#) governor decided not to lay out a specific agenda for the year ahead, instead focusing on some of the challenges the country is currently facing. The governor first spoke about immigrants being an integral part of California's society. Second, the governor spoke about the benefits from the Affordable Care Act and the expansion of Medicaid. Third, he discussed the need to continue to take steps to encourage renewable energy and combat climate change. Last, the governor talked about the need to invest more in infrastructure, and the hope that this could be an area where common ground can be found with the federal government. The governor also highlighted recent improvements in the state including reducing the unemployment rate, increasing investment in education, reducing prison overcrowding, passing a water bond, building up a rainy day fund, and closing a \$27 billion deficit.

[Colorado's](#) governor's remarks primarily focused on the areas of infrastructure, economic development, health care, and the marijuana industry. The governor said that the state needs a comprehensive focus on infrastructure that supports transportation, broadband, education, healthcare, and the environment. The governor also announced the creation of a broadband office to help expand coverage. Regarding economic development, the governor said the state needs to expand pathways to technical training and skills certificates in addition to four-year degrees; additionally, he stressed the importance of rural incentives. In the area of healthcare, the governor stated that he would fight to ensure that any federal changes protect the people who are covered now. In discussing, marijuana, he said that tax revenue from marijuana sales should be used to help people that fall through the cracks, and more needs to be done to address the illegal market. Finally, the governor highlighted the Governor's Dashboard, designed to help make the state more accountable to the public.

[Connecticut's](#) governor called for greater economic predictability in his address, while focusing on three main areas: leaner state government, pension and employee cost savings, and a fairer system for town aid. The governor said that with Connecticut facing a projected \$1.5 billion deficit for the upcoming fiscal year the state must work to find continued cost savings and efficiencies. He also asked for the legislature to support a recent agreement reached with state employees and the retirement commission to make pension payments more affordable and predictable. Additionally, the governor said he will continue to work to bring employee costs more in line with the current economic reality. Finally, the governor said that he will propose in his budget a more equitable system for providing town aid that is based on the local property tax burden, student need, and current enrollment.

[Delaware's](#) governor, in an address to a Joint Session of the General Assembly, discussed his plans to grow the economy, address the addiction crisis, coordinate services for families in need, improve security at correctional centers, make government more efficient, and a long-term plan to address a \$385 million budget shortfall. The governor said that a budget reset is needed to make the state more competitive and set it on stronger financial footing. For the current budget proposal, the governor has recommended shared sacrifice through a 50-50 mix of spending cuts and new revenues. The governor said that to move beyond the fiscal crisis the state needs to grow its economy; specifically he called for private sector involvement in economic development, redeveloping existing facilities and brownfields, protecting waterways to help the agricultural sector, and new resources to help entrepreneurs and small businesses access capital. Additionally, the governor spoke about the important role education plays in strengthening the economy and said that he wants to include new funding for Education Opportunity Grants, while also planning to later release a plan to reform the Department of Education. Additionally

in his address, the governor spoke about additional prevention and treatment options to address the drug crisis, and called for expanded use of the state's prescription database. Finally, the governor discussed new antidiscrimination and diversity proposals for state government, and said that later this year he will implement reforms to the corrections system.

[Florida's](#) governor began by discussing some of the tragedies and challenges the state has faced over the past year, but said Florida is a state full of fighters. He then noted some of the economic progress in the state since he was elected, including 1.26 million private sector jobs created. The governor said that for the state to continue to grow it must cut taxes further and called for \$618 million in additional tax cuts for small businesses, students, veterans, teachers, and families. One specific proposal called for cutting the commercial lease tax, noting that Florida is now the only state to tax commercial leases. The governor also discussed proposals to support the military and veterans including \$102 million in funding, a three day sales tax holiday, and additional dollars for the Building Homes for Heroes program. Another area of emphasis was the need to continue to invest in economic development and tourism programs, and said that the Visit Florida and Enterprise Florida programs should be maintained after making improvements. Finally, the governor said that he wants to increase investments in K-12, the environment, public safety, infrastructure, and programs serving individuals with disabilities.

[Georgia's](#) governor's theme of his address was "accentuate the positive, eliminate the negative." Along those lines, the governor highlighted recent successes in the state including low unemployment, an increased rainy day fund, and maintaining an AAA bond rating. The governor also discussed a recent 20 percent pay increase for state-level law enforcement, and called for a 19 percent pay increase for Department of Family and Children Services caseworkers. In the area of healthcare, the governor called for reauthorizing the authority to collect a hospital provider fee to help pay for the state Medicaid program. In addition, the governor spoke in favor of increased coverage for individuals with autism, and removing barriers to mental health services for veterans. He also called for more to be done in fighting drug abuse, including strengthening the prescription drug monitoring program and ensuring that naloxone remain available over-the-counter. Finally, the governor said that he will continue to work with the legislature to strengthen the education system, with a primary focus on chronically failing elementary schools.

