

2018 Michigan State of the State Transcript
Gov. Rick Snyder
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“Thank you, Thank you very much. Thank you. Thank you. Please be seated. Thank you. Thank you for that wonderful reception. Thank you for that warm reception. Lt. Governor Brian Calley, Speaker Tom Leonard, Senate Majority Leader Arlan Meekhof, House Minority Leader Sam Singh, Senate Minority Leader Jim Ananich, members of the Supreme Court, members of the Court of Appeals, Attorney General Bill Schuette, Secretary of State Ruth Johnson, our members of Congress here tonight. The Counsel General of Canada and the Counsel General of Japan, my cabinet, ladies and gentlemen of the legislature, fellow public servants, the citizens of Michigan and my family. Thank you for the opportunity to be with you tonight to talk about the State of the State. Before I begin the body of the State, let me talk about three special items to mention.

First, I would like to recognize First Lieutenant Cody Cass and Staff Sergeant Michael Beattie. They actually took military leave to march across the Upper Peninsula and recognize suicide awareness for military members. While they are unable to join us tonight, I want to thank both of them for their service, sacrifice, recognition of the struggles that too many of our military members face. Let’s give them a round of applause for walking across the entire U.P. Thank you. Now I would like to ask anyone that’s in the military, any law enforcement officer, any first responder, to stand. Now I would like to ask for a moment of silence for our military, our law enforcement and any first responders that we’ve lost in the last year and that we have lost in the history of our state. Thank you. (Moment of silence) Thank you.

Now I would like to give special recognition to a group that has been doing good work that has an exciting event coming up that I am looking forward to participating in. I would like to recognize the Michigan Legislative Black Caucus as they unveil the portrait of William Webb Ferguson, the first African American to serve in the Michigan House of Representatives. The unveiling will be here on February 23rd right here at the Capitol. Representative Ferguson served from 1893 to 1896 and his will be the first portrait of an African American to hang in the State Capitol; long overdue and well-deserved. Thank you very much for that opportunity. Thank you.

Now let’s start with a look back at what we have done over these years. The incredible comeback of Michigan. To begin with sometimes you are going to hear it from me, but it is good to hear it from a third party. So, let me start with the Wall Street Journal and two articles they wrote and to show the contrast in our state over the last decade. Now, on October 20, 2009 the Wall State Journal ran an article entitled ‘The State of Joblessness’ and if you refer to the second sentence: What does it say? Here’s some free budget-balancing advice: Steer clear of Michigan. ‘The Wolverine state is once again set to run out of money, and it is once again poised to raise taxes even as jobs and businesses disappear’, 2009. Now let’s talk about a Wall Street Journal article from September 25, 2017, entitled ‘The Michigan Comeback Story’. The first paragraph of that article reads: ‘As Washington begins to

debate tax reform in earnest, states can provide instructive policy lessons for better and sometimes worse—see the fiscal crack-ups in Connecticut and Illinois. Michigan, on the other hand, offers a case study in the pro-growth potential of business tax reform.’

Folks, we are back and we are only going to keep going up. Let me give you some measures of that success. I will walk through these fairly quickly, but I think it is important we recognize what we have done and why I say we, what we have all done, as Michiganders. First of all, private sector job creation. We have created over 540,000 private sector jobs, we rank number one in the Great Lakes States, number six in the nation and to put that number in perspective for you, that is more than the populations of Grand Rapids, Warren, Sterling Heights, Marquette, Traverse City and Muskegon combined; that’s how many jobs we created. We as government don’t create the jobs, we create the environment for success.

So, let me mention some of the industrial things happening in these major industries in our state. Manufacturing, we’re back there, we are number one in the nation in the creation of manufacturing jobs. Our auto industry is making a huge comeback. They reconsolidate in Michigan. To give you one statistic that should stick with you, 76 percent of all the research and development in the U.S. auto industry happens right here in Michigan. We dominate that field and we’re going to keep that leadership. Our agriculture and food industry, we have the second most diverse agriculture industry in the nation and we should be proud of that. It has grown to a \$100 billion industry, and to pick one illustration to show the kind of growth and potential is the Michigan Wine and Hard Cider Industry. I know some of you like that industry. To give you an idea in the terms of economic impact, the economic impact of that industry is now \$5.4 billion annually; up from \$300 million in 2005. Think about that growth and very importantly as part of Agritourism, we had over 1.7 million visitors to our wineries in the last year, so get out there and check out those grapes.

