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2016 State of the State address
Governor Mike Pence
January 12, 2016
As Prepared for Delivery

Speaker Bosma, President Pro Tempore Long, Lieutenant Governor Ellspermann, Senator Lanane, Representative Pelath, Senator Coats, members of the General Assembly, distinguished guests, my fellow Hoosiers,

200 years ago this summer, 43 founders gathered beneath an elm tree in Corydon, to craft a constitution for a new state they would call Indiana.

Over the past two centuries, our state has seen remarkable growth. A population of some 60,000 is now more than 6.5 million. An agrarian economy bound to the great Ohio River has become a global engine of commerce, ingenuity, education and culture.

On the foundation poured beneath that historic elm, we can proudly say Indiana is not just 200 years old.

Indiana is 200 years strong.

In the past three years, we have added 139,000 new jobs to our economy, reduced the unemployment rate from over 8 percent three years ago to 4.4 percent today, and have seen 34,000 fewer Hoosiers receiving unemployment claims. Indiana consistently ranks in the top 10 best states to do business. Last year, we saw global businesses like GM, Subaru, Rolls Royce and Raytheon invest billions of dollars in our economy. And, most significantly, last year our state set a new record for private sector employment. Today, there are more Hoosiers going to work than ever before in the 200-year history of this state.

That is 200 years Indiana strong.

And the celebration of our bicentennial has already started. Plans are underway for a new state archive and the Bicentennial Nature Trust has preserved thousands of acres of wilderness. Our Bicentennial Commission is also making sure we bring our celebration to every county of this state. I am truly grateful to all those who have worked to make this possible, but I'm especially partial to the ambassador of the bicentennial. Join me in welcoming our devoted First Lady Karen Pence back to this historic chamber.

Indiana is strong.

And our strength is nowhere more evident than in the men and women who put on the uniform to defend our families at home and abroad – our public safety community and the Indiana National Guard.

I have no higher honor than serving as commander-in-chief of the finest National Guard in America.

In the wake of the terrorist attack on a recruiting station in Chattanooga, Tennessee, I'm proud to say that Indiana was among the first states to allow our National Guard to carry firearms at all recruiting stations. Now, those who defend our freedom have the ability to defend themselves.

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Hoosiers know firearms in the hands of law abiding citizens – including our National Guard – makes our communities more safe not, less safe. Indiana will always defend the right to keep and bear arms. Mr. President, please stop blaming our gun laws for violence in Chicago. Hoosiers are not the cause of crime in your hometown – criminals are.

This year, Hoosiers will be proud to know that the 122nd Fighter Wing of the Indiana Air National Guard took the fight to the enemy as they left families and homes to deploy in the Middle East. In April 2015, over 300 Blacksnakes returned from a historic deployment flying nearly 1300 sorties, severely destroying and degrading enemy capabilities.

I am honored to be joined tonight by two Hoosier heroes.

Colonel Pat Renwick, Commander of the 122nd Fighter Wing, Indiana Air National Guard, and Captain Sarah Jones, also of the 122nd Fighter Wing.

Join me in saying welcome home to the Indiana Air National Guard Blacksnakes. Job well done.

2015 really was a year of progress on many fronts.

Last week, a fourth grader named Samantha at Forest Glen Elementary asked me, “do you use math in your job?”

I told her, “I use math every day, and Indiana is really good at math.”

Last year, we passed another balanced budget, and moved forward with a balanced budget amendment. We maintained strong budget reserves and our AAA bond rating.

We cut taxes for the third year in a row and reduced unemployment taxes on job creators this year by more than \$300 million.

And, in 2015, Indiana made genuine progress in student achievement. We raised our standards and saw graduation rates go up to seventh highest in the nation. And, Indiana kids outperformed the national average in every major category on the Nation’s Report Card.

We supported our goal to see 100,000 more kids in B or better schools by putting education first in this year’s budget.

And when I say we, I’m talking about all of you – members of the best state legislature in America.

Hoosiers deserve to know this General Assembly passed the largest increase in K-12 education funding in Indiana history. And, with nearly \$50 million in new funding, Indiana has become the first state in America to make career and vocational education a priority in every high school again.

We increased bonuses for hardworking teachers, launched the first-ever statewide pre-K program - opening doors of opportunity for disadvantaged kids, and we now have one of the largest school voucher programs in the nation. We also invested millions to make our schools safer.

And, 2015 was a great year of progress on the Crossroads of America.

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Last year, we invested more than \$1 billion in nearly 400 transportation projects. We finished I-69 from Evansville to Bloomington, improved US 31 to South Bend, and the new Ohio River Bridges will support growth in southern Indiana for generations.