[Hawaii's](#) governor focused on four primary goals: transforming schools, reshaping the economy, addressing homelessness and building more affordable homes, and making government more efficient. The governor noted that all goals are inextricably linked to each other. Regarding education, the governor said that he wants to change the top-down bureaucracy of the state's Department of Education to a school-centered one, while also expanding the Early College Program that allows high school students to earn college credits. In the area of reshaping the economy, the governor proposed additional funds for HI Growth, intended to foster entrepreneurship. The governor also spoke about the need to increase the number of rental units in the state to help address homelessness and to increase funding for public housing improvements. Finally, he highlighted efforts to make state government more efficient, effective and accountable, including building up financial reserves and making lump sum contributions at the beginning of the year to the pension and health benefit system. The governor noted that recent downward revenue projections will require him to submit budget adjustments to ensure the state lives within its means.

[Idaho's](#) governor began his address by highlighting the strong condition of the state, including that revenues are exceeding expectations and economic growth is outpacing the overall growth of government. The governor also discussed how taxes have already been reduced by \$1 billion during his tenure, and that moving forward the state must continue to meet its commitment to provide essential state government functions. Much of his address was focused on educational investments, with the governor calling for increased teacher pay, leadership training for school administrators, greater investments in classroom technology, funding for an adult completer scholarship, and a continued emphasis on K-through-Career programs including supporting in-demand career fields. The governor also discussed the state's relationship with the federal government. The governor said that the state should continue to make innovations in providing healthcare and should not solely wait on the federal government to act. He also called for allowing states to be equal partners in decisions that affect the land, water, wildlife, and other resources within its borders. Finally, the governor talked about renewing the principles of federalism.

[Illinois'](#) governor said that despite challenges, progress has been made in key goals that he discussed when he came into office two years ago: making Illinois the most ethical and efficient state, investing in education so that Illinois has the best schools and vocational training in every neighborhood, and making the state economically more competitive. However, the governor noted that there is much more to be done. He discussed that a task force will soon release a report on K-12 funding, that coordinated efforts are needed to reduce crime in Chicago, and that improving transportation will lead to growing jobs across the state. Additionally, the governor discussed the current fiscal situation noting that Illinois hasn't had a full year budget in a year and a half, the state has \$11 billion in unpaid bills, and a \$130 billion unfunded pension liability. To improve the state's outlook, the governor said that everyone needs to come together in bipartisan fashion, negotiate and compromise. The governor expressed hope that consensus could be reached on pro-jobs changes that would reduce red tape, keep budgets balanced in the future, make changes to the workers' compensation system, and provide property tax relief.

[Indiana's](#) governor discussed "elevating Indiana to the next level in its third century." To that end, the governor outlined his five priorities for 2017: cultivate a strong and diverse economy, fund a long-term roads and bridges plan, develop a 21st century skilled and ready workforce, attack the drug epidemic, and provide great government service at a great value to taxpayers. Specifically, the governor discussed making available \$1 billion dollars over ten years to help foster innovation and entrepreneurship. Regarding transportation, the governor said that existing sources of revenue are not keeping up and that he is open to considering new options. In the area of education and workforce development, the governor proposed increased funding for pre-K and job grants. To tackle the growth in drug addiction, he said that it must be addressed through a combination of prevention, treatment, and enforcement. Finally the governor talked about giving a pay raise to state police and exempting military pensions from the state income tax. In order to achieve these goals, the governor said the state will have to continue to show fiscal discipline including maintaining its rainy day fund and passing another balanced budget, noting that he supports a constitutional balanced budget amendment.

[Iowa's](#) governor spoke about both the state's current budget situation and initiatives for the upcoming session during his address. The governor began by saying that adjustments for the current budget are required by law due to slow revenue growth and that the adjustments will not include across the board cuts, reduce funding for supplemental state aid for K-12, or reduce property tax credits. In discussing his budget proposal for fiscal 2018, the governor said that it prioritizes education, health care, economic development and public safety. He also noted that modernized Medicaid will result in \$232 million in savings. The governor's initiatives for the upcoming session include a commitment to smaller and smarter government, a focus on jobs of today and tomorrow, obtaining a 21st century education for all students, and making Iowa's roads safer. Some of his specific proposals include replacing the current collective bargaining system and moving to a comprehensive statewide healthcare contract for public employees, modernizing water quality infrastructure, ensuring access to high-quality computer science programs for all students, and passing legislation that reduces the amount of distracted and impaired drivers.

[Kansas'](#) governor said that the state of the state is strong in spite of struggles in key sectors of the state's economy and the current imbalance between state revenues and expenditures. For the current budget, the governor asked that the legislature quickly approve a budget adjustment bill. For fiscal 2018, the governor said that his budget proposal will be structurally balanced and will adequately support the core functions of state government, while finding necessary efficiencies. The governor said that the budget will include modest, targeted revenue measures to fund essential state services. The governor also discussed the need to address the shortage of medical and dental personnel, and to make further reforms in foster care. The governor spent much of his address discussing both K-12 and higher education. He said that the state must craft a new school finance system that puts students first and innovates. The governor said that more needs to be done to attract teachers, and announced the creation of a new scholarship program for college students willing to serve in a hard to fill discipline or underserved community. Finally, the governor said that he is challenging colleges and universities to provide the opportunity to earn a bachelor's degree for \$15,000 or less.

