

2019 State of the State Address by Governor Jared Polis

As Prepared for Delivery

January 10, 2019

As we confront historic social and technological change throughout our country and our state, let me start by saying what an honor it is to serve as Colorado's 43rd Governor.

Before I deliver the state of the state, I'd like to deliver a message to every kid in Colorado. In our state, you can do anything you can dream. Here in Colorado, we celebrate our differences, embrace our uniqueness, and believe that what you look like and who you love matters less than what you ARE like and what you do for your community. Be proud of who you are, because your future is FULL of opportunity.

To all the new members of the Legislature, welcome.

To all the returning members of the Legislature, thank you.

And a special shout-out to the record-setting number of women who are now serving in this building.

It's only fitting that the very first state to elect any women TO its State House is now leading the way with a majority of women IN its State House. From Clara Cressingham, Carrie Holly, and Frances Klock, to Pat Schroeder, Polly Baca, Brianna Titone and every other trailblazing woman in this chamber today — Colorado's barrier-breaking legacy is something we should all be proud of.

President Garcia,
Speaker Becker,
Leader Holbert,
Leader Neville,
Members of the General Assembly,
Lieutenant Governor Primavera,
Lieutenant Governor Lynne,

Chairman Harold Cuthair of the Ute Mountain Ute Tribe,
Councilman Adam Red of the Southern Ute Indian Tribe,
Attorney General Weiser,
Secretary of State Griswold,
Treasurer Young,
Secretary Salazar,
Members of the State Board of Education,
Justices of the Colorado Supreme Court,
Denver Mayor Hancock,
Members of the Cabinet,
My staff,
First Gentleman Marlon Reis:

Thank you all for being here.

Thank you all for your support and good wishes over the past few days.

And thank you for all that you have done and all that you will do for Colorado.

Years ago I sat over there with the State Board of Education and I never thought I'd be up here like this, but hey, this is Colorado!

I hope you will all join me in thanking Colorado's military members serving with honor across the globe, the National Guard troops who keep us safe, and the Colorado first responders who save lives in our communities day after day.

We are grateful for your service.

I would also like to specifically acknowledge Ute Mountain Ute Tribe Chairman Cuthair and Southern Ute Indian Tribe Councilman Red who are here today. Dianne and I are eager to work with both of you in the years ahead, and to continue strengthening our government-to-government relationships.

I stand here today with the big shoes of Governor Hickenlooper to fill. But, rest assured, I've got my blue sneakers on and I'm ready to keep us moving forward.

And I stand here incredibly proud to have Lieutenant Governor Dianne Primavera, a healthcare leader, a former legislator, and one of the toughest people on the planet, working with me to help shape Colorado's future.

The state of our state is solid. It is strong. It is successful. It is daring. And it is bold.

While my predecessor and this Legislature should get credit for so much of Colorado's progress, our strength lies first and foremost in the bold and pioneering spirit of our people.

Here in Colorado, we climb the highest mountains. We look far past the horizons. We dream, we dare, and we do.

That spirit has been alive and well under the leadership of Governor Hickenlooper as we overcame tough economic times to build one of the strongest state economies in American history.

But I'm not here just to talk about the current state of the state and all the incredible achievements of the past few years.

I'm here to talk about the state of what's yet to come.

Because in the days, months, and years ahead, we are here to do more than build on the achievements of the past...

We are here to boldly forge a new path into the future. To make change work for us, rather than against us.

It's true that our economy is strong. From agriculture and outdoor recreation to aerospace, bioscience, energy, and cannabis, we've watched industries succeed and create jobs.

We've become a model for how we can put politics aside and work together.

But, despite all of our progress, far too many people are either barely getting by, or falling behind.

Our administration's mission and mandate from the voters begins with tackling the everyday challenges that Coloradans face because of the rising costs of living...

Providing every single child with quality early education;

Finally lowering the outrageous cost of health care;

Creating good-paying jobs in the clean-energy sector that can never be outsourced; and

Achieving true tax reform that reduces taxes for hardworking Coloradans instead of giving breaks to special interests while forcing families to pay more.

