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2014 State of the State Address: A Blueprint for Prosperity

Madison – Tonight, Governor Scott Walker gave his fourth State of the State address at the Wisconsin State Capitol. Below are Governor Walker's remarks as prepared for delivery:

First, before I acknowledge anyone else, I would like to recognize my good friend and fellow Harley rider, Congressional Medal of Honor recipient Gary Wetzel.

Speaker Vos, Speaker Pro Tem August, President Ellis, Majority Leader Fitzgerald, Minority Leader Larson, Minority Leader Barca, members of the Wisconsin Supreme Court, Constitutional Officers, tribal leaders, members of the Cabinet, distinguished guests, members of the Legislature, most importantly, fellow citizens of the great state of Wisconsin, it is an honor to appear before you tonight.

Before we get started, I would like to introduce the First Lady of Wisconsin, my wife, Tonette. Also in the gallery are our sons, Matt and Alex, and my family; my parents, Llew and Pat, my brother, David, my sister-in-law, Maria, and my nieces, Isabella and Eva.

Next to my wife is Major General Don Dunbar, our Adjutant General. I want to thank him and the more than 10,000 members of the Wisconsin National Guard. Thank you for being here.

The state of our state is strong and improving every day. The economy is dramatically better and our finances are in great shape. Still, there is more work to be done.

Thankfully, the days of double-digit tax increases, billion-dollar deficits, and major job loss are gone. We replaced them with massive tax cuts, growing budget surpluses, and significant job growth. Wisconsin is going back to work.

Tonight, we have some really great news about the economy and our fiscal situation. The non-partisan Legislative Fiscal Bureau recently verified that the state will have \$911 million more than previously projected. These new revenues are not a one-time windfall, or budget gimmick, but come from a strong economic recovery, where more people are working, more employers are hiring, and personal income is going up. They also come from good stewardship of the taxpayers' money.

What do you do with a surplus? Give it back to the people who earned it. It's your money. I propose that we deposit a portion of these new revenues in the state's rainy day fund and use the remainder to provide much needed tax relief to you—the hardworking taxpayers of Wisconsin.

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Tonight, I will propose a <u>Blueprint for Prosperity</u>, which will continue to improve our economy, while preserving our strong fiscal standing.

So how did we get these positive results? A true commitment to real structural reforms for state and local government budgets led to our long-term fiscal stability. Meaningful tax cuts that keep more money in your pocket rather than requiring you to send it to Madison, changes to laws and regulations that make sense if you're trying to start a business or find a job, and bipartisan investments in worker training are some of the driving forces behind the strong economic recovery.

So, how do we measure the impact of the recovery? Well, the unemployment rate in Wisconsin is the lowest it has been since 2008. Initial unemployment insurance claims are at a 12-year low.

Private sector job creation between April and November was the best since 1994. The seasonally adjusted private sector job growth from November 2012 to November 2013 ranked Wisconsin higher than Minnesota, Iowa, and Illinois.

According to the latest national report, personal income grew 4.4% over the year; faster than the U.S. In fact, Wisconsin ranked as the 4th best state in the country for personal income growth from the second quarter to the third quarter in 2013. After years of a stagnant market, a key component of the American Dream, home sales are up by nearly 11% and housing permits are up 12.9%. And according to quarterly and monthly job reports, more than 100,000 jobs have been created over the past three years.