Tourism, transitioning right into that. We have been setting records over the last several years. It has been extremely exciting and we have events that are drawing national attention. Two I would highlight though, is the U.P. 200 Dog Sled Race in Marquette and the Ice Fest in Munising. These are awesome events. Sue and I both had the opportunity and pleasure and had a blast at these events last year. I encourage you to go up North and hit it the weekend of February 14-19 to hit these festivals. Check them out. Per capita income growth. This talks about the wealth of all of us in terms of how well we have done, in terms of more earnings and more opportunities to help our families. From 2010 through the first three quarters of 2017, Michigan’s per capita income grew 28 percent. To put that in context, that rates us number one for rate of growth in the Great Lakes States, again number six in the entire nation. To put it in perspective, that works out to over \$10,000 per Michigander in terms of the amount of increase in just seven years. We have more work to be done but we are heading back in a positive fashion on that front.

Now, something that is near and dear to my heart and many of your hearts: One of my top priorities was to reunite families that were separated because of a poor economy and poor decisions and had to leave the state of Michigan. Last time, last year for the first time since the turn of the Century, more people came into Michigan than left Michigan. Thank you.

We are actually the number one state in the Great Lakes for Net Inbound bachelor degrees. You used to hear about Chicago in Illinois and now it is Detroit, Michigan and we are staying on the gas. Let me share a story with you. This is a great story. This is about a fabulous young woman from California, Kristin Hope. She grew up in California. She went to college in San Francisco. She could have gone to Silicon Valley State in California and establish a career there, but she wanted to do something different with her life and that led her to Detroit a couple years ago. She has fallen in love with the city and as being part of its researches. She is in a new industry called FinTech, the financial technology downtown, and she has a five-year plan for herself she has applied for and she is encouraging her friends and her family back in California to come to Michigan. Kristin is here with us tonight. Kristin, will you please stand up and be recognized. Thank you, Kristin.

Now, onto education. I want to talk about some of the focus initiatives we have done that will truly make a long-term difference to the young people of our state. These don't happen overnight, but making a commitment to these programs, they will make a huge difference to our children's future. Let me begin with a program we started back in 2014 and 2015, the Great State Readiness Program for preschool. We made the largest state preschool in the entire nation. We've more than doubled the amount of openings we have for economically disadvantaged kids from 28,000 to 64,000. We are going to give these kids a brighter future. We later did the next step up the tier. We did some great legislation in 2016 on pre-three reading. It's not just about third grade reading it's about pre-three reading. You learn to read through third grade. To be a successful reader after that, you have to have that ability to read. We did legislation, we are putting resources behind it to do great work to help these kids make sure we have everyone in Michigan reading well by third grade.

Going to the other side of the spectrum, early middle college. In 2011, we had 12 early middle college programs in this state...12. In 2017, we have 136. We have tripled the number of college classes completed in high school from 23,000 in 2010 to over 85,000 in 2016. Why is this important? This gives our high schoolers exciting challenges to work on, to challenge them to give them new things to think about to give them a head start on college. Many of these young people have an opportunity to apply a whole year of college credit before they leave high school. Not only does that give a head start on college that saves a whole year of college costs. That's the best way we can help have affordable education for people, is give them an opportunity to learn in high school and not wait. Let them flourish.

A top priority I have had for years is career tech education. I've made it one of my missions to say, we need to end the discrimination towards people who have made a career in the skilled trades. These are good jobs, held by good people, who live in good communities throughout Michigan. Your work makes

the American economy work. We respect you and we applaud every professional and trained skilled trades person out there. We need to do more to support them and get more young people interested in having these great outstanding careers and we have taken steps to make that happen. Thank you, thank you.

In 2015, we made \$50 million in grants to our community colleges for capital equipment. I personally visited many of these colleges. These community colleges did fabulous work, they did partnerships with employers and new equipment, and they made a process so you could get trained on this equipment and walk right into a well-paying job. That's the way the system should work.