Together, we're going to build an economy where Coloradans from all walks of life don't just get by, but *thrive...*

Whether it's the small business owner in Eagle County whose health care costs are threatening their Colorado dream...

The rancher in Fort Morgan whose livelihood is threatened by drought...

Or the parents struggling to pay \$400 a month for kindergarten tuition in Douglas County.

To these Coloradans across our state, I want to say: our administration will work tirelessly to make our state work better for you — so that you can earn a good living and share in our special way of life. And I know that this Legislature will do the same, because every single one of us wants to see every single Coloradoan succeed. A Colorado for all.

Part of what defines our Colorado way of life are the values that we live by — values like equality under the law, honesty, the sanctity of basic human rights, and a free market for exchange of goods and services. We see the erosion of these values in some quarters of our nation today — which makes them all the more precious.

Here in Colorado, we treat each other with respect. We reject efforts to intimidate immigrant families, or tear children from their parents' arms. We don't tolerate bigotry or discrimination of any kind. And we don't accept hostage-taking as a form of governance.

Last summer, Marlon and I were having a conversation with our son Caspian, who was 6 at the time. He wanted to know the difference between all the various political parties — Democrat, Republican, Libertarian, Green, and so on. And at the end, he went over to his 4-year-old sister Cora and asked her, "What political party are you in?" And without missing a beat she answered, "the Happy Birthday Party."

It was one of those moments every parent experiences, where your child shows you wisdom you can't get from most adults. And it's wisdom that will guide our approach to problem-solving in this administration.

Because what truly matters is not the letter next to our name or which side of the aisle we sit on. What matters is: will our ideas be good for Colorado? Will they reduce health care costs? Will they improve our schools and help our kids get a strong start? Will they expand economic opportunity to more Colorado families?

This doesn't mean any of us should abandon our values. What it does mean is that mere partisanship will never stop us from embracing good ideas or taking bold action. The people of Colorado elected each of us to deliver, not to grandstand.

So, in the spirit of putting problem-solving over partisanship, let's work together.

We all agree that every child deserves a great education, so let's start there.

If we want Colorado to be a place where every person can build a great life for themselves, where our economy can continue to grow fueled by a skilled workforce, then our schools need to provide students with the tools they need to succeed.

One of the great joys of my life was starting the New America School and the Academy of Urban Learning — public charter schools for at-risk youth — and seeing how kids who had fallen through the cracks in our education system could take off and go on to achieve amazing things once they were given the opportunity.

It's time for us to build a Colorado education system where every single child — regardless of their zip code — gets a great education that prepares them for a bright future. And it begins with preschool and kindergarten.

Our top priority this session is empowering every single Colorado community to offer free, full-day kindergarten, while expanding free preschool to 8,000 more Colorado children.

Our state's strong economic growth means we have the power to do all of this *right now* without taking resources away from other areas of the budget. As Uncle Ben once said to Spiderman, “With **great power** comes **great responsibility**.” I know that together we can fulfill this responsibility, which many of you have been working on for years: Free Kindergarten Now.

Making full-day kindergarten available and accessible for all children sets kids up to be more successful in school and throughout their lives — improving performance, narrowing achievement gaps, leading to earlier identification and intervention for those with special needs, even increasing high school graduation rates down the road.

And all of us will share in those benefits. It will save taxpayer money in the long run by increasing incomes and decreasing the achievement gap. It will strengthen families, our communities, and our economy.

But today, the state only funds half-day kindergarten, leaving individual districts and parents holding the bag for the rest. And it is not cheap. Most districts charge tuition to pay for the extra half day. Some offer it free to students, but only by cutting funding for other priorities like teacher salaries or class size.

As a result, kindergarten in Colorado is a picture of inequality, where some students attend free full-day kindergarten, some must pay tuition, and other families get left behind because they cannot afford the cost.