Let me introduce you some of the people hired since I took office: Joann Stephens from Appleton is employed as a Quality Engineer at Surface Mount Technology. Heyward Gualandi from Madison is employed as a Sales Supervisor at Beechwood Sales and Services. Ben Lang from Brookfield is employed as a Design Engineer at Metcast Service Tech Resources. Dominic Petri from Cedarburg is employed as a Design Engineer at TLX Technologies. Lucas Klemann from Appleton is employed as a CNC Operator at M & M Tool and Mold. Bob Stoffel from Hartford is employed as a Brake Operator at Steel Craft Corporation. Patti Sharer from New Berlin is employed as an Accounting Specialist at Hastings Air Energy Control. Scott Grinder from Reedsburg is employed as a Maintenance Technician at Milwaukee Valve. Rick Banach from Oak Creek is employed as a Supervisor at Rexnord. Angela Hayward from Madison is employed as a Nursing Assistant at UW Hospital and Clinics. David Sohl from Madison is employed as an Organ Procurement Organization Surgical Recovery Coordinator at UW Hospital and Clinics. And Chris Barber of Two Rivers, is employed as a welder at Ariens Company.

As a candidate for Governor, I announced an aggressive jobs goal because I wanted people, like Joann and Heyward and Patti and Rick, to be able to find work. Every time we help someone find a job, it makes for a stronger home, a stronger community, and a stronger state.

Each of these people were looking for a job, or a better opportunity, over the past three years. They represent the people and the families behind the numbers. These are the faces of an improving economy in our state. Wisconsin is going back to work.

When I spoke about our jobs goal more than four years ago, I also made a pledge to help the people of Wisconsin create 10,000 new businesses by 2015. Tonight, I am proud to announce we exceeded that goal with nearly 13,000 new businesses created so far.

This is a great sign for the future as thousands of new employers bring the potential of even more jobs. Think about it, if each of these new ventures grew by 15 employees or more by next year, we would more than exceed our 250,000 jobs goal.

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New businesses, like 5-Point Fabrication in Ashwaubenon and SOLOMO Technology in Madison, will help us reach our goal.

Others are helping, too. During the past week, I visited Hartford Finishing in Hartford to announce 94 new jobs. EmbedTek in Hartland committed to creating up to 72 more jobs on Friday.

A & B Process Systems in Stratford hired 50 more people over the past year and Greenheck in Schofield added 209 jobs since 2011. These are just the employers I visited in the past few days.

Throughout the past year, we helped Amazon.com expand and create up to 1,250 jobs here in Wisconsin. EMCO Chemical Distributors moved up from Illinois with about 187 jobs. Hanna Cylinders announced the same thing and brought 105 jobs to our state. All three of these companies moved into Kenosha County. These are just a small sample of the many good news stories showing Wisconsin is going back to work.

This is a stark contrast to the negative job outlook of the past. During my predecessor's last term, Wisconsin lost more than 133,000 jobs and lost more than 27,000 businesses. In 2009, the unemployment rate peaked at 9.2%.

During that same year, Wisconsin's ranking in Chief Executive Magazine's best and worst states for business was 43rd. In 2009, a survey of employers by the chamber of commerce showed just 4% thought our state was heading in the right direction. Now, our ranking is up to 17th—one of the fastest jumps of any state in the country. As of last month, 95% of the employers surveyed said Wisconsin is headed in the right direction. That's right, ninety-five percent.

Another reason for our positive revenue numbers is our prudent fiscal management. Three years ago, we inherited a state government with a \$3.6 billion budget deficit. The state had past due bills to Minnesota, owed more than \$200 million to the patient compensation fund, and raided \$1 billion from the segregated transportation fund. At the same time, they only had \$1.7 million in the rainy day fund.

Sure, we had to make some tough decisions, but they paid off. We ended our fiscal year in 2013 with a \$759 million surplus; we paid back Minnesota, filled the fund to help injured patients of medical malpractice, and restored funding for transportation. And the rainy day fund, well, it's now 165 times bigger than it was when we took office.

We are turning things around. We are heading in the right direction. We are moving Wisconsin forward.

A year ago, I laid out the priorities my administration would focus on to get our state working again. Let me tell you a bit more about the positive things we are doing to continue to improve our economy, while maintaining a balanced budget:

Manufacturing and agriculture are two of our core industries in Wisconsin. Thankfully, both are playing a big role in our economic recovery. In 2013, CNBC ranked us as one of the top states for new manufacturing jobs. From November 2012 to November 2013, we rank 7th highest in the country in manufacturing job growth.

