



OFFICE OF GOVERNOR SCOTT WALKER
STATE OF WISCONSIN

REMARKS OF GOVERNOR SCOTT WALKER - AS PREPARED FOR DELIVERY
2018 STATE OF THE STATE ADDRESS
WEDNESDAY, JANUARY 24, 2018
WISCONSIN STATE CAPITOL

Speaker Vos, Speaker Pro Tem August, President Roth, Majority Leader Fitzgerald, Minority Leader Shilling, Minority Leader Hintz, Supreme Court Justices, Constitutional Officers, tribal leaders, members of the Cabinet, members of the Legislature, distinguished guests, and most importantly, fellow citizens of Wisconsin, it is an honor to come before you this afternoon, to report on the state of our great state.

Before we start, I want to recognize the First Lady of Wisconsin, my wife, Tonette, and our sons Matt and Alex.

Last year, Tonette joined me at this podium to talk about her groundbreaking work called Fostering Futures. She and her team continue their efforts with tribal councils, county governments, nonprofits, colleges and universities and employers from across the state. Our agencies have been trained on how to incorporate trauma-informed care into their daily routines. She brought a group of First Spouses and staff to Wisconsin to talk about this important work and she went to Washington to get the federal government more involved in this area. Tonette, thank you for your leadership – leadership that will change the lives of children, adults, and families all over Wisconsin.

Next to my wife is Major General Donald Dunbar who is the Adjutant General of the 10,000 strong men and women of the Wisconsin National Guard. Thank you for your service, General Dunbar.

And next to him is Major General Mark Anderson. It was my privilege to administer the Oath earlier this month to our second Two-Star General. What an honor for Wisconsin. Congratulations, General Anderson.

In September, General Dunbar, Chief Master Sergeant Thomas Safer, and I had an opportunity to visit members of the 115th Fighter Wing from here in Madison while they were deployed to Kunsan Air Base in South Korea.

Commanding Officer Bart Van Roo, who I had the honor of flying with in a F-16 in the past, and 255 airmen were deployed to one of the most intense spots in the world – South Korea. While we were there, I met the commander of the Seventh Air Force, Lieutenant General Thomas

Bergeson, a 1981 graduate of Wisconsin Rapids High School. He told me of the incredible skill of our airmen.

And, as if that wasn't enough, the commander of the 115th, Colonel Erik Peterson and many of the remarkable men and women of the Wisconsin National Guard joined me last month as we announced that Wisconsin had been selected to host the brand-new F-35A Lightning II fighter jets at Truax Field. Out of all the states in America, we had the number one location. I am looking forward to hearing the F-35s take off. That's the sound of freedom. Congratulations to this outstanding team! Many of them are here with us tonight.

Today, I am proud to declare that the state of our state is historically strong!

In Wisconsin, employment is at historic highs and unemployment at historic lows. We invested more actual dollars into schools than ever before in our history. The state property tax is gone. Wisconsin received a bond rating upgrade from three national agencies. Our health care systems are ranked number one in the nation for quality. And we announced the largest economic development project in state history. It has been quite an amazing year! A historic year.

We are getting positive things done for the people of Wisconsin.

As mentioned, more people are employed in Wisconsin than ever before in the history of our state. And just last week, the Department of Workforce Development announced that the unemployment rate had dropped to 3.0 percent. The only other time it was that low was in May, June and July of 1999 - when Tommy Thompson was our Governor. Things were pretty good back then, they're pretty good now.

And they're only getting better.

We are getting positive things done for the people of Wisconsin.

Students in our schools have some of the highest ACT scores and some of the best graduation rates in the country. And we just invested more actual dollars into K-12 education than ever before – an extra \$200 for every student in every school in every part of the state this year and another \$204 increase for every student on top of that next year. Our children deserve a great education that prepares them for college, careers, and real life.

We are getting positive things done for the people of Wisconsin.

To make college more affordable for students and working families, we froze University of Wisconsin tuition for all undergraduates from our state for six years in a row. We're partnering with financial institutions to help graduates refinance student loans. And financial assistance for students in need is at an all-time high, making higher education possible for thousands of students at colleges and universities across the state.

We are getting positive things done for the people of Wisconsin.

We were able to make record investments into education while still continuing to reduce the burden on hard-working taxpayers. According to the nonpartisan Legislative Fiscal Bureau, both property and income taxes will be lower in 2018 than they were in 2010. And we eliminated the state property tax. That's right: 100 percent of the property taxpayers in our state saw a 100 percent reduction in their state property tax bills.