[Kentucky's](#) governor covered a number of areas in his address, while also highlighting successes over the past year and during the first week of the legislative session. One area that the governor emphasized was the need to more fully address the underfunding of the state's pension system, which he called a crisis. The governor called for a special session to address the pension system and tax reform simultaneously. He stated that while he wants to cut the state's estate tax and inventory tax, changes to the state's tax code cannot be revenue neutral. The governor also called for improvements in the foster care system, and said he will appoint a czar to oversee the system. In the area of education, the governor said that the state will soon have charter schools, while also saying that some university funding will be based on performance measures. Additionally, he discussed efforts to help Kentucky advance in the areas of manufacturing and engineering. Regarding healthcare, the governor said that he wants to preserve Medicaid for the people that truly need it, and is hopeful that the federal government will approve its plan to reshape the Medicaid program. The governor also touched on a number of other areas including criminal justice reform, regulatory reform, and thanked public employees and veterans for their work.

[Louisiana's](#) governor spoke of the natural and man-made disaster the state has faced over the past year, as well as the fiscal challenges, but said that no challenge is too great for the state to overcome. He noted that success will only be achieved by putting people first and working together. The governor also discussed improvements in the state over the past year including 417,000 individuals receiving coverage through the Medicaid expansion, 735 foster children finding permanent homes, \$21 billion in capital investments, protecting K-12, minimizing cuts to higher education and hospitals, and budget reforms. Looking forward, the governor said that the state faces a \$1.3 billion fiscal cliff on July 1, 2018 and that the time is now to make long-term reforms and address structural deficits. He called for a path that broadens the tax base, reduces tax rates, reduces and eliminates wasteful credits and exemptions, and achieves stability, predictability, and fairness. He added that he is willing to strategically make further budget cuts as long as critical priorities are adequately funded. In addition to tackling the long-term structural imbalance in the state, the governor spoke about the need to address neglected infrastructure, make criminal justice reforms, support equal pay and raise the minimum wage.

[Maine's](#) governor focused on the future of the state and concerns related to various proposals during his address. He asked that the legislature join with him in protecting the economy, families, small businesses, and the elderly. The governor reiterated his opposition to recent ballot initiatives that raise the minimum wage and increase taxes on the wealthy, saying that they will harm the overall economy and cause people to leave the state. The governor noted that his budget proposal calls for reducing income taxes, lowering corporate taxes, broadening the sales tax, and eliminating the death tax. He also spoke about the need to do more for people with disabilities and the elderly, and that they should be the focus of the state's healthcare programs. Another area the governor discussed is the opioid crisis, stating that funds need to be targeted at successful programs. In the area of education, the governor said that more money is not the solution, but instead greater accountability is needed. He also called for equal teacher pay no matter the school district, and zero interest loans for higher education students that remain in Maine. Finally, the governor said that a sensible energy policy is needed that provides the most affordable energy while doing the least harm to the environment.

[Maryland's](#) governor said that tremendous progress has been made over the past two years on setting a new course for economic growth, security, and prosperity due to bipartisan efforts. However, the governor added that more must be done. The governor said that every child deserves a great education no matter what neighborhood they live in, and called for increased investments in K-12 as well as passing the Public Charter School Act. The governor also spoke about the need to pass a number of other measures including the Student Debt Relief Act which allows residents to deduct interest paid on student loans from their state income tax return, the Maryland Jobs Initiative which provides incentives for the creation of jobs in areas that need them most, and the Hometown Heroes Act to eliminate income taxes on the pensions of retired military, fire and police. Additionally, the governor spoke about the need to pass common sense pension reforms to make the system sustainable, and to increase efforts to tackle the opioid crisis. Finally, the governor called for the passage of various reform efforts including the Public Integrity Act, the Liquor Board Reform Act, and the Redistricting Reform Act.

[Massachusetts'](#) governor talked about how through working together in a bipartisan fashion the commonwealth has made progress in the areas of job creation, fiscal discipline, education, child welfare, public health, transportation, public safety, environmental and energy policy, and community building. Specifically, the governor highlighted increased funding for K-12, efforts to make public college more affordable, the reduction of red tape, expansion of high-speed internet in rural areas, and closing a billion dollar budget gap without raising taxes. The governor said that more work still needs to be done to help the Department of Children and Families recruit more foster homes and do a better job working with foster families, make additional improvements to public transit, and continue to fight the opioid epidemic through increased addiction services and more funding to expand law enforcement's efforts to arrest drug traffickers. Other areas that the governor discussed included an increased focus on cybersecurity, additional funding for localities, proposed improvements to a mental health hospital, forming a Council on Older Adults, and the creation of a tax credit for businesses that hire veterans.

[Michigan's](#) governor began his address by highlighting recent successes in the state including job gains, growth in personal income, increased home values, gains in agriculture, strong performance in manufacturing, and an improved budget situation including enacting structurally balanced budgets and growing the rainy day fund. Moving forward, the governor identified four priority areas to help the state continue to grow economically and attract new talent. First, the governor mentioned the growing field of mobility, and discussed how recent legislation will allow for the expansion of autonomous vehicles and testing. Second, the governor said that the state needs to continue to invest in education including improving early reading, as well as increased investments in community colleges and apprenticeship programs. Third, he highlighted infrastructure calling for the implementation of an integrated asset management pilot program and further improvements in water quality. Finally, the governor talked about efforts to grow local communities through additional private investment, expanding broadband service, and working with localities to help them overcome barriers to success.