And in 2015, Indiana made great strides to improve the health of Hoosiers.

We became the first state in America to reform traditional Medicaid for all able-bodied adults with the launch of the Healthy Indiana Plan 2.0. Unlike the mandates and taxes of Obamacare, HIP 2.0 is based on personal responsibility.

Today, more than 350,000 low-income Hoosiers have access to health insurance they can pay for and it is changing lives.

Like Jo Ann McQueen of New Castle. For years, Jo Ann was without health insurance and went without receiving routine checkups. One day, a friend mentioned HIP 2.0 – said it was affordable and offered good coverage. During a routine checkup, Jo Ann had a mammogram where they discovered a lump in her breast. It was breast cancer and she had surgery and recently had her second round of chemo treatment.

She is battling every day, but she and her husband Dale are both optimistic. Jo Ann wanted you all to know what HIP 2.0 meant to her and her family. Thank you, Jo Ann. You and Dale will be in our prayers. Get well.

While we have much to celebrate in this bicentennial year, we have much more to do. For despite all these gains, there are still too many Hoosiers struggling to make ends meet.

To keep Indiana growing, we must focus on the challenges before us to strengthen our economy, support our schools, improve our roads and better the health of Hoosiers. For a growing economy, we have to keep taxes low and invest in infrastructure.

While the condition of our roads and bridges ranks above the national average, I propose we make \$1 billion available to improve state roads and bridges in the next four years and follow the lead of Senators Long and Hershman to provide another \$400 million for local roads.

There are lots of ways to pay for infrastructure, and I expect we will have a healthy debate.

I think when you have money in the bank and the best credit rating in America, the last place you should look to pay for roads and bridges is the wallets and pocketbooks of hardworking Hoosiers.

Let's invest in our roads and bridges, and let's do it without raising taxes.

But infrastructure is more than roads.

Indiana's ports have also been spectacular catalysts for job growth. That is why I have called upon the Ports of Indiana to vigorously explore the building of a fourth port in the far southeastern part of our state, which could unleash enormous economic investment throughout the southeast region of our state.

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Because we need to invest in regional growth, our Regional Cities Initiative was designed to do just that, and it has been a remarkable success.

With our state investment, we are leveraging more than \$2 billion in public and private investment that will support 96 projects in three regions across the state. These include revitalizing the Fort Wayne riverfront, redeveloping South Bend's Studebaker plant, and residential development in Evansville's city center.

I commend each and every region that participated, and I urge you to fully fund our Regional Cities Initiative and get Indiana growing regionally.

For our schools, with all we've done in education in recent years – higher standards and a new test – we have been asking a lot of our teachers. Teachers that make the difference.

Teachers like Jean Russell, a literacy specialist at Haverhill Elementary School in Southwest Allen County Schools. She has been an educator for 25 years. And, she is the 2016 Indiana Teacher of the Year. Join me in thanking Jean and all our teachers for the work they do every day.

This year let's find ways to make teaching more attractive and do our part to encourage more Hoosiers to pursue careers in education. That is why I am so enthusiastic about Speaker Bosma's Next Generation Scholarship that would cover up to \$7,500 per year in tuition for students who are in the top 20 percent of their class and commit to teaching in Indiana for at least five years.

Accountability is important, but testing must be reliable and the results fairly applied. Let's take a step back from ISTEP and improve on the test we use to measure our kids and schools every year. Let's also take action to ensure that our teachers and schools are treated fairly with the results of the latest ISTEP test.

Leaders in both parties and the Department of Education are working with our administration, and I promise you we will make sure the 2015 test scores fairly reflect the performance of our schools and will not affect teacher bonuses or compensation.

Finally, we must support new ways to confront the growing epidemic of drug abuse and addiction that is tearing apart Hoosier families and driving much of the senseless violence impacting our major cities. We must respond with courage and compassion, just the way Reverend Charles Harrison is taking his message of peace and reconciliation to the streets of our capital city.

Our state has been leaning into the war on drugs and will continue to go hard after those who would profit from selling drugs to our kids. Last year, the Indiana State Police took down drug rings across the state and busted 1,500 meth labs.

I have a message for some who might be watching: if you are selling drugs to our kids, we are coming after you. Let's get even tougher on drug dealers in this state. Let's pass stiffer penalties on those who sell these poisons to our kids and let's do it this year.

But we cannot just arrest our way out of this problem. We have to make sure families have more options for treatment and somewhere to go when a loved one is caught up in drug addiction.

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That is why I formed the Governor's Task Force on Enforcement, Treatment and Prevention. And, that is why we announced plans for the state's first new mental health hospital in a generation.