Milk production went up at double the national rate over the past year. And agricultural exports grew by 6% through the first three quarters of 2013, while dairy exports grew by 34%.

To keep these positive trends going, we put in place the manufacturing and agriculture production tax credit last year. Now, if you are an employer in one of these key industries, you should look at growing in Wisconsin as this credit will eventually wipe out almost all of your taxable liability. That is a really big

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Office of Governor Scott Walker 115 East Capitol • Madison, WI 53702 deal because it gives you the opportunity to invest the capital necessary to help create more jobs. This program is a game changer for employers in manufacturing and agriculture.

Argon Industries in Milwaukee and Gro Alliance in Cuba City told us the credit was a factor in their decision to grow in Wisconsin. Others, like Kenall Manufacturing, decided to move up to Kenosha from Illinois, and the manufacturing tax credit was a big part of their choice to relocate in Wisconsin.

In addition to the credit, we made major investments in agriculture this year. At the University of Wisconsin, we are expanding the Dairy Resource Center at Babcock Hall and building a new Meat Science and Muscle Biology Laboratory. Thank you to our industry partners for matching our investment. We have a similar partnership with Dane County on improvements for the World Dairy Expo.

We are proud to be America's Dairyland, but we are also one of the top states for corn, soybeans, potatoes, cherries, and other foods. Many may be surprised to know we are the number one producer of cranberries in the United States. And 95% of the ginseng exported to China comes from our state. Last April, we signed a ten-year agreement while on my trade mission in China worth between \$150 and \$200 million, and Tom Hack and Butch Weege from the Ginseng Board of Wisconsin are with me here tonight.

Not only is Asia a major market for our ginseng, many people now come to north central Wisconsin to tour our ginseng operations. Food- and beverage-related tourism continues to grow. From tours of breweries, wineries, cheese factories, cranberry fests, and even spice operations, Wisconsin is a great destination.

Overall, tourism continues to improve across our fine state. I was just at the World Championship Snowmobile Derby in Eagle River this weekend. The crowd was great and the snow was perfect. During the past summer, we made a strategic investment, which will boost Wisconsin's \$2.3 billion sport fishing industry; and in less than a year, we have already increased stocking more than four times over, putting 440,000 walleyes into our lakes. In the coming years, resorts, guides, bait dealers, marinas, and all of the other local businesses that depend on good fishing will benefit as Wisconsin becomes the premiere destination for walleye fishing in the Midwest. Yet another reminder that Wisconsin is fun in all four seasons.

Since I took office, the economic impact of the tourism industry has grown by \$2 billion to \$16.8 billion. We have many great partners, including our 11 tribal governments across the state. After years of cuts to the tourism budget, we put more resources in for marketing in 2011 and, again, in 2013. It is paying off as people see the value for their money in Wisconsin—as well as the incredible hospitality and, most importantly, the FUN at tourism sites all across our great state.

Thankfully, people will have more money to spend at those attractions because of our tax relief. Since 2011, we have reduced the burden on the hard-working taxpayers in Wisconsin by \$1.5 billion.

In the budget, we dropped the number of tax brackets and cut tax rates for everyone who pays income taxes in our state. On top of that, we passed \$100 million worth of property tax relief this past fall. For the third year in a row, property taxes actually went down on a median-valued home in Wisconsin. In fact, with the tax controls we already put in place, property taxes on a typical home in December of 2014 will actually be lower than they were in December of 2010. What a difference a few years make.

During the ten years before I took office, property taxes went up by 27%. If property taxes had continued to grow at the pace they did during Governor Doyle's final term in office, the typical homeowner would have paid \$680 more by the end of this term.

It seems like a long time ago, but taxes went up \$1.7 billion in Governor Doyle's last budget in 2009. Four years later, our budget lowered the tax burden by nearly \$1 billion.