[Minnesota's](#) governor began by talking about economic growth and improvements in the state's budget outlook over the past six years. The governor noted that the state has moved from deficits to surpluses, and that a credit rating agency recently increased its bond rating to AAA. However, the governor warned that tax cuts could harm economic growth and the state needs to continue to make public investments. One area the governor discussed in depth was education, stating that a top priority has been restoring state funding for K-12, and that his next budget will include a two percent increase in per-pupil aid. Additionally, the governor called for further investments in child care and pre-K, as well additional support for colleges and universities, including for capital projects. Regarding infrastructure, the governor said the time is now to address urgent transportation deficiencies, and called for additional dedicated revenue for highways, roads, bridges, and public transit. Finally, the governor discussed healthcare highlighting increased coverage due to the Affordable Care Act. The governor acknowledged that many people in the state have seen sharp increases in premiums in 2017, and asked for the legislature to approve a premium relief bill. The governor said that increased competition could improve health care in the state, and proposed a "public option" which would allow Minnesotans to purchase MinnesotaCare health insurance coverage.

[Mississippi's](#) governor highlighted a number of areas where the state has made advancements recently including job growth, improvements in reading and test scores, and increased investments in foster care allowing the system to serve more children. The governor then discussed a series of fiscal issues and called on the legislature to continue only spending 98 percent of available revenue, and said that even with recent budget cuts the budget is still 13 percent larger than 2012. In his budget recommendation for fiscal 2018, the governor said that he will call for additional funds to be transferred to the rainy day fund, and the creation of a separate savings account for payments from the BP settlement. Additionally, the governor said that he is open to the idea of a state lottery to generate increased revenue. The governor also called for modernizing the school funding formula to prioritize spending in the classroom. Finally, the governor said that increased efficiency is needed in the state and that he will seek the elimination of a number of state boards.

[Missouri's](#) governor highlighted a number of reform proposals during his address. First, the governor spoke about banning gifts from lobbyists and shutting the revolving door between lobbyists and state employees, and called for the legislature to do the same as well as enacting term limits. Secondly, the governor spoke about various efforts to improve job growth including making it a right to work state, enacting lawsuit reforms, and reducing the number of regulations in the state. In the area of state employment, the governor called for civil service reforms that increase pay for star performers while reducing the size of government. The governor also spoke about the need to make the tax structure simpler and fairer, and called for a review of all tax credits in the state. Another area the governor highlighted was welfare reform, saying that he wants to replace the current system with one that builds self-reliance. Regarding criminal justice, the governor discussed several initiatives to support law enforcement while also discussing efforts to reduce recidivism in the state. Finally, the governor called for educational reforms including increased teacher pay and education savings accounts for children with special needs.

[Montana's](#) governor spoke about sustaining values that have stood the test of time in the state: fiscal responsibility, education, infrastructure, job creation, and caring for others. The governor noted that the state economy is currently strong but that fiscal discipline must continue. He asked that the legislature balance the budget, leave money in the bank, and ensure fairness in the budget including not cutting workers from the Child and Family Services Division. Next the governor highlighted the various infrastructure demands in the state and called for the passage of a bipartisan infrastructure proposal that funds the state's share of highway projects. In the area of education, the governor proposed increasing K-12 funding by \$30 million, as well as an additional \$1.5 million for special education; the governor also called for Montana to join 45 other states that publicly fund early childhood education. Regarding job creation, the governor proposed giving businesses a tax credit for each apprentice they hire, increasing the local tax abatement for new business equipment, and encouraged passing the Paycheck Transparency Act. Finally, the governor said that the state should continue to fund all mental health services that it currently delivers, asked for additional funds and reforms for Child Protection Services Workers, discussed the need for new initiatives to reduce youth suicide, and called for increased funding to help seniors remain in their homes.

[Nebraska's](#) governor discussed recent accomplishments, this year's budget adjustments, plans for the upcoming biennium, and his proposal for tax relief. The governor highlighted recent improvements in various state agencies, but said more can be done to find increased efficiencies and reduce regulations. The governor noted that the state has faced reduced tax receipts recently due to a decline in farm income. Accordingly, in order to bring the fiscal 2017 budget into balance, the governor proposed various spending reductions without any tax increases. The governor said that his budget recommendation for the upcoming biennium is based on four principles: addressing the revenue gap without raising taxes, ensuring that the budget is balanced, reducing government expenditures, and maintaining approximately \$500 million in cash reserves to address future uncertainty. While calling for an overall reduction in government expenditures, the governor said that certain areas should be prioritized such as K-12, which includes a proposed 2.7 percent annual increase, and the Department of Corrections, where additional funds are needed to help complete recent reform efforts. Finally, the governor called for structural property tax reform by changing the way agriculture land is valued, as well as a reduction in the top income tax bracket starting in 2020 as long as revenue growth exceeds 3.5 percent.

[Nevada's](#) governor said that the state of the state has dramatically improved over the past six years, and called on the legislature to work together in a bipartisan fashion to make wise decisions needed to secure a more prosperous Nevada for generations to come. The governor said that his biennium budget proposal calls for a 10 percent increase in spending over two years, has no new revenue other than an excise tax, and returns \$200 million to the rainy day fund. In addition, the governor highlighted that the state will have repaid a loan from the federal government for unemployment benefits, and proposed a four percent pay increase for state workers. The governor said that it is important that all Nevadans have access to high quality employment and that it can be achieved through investing in higher education, closing the attainment gap, expanding dual enrollment, and growing career opportunities. The governor said that his budget proposal increases funding for K-12 through continuing to invest in a weighted student funding formula, and also includes \$60 million to fund Nevada Education Savings Accounts. Other initiatives discussed by the governor include the Juvenile Justice System Reform Act, funding for a new veterans home, the Controlled Substance Abuse Prevention Act, additional funding to expand home and community based care for the elderly, dedicating marijuana revenue to education, and the need to continue to invest in infrastructure projects.