This last year we did the Career Pathways Alliance which is about a public-private partnership to bring education together with private industry to say we can do more. We now have over 120 Alliance members, including employers and educational institutions. I want to give a big shout out to the leadership of that Alliance and that's our State Superintendent Brian Whiston and our head director Roger Curtis. As part of this process, we've done some great legislation. We've done important policy changes including the creation of a career exploration course, teacher development and an opportunity for teachers to get in with private employers and get credit for those experiences. That's just the first stage, we have more coming. But that was with great legislative support and I want to give a shout out to several representatives. I want to thank Representatives Kahle, Allor, Rendon and Alexander. Stand up the four of you and let's give you a shout out for your good work.

Now one of my favorite programs, you've heard this before, is FIRST Robotics. This is an after-school program that takes place from elementary school through high school but in particular the high school programs FIRST Robotics we have over 500 high school teams. To give you a point of reference, we have more teams than California and New York combined. We are the leader in this field and you can see what this can do when I talk about this next story. I want to tell you the story about Jeremiah Nelson. Jeremiah's only a couple years old, he has the most serious form of spina bifida and he can't crawl or walk. But he had an early-on mentor that went out and found two robotics teams, two FIRST teams, the Petoskey Paladins and the Central Light Robotics. What did they do? They customized a car for Jeremiah so we can get around and interact with other kids. Now there's no manual to do this. This is unique work, they just said we're going to do this and they built him a cool robotics car. And it's changing lives, it's changing their lives for doing this kind of work to help Jeremiah. It's changing Jeremiah's life and it's showing all what we can do, what these young people can do, when we just provide the forum and the elements for their success. And it's great. Tonight we have a special guest. Let's open those doors and let's welcome in Jeremiah, his mom Danielle, his dad Stacy, his brother Samuel. Those are some cool wheels we got there for Jeremiah. And my family will tell me when we're done Jeremiah is probably a better driver than I am today.

I'd also like to recognize some people in the balcony though that helped make that happen. Not only did we have Jeremiah's family with us, we have Jason Kromm from Bear River Electrics, the mentor for the

team, and Paige Smith and Matt Cary, two team members. So if you could stand and we could recognize you. Thank you.

Now moving on to infrastructure. In our nation we've consistently under-invested in our infrastructure. Why? Because it's not an exciting topic and much of it is hidden from view. In Michigan we've taken action to do better because infrastructure is critical to the quality of our life and our economic well-being. In 2015 we passed legislation providing for \$1.2 billion more for roads and bridges while also providing \$200 million in lower and middle income tax relief with the homestead property tax credit. Not only will we keep this pledge to accelerate this spending but I'm going to ask for additional budget dollars to go even faster in this next year's budget. We can do even better than what we've already committed, let's improve our infrastructure with roads and bridges and make an investment to get rid of those potholes. Thank you.

But it's just not about spending money, it's doing things smarter and I want to share a couple of illustrations. We have an integrated assessment management pilot going on for infrastructure between the Grand Rapids and the Detroit regions. And it's shown great partnership and I want to thank both communities for showing two sides of the state can do wonderful things when we put you together. Other things though to share in terms of smart corridors. If you have ever been on US-23 you knew what a mess that was. Three hours southbound in the morning that's jammed up, three hours in the evening going northbound. We did an analysis to say how do you solve this three hour each way problem, a six hour a day problem. The normal answer was a 24-hour solution, let's build another lane each way. Well, what does that cost? It costs \$400 million to do a 24-hour solution, the standard solution you'd think of. We put on our thinking caps. I need to thank MDOT and a lot of smart people, including the federal highway people. They came up to say let's use the shoulder, let's make it a Smart highway, let's make it a Flex route that not only will be helpful now but we can use it in the future with autonomous and connected vehicles. That costs \$90 million. We saved over \$300 million to solve a problem instead of just following the same old model. Thank you.

Right now we have a public-private partnership opportunity out for I-75. We are talking about, we've been working on that project for several years, the projection was that it was going to take decades to get it done. By doing this P3 bid, we believe we can reduce that timeframe by an entire decade. Just think what a decade without construction work going on I-75 would mean to our entire economy, let alone the people living along that corridor. That's the kind of work we're doing.