That is why, last year, we enacted two laws that were born in the tragic loss of two young Hoosiers.

Aaron Sims was described as an "athletic, red-headed charmer of a son" with a "big heart and big smile." He was a sensitive and promising young man who played football for Lawrence North who lost his dreams and his life to a heroin overdose at the age of 20 in 2013.^[1]

Jennifer Reynolds was a radiant young woman, an honor roll student, and a member of her high school cheerleading squad who battled a chronic prescription drug and heroin addiction for 13 years after experimenting with pills as a teen. She lost her life to a prescription drug overdose in 2009, at the age of 29.

Out of their tragic loss, the mothers of these two young Hoosiers worked to change the laws in Indiana in ways that will save lives for years to come with the passage of The Jennifer Act and Aaron's Law that I signed last year.

Aaron's Law allows healthcare providers to make an antidote for opioid overdoses available, and The Jennifer Act allows Medicaid to cover inpatient detoxification.

Those moms are with us tonight. Join me in thanking Sharon Blair and Justin Phillips for their courage and their devotion to the families of Indiana. We are all in your debt. God bless and comfort you both.

Jobs, the economy, schools, roads and confronting drug abuse. These are my priorities.

But, I am aware there is at least one more issue getting attention: whether to extend full civil rights protections to Hoosiers on the basis of sexual orientation and gender identity. Over the past few months, I have studied this issue carefully, and listened respectfully to people across this state. I have met with Hoosiers on every side of this debate, from pastors to LGBT activists to college presidents to business leaders.

While Hoosiers are divided over how or even whether to change our civil rights laws, I think there are two things we can all agree on: Hoosiers do not tolerate discrimination against anybody, and Hoosiers cherish faith and the freedoms enshrined in our constitution.

I was raised like most Hoosiers – on the Golden Rule. That you should do unto others as you would have them do unto you.

Our State Constitution declares that "all people are created equal," and I believe that no one should be harassed or mistreated because of who they are, who they love, or what they believe. We cherish the dignity and worth of all our citizens. We are an open and welcoming state that respects everyone. And anybody who does not know that does not know Indiana.

^[1] Indianapolis Star Columnist Matt Tully wrote about Aaron Sims in the April 18, 2014 column entitled "A young quarterback lost to heroin's grip" <http://www.indystar.com/story/opinion/columnists/matthew-tully/2014/04/18/tully-young-quarterback-lost-heroin-grip/7871919/>

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Hoosiers also cherish faith and the freedom to live out their faith in their daily lives. Whether you worship in a church, synagogue, temple or mosque, religion brings meaning to the daily lives of millions of Hoosiers. And, no one should ever fear persecution because of their deeply-held religious beliefs.

The question before you as the elected representatives of the people of Indiana is whether it is necessary or even possible to reconcile these two values in the law without compromising the freedoms we hold dear.

But remember, we are a state with a constitution. Our constitution not only protects the “right to worship Almighty God... according to the dictates of (our) own consciences,” but, it also provides that “No law shall, in any case whatever, control the free exercise and enjoyment of religious opinions, nor interfere with the rights of conscience.”

Our Supreme Court has made it clear that our constitution protects both belief and practice.

As you go about your work on this and other issues, know that I will always give careful consideration to any bill you send me, but legislation must be consistent with the Indiana Constitution.

I will not support any bill that diminishes the religious freedom of Hoosiers or that interferes with the Constitutional rights of our citizens to live out their beliefs in worship, service or work.

Our freedoms are too precious to our people, too vital to our wellbeing and have been bought at too high a price to do any less.

The issues confronting our state are complex, but I believe if we will hew to our roots, stand firm on the freedoms bequeathed to us by our founders; if we confront the challenges before us with common sense and craft Indiana solutions to improve the lives of Hoosiers, we will move forward together.

We will find a way to continue to live and prosper together as neighbors and friends because that is what Hoosiers do. We solve problems and then we unite. That is how we became the heart of the heartland.

But, for all our successes and for all our challenges, I believe our best days are ahead because for all the change that has come these past two centuries, Indiana’s timeless charm remains.

For the moonlight is still fair tonight along the Wabash, and from the fields still comes the breath of new mown hay. The candle lights are still gleaming, thro' the sycamores, on the banks of the Wabash, far away.

God has blessed Indiana, and I believe he will continue to shine his grace on this great state.

If we will but keep faith with the vision, ideals, character and freedoms our founders built this state upon 200 years ago, I know our third century will be the greatest Indiana century yet.

Thank you. God bless you.

And, God bless the great state of Indiana.

Let’s get to work.

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