

# 2022 State of the State Address

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January 31, 2022

## Introduction

Thank you very much. Lieutenant Governor McNally, Speaker Sexton, Speaker Pro Tem Haile, Speaker Pro Tem Marsh, Members of the 112th General Assembly, Justices, Constitutional Officers.

I first want to acknowledge someone who for the last three years has been a steadfast partner to me in this journey.

She has also been a faithful friend to Tennesseans in distressed counties through her Tennessee Serves initiative.

I'm so proud of the work she has done to provide underserved Tennesseans hundreds of thousands of meals, thousands of backpacks, and thousands of shoes for school children.

Tennesseans are proud of you, and I'm proud of you, Maria, our First Lady.

A spirit of humble service matters in times of trial, and it matters in times of prosperity—So I also want to thank members of my Cabinet and staff who are here tonight who have served Tennesseans tirelessly over the last year.

I'm thankful for each one of you. Thank you.

To everyone here and to everyone listening across this state, it is the highest honor I have to serve as your governor.

I am grateful that you have allowed me to serve in this position.

We stand here today in a different place than we were a year ago, but our gratitude to Tennesseans is unchanged.

You have kept this state moving forward.

Tennesseans like the members of the National Guard who have met the worst of circumstances with grit, and yet also provided comfort.

Nurses and other health care workers who have cared for the sick.

Teachers and administrators who have taught our children.

Troopers and police officers and sheriffs deputies who patrol the roads and keep our neighborhoods safe.

Small businesses who have kept their doors open and workers who have worked extra hours to keep our economy moving.

You are what makes Tennessee exceptional.

Last June, we commenced Untold Tennessee, a celebration of how the ordinary makes us extraordinary, to commemorate 225 years of statehood.

Folks along the way this year have shared with me the deep connection they feel to Tennessee.

Folks like my friend Wally Childress, whose family owns a century farm, Childress Farms, in West Tennessee, and has grown thousands of acres of crops since 1906.

Wally and Tracy are with us here tonight. We thank you for representing generations of families that have helped make Tennessee what it is. Please stand up, Wally and Tracy Childress.

For 225 years, Tennessee has been a beacon to those who wanted something more and needed a frontier to build their American dream.

In 1965, the General Assembly recognized this and passed a resolution to adopt the state slogan: "Tennessee - America at Its Best".

Over the years, leaders have reminded Tennesseans that America at Its Best is more than our slogan - it's our north star.

However, America at Its Best means something different today than it did in 1965 or even in the last decade.

I think about what was going on in our country in 1965 and the very real tension of becoming a more perfect Union.

There were moments of great optimism with the passage of the Voting Rights Act.

There were moments of tremendous innovation as Americans stepped into space.

Yet, there were also great challenges in 1965 as American combat troops landed in Vietnam, and the Civil Rights movement continued but with painfully slow progress.

Tennessee - America at Its Best embraces both sides of the coin: we acknowledge our shortcomings but build on our best.

It reminds me of the truth in Scripture: Great faith is required to keep pushing for the things not yet seen.

Today, our country faces challenges of a different kind, but I believe now more than ever, Tennessee embodies America at Its Best.

And in order to ensure that, I am proposing a budget and America at Its Best policies that reinforce freedom, innovation, exceptionalism and optimism.

### **Freedom: Make Government Smarter & Smaller**

If we are to embody America at Its Best, that starts with acknowledging that it is our Creator who endows us with freedom, and the government merely maintains that freedom.

I believe now more than ever, we must show great discipline and regard for our freedoms.

One way we do that is through a small government that contributes to a safe and well-ordered society.

In recent history, big government has attempted to take over society instead of contributing to it.

That's no way to live, and Tennessee has pushed back on that big government.

In fact, Tennessee has recently been ranked as one of the top five freest states in the country.

Folks around the country see this and are moving to our state in record numbers.

They are fleeing states with rising crime and plummeting support for police.

Bob and Darcy Armanino each served in the San Francisco Police Department for over 30 years. They recently packed up everything they had and left behind everything they'd known, in search, as they say, of more freedom. And they moved right down the road from me.

Bob and Darcy are our new California neighbors, and they represent thousands of new neighbors. They are here with us tonight, and we welcome them as new Tennesseans. Please stand and be recognized.

Law enforcement officials from across the country see Tennessee as a destination for more freedom.