And then a personal favorite. You've been hearing about this one for a long time in terms of my State of the State, the Gordie Howe International Bridge. We have a wonderful working partnership with Canada. We need to say thank you for Canada for the financing, they've been awesome partners. But 2018 is going to be a big year. The contract with the builder will be signed and the groundbreaking will occur. I'm looking forward to joining with our Canadian partners this summer and starting construction right here in Detroit on the Gordie Howe International Bridge. And we have a very special guest here

tonight that I want to recognize from Canada. It's great we have the Counsel General who does a fabulous job. But we have a high level minister from Canada, essentially equivalent to one of our cabinet secretaries, so it is a special treat and our primary partner on the bridge project. So I've asked him to stand but ask that we all give a great shout out and thank you to the Honorable Amarjeet Sohi, the Minister of Infrastructure and Communities for the government of Canada. Minister Sohi. We had a great meeting earlier where we were comparing steel-toed boot sizes and hard hats so we can be all set for this summer.

Our communities. Let me talk about that and the impact there. In the last few years we've made a tremendous improvement there and the thing in our communities that means the most to most individuals are their homes. The greatest asset people have that's not a family member or a relative in some fashion. How have we done in home prices in Michigan over the last few years? The average Michigan home sells for 73% more than in 2010. That's an increase of almost \$78,000 in the average home in Michigan. That's a great step forward in showing that we are coming back and we are on the right path to support our families in terms of homeownership. Our communities are doing well though, particularly our big cities. I want to mention two in particular. Detroit's transformation has been incredible. Remember what Detroit was like 10 years ago? Or you may not want to. The progress has been incredible and it's been about all of us working together. If you look just this last year, the Little Caesars Arena opened. The skyline's going to be transformed. The tallest building between Chicago and New York is going to be going up on the former Hudson's site. That's tremendously exciting. And I want to give a shout out to our legislators, Senators Horn and Stamas, for their work on the Thrive and Good Jobs package. Thank you for your work making that happen.

But the neighborhoods also have exciting things. One neighborhood project in particular is in the Fitzgerald neighborhood. They have a great program called the Fitz Forward program. It's about holistic neighborhood development with over 300 revitalized parcels and new public park greenways, a food ecosystem, green infrastructure and local work development opportunities. That's what we need to be doing in the neighborhoods of Detroit to go along with exciting things in the downtown.

Now let me speak about Flint. And I want to thank Pastor Hawkins for his invocation tonight. Thank you Pastor. In Flint we continue to see good water results and we are continuing the replacement of lead service lines. The city recently completed its third six-month period with great water test results at 6 parts per billion. That's comparable to most other Michigan cities, so the water has improved dramatically. But we are continuing to work hard in terms of educational efforts and health efforts to help young people and all people in Flint in particular. And we need to do more statewide. We are going to continue to work on having the right lead and copper rule that can be a role model for the rest of our country. But I'd also like to highlight in Flint some great economic development achievements going on and how we are all partnering together in teamwork to bring jobs to Flint. And I want to thank some great companies. Lear has brought over 400 new jobs to Flint recently. General Motors just announced the new engine coming to be built in Flint. A fabulous project if you haven't been there yet is the Ferris

Wheel Building. It's about entrepreneurship and innovation and it won a top award as one of the sixth most impactful economic development projects in the entire country so we are seeing progress there.

We talked about our big cities a lot, but we have some awesome smaller communities and I want to give them a shout out too. We created a program called Rising Tide, 10 communities in the 10 regions, to help them get on their feet to do exciting things, to help them help themselves and it's working. We've had two recent graduates, Charlotte and River Rouge, are doing incredible things. Through this program we are seeing revitalized downtowns, including renovations and rehabs, new businesses, positive attitude and culture, exciting things going on. So tonight I'd ask we recognize three mayors. We have the honor of having Mayor Duggan from Detroit, Mayor Weaver from Flint and Mayor Lewis from Charlotte with us. This shows how partnerships can deliver results and it's not about partisanship. So I'd ask all three mayors to rise and be recognized for your good work in the partnership.

Quality of life. Quality of life extends beyond communities to both wonderful items that can be enjoyed by all or items of health, welfare or challenges we face in certain groups. And we have made great progress in many of these areas but we still face some challenges. First of all, quality of life Pure Michigan funding. We have increased it by 36 percent over the last few years. One example of success though is in the last three years alone, non-resident daily passes at our state parks in the U.P. have increased 58 percent. It's becoming a destination around the world because of that investment we made. To go with it though, it's about the Iron Belle Trail I'd like to share with you. It's something I announced a few speeches ago. In 2012 we started it. It's going to be the largest state-wide trail in the entire nation. To give you an idea where we're at, we have over 1,300 miles already finished. The goal will be 2,000 miles of trails for hiking and biking in Michigan. We are going to show the rest of the world that if you want to have great recreational opportunities, in addition to having the best lakes in the world, we are going to have the best trails to go with them.