We are getting positive things done for the people of Wisconsin.

Health care systems in our state rank number one in the nation for quality, according to the Agency for Healthcare Research and Quality. Plus, everyone living in poverty is now covered under BadgerCare for the first time in the history of the state. And according to the U.S. Census Bureau, the percentage of people with access to health coverage in Wisconsin is one of the best in the nation.

We are getting positive things done for the people of Wisconsin.

Wisconsin is number one in cheese, cranberries, and ginseng. We are one of the top states for milk, corn, soybeans, beef, apples, cherries, potatoes, and vegetables. Agriculture is a big part of our economy, and for our farm families, it's more than that... It's a way of life.

We are getting positive things done for the people of Wisconsin.

No state in the nation provides more benefits for veterans than Wisconsin. We offer 23 benefits for our veterans while the next closest state offers 21. Our veterans can attend college tuition free, and we expanded eligibility so more of our veterans' spouses and families can, too. And U.S. News & World Report ranks our veterans homes among the best in the country.

We are getting positive things done for the people of Wisconsin.

More people working than ever before; unemployment is at a historic low; record investment in our kids' education; more help for our colleges and universities; lower taxes; quality health care; growing agriculture and industry; taking care of our veterans. Yeah, we are getting things done...we are getting positive things done for the people of Wisconsin.

But that wasn't always the case. Eight years ago, things were much different. The state was heading in the wrong direction. Instead of going forward, the state was going backwards.

Eight years ago, in January of 2010, the unemployment rate was 9.2 percent. Today, the unemployment rate is down to 3.0 percent. That is well below the national rate of 4.1 percent and, as I mentioned, it is tied for the lowest unemployment rate in the history of Wisconsin!

In fact, more people are working in Wisconsin than ever before – people like Brooke and Cliff from Agnesian HealthCare in Fond du Lac and Sarah from IButtonLink Technology in Whitewater. Brooke, Cliff, and Sarah all became employed through our Wisconsin Fast Forward worker training program.

Eight years ago, the state government created a \$3.6 billion budget deficit.

The previous governor and legislature raided from the transportation fund, the patient compensation fund, heck, they even missed a payment to Minnesota for tax reciprocity.

Today, the state ended the last fiscal year with a more than a half-a-billion-dollar surplus, and the nonpartisan Legislative Fiscal Bureau just predicted that we will end the current budget with an even larger surplus than first expected. Our pension is fully-funded, and the rainy-day fund is 168 times bigger than when we took office.

Wisconsin's long-term outstanding debt is one of the lowest, meaning one of the best, in the nation, we are paying off our obligations faster than we take on debt, and three national agencies upgraded our bond rating last year. For Moody's, this is the first time since 1973. For Fitch and Kroll, it's the first time ever. That's historic. This is yet more proof that our financial management is working.

We invested more than \$6 billion into the transportation system in our recent state budget - which brings our total investment to \$24 billion over eight years. That's \$3 billion more than what former Governor Jim Doyle spent on transportation over the same period of time. You heard that right, we invested \$3 billion more into transportation than Jim Doyle did during the same amount of time.

In our budget, the increases we gave to local governments to fix roads, repair bridges and fill potholes are the largest in 20 years. We also put large amounts into state highway rehab. And thanks to the diligent work of Secretary Dave Ross and his team who found savings, we are able to move up projects like Interstate 39/90 and Wisconsin 441, while still keeping major projects like Verona Road on time. Overall, these savings will move up 26 projects like Highway 18 from Dodgeville to Mount Horeb, Highway 45 in Shawano County, Highway 16 from La Crosse to Sparta, and Highway 172 in Brown County.

Eight years ago, according to the nonpartisan Legislative Fiscal Bureau, the previous governor and legislature actually cut funding for schools and local governments. I remember it well because I was a county official at the time, and the state did not give us tools to deal with the reduction in state aid. Many local leaders either had to lay off workers or cut services.

Today, we have made the largest investment of actual dollars into K-12 education in history - an increase of \$200 for every student in every school across the state this year and a \$204 increase on top of that next year. Plus, we gave schools extra resources to cover transportation costs, to add mental health services, and to put new technology in the classroom.