[New Hampshire's](#) governor discussed his priorities for the next two years during his budget address. He said that his three major goals are: to create a fiscal and regulatory environment that promises greater job growth, job retention, workforce development, and economic opportunity for all; enhance and strengthen opportunities and services for children and families; and improve the safety and well-being of all citizenry. The governor proposed that once the Rainy Day Fund is at \$100 million to direct additional surplus dollars to a newly created Infrastructure Revitalization Fund. Other proposals the governor discussed include directing additional funds to ensure clean drinking water, a targeted full-day kindergarten program, fully funding the K-12 adequacy formula, increased dollars for charter schools, additional investments in community college infrastructure, and new scholarship programs. Additionally, the governor said that reforms are needed within the Division of Children Youth and Families, and that the wait list for the developmentally disabled needs to be reduced. Finally, the

governor discussed the opioid crisis and called for a renewed emphasis on treatment and recovery programs, as well as hiring additional state troopers.

[New Jersey's](#) governor first highlighted improvements in the state over the past seven years including private sector job growth, a reduction in discretionary spending, increased pension payments, and cutting taxes. The remainder of the governor's speech focused on the crisis of drug addiction in the state. He discussed how the drug crisis is impacting a number of areas including the education system, health care, public safety, and economic growth. The governor then outlined his plan to fight drug abuse. The initiatives include: creating a one-stop website and hotline to access treatment, increased funding for behavioral health providers, allowing the Department of Children and Families to treat 18 and 19-year olds at their residential facilities, developing curriculum for school on opioids, funding for college housing for students in recovery, and making more sober living homes available. The governor also said that he will work with various groups to help improve job opportunities for former addicts, and that he wants to limit the amount of opioid pain medications that physicians can supply. Finally, he called on the federal government to allow Medicaid funds to be used at inpatient substance abuse treatment facilities with more than 16 beds.

[New Mexico's](#) governor said that although the state has had a number of recent successes, it continues to face challenges from the unpredictable oil and gas market and being heavily dependent on the federal government. She said that New Mexico must continue diversifying its economy and restraining the size of government. Additionally, the governor asked that the legislature come together in a bipartisan fashion to tackle the challenges the state faces, like they have in the past with tax reform, a jobs package, changes to the pension system, and education reform. Looking forward, the governor said she wants to modernize the tax code, eliminate loopholes, and make government smaller and more efficient. Other proposals discussed by the governor included bringing greater transparency and efficiency to the capital outlay process, a continued focus on improving and strengthening the Children, Youth, and Families Department, and new DWI laws. Finally, the governor talked about the need for continued education reform that raises expectations, invests in early learning, and prioritizes spending on successful programs.

[New York's](#) governor outlined 35 proposals for 2017 that are aimed at driving economic growth, strengthening the middle class, bolstering infrastructure, and creating a more sustainable environment. In the area of education, the governor proposed making college tuition free for middle class families at public two-year and four-year colleges. The governor also called for the creation of a \$35 million pilot program to create 22,000 new after-school slots in high-need areas, and for the establishment of a new middle class child care tax credit. Additionally, he spoke about a number of economic development projects and infrastructure initiatives such as a comprehensive effort to transform JFK International Airport, an expansion of the Buffalo Billion initiative, the launch of the Clean Water Infrastructure Act of 2017, and constructing an offshore wind project. Regarding the opioid crisis, the governor highlighted plans to eliminate insurance barriers, expand access to treatment, curb overprescribing, and getting opioids off the streets. Other proposals discussed by the governor include the creation of a new Cyber Incident Response Team, constructing new electric vehicle charging stations, modernizing the state's voting system, a "Buy American" plan, a series of efforts to limit prescription drug price increases, and good government reforms.

[North Carolina's](#) governor said that the state of the state is promising due to its colleges, farms, factories, Research Triangle Park, banking headquarters, and the hardworking people of the state; however, the governor emphasized that House Bill 2 needs to be repealed. He then spoke about the two-year budget he recently introduced and that it reflects the values of the state, contains no tax increases, increases the size of the rainy day fund, and commits to a future of growth. The governor said that the state shares a number of the same priorities including job recruitment, raising teacher pay, fighting the opioid crisis, boosting infrastructure, and recovering from natural disasters. He highlighted a number of education proposals such as increasing the number of pre-K slots, reinstating the Child Care and Dependent Tax Credit, increasing teacher salaries an average of 10 percent over two years, and new scholarships for students that commit to become teachers. Next the governor spoke about several economic development proposals including workforce technical training, film incentives, providing help for small businesses, and expanding broadband access. Other areas of emphasis in his speech included improving healthcare access, a multipronged approach to address the opioid and substance abuse crisis, and increased efforts to repair damage from last year's storms. Finally, the governor said he is hopeful of finding common ground with the legislature on the issues that are important to the people of the state.