An overlooked item arts and culture though. We've invested in that. We've increased our funding for arts and culture nearly fivefold since 2010. We have world class assets, the DIA, the DSO, and this summer in northern Michigan we are going to have the opening of the Great Lakes Center for Performing Arts, so we are looking to bring arts and culture to all corners of Michigan.

Healthy Michigan. Healthy Michigan is a program that I am very proud of because it's saving lives. We have 675,000 Michiganders in Healthy Michigan. They are getting live saving treatment, 80% are getting annual physicals and they are avoiding ER visits. This is the right way to help people. Let's prevent those major illnesses, let's give them an opportunity to hold a job and it's making a difference in lives and wellbeing throughout our state and we should be proud. Let's keep it up.

On the other hand, we have a crisis, an opioid crisis in our state. It's developed over the past decade involving the abuse of these drugs. We've seen dramatic increases in addiction and overdose deaths in

the last several years. As a state we've been very active in addressing this terrible situation but much more remains to be done. I want to start by giving a shout out to leadership on this front, Lt. Governor Brian Calley has been a leader on the task force and he recently signed some legislation that will make a difference. To that and our legislative partners I say thank you to the Lt. Governor and our legislators for making this happen.

I want to mention a great program going on on this topic. It's called the Angel Program and it was started by two individuals who are not here tonight but I do want to recognize them. Lt. Rob LaMarche of the Escanaba Department of Public Safety and Delta County Prosecutor Phil Strom. What is this program? It's been a success there and it's all about really saying you can walk into a police facility, a Michigan State Police post, and say you need help, that you have an addiction. The goal isn't to arrest you but to get you counseling, to get someone to make your life get back on track and that's when the Angel comes in. When you walk into one of these places you will be assigned an Angel and that Angel will help you get your life back together hopefully. It did so well in Escanaba and that part of the state, I want to thank the Michigan State Police for doing it statewide. We've rolled it out across all of Michigan and I can tell you we have saved lives already.

A second terrible problem is campus sexual assault. And I want to recognize the First Lady, Sue, and a wonderful bipartisan group of legislators for their national leadership regarding prevention on this topic. Since 2015 we have made \$1.6 million in grant fundings to college campuses. What are these grants doing? They are helping educate men and women on how to prevent assaults, how to provide support when it does happen and how to help survivors with the healing process. We need to keep that up but I'd also add a special note tonight. Let us also apply a similar commitment in the Nassar case and reach out and support the courageous survivors and ensure that cases like this never happen again.

Now let me share another success area though. This is an area of success you would not normally expect to hear from but they are doing wonderful work and we should be proud of them and they don't get enough accolades and I hope you really stand up and give them a big cheer tonight, and that's the Michigan Department of Corrections. They are transforming how our prisons are working in terms of making us all safer and giving opportunity to the returning citizens that are part of that process. In March 2007 there were 51,554 people in our prisons, that was the all-time high. In September 2017 the population fell below 40,000 for the first time since 1993. How do you do things like this? One of the most positive national initiatives in corrections is right here in Michigan, it's called the Vocational Village. It began in Ionia in 2016, it expanded to Jackson, we have further plans to expand. It provides a returning citizen the opportunity to give skills for a great career. It's a win for all of us. The Vocational Village needs employer partners, so I'm encouraging any private employer or any employer out there to join this program. I want to recognize the Grand Rapids area in particular in west Michigan. They have over 20 local employers that have partnered with the Vocational Village already and are helping ex-offenders directly from prison.

I want to share with you a story. One graduate is Salvador Guitierrez, he was in prison for drug crimes. He enrolled in the Vocational Village in Ionia and completed all four tiers of a computerized machining course. He earned four nationally recognized certificates. When he finished the program, he just didn't stop, he became a tutor and mentor for new students. He's out now. He is successfully employed at Trans-Matic in Holland and doing great. Salvador is with us tonight, Salvador please stand up and let us recognize you on your success.