And the reforms we passed years ago have saved schools, local and state governments more than \$5 billion and counting, according to an independent review. Most importantly, they allow school leaders to staff based on merit and pay based on performance. That means they can put the best and the brightest into the classroom. More money for schools is good, but making sure it goes into improving the quality of education for students in the classroom is priceless. I'm proud to say that is what we are doing here in Wisconsin.

Eight years ago, there were only 1,611 youth apprenticeship students in Wisconsin.

Today, the number of youth apprenticeship students has more than doubled - as has financial support from the state. And state funding for high technology workshops called Fab Labs doubled in this budget.

We are giving our students a head start on outstanding careers.

Eight years ago, tuition went up for college students in the University of Wisconsin System. In fact, during the decade before our freeze, UW tuition went up a whopping 118 percent.

Today, we froze tuition for all undergraduates from Wisconsin for six years in a row to make college more affordable for students and families. The nonpartisan Legislative Fiscal Bureau estimates the average student saved more than \$6,300 over four years thanks to the freeze.

Eight years ago, there were people living in poverty who were on a waiting list for access to health coverage under BadgerCare.

Today, for the first time in the history of the state, everyone living in poverty is covered under BadgerCare. Because of our unique Wisconsin-based solution, we had, according to the Kaiser Family Foundation, no gap in coverage. And we rank as one of the top ten states for access to health care coverage according to the U.S. Census Bureau.

Eight years ago, there were about four thousand people with disabilities, including children and adults, who were on waiting lists for long-term care services. Plus, many counties were not included in the long-term care programs.

This year, we are expanding Family Care and IRIS to every part of the state to provide long-term care options for senior citizens and for people with disabilities - to allow them to live as independently as possible.

Today, I am happy to report to you that, by the end of this year, we will eliminate wait lists for children who need long-term care services in every county in the state.

Ending wait lists for long-term care services means children like 14-year-old Malik of Kenosha finally get the support they need. Malik lives with cerebral palsy and autism and has limited mobility.

After 2 years on the waitlist, today Malik gets in-home therapy. He has a modified bathroom that gives him more independence and his family gets much-needed respite services. His mother says all of this has been a “game-changer.”

Access to long-term care services also means freedom for people like Mick and Helen in Green Bay. At 91 years young, Mick fell and broke his leg, but he was able to return home to his wife

of 70 years, thanks to the services and equipment he receives under Family Care. Helen calls the woman who comes to their apartment to help with their daily tasks her “visiting angel.”

Ending wait lists for long-term care also helps people like Melissa in Sauk City. Melissa was born with a disorder that affected her cognitive development, and after high school, she landed her dream job at Spa Kalahari, but she doesn’t drive, and transportation was an issue. Through her long-term care services in the IRIS program, Melissa gets help with transportation and other home care services, which has helped improve her life.

People like Malik, Mick, and Melissa should not have to put their lives on hold, to get the help they need to be independent and live their best lives. These are success stories, and I am glad that these services will be available all over the state.

Since 2011, Wisconsin has been recognized as a national leader on helping people with disabilities enter the workforce.

Today, according to the Annual Disability Statistics Compendium, we rank in the top ten states for hiring people with disabilities. That is good news for people like Marcus. He was one of the first interns in Project SEARCH at Children’s Hospital of Wisconsin. After graduation, Marcus was hired full-time by the hospital.

Project SEARCH is a program that helps high school aged students with disabilities prepare to enter the workforce. The success rate for Project SEARCH in Wisconsin is 88 percent which makes it one of the best in the country.

Eight years ago, there was just one program site in the state. When school starts in the fall, there will be 27.

Eight years ago, Governor Doyle had closed all eight of the visitor centers around the state.

Today, we’ve seen a 35 percent increase in the economic impact of tourism. Our marketing focuses not on a slogan, but on the fun people have in Wisconsin. We partnered with local convention and visitor bureaus and chambers of commerce to open visitor centers all around the state. Check out TravelWisconsin.com for more details.

Eight years ago, the state government did not have any state-funded grant programs for the expansion of broadband infrastructure.

Today, we do, and in this budget, we invested \$41.5 million, an increase of \$35.5 million, to connect communities across the state to high speed internet connections, as well as give schools access to the latest technology and training. Our goal is to connect every part of the State of Wisconsin over the next two years.

In 2007, the economic impact of agriculture was estimated at \$59.2 billion by UW-Extension.

Today, a report by UW-Extension estimates that agriculture has an \$88 billion impact on the Wisconsin economy. Lower property and agriculture taxes, science-based and predictable regulations, limits on frivolous lawsuits and expanded export opportunities will help our family farmers continue to grow in 2018 and beyond.