[North Dakota's](#) governor said that the state's revenue challenge brought on by the decline in oil prices presents an opportunity to reinvent state government and embrace technology to hold down costs and build an economy and workforce for the 21st century. The governor said that his goal is to balance the budget and fund priorities without raising taxes, and called for zero-based budgeting, an examination of the state's revenue forecasting system, and for long-term property tax reform. Regarding the Dakota Access pipeline, the governor said that he will begin meeting with tribal leaders to more fully understand their issues and concerns, while also saying maintaining the rule of law is still the priority. The governor also called for transforming the education system to equip students with the skills and mindsets to succeed in the 21st century. Finally, the governor discussed the drug abuse crisis and said that addiction needs to be treated like a chronic disease and the state needs to have a greater focus on rehab.

[Ohio's](#) governor began by discussing improvements in the state over the past six years including job growth and the elimination of an \$8 billion deficit. He said that the state needs to remain on the right track through conservative budgeting, additional tax reform, more streamlining regulations, and further progress on connecting education and workforce training with job creators. The governor then discussed how Ohio needs to prepare itself for a changing world and said that he is creating a new Ohio Institute of Technology, as well as a task force to examine how Ohio's economy may change in the future. He also said that he is moving to help Ohio embrace new technologies like smart roads, autonomous vehicles, drone technologies, data analytics, sensor technology, improved cyber security, and greater usage of online education. The governor also spoke about healthcare improvements in the state through the Medicaid expansion and other initiatives, and called for a comprehensive approach to help low-income young people escape the cycle of poverty. Finally, the governor talked about the opioid and drug crisis and said that the state is setting strict new mandatory limits on the prescriptions of opiates, is calling for \$20 million in funding for research on drug abuse and addiction, and said that all levels of government, as well as the private sector, must partner together to fight drug addiction.

[Oklahoma's](#) governor focused on the urgent need to improve the state's budgeting process to ensure that legislators can adequately fund priority goals related to education, public safety, health and the state's infrastructure needs. The governor said that the state needs to modernize its tax laws to ensure new growth in years to come. Specifically, she called for expanding the sales tax base, eliminating the sales tax on groceries, getting rid of the corporate income tax, raising the cigarette tax, and ensuring that gasoline and diesel tax revenue is directed to roads and bridges. Additionally, the governor discussed a bond proposal aimed at the state's most pressing infrastructure needs. In the area of K-12, the governor called for lawmakers to approve a teacher pay raise, stated that administrative inefficiencies must be addressed, and said that she is creating a task force to review the state education funding formula. Finally, the governor said the state needs to invest in ways to be smarter on crime and tough on true criminals, and emphasized finding data-driven solutions to improve public safety.

[Oregon's](#) governor, in her inaugural address, highlighted accomplishments over the past two years including ethics reforms, increased investments in education, expanding the Oregon Opportunity Grants, passing paid sick leave, raising the minimum wage, and new clean energy requirements. She then said that more still needs to be done to ensure equality and opportunity for all Oregonians. The governor said that her budget proposal prioritizes the opportunity for a good job, good health, and good education. Regarding economic development, the governor highlighted proposals centered on investing in workforce development, roads and bridges, and innovative partnerships. Regarding healthcare, the governor said that while the state has a high rate of health insurance coverage, she is proposing additional funding to ensure that all children in the state have access to healthcare. Finally, regarding education, the governor spoke about the need to raise graduation rates. The governor also discussed the state's projected \$1.7 billion budget deficit that has been caused by increased healthcare costs, new ballot measures, and the unfunded PERS liability. To help address the gap, the governor is creating a panel to make recommendations on how state government can operate more efficiently, calling for changes to the state's tax structure, and asking for legally viable PERS reforms that keep promises to retirees.

[Pennsylvania's](#) governor's budget address outlined his plans for tackling the state's \$3 billion deficit which he said would be done without raising taxes on families, would protect schools, seniors, and resources used to battle the opioid epidemic, and would create new tools for manufacturing and small businesses. The governor is proposing \$2 billion in cuts and savings relying on reforming government, eliminating waste, and modernizing and improving state services; the governor emphasized that he would not slash important programs and also hopes to build up the state's rainy day fund over the next five years. Additionally, the governor is calling for the creation of a severance tax and closing corporate loopholes. The governor said that one of his top priorities continues to be increasing education funding and ensuring that students are college and career ready. Other proposals include a manufacturing training-to-career grant partnership and the creation of a new apprenticeship grant program, merging four separate health and human services related agencies, expanding treatment options for people battling opioid addiction, and additional funding for individuals with intellectual disabilities and autism.

[Rhode Island's](#) governor began her speech by saying that the state is getting stronger every day, noting improvements in the economy, business climate, workforce, infrastructure, schools, environment, and the state's commitment to veterans and military families. However, she said that the state still faces

challenges in areas such as the overdose crisis; to help addiction, the governor called for increased funding for recovery housing. The governor then listed a series of proposals that will be included in her budget including raising the minimum wage, a raise for homecare workers and people who care for those with developmental disabilities, paid sick leave, and car tax relief. Additionally, the governor discussed her plan for manufacturing which includes investing in manufacturing initiatives for high school students, helping smaller manufacturers invest in new equipment, and making it easier for manufacturers to train workers. Lastly, the governor outlined her higher education proposal which calls for two free years of college for every Rhode Island student at any of the state's public colleges or universities.