A couple of other groups I want to recognize some good things we've done is seniors. The Silver Key Coalition, the partners I've had. Every year we have been delivering over half a million meals more to the homes of seniors than we did in 2011. Then our Veterans, we needed to do more, we were behind. We were actually ranked 53rd out of 50 at one point when I first became governor on some veteran metrics. That's embarrassing and that's wrong. If you look at our veterans today in terms of the benefits they are receiving, we worked with them to increase the level of benefits received by all veterans. On average they are 40 percent higher than they were when we took office. In addition to that we've created Veteran-Friendly Employers program to help them get jobs. We have a success story here tonight that I'd like to recognize: Kyle Jastren was hired through the Roush Veterans Initiative Program. He started as a Program Manager, he's been there more than three years, he's gotten promoted and he's a General Manager now, he's hiring other veterans into Roush. He's working on his MBA at the UofM so he can one day be on an executive team at Roush. We're proud to have Roush as a Gold Level Veteran-Friendly Employer. It is one of 150 Michigan employers that are in this program and I encourage more to join, but we have Kyle with us tonight. Kyle, please stand up and be recognized.

The last time on the look back is finally we did all of the above in a fiscally-responsible fashion. We completed structurally sound balanced budgets and very importantly we addressed long-term debt issues that had gone on for years without proper attention. I want to thank the great work going on for retirement reforms in 2012 and 2017. We've reduced our long-term debt, our unfunded liabilities by over \$20 billion and we put a payment plan in place to say we can move forward to make sure these retirees get the benefits they deserve and at the same time not leave future generations in debt because of past decisions. That's the kind of effort we're doing and we should be proud of that. Not only while we are doing this, we have increased our rainy day fund from when I started in office of \$2 million to almost \$900 million today. That's fiscal responsibility folks.

Now we are not going to rest on the laurels of the past, let me talk about what we need to do in the next year and beyond. I've got six items to talk about: Mobility, Talent, Education, Infrastructure, Fiscal Responsibility and Civility.

Mobility- we are the world's leader in mobility and what is that? That is the convergence of the auto industry and the IT industry, the electrification of vehicles, all these exciting things you hear about. They will transform the world. To be blunt, you'll hear about Silicon Valley, you will hear about other places, the world's leader is Michigan. We're going to keep up that roll and stay on the gas. Why do we care? It

will transform the world in the sense that it will save lives. Most accidents are caused by human error. It's going to create opportunity for people that are seniors, for people with disabilities, for people with economic issues, they will be able to travel and do things they were never able to do before. It is about efficiency, using our infrastructure smarter and better. Instead of spending more, let's use what we've got in a smarter, wiser fashion. Now these are all wonderful things, but there are challenges. We will see job categories disappear with these changes. We need to be thinking about how we help people in those categories prepare for that next career proactively. We are going to lead though and we have done many great activities, we did Mcity at the University of Michigan, we have Council on Future Mobility, we have the PlanetM initiative. We had the best legislative package in the country passed in 2016 and I want to give a shout out to Senator Mike Kowall for his great work on that package.

We have more activities coming though. We have the grand opening of the American Center for Mobility coming and we've got one of the largest meetings on this topic coming in June to Detroit. It's going to be exciting and come see this stuff, join us.

Now to go with that though, the number one priority I believe is Talent. We can do more to get people career connected to wonderful careers and we can do it faster and better than we historically have because of changes in how the world's going to operate. In February, I'm going to roll out the Marshal Plan for Talent. This is going to lay the groundwork for a new way of producing talent in Michigan. It will lead the world in this thought process. It's going to prepare Michigan students to invent the future, to be ready for what comes next and break down the walls that have traditionally existed between educational institutions and businesses. This is about public-private partnership working together. We learned some things from the Amazon headquarters proposal that we can do better. We already spotted that, we were working it then and we are going to keep working hard tying back into the Career Pathways initiative. Tonight is a call for all schools, business, universities, communities, everyone out there involved in this to say, we can do things better, differently and in teamwork. We need to step up and do that. So I ask you to look forward to this announcement, it can make a dramatic difference in not hundreds of Michiganders or thousands, but tens of thousands of Michiganders' lives. Getting them faster better to well-paying jobs with less school debt, more efficient, effective, and let's ramp up this program, let's get it done and show the world we're leading this path.