Eight years ago, taxes were going up. In fact, during the decade before we took office, property taxes alone went up 27 percent. People were telling me then how they felt they were being taxed out of their homes.

Today, both property and income taxes are actually lower than they were in 2010. Property taxes on a median-valued home are estimated to be more than \$100 lower in 2018 than they were in 2010. If the previous trend had continued from before I took office, the estimated property tax bills on a typical home would be \$612 higher than they are this year.

And, for the first time since 1931, there is no state property tax. In fact, property taxes as a percentage of personal income are the lowest they have been since the end of World War II.

Plus, we cut income taxes - so a typical family will have saved \$1,400 since 2010. The overall state and local tax burden in Wisconsin, once one of the highest in the country, is now below the national average. Based on data from the U.S. Census Bureau, it's the lowest it's been in more than 50 years.

Through the end of this budget, the cumulative impact of our savings to the hard-working taxpayers will exceed \$8 billion. Only 2 other states in America have reduced their tax burden more than we have since 2011.

Eight years ago, according to Chief Executive Magazine, Wisconsin ranked 41st for business. Sadly, the state was consistently in the bottom ten for places to do business.

Today, for the first time in the history of the survey, Wisconsin ranks in the top ten states for business. That's why global businesses like Haribo and Foxconn are coming to Wisconsin.

It is why Fleet Farm is expanding in Chippewa Falls, Generac is growing in Waukesha, U.S. Venture is expanding in Appleton, Kwik Trip is building in La Crosse, Great Lakes Cheese Company is adding jobs in Wausau, Ameriquip is growing in Kiel, IMark Molding is adding jobs in Woodville, and Oshkosh Corporation is expanding in (well, of course) Oshkosh. Thanks to the many employees from these companies who are here with us today.

And we're just getting started. Foxconn, for example, will begin construction this year on a \$10 billion campus. This will require 10,000 construction workers from all over the state. Earth movers from Hoffman Construction out of Black River Falls are already starting work on the infrastructure for this major project.

Families, workers, and companies from across the state will benefit from one of the largest economic development projects in the history of America. Once operational, Foxconn will spend roughly \$1.4 billion a year with Wisconsin businesses.

To put that in perspective, Oshkosh Corporation, one of our great Wisconsin employers, who just won the coolest thing made in Wisconsin contest, they spend about \$300 million each year with Wisconsin companies. This will be more than four times as much.

If you are a small business that would like to be a part of the Foxconn team, I invite you to sign up on the website, wisupplychainmarketplace.com.

Most importantly, Foxconn will be one more reason for our graduates to stay in Wisconsin. Young people like Amber, who is a student at Gateway Technical College, Joey and Tim, who attend Madison College, and Eric, who is a student at Fox Valley Technical College. They all have plans to be a part of the 13,000 people working on the Foxconn team. Thank you for being such a visible reminder of all the employers that are growing here in Wisconsin.

Eight years ago, things were not very good in our state. There were double-digit tax increases, billion-dollar budget deficits, and record job losses. State aid to schools and local governments were cut with no new tools provided. UW tuition was continuing to go up faster than inflation. And Wisconsin consistently ranked in the bottom ten states for business.

We don't want to go back to those days. That would be a giant step backwards. Thankfully, many of us in this chamber today had the courage to make some tough decisions. The results from those tough decisions helped turn our state around.

Those results now allow us to invest record amounts into our schools and into other priorities while still making Wisconsin more affordable for the hard-working taxpayers of this state. Now, we need to keep moving Wisconsin forward.

So today, I am laying out an Ambitious Agenda for 2018 to keep us headed in the right direction.

First, to ensure that every child has access to a great education, we are going to find additional ways to put more resources into the classroom. A good school equals a great life, and we have some of the best schools in the country. We will build off of our historic investments into K-12 education.

Looking ahead, we need to continue to help rural schools keep more money in the classroom. Many of these schools have unique needs related to transportation and to the size of the district. I want to ensure educational excellence everywhere. With that in mind, we have a plan that will increase Sparsity Aid and help out low revenue school districts.

I want to personally thank Joint Finance Co-Chair John Nygren for his leadership on this, along with Senator Howard Marklein and Representative Jeff Mursau.

Today, I call on members of the state Legislature to pass this plan.