Just late last year, we put out a call to officers from New York to LA who were facing restrictive mandates, and they responded.

We welcome these new Tennesseans who are committed to keeping our neighborhoods safe.

My budget adds 100 additional Highway Patrol Troopers and 50 new personnel to support the mission of the TBI.

We will also commit more than \$150 million directly into law enforcement agencies to create safer neighborhoods through the violent crime intervention grant fund.

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We are proposing more than \$350 million that will support a new law enforcement training academy to ensure we have the most professional force in the country.

Our funding commitment shows a respect for the rule of law but a rejection of the defund the police movement that we have seen across the country.

Both drug trafficking and human trafficking are on the rise in our country and in Tennessee.

This is unacceptable.

Last Wednesday, I spoke to 50 Tennessee National Guard soldiers the day before they were deployed to the Southern Border to fight the flow of fentanyl that is killing Tennesseans.

These men and women are deploying at a time when Border chaos is at an all-time high. America desperately needs our stability, especially on the Southern Border.

I thank Lt. Governor McNally and Speaker Sexton for their early support of this mission as it directly impacts the health and safety of our state.

We will continue our anti-human trafficking investments as Tennessee sends a loud message that those who participate in human trafficking will be prosecuted to the fullest extent of the law.

I also believe that communities of faith are critical to the preservation of American freedom.

Last year, I met with a group of Jewish leaders who conveyed their worries about safely worshiping while antisemitism is on the rise.

Recently, a shocked world watched as a Texas synagogue was taken hostage.

The rabbi credited the outcome to extensive safety training through partnership with their local law enforcement agency.

I have directed the Department of Safety and Homeland Security to create a plan so that every house of worship in our state can receive high quality safety training, and we will continue to protect Tennesseans' ability to worship freely.

A strong commitment to public safety includes a wise approach to criminal justice.

I want to thank the General Assembly for the criminal justice legislation that was passed last year.

In the last three years, we have expanded educational pathways. We have ensured every inmate has a photo ID. We have increased job opportunities for inmates.

Evidence clearly shows small efforts make a large impact on public safety, and we will build upon that.

I recently had the remarkable privilege of placing a life-changing phone call with a man who served his time in prison and was back in society. In fact, he's a pastor now, here in Tennessee. But, he was living with many of the burdens that currently exist for those previously incarcerated. It was a call to grant clemency, but it ended up being a reminder to me that people who have served their debt to society for the mistakes that they have made can absolutely become productive, contributing citizens to their community if

we will just clear a path.

Pastor Quantel Lindsey and his wife Kaley are here with us tonight, and we are honored that you are. Please stand and be recognized. I am honored you are here.

### **Innovation: Investing in the Future of Tennessee**

The freedom to innovate requires a healthy balance sheet, but unfortunately, that's not something we're seeing at the national level.

The national debt recently surpassed \$29 trillion.

That amounts to more than \$220,000 per household.

We pay a staggering \$900 million per day in national debt interest payments.

This is a bipartisan problem working within a broken system, but states with balanced budgets offer a guide to what could be if Washington would just act.

While Washington saddles our kids with trillions of dollars of debt, Tennessee's strong fiscal position allows us to instead invest on their behalf.

Education, health care, infrastructure, and economic development - all areas where we can make smart and strategic investments that most states cannot.

In Tennessee, we've also prioritized efficiency.

Unlike many other states, since I've taken office, our employee headcount at our departments has actually reduced by five percent without making layoffs.

I thank members of the General Assembly for being partners in this prudent management approach.

While some are forecasting a recession, we remain prepared with a healthy savings account and minimal liabilities.

Our proposed budget will boost the Rainy-Day Fund to a highest-ever \$1.6 billion.

We have the financial capacity to innovate and approach key areas like education and infrastructure with fresh eyes.

With the support of thousands of Tennessee parents, I am committing to updating the 30 year-old way we fund our K-12 public schools.

I'm proposing an innovative approach that sets aside dollars for each student, based on their individual needs, and these dollars will be used in whatever public school they attend.

We have spent months engaging parents, teachers, students and stakeholders in a fully transparent process across the entire state.

The Department of Education and partners in the General Assembly have received thousands of public comments, including more than 16 townhalls and meetings across the state.

I thank every Tennessean who participated in the process, especially those who served on our 18 subcommittees.

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It's not just hundreds of millions of dollars on the line - it's our kids, their childhoods, and most importantly their futures.