In education though, we've made huge investments in education. To give you an idea of reference point, in fiscal year '18, K-12 appropriations reached a record. They are \$1.6 billion higher per year than they were in 2011, but that's not just enough. We've helped address the retirement reforms, the pension liabilities, all those topics, now we have money to invest in school operations. So in light of that, when I do the budget coming up in the next 2-3 weeks, I'm going to be proposing the largest increase in the basic per pupil student foundation allowance in the last 15 years. Let's invest more in education and the operations of our schools.

Of the Careers Pathway Alliance, I already spoken about, there is more work to be done and I encourage the legislators to pass the other parts of the package that will make a difference. Also I believe we need an A-F grading system for our schools and I ask our legislators to partner with me on that. Now a fun one, in April 25-28 we're going to have the world championships for FIRST Robotics right here in Michigan and I encourage you all to go. It will be rocking, it is a rock concert for nerds, so I'm looking forward to that one.

Back to infrastructure again, we need to do more in the future, we've done a lot, but we can't stop, particularly our environment. So on Monday through Friday of next week, each and every day, I'm going to roll out a new major initiative on the environment or infrastructure. To give you a list of what those topics are, I'm not going to spend a lot of time tonight, but I want you to know we're putting markers out there to say we need to invest more. So I'll go through this list of five:

First of all, Rural broadband. We need broadband access in every corner of Michigan. It's critically important to bring back our smaller communities, it's about economic engines of these communities and great places to live.

We need to do something about the Clean Michigan Initiative, it was a bond issue 1998. It passed by 63 percent of the public voting for it. It was \$675 million. We spent all that money and we still owe 10 years plus on the bonds. We can come up with a better initiative to keep going and do it in a way where hopefully we don't leave our kids in debt after we've spent the money.

Third, recycling. This has probably been one of the most disappointing initiatives I've had in my time as Governor. We've gotten complacent, we thought we did the deposit law so were doing great on recycling. We're behind, we're half the national average on recycling. We have to do more, it's for our own good and it's for the well-being of our society and our world.

Invasive Species, Asian Carp: I'm going to have a day calling on 'how do we prevent that?' We've been working on a partnership agreement with the Great Lakes states and the provinces on how we can come together to make an investment in Illinois at Brandon Road Lock to help keep those carp out. We've had too many studies, too much talk, we have not had enough action. Enough is enough. If the federal government isn't going to do it or they're not going to do it, then let's get together as Michiganders and invest where we need to, to protect the Great Lakes. Thank you.

I have a Water Infrastructure Initiative to talk about our aging infrastructure there. We need to do more. We have too many cases where we have had major breaks in metro Detroit, we've got pollution showing up in our lakes and rivers coming out of sewer systems, more needs to be done. So each of these details will come out on each day next week, so stay tuned.

Another topic though, I do want to share is PFAS and PFAS is a series of chemical compounds. Many of you have heard it and many of you may not have. It's an emerging contaminant that's creating a lot of issues, but it was with us for years. It was non-stick cooking surfaces, it was firefighting foam, it was used in many different places, but we need to do something now to step up and understand it has negative impacts on our health. So in Michigan we are taking leadership on that, we're partnering with the federal government, with local authorities, to hold those accountable that helped create the contamination. We are establishing standards in our state, we're leading the nation on that. We're going to continue moving forward and we need to do more on this topic. This will not be the only contaminant we're going to face in our world, so let's be proactive. Let's not be reactive, let's not create panic, but do it in a thoughtful fashion where we go out and solve the problem. So I encourage you to continue to watch and work with us and speak-up on how we can be a leader in this nation, on how we can be a leader in this nation on dealing with problems like PFAS.

Now let me talk about fiscally-responsible government for a minute. I've mentioned it already, but being fiscally-responsible is more than just balancing budgets. It's not just thinking about us today, but how are children in our future generations. We need to think of how we act in our own families. Think of this, in our families we don't go out and spend money on ourselves as parents to buy something nice for ourselves or to go spend money on something and go home and hand the bill to our kids. That's just flat out wrong isn't it? Well we have a broken culture in our political world where it's OK to say 'we can spend money,' or 'we can cut taxes,' and do that now for short-term benefit and leave the bill for the kids that are beyond. I don't think that is right either. If we're going to do something, let's make sure we're paying for it, because one of the things we don't think of often enough in this political world is not just the consequences on us today, but shouldn't we always be asking the question 'how do we make it so future generations are better off, not worse off because of debt we burdened them with?' Let's approach government that way.