Second, we need to grow the number of opportunities for our young people to pursue great careers here in our state. We developed a plan with the Wisconsin Technical College System, the

University of Wisconsin System and with private colleges and universities in Wisconsin. With all of the new jobs being created in our state, we must have enough graduates with the skills to fill these careers.

Today, I propose that we use the \$20 million designated in Act 58 to establish a new Wisconsin Career Creator program on campuses all over the state. Years ago, brain drain was a problem. Now, with all of the exciting new jobs and developments, there are many more reasons to keep our graduates in Wisconsin. Now that's brain gain.

Tonette and I love the fact that our sons Matt and Alex work here in the state. We know how nice it is to have family close to home. We want that for other families as well.

Education and training are the keys to building a strong workforce. We also increased opportunities for people with physical and intellectual disabilities in the workforce. Plus, our budget included a major increase in funding for vocational training within our correctional system. And we are aggressively working to get veterans into the workforce. Still, we will need to increase the number of potential employees in the state.

With more people working than ever before, we cannot afford to have anyone on the sidelines. Therefore, as the third point in our Ambitious Agenda, I propose that we expand our Wisconsin Works for Everyone welfare reforms.

Since we started requiring employment and worker training, more than 25,000 people have gained employment. People like Thomas from Stevens Point and Charlotte from Beloit.

Thomas had been working a series of seasonal jobs. With our training program, he now has a permanent job with MedXcel at St. Michael's in Stevens Point and says it's his dream job.

Charlotte had health issues that forced her out of a job. Through our program, she got help and was hired almost immediately to work in registration at Beloit Health System.

These are just a few of the success stories of the more than 25,000 people who are in the workforce because of our work to transition more people from government dependence to true independence through the dignity of work.

Still, we need more individuals in the workforce. Each week, we typically have 80,000 to 100,000 job openings on our state website, jobcenterofwisconsin.com. With that in mind, I am calling a special session to pass our common sense welfare reform plan.

We want able-bodied, working age adults to work at least 30 hours a week or enroll in job training to get assistance. We want to expand welfare reform statewide. And we want to ensure that everyone getting public assistance can pass a drug test. If someone fails, we set aside resources to get them into rehabilitation because we understand that if we get them healthy, we can find a job for anyone in the state.

We also propose putting asset limits on public assistance so people with giant mansions and fancy cars don't get welfare checks while hard-working taxpayers have to pay the bills.

While many are upset with the inability to get things done in Washington, we are getting positive things done for the people of Wisconsin.

Thank you to Speaker Vos and Senator Chris Kapenga for leading and working with us on welfare reform.

Now, some will complain that our reforms are about making it harder to get government assistance. The truth is, our reforms are about making it easier to get a job. For those who are able, we will enable them to find meaningful work. We want to help people pursue careers to support themselves and their families. You see, public assistance should be more like a trampoline and not a hammock. Just like Tommy Thompson did in the 1990s when unemployment was low and times were good, we are moving people from welfare into the workforce.

Fourth, I ask the members of the Legislature to pass our Small Business Plan to help even more employers grow across the state. The first step is reducing costs for small businesses. Lower taxes, streamlining regulations, and reducing frivolous lawsuits are all part of the plan. There is still more that can be done this session on ending unemployment fraud and on lawsuit reform.

Let's get it done.

The next step for small business is preparing the workforce. Our plans include investments in schools, apprenticeships, higher education, and worker training.

Another step for small businesses is removing barriers to work. The plan includes ending benefit cliffs to encourage more people to work, take more hours and advance into higher wage jobs. It also includes work requirements and screening for drug use for welfare benefits, as well as adding new populations to the workforce.

The final step of our plan for small businesses is to help attract new talent. I ask for the assistance of the Legislature as we seek to attract to Wisconsin several key groups of potential employees: transitioning veterans and their families, graduates of Wisconsin colleges and universities and millennials from across the Midwest.

For more details on our Small Business Plan, please visit our website walker.wi.gov.

We are committed to helping small business grow in every part of Wisconsin. We recently announced major new investments in our ethnic chambers of commerce to help grow minority-owned small businesses. We continue to partner with local chambers, with county economic development entities and with regional economic development organizations to grow small businesses.

And to ensure that more small businesses succeed in the rural parts of the state, I propose that we create a Rural Economic Development Fund of \$50 million per year. The fund will support the development of new businesses and the expansion of small businesses in rural areas. And it can assist in training more people to fill the positions being created by employers in rural area.