[South Carolina's](#) now former governor highlighted improvements in the state over the past six years. She noted that when she took office the state was still feeling the effects of the Great Recession and the state budget had massive holes due to revenues being down. Since then she said the state has gotten its fiscal house in order, with the state no longer running a deficit, enacting tax cuts, doubling reserves, and reducing debt service by half. The governor also said the state has seen job growth and other economic improvements partly through rejecting regionalism and embracing the idea of one South Carolina. Furthermore, while acknowledging that more still needs to be done regarding education, the governor said that the state has established a blueprint for successful education reform.

[South Dakota's](#) governor began his speech by noting that state revenues through December are coming in below projections, especially in the area of sales tax, partly due to the growth in online sales. However, the governor said that he was happy to announce that the state has reached an agreement with Amazon to collect state and local sales taxes. The governor then provided updates in a number of areas including infrastructure, education, workforce, criminal justice, and tribal affairs. In discussing infrastructure, the governor said that the state is examining repurposing or selling a number of state facilities in order to avoid spending tax dollars on the maintenance of unneeded facilities. The governor noted that the state has already started to see successes from last year's move to change the school funding formula and increase teacher pay. In the area of higher education, the governor said the state has been able to recruit more students to technical institutes, but continues to need more healthcare workers. The governor said that the state has made progress in the area of criminal justice but is facing a growing drug problem, and called for the creation of a joint drug task force as well as changes to the parole system and new efforts to encourage more drug treatment. Also, the governor said that he will support recommendations from a task force established to address issues in the criminal justice system related to mental health. Regarding tribal issues, he said that the state has recently reached a number of agreements with tribes on tax collection, gaming compacts, and improved management and conservation of shared natural resources. The governor also touched on several other areas including Medicaid, and said that he will advocate for an equitable federal allocation as well as increased flexibility.

[Tennessee's](#) governor said the state has never been better and touted recent successes such as increased household income, improvements in education, a triple-A credit rating, a strengthened rainy day fund, the lowest debt per capita of any state, and a budget surplus. The governor then explained how he hopes to spend the new recurring revenue including tax cuts, teacher raises, funding the higher education formula, non-discretionary health care increases, obligations to retirees, and increased funds for public safety. For the non-recurring revenue, the governor hopes to direct it to maintenance of buildings, partly

paying down a retiree healthcare liability, and increasing the rainy day fund. Next, the governor called for increasing the gas tax by 7 cents and the diesel tax by 12 cents noting that the gas tax is the one form of revenue that does not have inflation built into it, and the state is facing increased infrastructure demands. Along with increasing the gas tax, the governor proposed cuts to the franchise and excise tax of manufacturers, the grocery tax, and funding cuts to the Hall income tax. Another priority area highlighted by the governor was increasing broadband access. Finally, the governor discussed several education proposals including increased K-12 and higher education funding and to offer all adults access to community college free of tuition and fees.

[Texas'](#) governor said that even with the downturn in the oil patch the state is still seeing job growth, and has made recent improvements in areas like early education and higher education, as well as needed road funding. The governor then discussed a number of areas where he would like to see the legislature take action this session. He said the state needs a lasting solution to reform the Child Protective System and to hire more workers with increased accountability. The governor then discussed a continued need to provide funding for border security and to ban sanctuary cities. Regarding education, the governor said it is vital that the state provide funding for high-quality pre-K that sets high standards. Additionally, he said the time is now to construct an entirely new school funding system, while also saying that Texas should have school choice. In his address, the governor called for cuts to the business franchise tax, serious property tax reform, and a hiring freeze to help ensure the state lives within its budget. Finally, he said that the time is now for a Convention of the States to consider items like term limits, reigning in federal regulations, and a balanced budget amendment.

[Utah's](#) governor said that while the state has much to be proud of including its strong economy, there is still work to be done in areas such as addressing poverty, teen suicide, homelessness, and addiction. Regarding education, the governor said that business leaders, parents, and educators are close to agreeing on a 10-year plan for kindergarten through post-secondary that will help the state meet its educational goals. He also said that Talent Ready Utah will expand career opportunities by increasing the number of business and education partnerships. The governor discussed fiscal conditions saying that the state needs to keep its tax system balanced and competitive while making it fairer and more inclusive. Specifically, he called for an examination of a way to collect online sales taxes and for a review of every state tax break. Another area where the governor said more work still needs to be done is ensuring that economic opportunities are expanding statewide, while calling for 25,000 new jobs in rural counties over the next four years. The governor also highlighted the ongoing need to ensure clean air. Finally, he said that he is hopeful that the federal government will enact reforms to enable the state to gain greater control and management over education, transportation, healthcare, natural resources, and public lands.

[Vermont's](#) governor in his inaugural address said his vision is to make Vermont the best education system in the country, make economic growth the focus of each effort, and create opportunity for all Vermonters. The governor said he has asked his administration to examine every policy to determine if it strengthens the economy, helps Vermonters keep more of what they earn, and protects the most vulnerable. Additionally, he noted that his budget proposal does not increase taxes or fees, does not make program cuts that impacts Vermonters in need, matches base spending with base revenue to avoid future shortfalls, funds pension obligations at recommended levels, and sets aside reserve account to

respond to changes from the federal government. In the area of education, the governor called for realigning spending and priorities to unify the system for early care to higher education and trades training. The governor proposed increased funds for early education and higher education to support his vision. Additionally, he called for transferring spending for higher education, teacher retirement, and early care to the education fund. In other policy areas, the governor asked for further reforms to Vermont Health Connect, the closing of a correctional facility, expanding electronic monitoring, and increased efforts to tackle the opiate crisis. Furthermore, the governor highlighted several economic development proposals including creating the Agency of Economic Development, a \$35 million housing bond, increased trades training funding, and doubling the number of small business development counselors.