In Colorado, families can pay upwards of \$500 per month to enroll their kids in full-day kindergarten. That's money that can instead go toward a good home, health care, a college fund, retirement savings, starting a small business, or simply a nice vacation once in a while.

Folks, Oklahoma figured all this out a long time ago. And with all due respect to our wonderful neighbors in the Sooner state, if they can do it, so can we.

What we are proposing is the single biggest expansion of early childhood education in Colorado history. It is an essential first step in our broader strategies for both early childhood and K-12 education, setting kids up for success right from the start. In fact, it will free up resources to get closer to an even more ambitious goal: full-day *preschool* available for every Colorado child, which the families of this state deserve, and which we are committed to achieving.

And I want to be clear: this is not a mandate, either for parents or for school districts. But for parents who believe public preschool and full-day kindergarten are the best option for their kids — and for school districts who want to offer these vital opportunities to families — we will do everything possible to make it happen.

School districts, education nonprofits, and bipartisan state legislators have done amazing work to raise public awareness of the benefits of full-day kindergarten and make it a top priority in this state.

Now it's time for us to finally cross the finish line. Free, full-day kindergarten by fall of 2019. Let's get it done.

Colorado has the fastest growing economy in the country. It's time our students, families, and dedicated teachers started sharing in that success.

And here are three other areas we can make real progress on together, if we truly value our students — and their teachers.

First, our educator shortage is having a devastating effect on public schools across this state. We're 3,000 teachers down from where we need to be, and schools in rural communities are feeling the brunt of the impact.

We should offer student loan relief for teachers who serve in these high-need areas. It'll enable more schools to make good on their potential to provide our children with the very best education. And it'll help more hardworking educators afford daily life as indispensable members of the communities where they teach.

Every day, we entrust Colorado's educators with our children's safety, with helping them grow into successful, compassionate adults. Educators deserve our respect. They deserve our gratitude. And they deserve to be compensated as the hardworking professionals they are.

Second, more than 750,000 Coloradans are carrying over \$19 billion dollars in student loan debt. We can lessen this burden by bringing more transparency to the student-loan process and providing basic consumer protection for borrowers.

And a third area where we can have a major impact is graduation rates. While we have made some progress over the past few years, Colorado still only ranks in the middle of all states with our graduation rate from high school.

Colorado's Education Leadership Council has done admirable work shining a light on this problem and examining how it can be solved.

We need to invest in proven programs that prevent students from falling through the cracks, and work with local communities to provide students the support they need to succeed in high school and in life.

This means recognizing that it is hard for a student to learn if they are hungry, homeless, or struggling with trauma or mental illness.

I know there are many thoughtful and innovative proposals here in the legislature to improve behavioral health resources in our schools. I look forward to working with you to help our most vulnerable students overcome the barriers they face through no fault of their own, and graduate from high school as healthy adults.

In the 21st century economy, a high school degree is more important than ever for economic success. If we are going to make sure students are prepared for careers in the booming areas of Colorado's economy – fields like technology and renewable energy — then the first step is to look at innovative solutions for reducing dropout rates.

When our students rise, our state rises even more.

Another top priority — one that we know has lit a fire under Americans here in our state and across this country — is health care. Governor Hickenlooper and this Legislature did admirable, bipartisan work expanding access to affordable health care in Colorado — overseeing the expansion of Medicaid, expanding access to vital reproductive health services, and cutting the uninsured rate to an unprecedented six-and-a-half percent.

But despite all the progress we've made, health care costs are still rising today, and families are still being ripped off.

It's time for us to build a health care system where no person has to choose between losing their life savings and losing their life. It's time for Coloradans to pay a fair price for the prescription drugs they need. It's time for folks experiencing mental illness or addiction to get treatment, not jail time.

And we must work to make Colorado as family-friendly as possible. As a first step, with our budget package coming on the 15th, I will be including a formal request to provide paid parental leave for all state employees. And together, we

should take comprehensive action. It's time to finally establish a paid family and medical leave program in Colorado — so that employees aren't having to choose between keeping their paycheck and caring for their child, a sick relative, an aging parent, or themselves.