Time and time again, we have heard the same message: we need a smarter, more transparent, accountable education funding formula, and the time is now.

A formula that prioritizes the needs of students above all else, and that pays particular attention to students with disabilities, rural students, low income-students, and students with other priority needs.

If we do this correctly, we can create a funding formula that demands accountability and rewards districts for performance, but most importantly funds students and not bureaucracies.

If we do this right, then and only then, can we feel confident investing the dollars that are needed for our public schools and the future of Tennessee.

Therefore, in tandem with this new funding formula, I am proposing \$1 billion in new, recurring education spending for our public schools across Tennessee. The proposal will be finalized in the coming days, and I look forward to working with you, the members of the General Assembly, to get this done.

This budget also includes one-time funding to expand high school and middle school career and technical opportunities so every student can graduate with the industry credential they need to join the workforce of tomorrow.

Let me tell you what else this one-time funding will be used for: I went to Waverly, TN after the devastating floods late last year.

The tragedy, the heartache, the loss was hard to take in. I walked into the elementary school where the water rose to four feet in 10 minutes.

I saw desks and backpacks and books piled up against the door where water rushed out. If the Waverly flood happened on Friday instead of Saturday, we would be mourning the loss of hundreds of Tennessee children.

I am proposing one-time funding to ensure that no student in Tennessee attends a public school located in a flood zone.

While we are improving our funding strategy, we also need to empower parents with a candid look into not only how their children are learning but what they are learning.

The vast majority of parents believe they should be allowed to see books, curriculum and other items used in the classroom.

That's how I felt about my own kids, and I stand with those parents today.

We are proposing a new law that will ensure parents know what materials are available to students in their libraries.

This law will also create greater accountability at the local level so parents are empowered to make sure content is age-appropriate.

As we again work to make gains in elementary reading and mathematics, we will work to ensure students have tailored options in science, technology, engineering and technical training.

We will grow our investment in the Future Workforce Initiative by \$2.5 million and will propose new legislation to make computer science and coding available to every high school student in Tennessee.

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We are seeing steady enrollment in our Tennessee Colleges of Applied Technology when other academic disciplines have declined.

These Tennesseans stand ready to wire our houses, build our cars and nurse our sick back to health. We need them on the job now, not on a waitlist.

So, I am committing \$200 million in TCAT expansions to help double our skilled workforce by 2026 and ensure that any Tennessean wishing to further their education can immediately enroll in a TCAT.

Make no mistake - Tennessee is "Working People USA," and we will do whatever it takes to train and retrain Tennesseans so that both our businesses and our families can thrive.

The keepers of "Working People USA" have been our teachers.

When companies look to Tennessee for a pipeline of skilled workers, it is teachers who are busy preparing students for life beyond the classroom.

We should raise teacher pay this year by \$125 million, which is a well-deserved increase into the teacher salary pool.

Historically, funds put in the salary pool don't always make it to deserving teachers. When we say teachers are getting a raise, there should be no bureaucratic workaround to prevent that.

In our updated funding formula, we will ensure a teacher raise is a teacher raise.

Increasing wages isn't enough to address a teacher shortage and record number of retirements.

In 2020, we launched a program to get more high school seniors to pursue teaching and even remain within the communities that raised them.

Our program, called Grow Your Own, is now nationally recognized as a model for building a pipeline of qualified educators.

It is the first time teaching has been recognized by the federal government as an apprenticeship pathway, and that path starts right here in Tennessee.

The Grow Your Own model is proof that giving kids real skills and a roadmap will solve the greatest challenges of the day.

So much of innovation begins with doing research and committing to reaching full potential.

At the higher education level, we're investing \$90 million in our nationally-highlighted outcomes-based funding formula.

With this level of funding, I would expect zero tuition increases for our public universities.

We are also proud to propose a series of research investments to ensure we stay on track to be America at Its Best.

Recently, the University of Memphis received a Carnegie R1 designation making it a top-tier school for research.

We will now have what's known as an R1 institution in each grand division.

We are proposing \$50 million toward a research endowment to propel work that will make Memphis a global leader in AgriTech, cybersecurity, and the digital workforce.

Meeting our full potential also means being home to some of the best historically black colleges and universities in the country.

Back in November 2020, the Speakers appointed a Joint Land Grant Committee, chaired by Representative Harold Love, to explore how the state can better understand the new needs of Tennessee State University.