We inherited one of those and that was those unfunded liabilities I mentioned to you about. That had gone on for decades. We inherited \$65 billion, we did reforms to deal with \$20 billion, we put a payment plan in place so by 2038 it will be paid off. Literally, it will free up billions of dollars then to support programs for those kids of the future. Shouldn't we stay on payment plans like that and shouldn't we make sure that we are adding to future generations rather than taking away from them.

Now the last topic I want to talk about on this group was civility, and I admit, I'm getting on my soapbox here. I believe the greatest threat to the future of our nation is ourselves. In the current environment of people fighting with one another, whether it be partisanship, whether it be ideology or other issues, if we can't get along with ourselves, how can we be great? How can you maintain that status? We need to start acting like a family more, we need to be using that as a role model. One of the warning signals I'll tell you, if you hear someone running for office, and this is my personal view, and they talk about

fighting, the red light should be flashing. Who are we fighting with? Ourselves. That's not right. Fighting does have a roll; on the beaches of Normandy, not the beaches of Lake Michigan.

We have proven in Michigan, by Relentless Positive Action, by working together, by not worrying about these issues, we have solved problems and we have exceeded the rate of economic growth, improvements in quality of life, so many different fields in this state because we haven't just fallen in the same old trap Washington has and too many places in our country has. Let's stand up and be proud. We may be alone for a long time on this one, but isn't it the right answer. Aren't we one giant family?

So let me start wrapping up and I want to thank all of you. I want to thank the people of Michigan for this opportunity, all the groups, the organizations that partnered with me in doing so many initiatives. The Legislators, thank you so much for your partnership and your friendship, it means a lot to me. I want to thank my team, the 47,000 people in state government, and the cabinet members and all of us that have been partners in so many different ways doing so many different things. In particular I want to thank my family for putting up with me.

Let me share a story though and some thoughts. In January 2009, Sue and I went out to dinner for our Friday night date at our favorite restaurant. You can imagine how exciting a date I am as a nerd. I got on a roll and started talking about what a mess our state was in, remember January 2009. The discussion then turned to careers and the future for our children and about how they might be forced to leave Michigan because they may not have an opportunity. I expressed how dramatically I thought our government needed to change and our state. It wasn't about fixing Michigan, it was about reinventing Michigan, and you've heard me say that many times. Fixing was not good enough, we needed to reinvent things. Sue, to her credit, she called me out, she said 'we should talk about you running for Governor.' We talked about a 10 year plan, two years running and eight years as governor. I was fortunate enough to have the honor of getting elected with reinvention being the goal. During this period we have had huge ups and downs. It hasn't been a straight line, but overall, there is no question that Michigan is a far better state today, than 2010. Thank you. Thank you. Thank you.

Not only do we have most of our kids staying now, but many are returning and kids with no prior connection like Kristin, are coming to Michigan. On a personal note though, and I am taking some editorial license, I'm proud to report that our kids are doing well here. Jeff is getting married to Blair, a wonderful young woman and it will be a union of a Wolverine and a Spartan. Melissa has bought a starter home, has a great boyfriend and just got a cute dog. Our extra child, our non-biological child, Zack has a great position with a Michigan company that is a world leader in cyber-security. Kelsey is a senior in college. Last semester Kels, time to look for that job.

Now I'd ask you to just take a moment though and I encourage each of you to take a moment to think about the young people in your life that are now enjoying the opportunity to have an exciting life in

Michigan. Just stop and pause for a moment and think about those young people you know that have an opportunity now that might not have before. Thank you.

Now. I'd like to end with a couple of other comments. Tonight isn't just about looking back, but looking ahead. Let me give you my commitment to work hard through the last day of my term. It's an honor and privilege to serve you. Tonight I'm also going to take the privilege of sharing some advice for the future. Succeeding generations of leadership and citizens need to stay the course and continue the work we have started. Each and every succeeding year can be better for decades to come if we continue the path we've created through the partnerships we've made over the last few years. It will require certain things though, it will require us to solve real problems with real solutions rather than forcing partisan or ideological solutions on one another. It will require us to act with Relentless Positive Action and not spend time assigning blame or worrying about credit. It will require leaders to act more like a family, than politicians. Let's make our positive progress of the last few years continue for the next few decades.

Thank you. God Bless Michigan and the United States of America. Thank you."