[Virginia's](#) governor said that the state has made progress in a number of areas including becoming less dependent on the federal government and having a more diversified economy. The governor said that Virginia now needs to seize the opportunity to build an economy that works for all Virginians, bring hope to communities ravaged by the opioid epidemic, expand virtual learning for public schools, improve conditions for military families and veterans, and to make government more transparent and accessible. Regarding treating people with mental illnesses or addictions, the governor proposed providing new funding for same day services for people experiencing a behavioral health crisis, expanding mental health screenings in jails, and added dollars directed to substance abuse disorder services. The governor also spoke about the need to continue reforming the criminal justice system. In the area of education, the governor talked about the need for increased technology in schools and highlighted new initiatives to help students pay off student loan debts. Additionally, the governor discussed a number of other proposals including allowing an expansion of Medicaid if the enhanced federal match is available after October 1, a pay increase for state workers if revenue conditions improve, new investments in infrastructure, universal background checks for firearm sales, and rolling back attacks on equality and constitutional rights.

[Washington's](#) governor in his second inaugural address said the state has overcome a number of challenges and has many attributes that make it exceptional including a growing economy, smart workers, innovative entrepreneurs, safe communities, and beautiful outdoor spaces. The governor said that as the legislature enters the new session, the most important issue is fully funding K-12, noting that it has been forty years since the first court order requiring the state to fund basic education in accordance with the state constitution. The governor noted that while the state has had some success in tackling issues like all-day kindergarten, smaller class sizes, and funding for transportation and supplies, it has still not solved the overall school funding issue. To help provide additional funds for education, the governor is proposing a capital gains tax, a new carbon tax, and is asking service providers to pay sales taxes more comparable to those paid by goods-based businesses. Along with some revenue increases, the governor is proposing that property taxes be reduced for most households and businesses. In addition to funding K-12, the governor said that other issues the state needs to face include transforming the mental health system, expanding access to early learning, restructuring social services, investing more in affordable housing, and maintaining lower tuition rates.

[West Virginia's](#) governor discussed the difficult position of the state, saying that he cannot imagine that there has been a time as dire and important as now. He said that the state can no longer live off the rainy day fund and low-hanging fruit in order to balance the budget. Instead, the governor said the state faces two options: either drastic spending cuts with far-reaching impacts or some form of revenue increases. The governor noted that he hates tax increases but believes that they are needed at this time. Specifically, he called for a gross receipts tax on businesses, raising the sales tax, eliminating certain sales tax exemptions, and increasing gasoline taxes. In addition to the revenue measures, the governor also proposed some spending cuts and said he would look at government consolidations and ways to cut waste. The governor said that the new revenue is needed if the state hopes to make improvements in education and begin to tackle the drug problem in the state. Additionally, the governor called for increased bonding authority to help address infrastructure demands.

[Wisconsin's](#) governor began his speech by touting a number of improvements in the state over the past six years including job growth, improvements in workforce development, a large rainy day fund, tax cuts, a low long-term debt level, increased infrastructure funding, more choices in education, and making college more affordable. The governor said that over the past year he has held listening sessions across the state as part of his long-term planning process called 2020 Vision, intended to guide the state over the next twenty years. He said that common themes from the listening sessions were student success, accountable government, and rewarding work. Regarding student success, the governor said that he will include a significant increase for public schools in his budget, and will also cut tuition for all undergraduates at public universities. In the area of making government more accountable, he said that he will continue to streamline government to make it more effective and efficient. The governor also discussed several employment related initiatives including increased efforts to help veterans and people with disabilities get into the workforce, and requiring adults on public assistance who are able to work and do not have children at home to be employed or enrolled in a job training program; additionally, individuals on public assistance would also be required to pass a drug test. Finally, the governor highlighted several other proposals including increasing broadband access to rural areas, and more funding for local government transportation aid as well as state highway rehabilitation.

[Wyoming's](#) governor said that the state remains strong even during these challenging times of lower revenue because the state has prepared well with conservative budgeting and savings. He said his priorities for the upcoming session include K-12 education funding, energy and water initiatives, the budget, and economic development. The governor noted that last year he asked state agencies to implement \$250 million in cuts to the fiscal 2017-2018 biennium budget. The governor is asking that these cuts become permanent, and is making only \$8.6 million in general fund supplemental requests for the remainder of the biennium. The governor also asked the legislature to authorize bonding to cover capital construction costs for the state penitentiary. Much of the governor's speech covered K-12 funding with the governor noting that there will be a shortfall in the School Foundation Account, which funds K-12 school operations, beginning in the next biennium. Additionally, the governor said that school facilities and maintenance funding must also be addressed, and called for the creation of a task force to examine possible school funding solutions. Finally, the governor said that he is hopeful that the new federal administration will lead to fewer federal regulations and pro-growth economic policies.