Today, I'm recommending a \$250 million dollar investment to improve the physical infrastructure at TSU.

Our commitment to innovation will continue east right through the Oak Ridge corridor.

We're investing more than \$70 million to complete the Oak Ridge Innovation Institute, which is a partnership with the University of Tennessee to invest in data science, technology, advanced materials, and much more.

For decades, East Tennessee has been home to some of the best kept secrets in nuclear energy and American innovation.

Today, many may not realize that Tennessee derives more power from nuclear energy than from any other source.

Recently, I visited the TVA's Watts Bar nuclear facility, the last nuclear facility to be built in America, to see firsthand how nuclear power keeps our grid dependable even when the weather is not.

Nuclear power is clean energy that actually works for the private sector.

It has enabled us to land major economic projects because not only is it clean, but it is also cheap to produce.

Tennessee's expanded nuclear potential rests at the Clinch River site as one of the few undeveloped, certified nuclear sites in the country.

We are working directly with TVA to formalize a long-term strategy so the Clinch River site can be part of powering America.

If we're going to have a real conversation about energy in America, it needs to be safe, cheap to produce, and reliable. I believe that conversation starts right here in Tennessee at the Clinch River site.

Our state is one of the fastest growing states in the country.

We have an obligation to future generations to invest in our roads and bridges to accommodate that economic growth.

My budget proposes accelerating the IMPROVE Act by allocating \$100 million to ensure progress on critical projects.

I'm also proposing more than \$170 million toward interchange improvements in 12 counties across the state that will propel economic growth in rural areas, because if we want to look at what's right about America, we've got to look at rural Tennessee.

I'm also proposing more than \$250 million toward road infrastructure projects in the fastest growing counties.

All of these amount to well over \$600 million additional dollars invested in road infrastructure, over and above what was already in place, and that is what meeting our obligation to the future looks like.



## **Exceptionalism: Preserving What's Best About America**

Earlier, I mentioned Tennesseans are what make our state exceptional.

I recently watched President Reagan's farewell address, made just before he left office in January of 1989.

As many other Presidents have done, his farewell address includes a warning to the American people.

He reminds us that what we want to have in this country is "informed patriotism."

Then, speaking about American history, he says, "If we forget what we did, we won't know who we are."

He said, "I'm warning of an eradication of the American memory that could result, ultimately, in an erosion of the American spirit."

But he offered a solution by saying: "Let's start with some basics: more attention to American history and a greater emphasis on civic ritual."

Some 30 years later, those words are still true, and now more than ever, it is important that we teach true American history, unbiased and non-political.

Two years ago, we launched the Governor's Civics Seal program which included grants to support public schools implementing high-quality civic education programs.

Since then, we've nearly tripled the size of the program, and thousands of Tennessee students have received this education, and we expect the opportunity to grow.

The Fordham Institute recently ranked us as one of the top five states for civics education.

I'm proud of the "informed patriots" graduating from our Tennessee schools.

But there is still more to do, especially if we want to provide Tennessee parents with more educational choices.

Two years ago, I traveled to Hillsdale College to participate in a Presidents Day celebration and spend time with champions of American exceptionalism.

For decades, Hillsdale College has been the standard bearer in quality curriculum and the responsibility of preserving American liberty.

I believe their efforts are a good fit for Tennessee, and we are formalizing a partnership with Hillsdale to expand their approach to civics education and K-12 education.

Informed patriotism should stretch beyond the K-12 classroom and into higher education.

In many states, colleges and universities have become centers of anti-American thought, leaving our students not only ill-equipped but confused.

But, in Tennessee, there's no reason why our institutions of higher learning can't be an exceptional part of America at Its Best.

I'm including in my budget \$6 million to establish the Institute of American Civics at the University of Tennessee.

This will be a flagship for the nation - a beacon celebrating intellectual diversity at our universities and teaching how a responsible, civic-minded people strengthens our country and our communities.

However, our universities not only face internal threats, but are facing very real external threats as foreign powers target them to steal or influence American research.

The federal government estimates more than \$225 billion worth of intellectual property is stolen each year by China, much of this at institutions of higher learning.

Last year, we shut down Confucius Institutes at our public Tennessee universities to cut ties with an organization that is working for the Chinese Communist Party.

The State of Tennessee has to remain vigilant with regard to countries and foreign entities who don't have our best interests in mind.