In addition to putting plenty of money back into the hands of consumers and employers in this state, we are doing more to get people the skills they need to work. As of last Friday, JobsCenterofWisconsin.com, had nearly 50,000 jobs listed on it. However, a significant number of the people looking for work today don't have the skills required for the jobs available. This is why we invested \$100 million into worker training. We want to ensure everyone who wants a job can find a job.

Specifically, we just kicked off Wisconsin Fast Forward. This is a program to provide customized worker training in key areas, like manufacturing, construction, and customer service. And we increased support for our technical colleges, so they can expand courses in areas like health care, information technology, and advanced manufacturing.

Together with the University of Wisconsin System, we created the new UW Flexible Option, so adults can reduce the amount of time and money needed to get a UW degree in important areas, like engineering and health care. And we funded new positions at the UW School of Medicine and Public Health and at the Medical College of Wisconsin to increase the number of primary care doctors in rural and underserved areas of the state.

We are also doing more to get skilled tradesmen and women into the workforce. Through November, the number of apprentices is up 34% from the previous year.

Filling all the positions available in the state, now and in the future, also requires us to think and act in new ways. Tonight, I want to share with you the stories of some incredible people. A few might say these individuals have disabilities, but I want to talk about their unique abilities in the workplace.

Patrick Young works at Tailored Label Products in Menomonee Falls. About a year ago, he gave me a tour of where he works. Patrick is here tonight with the COO of that company, Jeff Kerlin. Jeff told me that Patrick adds tremendous value to his company – not only in morale but in productivity.

Like Patrick, Brady Dockendorf and Joe Nueman love their jobs. Both of them are employed at Features Sports Bar and Grille in Holmen. They showed me where they work and their supervisor said they are both key players on their team.

Steven Pils and I first met at the Piggly Wiggly in Lake Geneva. His boss, Mark Stinebrink, is here with him tonight and he says that people go out of their way to go through Steven's checkout lane, just to talk to him.

These are just a few of the many people all across the state who are sometimes defined as having a disability. Thankfully, their employers took a closer look and saw their true abilities.

Similarly, Project SEARCH is a year-long program for high school students with disabilities. One young woman I met has acute autism. Through Project SEARCH, she found a position sterilizing surgical equipment. This was a way to use her unique abilities to do a job that few others could do as well as she does. They identified her ability instead of getting hung up on her disability.

Tonight, I am pleased to announce the start of a year-long initiative called <u>A Better Bottom Line</u>—it's about employment opportunities for people with disabilities. It's an idea borrowed from a friend of mine–Delaware Governor Jack Markell–who used it as his agenda during his recent term as the chair of the National Governors Association.

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Make no mistake, <u>A Better Bottom Line</u> is not about charity. <u>A Better Bottom Line</u> means helping both the individual and the company do well. We are looking for ways to help employers hire people who will add value to their organizations.

All throughout 2014, I will highlight employers, who find the unique abilities and hire people with disabilities, as well as organizations, which help people with disabilities grow their skills and find meaningful work.

We will focus on companies, like Walgreens. At one of their distribution centers, where more than 50% of the employees have disabilities, they experienced a 120% productivity increase. Now, they are expanding that successful model to retail locations across the state and the country.

As part of the <u>Blueprint for Prosperity</u>, which I will announce tonight, we will use the Wisconsin Fast Forward program to expand Project SEARCH. Currently, there are seven businesses in the program in Wisconsin. We will fund an expansion of 20 more over the next three years.

In addition, the state Division of Vocational Rehabilitation currently serves more than 17,000 people. The recent law I signed at Independent Living Resources in La Crosse will help us serve an additional 6,000 individuals with disabilities. We will use the Wisconsin Fast Forward program to provide training to people with disabilities to fill needs in key industries.

All in all, we understand that for an economic recovery to be real, we cannot leave anyone behind.