On top of that, many of the small businesses in our rural communities support and depend on our farm families.

To keep more of our family dairy farms, I propose a plan that would create a Family Farm Fund. This fund would provide scholarships to encourage students to take advantage of agriculture-related studies at a Wisconsin technical college or the UW-College of Agriculture that would help them begin a rewarding career in farming. Our plan would also help farmers deal with the costs of ensuring that their farming practices preserve clean water in rural areas.

We also recognize that farmers are facing challenges with low commodity prices. That's why, earlier today, I signed an Executive Order that expands resources for farmers to reach new markets across the country and around the world.

We also need to do more to connect people and businesses in rural areas to high speed Internet connections. As mentioned, we made a major new investment in broadband access grants for communities and in TEACH grants for schools and students. But we can do more. That's why I'm calling on the Federal Communications Commission to finalize rules increasing access to broadband internet by advancing television white space technology. White space is the unused spectrum between broadcast television stations and it can deliver high-speed internet to underserved areas of Wisconsin.

Each of these items will help grow small businesses in Wisconsin. Therefore, I ask for the members of the Legislature to act on these items that require legislative approval before the end of session.

Our Ambitious Agenda also includes our work to reform state government – to make it more effective, more efficient and more accountable to the people.

We will continue to challenge the status quo.

With that in mind, we are pushing a major reform of the criminal justice system for serious juvenile offenders. Over the past year, we worked with county officials, members of the judiciary, policy experts and lawmakers from both political parties. We looked at best practices in states like Missouri and elsewhere to see how to reform the system here in Wisconsin.

Thank you to Secretary Jon Litscher and Secretary Linda Seemeyer for their work and that of their incredible teams.

Instead of one or two large facilities, which has been the model for decades, our reform plan would create six smaller facilities spread throughout the state. Locations for five of the sites would be determined by collaborating with the 72 counties - since the offenders are sent to state

facilities from individual counties. The other facility would be at Mendota Mental Health Institute as part of the nationally recognized program for mental health treatment.

The complex in Lincoln County would be converted to a medium security adult prison. It would likely focus on alcohol and drug abuse treatment. This additional space would also help limit the amount of money the Department of Corrections has to pay for contract beds outside of the state system.

The Department of Corrections has made many changes over the past few years to improve safety and treatment. These include additional positions, increased compensation, changes in medicine distribution and more security cameras. The changes I am talking about today, however, are larger than that and are really about long-term reform of the system.

Today, I ask the members of the state Legislature to act on this plan by the end of session.

I particularly want to thank Representative Evan Goyke for his work on these reforms. Much of our plan parallels his work. He is now amending his bill to include our additions in mental health and trauma-informed care. Let's work with the counties to pass this plan quickly so we can move forward with real reform.

Just like families all across the state have had to do, over the past 8 or 9 years, we have made tough decisions. They paid off. Our reforms are working. The economy is growing. And Wisconsin has a sizable surplus.

As I promised, when we have a surplus, we will give it back to you, the hardworking taxpayers. This is your reform dividend. You deserve it.

So, today, I propose that we create a child tax credit in Wisconsin.

Families across the state will receive \$100 for every child, under 18, living at home. A couple hundred dollars more in the family budget could really make a difference, particularly when getting ready for the next school year.

It could be a new pair of shoes, a winter coat, activity fees at school, or a co-pay at the doctor or dentist. We know sometimes Wisconsin families face challenges when making ends meet, and this new child tax credit can help.

Today, I am joined by families from all over Wisconsin who will benefit from our child tax credit.

So, I ask you, the members of the Legislature, to pass my plan so that by the time these kids, and all the others like them across the state begin school this fall, their parents will have a check in the mailbox.

The final part of our Ambitious Agenda for 2018 is providing stability in health care. Our citizens are crying out for a stable health care system. Washington has failed to act so it is time for us to lead in Wisconsin.

That is why, today, I propose the Health Care Stability Plan.

Most people receive their health care coverage from their employer. Premium increases for the majority of employer-based plans were fairly modest this year at about 5 percent.

The biggest concern I hear about is from those who are worried about pre-existing conditions. With that in mind, I propose that we enact a law in Wisconsin that will guarantee coverage of pre-existing conditions. That way someone who has cancer or another serious disease or ailment will not have to worry about obtaining or keeping coverage.

The members of the state Assembly have already moved forward, now I ask the members of the Senate to do the same.

This will provide comfort and stability for people all across Wisconsin.