Our administration has also strengthened our vetting approach to ensure we do not spend state dollars or incentivize any company doing the work of foreign adversaries.

We're doing this to protect our Tennessee economy, our taxpayer dollars and our American security.

Our state will continue to be a destination for other global companies who are honest brokers, and we welcome them to the table.

Good faith partnership is core to the American spirit.

And while we welcome foreign investment, we also welcome individuals from other countries who have legally made America home, and that is something we should always value.

It's been said that Americans by birth need to spend time with Americans by choice from time to time to help remind us all of what makes this country so exceptional.

An American by choice who has impacted me is Rocky Ghazi. He is a Kurdish refugee from Iraq and a proud American citizen by choice. He also serves our state as a trooper in the Tennessee Highway Patrol.

Rocky and his wife Jeehan are here with us tonight, and we're proud that you call Tennessee home. Please stand and be recognized.

### **Optimism: Best State for Families**

Tennessee fulfills America at Its Best because of our optimism.

Optimism that our best days are ahead of us, and that we can be the best place in the world for families to form and thrive.

My office has proposed and supported some of the soundest pro-life legislation in the country.

Thanks to our partners in the legislature, we passed thoughtful laws that protected the unborn and supported expecting mothers.

If the federal courts return full authority to the states, Tennessee's laws will automatically provide the maximum possible protection and offer a glimmer of redemption as America reconciles our troubled past.

I believe Tennessee can be a major part of that reconciliation by offering both hope and resources to families in crisis.

This begins with mothers and continuing big investments in their health.

TennCare's Health Starts Initiative will now have the funding to put an even greater emphasis on maternal health and holistic care for mothers and children.

Our support for families will continue through Tennessee Fosters Hope, where we have certified new foster families, offered trauma training statewide, recruited "foster friendly" businesses, and moved many children into forever homes.

I'm proposing the funding of relative caregiver placements which will allow extended families to keep loved ones close by. We are also proposing a childcare support program for all foster families, regardless of their DHS eligibility.

You can't be the best state for families unless you're the best state for all families. I believe we have significant work to do in improving access to health care for Tennessee families.

Because of our prudent fiscal management, we're making huge investments in rural healthcare in this budget. And that means actual care, not just keeping hospitals open.

We need qualified, dedicated physicians and staff in rural areas.

We are dedicating more than \$18 million to attract 150 new primary care residents for rural Tennessee.

Because of the confidence we have in our block grant waiver, we are able to make significant investments in health care, including an additional \$55 million in our Medicaid Pathways to Independence program.

This simply means more benefits and smarter spending for our TennCare population.

We are dramatically expanding dental care for more than 600,000 TennCare recipients through a \$25 million dollar investment and working on a multi-year commitment to broaden dental services across the state.

It's no secret that the opioid epidemic has ravaged many of our communities all across Tennessee.

Therefore, we are increasing investment to support addiction recovery through mobile units and improved walk-in care.

In spite of this challenge of opioid addiction, we are at a hopeful moment thanks to a tireless fighter who serves our state.

Our Attorney General Herbert Slatery has worked to ensure every county in Tennessee is entitled to part of the \$26 billion dollar suit against pharmaceutical companies who fueled the opioid tragedy.

General Slatery is a national leader who was recently recognized as the Best Attorney General in America. General Slatery, please stand, and let Tennesseans say thank you for all you have done.

From education to infrastructure,

From economic development to healthcare,

This budget is bold and balanced, and most importantly, it doesn't ask Tennesseans for a penny more in taxes.

Members of the General Assembly, the state of our state is strong, and I look forward to working with you to make it stronger, yet.

## **Closing**

Tennessee is, in fact a beacon for America, a harbinger of opportunity, of security, of freedom.

We are the reminder of what can be, but is not yet, very much like the formation of a more perfect Union.

Every child doesn't yet have access to a high-quality education.

Every neighborhood is not yet safe.

Every family doesn't yet have opportunity.

But what I know is this.

Every single member of the Tennessee General Assembly, every court justice, every constitutional officer, and this governor knows that if anybody can do it, Tennessee can.

In First Chronicles, scripture describes the leaders of ancient Israel at a particular time in its history.

These leaders are described as ones who understood their times and knew what they should do.

May we be those leaders.

May we ensure that the beacon that is Tennessee - America at Its Best - shines brighter than ever before.

May the Lord grant His favor upon the great state of Tennessee. Thank you.