We are looking for new ways to help connect people looking for work to the skills they need to fill available jobs across the state. In addition to our tech colleges and our worker training programs, this means investing more in our K-12 schools.

We support Dual Enrollment Academies, like the new one at WCTC, that allows high school seniors from eight school districts to take courses in Information Technology, Tool & Die, and Welding/Fabrication for both high school and technical college credits.

Tonight, I want to introduce some of the students in the program, Thomas Putnam, Justin Cerny, Jacob Rosenthal, Dale Medved, Alexander Hoelke, Samuel Fex, Tyler Polaski, Collin Hodson, John Davis, Zachary Rademan, Micah Kordik, and Scott Thom.

We also enrolled more than 1,200 high school students in the Wisconsin Youth Apprenticeship Program. In December, I signed legislation at Nicolet Technical College to add at least 500 more high school students to the program.

We created a \$1,000 per pupil incentive for high schools to provide career and technical education programs. We created a scholarship for high school students, who excel in technical education. To find out more about these and other programs, please visit prosperity.wi.gov.

Employers tell us they have tremendous needs for IT professionals, yet most states do not allow computer science courses to complete math or science requirements for high school graduation. Working with State School Superintendent Dr. Tony Evers, we changed the law with the hope that more young people will pursue careers in computer science-related fields.

Students in other countries have great success identifying skills and interests early in school, so they can take right courses for a career path.

In the state budget, we funded Academic and Career Plans for our schools to help kids as early as sixth grade start preparing for their career.

So many employers tell us they would take on more work and create more jobs, if they could only fill the positions they have open today, particularly in manufacturing. We need to remind our young people about the valuable careers available in our skilled trades. Many students, as well as parents, and even high school guidance counselors, don't know that manufacturing jobs pay 25% more than the average job in Wisconsin, and are more likely to have benefits.

We need to recognize the manufacturing advantage we have here in Wisconsin. It means valuing our sons and daughters, who are high skilled welders and machinists and tool and die operators, as much those who are doctors and lawyers.

Overall, our reforms help improve the quality of education for all of our students in Wisconsin. A recent report by the Wisconsin Taxpayers Alliance showed the reforms we put into place in 2011 gave schools the tools to more than make up for the budget adjustments. Plus, schools can hire and fire based on merit, they can pay based on performance, which means we can put the best and brightest in our classrooms and pay to keep them there.

Every child, regardless of where they live or what their parents do for a living deserves a chance to have a great education at the public school, charter school, choice school, virtual school, or home school environment right for them. With this in mind, we increased funding for our traditional public schools by \$387 million and expanded the choice program for other families across the state.

We are proud of our positive reforms in education. ACT scores continue to be higher than the national average, graduation rates are better than when I took office, and also, third grade reading scores are up.

We are also working to make college more affordable for students and their families. As the father of two sons who are in college, I can relate. After years of 5.5% average tuition increases, we now have a two-vear tuition freeze, for the first time in the history of the UW System.

Last year, I met Anastasia McCain at UW-Green Bay. She is pretty impressive. She goes to school full-time and works three jobs to cover the costs of her textbooks, supplies, and housing. She told me that our tuition freeze is taking weight off her parents, as they work to send three kids to college, and allowing her to save money toward her goal: law school.

Along with her tonight are Hannah Bresson and Stephanie Johnson from UW-La Crosse. I met Hannah and Stephanie at their school when I announced our tuition freeze. And they, like students at campuses across the state, appreciate the break on their tuition. Thanks for being here.

In addition to improving education, reforming government also helps create jobs. Many of the employers moving from Illinois to Wisconsin mention our stable fiscal situation, as well as our improving economic climate, as reasons for their move north.

Unlike Illinois, our pension fund is the only one in the country that is fully funded. Wisconsin's per capita pension and debt level is one of the lowest in the country. Stability at both the state and local level is good for employers, who want to grow, and for those who want to come to Wisconsin.