For our senior citizens, most receive their health care through Medicare. While that is a federal and not a state program, we can provide certainty and stability for those who depend on SeniorCare.

In the past, there has been plenty of debate about whether this should be a federal or state government responsibility. It is clear that people want it at the state level.

Therefore, I am officially seeking a permanent waiver for the State of Wisconsin to provide SeniorCare.

Since it was first approved in 2002, the state has asked for an extension of SeniorCare four times. It is time to make this a permanent and stable program.

For the small number of people who seek coverage through the individual market, and not through their employer or through Medicaid or Medicare, I propose that the state provide assistance to keep those premiums from making health care coverage unreachable for many of our fellow citizens.

Under Obamacare, the so-called Affordable Care Act, premiums for people in the individual market are going up an average of 36 percent this year. Some are seeing much larger premium increases. For example, Kristine from Brown County saw her premiums go up by almost \$2,000 a month, that's a 120 percent increase!

That is unsustainable and unacceptable.

Thankfully, our Health Care Stability Plan will help keep premiums at a reasonable level here in Wisconsin. This is a market-driven approach to bring stability to health care in Wisconsin.

Just as we did years ago when we found a unique way to cover everyone living in poverty for the first time in Wisconsin history, we have a unique way to help drive down premiums.

It is not a Republican or Democrat issue. It is a Wisconsin issue.

We listened to the people and created a Wisconsin solution.

As Minnesota Governor Mark Dayton said in the past, “the Affordable Care Act is no longer affordable.” Instead of seeking to put thousands more people onto government assistance through the Obamacare expansion, our plan helps drive down premiums to make health insurance plans more affordable and we believe it will lead to more choices for consumers.

Our Health Care Stability Plan is the Wisconsin Way to provide stability and peace of mind for our citizens.

Along with coverage for general health care needs, we must continue to find new ways to fight the opioid and illegal drug addiction crisis in the state.

Since I’ve been Governor, I signed 28 pieces of legislation into law dealing with this challenge.

Thanks to Representative Nygren for putting together a bipartisan coalition to fight this epidemic and for joining our outstanding Lt. Governor Rebecca Kleefisch as the co-chair of our commission.

Today, I ask you to pass the latest recommendations from this panel of experts.

We know that if we can get people treatment or, better yet, keep them from addiction in the first place, it will not only create a healthier Wisconsin, but a happier one, too. And that will help us build the workforce we need to keep moving Wisconsin forward.

This is one of those issues that knows no boundaries. Rich or poor, big city or small town, Republican or Democrat. These are the issues that people want us to work together on.

Issues like pushing for more ways to help our schools improve student success; growing the number of opportunities for our young people to pursue great careers that will keep them here in our state; expanding our Wisconsin Works for Everyone welfare reforms; helping small businesses grow across the state; continuing to reform our government; creating a new child tax credit to help working families; and providing stability in health care. These issues are the seven common sense parts of our Ambitious Agenda for 2018.

We are getting positive things done for the people of Wisconsin, but there is still more work to be done.

So today, I ask you, the members of the State Legislature to move on these important items. These are not Republican or Democrat issues. These are just Wisconsin issues.

Plus, I know that we can work together. Many might be surprised to hear this, but more than 90 percent of the bills that I signed into law were passed with more than just Republican votes. Let me repeat that: more than 90 percent of the laws I've signed as your Governor had more than just votes from Republican lawmakers.

So, I know you can work together to get things done, because you've done it in the past...and you can do it again this year.

And I ask you, the people of Wisconsin to talk to your lawmakers, and ask for rapid action on this Ambitious Agenda for 2018.

I am confident that you will because I've seen you do positive things all over the state. You see, one of my great joys as your Governor is traveling the State of Wisconsin and visiting with so many of our wonderful citizens. I love to see the people of Wisconsin.

Through our visits, I see how proud you are of your families; of your homes; of your work; of your small businesses and farms; of your schools; of your churches and places of worship; of your communities; of your state. We are Wisconsin Proud.

Today, I want you to know that I am proud to be your Governor. I am proud of the work we've done here. I am proud of the progress we've made together. I am proud that we are getting positive things done for the people of Wisconsin. But we're not done yet.

So, let's get going.

Let's keep working together. Let's keep moving Wisconsin forward. Thank you.

May God bless you. May God bless the great State of Wisconsin. May God bless our great service members around the world. And may God continue to bless the United States of America.