Our unemployment insurance reforms save employers tens of millions of dollars, while protecting the unemployed as they seek work. We are trying to make it easier to create jobs.

Most importantly, we are helping people transition from government dependence to true independence. We are helping people live the American Dream, which comes, not from the heavy hand of the government, but from the dignity that comes from work. Our reforms offer people more freedom, more opportunity, and, ultimately, more prosperity.

Our reforms are based on common sense. We ask those receiving unemployment checks to seek work four or more times a week instead of two. We ask adults without children seeking food stamps to enroll in employment training. We're not making it harder to get government assistance; we're making it easier to get a job.

We are putting in place similar reforms for Medicaid, too. Years ago, under Governor Doyle, eligibility for BadgerCare Plus went up, but not enough funds were budgeted, so many people living in poverty were put on a waiting list. This year, for the first time in Wisconsin history, everyone living in poverty will be able to access health care under Medicaid.

For those living above poverty, we transition them into the marketplace. I believe Medicaid is for those living in poverty, and our goal should be to help lift more and more people out of the depths of economic despair.

Our Wisconsin Plan is unique as we are able to cover everyone living in poverty, reduce the number of uninsured, and still not expose Wisconsin taxpayers to the uncertain potential cost of the federal Medicaid expansion.

Helping more people transition from government dependence to true independence is not only good for the taxpayers, it is good for employers, too, as more and more jobs are created in our growing economy and employers need more skilled workers to fill those positions. Most importantly, it is good for the people, who can now control their own lives and their own destinies.

Yet another way to improve the economy is to put people to work building and maintaining our infrastructure. After my predecessor raided more than \$1 billion from the state transportation fund, we reversed that trend.

In our current budget, we invest \$6.4 billion into the state transportation system.

This is welcome news for all those who work so hard to build and maintain our roads and bridges. People like the crew with me tonight, who helped open the Leo Frigo Memorial Bridge in Green Bay ahead of schedule and on budget. With us are Dean Schmitz, Matthew Gehrman, Brian Firari and Travis Schreiner from Zenith Tech, and Scott Nachreiner and Joseph Quist from Lunda. We are also joined by some of our hard-working folks from Department of Transportation; Will Dorsey, Robert Arndorfer, Dale Weber, Randy Asman, Tom Buchholz, and Brian Roper. Thank you all for your hard work and thank you to Secretary Mark Gottlieb for your leadership in completing this project so quickly.

Good roads and bridges and freight rail and ports and transit and airports are important to more than just construction workers, they are vital to a thriving economy. All sorts of industries rely on a strong transportation system: manufacturers, farmers, miners, loggers, retailers, and many others.

Overall, this is just a summary of all of the good work we are doing to improve the economy and to strengthen our fiscal standing. Tonight, I thank our partners in the private sector, as well as my staff, our Cabinet, and our state employees for their hard work over the past few years to meet these objectives.

I also thank you, the members of the state Legislature, for your partnership. Our work together to enact meaningful reforms is a sharp contrast to the dysfunction often on display in our nation's capital. Since

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taking office, more than 97% of the bills I have signed into law have had bipartisan support. We do more than talk, we get positive things done for the people of our state and I want to thank you for working with me to do just that.

We've made tremendous progress on the priorities I outlined a year ago, and now, we're seeing positive results. Looking ahead, we have the opportunity to do even more good work for the people of Wisconsin. Again, I ask for your help and support.

Tonight, I propose a <u>Blueprint for Prosperity</u> to help provide more opportunities for the citizens of Wisconsin.

Specifically, I ask you to work with me over the next few weeks to return the vast majority of the new surplus directly to the hard-working taxpayers of Wisconsin and to add more than \$100 million to the state's rainy day fund. As it has over the past few years, lowering the tax burden will contribute to a stronger economy and a better fiscal situation in the future.

Our <u>Blueprint for Prosperity</u> will put more than \$800 million back into the hands of the hard-working taxpayers all across the state through tax cuts and withholding changes. Once passed, the total tax relief provided since I took office will be roughly \$2 billion.

First, we will reduce property taxes by \$406 million. This is more than four times larger than the property tax relief we passed last year, and it is vitally important to protect working families, senior citizens, farmers, and small businesses. The typical homeowner will see an actual reduction of \$101 dollars on their next property tax bill.

Second, we will reduce income taxes by \$98.6 million. To ensure we don't leave anyone behind in our economic recovery, we will target this tax relief to the lowest income tax bracket. If you're a family of four making \$40,000, your savings will be \$58. No one will get a bigger savings than that.

Third, earlier today, I directed Revenue Secretary Rick Chandler to adjust withholding for state income taxes by \$322.6 million, so you can keep more of your hard-earned paycheck. This will put more money in the hands of consumers and will continue to stimulate the economy. Starting in April, a typical working family of four will see \$57.90 more in their paychecks each month. By the end of this year, that's more than \$520 dollars.

For everyone watching from home, go to <u>Prosperity.WI.gov</u> to see how much you will save under our plan, and then contact your legislator to offer your support.

In addition, our <u>Blueprint for Prosperity</u> will increase the Wisconsin Fast Forward program by \$35 million to focus on three new areas:

First, investment in our technical colleges to eliminate waiting list in high demand fields, like manufacturing, agriculture and Information Technology;

Second, help high school students get training in high demand jobs through dual enrollment programs between our high schools and technical colleges;

And third, support programs helping people with disabilities enter the workforce, as I outlined in our Year of A Better Bottom Line initiative.

I ask that the funds already set aside in the Joint Finance Committee from the surplus at the Wisconsin Economic Development Corporation be used for the expansion of Wisconsin Fast Forward.

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Tonight, I'm calling on you, the members of the Legislature to pass this <u>Blueprint For Prosperity</u> and return this money to the people of the state. Tomorrow, I will call for a special session to move forward with legislation to return this surplus to the taxpayers and to invest in our technical colleges, train workers for high-demand jobs, and support employment opportunities for people with disabilities.

When I ran for governor, Wisconsin faced big economic and fiscal crises. As I travelled the state then, I saw the impact that job losses had on so many individuals and families. I saw the stress on the faces of people all across the state as so many worried about making the mortgage each month or paying to put food on the table. It was then and there that I set a big goal to make up for the jobs lost in the past and to aim high for a recovery that did not leave anyone behind.

To take on the economic and fiscal crises of the past, we came in and made some pretty bold moves. Now, three years later, we see a dramatic turnaround in our state. These are historic times. The \$911 million budget surplus shows that the economy is coming back strong as more people are working, more employers are hiring and personal income is up.

Our reforms are helping the people of Wisconsin create more jobs and more opportunity and these reforms are helping restore fiscal sanity to state and local governments. Tonight, I call on the members of the Legislature to continue to build on these positive reforms by passing our Blueprint for Prosperity.

Some might say that we should keep more of this surplus in Madison. I disagree.

When I travel the state, people don't tell me that they want to keep sending more money to Madison. They don't tell me that taxes are too low or even that taxes are just right. Overwhelmingly, people across the state tell me that one of the best ways to fuel the economic recovery is to reduce their tax burden.

The best way to prepare for the future is by continuing to grow our economy, not by keeping more money in Madison. With a rainy day fund seven times larger than we had ever had before I took office, now is the time to send your money back to you, the hard working taxpayers of Wisconsin.

Now is the time to add to the many faces of the economic recovery that you saw earlier.

Now is the time to ensure that budget surpluses, like the one we celebrate here tonight - continue in the future.

Now is the time, once again, to put the power back in to the hands of the people.

Now is the time to pass our Blueprint for Prosperity, and help move Wisconsin forward.

Thank you, God bless you, and may God bless the great State of Wisconsin.

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