Look, if all this were easy, it would have been done already. Progress is always hard, and overcoming these challenges will be a long journey. But the people of Colorado need and deserve nothing less, and our work begins now.

Another immediate step we're taking is the creation of the first-ever Office of Saving People Money on Health Care.

We aren't giving this office a fancy name to make it SOUND important. Instead we're giving it a simple name because it IS important.

Led by Lieutenant Governor Primavera, The Office of Saving People Money on Health Care will form the beating heart of our efforts to reduce patient costs for hospital stays and expenses, improve price transparency, lower the price of prescription drugs, and make health insurance more affordable.

And let me say a bit about why Dianne is the very best person to take on this challenge.

Many of you in this chamber had the opportunity to serve with Dianne during her four terms in the State House, and you saw her at work as one of the fiercest, most knowledgeable patient advocates we've ever had.

As a young woman raising her two young kids, Dianne was diagnosed with breast cancer and told she had less than five years to live. She knows firsthand how our healthcare system makes getting sick even harder by robbing people of their financial security at the same time they're struggling to reclaim their health.

Dianne survived cancer, got well, worked hard for Colorado AND raised two amazing daughters who are here with us today.

She dedicated her life to helping others get quality, affordable health care and we just couldn't ask for anyone better to lead this administration's health care efforts.

Dianne is a fighter and she is living proof that, with strength, courage, and resilience, we can overcome all obstacles and solve any challenge.

And as Dianne has said, health care is something that affects everyone, no matter our political beliefs. It is not a partisan issue.

We must work to get a grip on the opioid epidemic, which has taken thousands of lives, devastated our communities, and stretched our resources to the breaking point. In 2017 alone, more than 550 Coloradans died because they overdosed on either prescription or illicit opioids. I look forward to working with legislators from both parties on solutions that focus on both addiction prevention and access to effective treatment.

And we must tackle the outrageous health care costs facing Coloradans — particularly in rural and mountain counties. There's no reason for anybody to lose their savings or their home simply trying to keep up with rising health care costs. And there is no reason a family in Glenwood Springs or Gunnison should pay twice as much for health care as a family in Denver.

We'll empower the Division of Insurance to protect consumers and support rural and mountain communities working to lower their health care costs.

We'll establish a reinsurance program to reduce costs and save Coloradans money. This is a proven solution to reduce health care costs that has worked in other states, and it's one we should embrace in Colorado.

And finally, we will address the appalling costs of prescription drugs. Canada has the same drugs from the same manufacturing plants that we have here in the United States — but often at one-half, one-third, yes, even one-quarter of the cost.

Together with the Legislature, I look forward to setting up a way for Colorado to safely import prescription drugs from Canada. The burden that prescription drug costs place on families is simply too crushing for us not to act boldly.

Our ultimate objective is to bring universal, high-quality, affordable care to every Colorado family. We know that won't happen overnight, but the work we will do together in this legislative session will put us on the right path and bring us closer to our goal.

Together we can save Coloradans money, help small businesses across the state, and clear away barriers that prevent Coloradans from receiving needed life-saving health care.

Now, I want to say something that I know has total and complete bipartisan agreement in this room: Colorado is the best state in the nation, and frankly, it isn't even close.

It's our job to keep it that way.

Here in Colorado, we pride ourselves on our unbeatable quality of life and the breathtaking beauty of the state we proudly call home. Protecting our special way of life for ourselves and future generations is one of the most sacred responsibilities we all share.

Not only do our majestic mountains and plains provide endless opportunities to enjoy our natural world with friends and family and to find solitude — they also are vital to our economic success.

Colorado is now proudly the home of the Outdoor Retailer Show, a testament to our collective commitment to public lands and the outdoor recreation economy. We will continue to defend our public lands, promote access to outdoor recreation, and stand up for the outdoor industry's 230,000 and growing Colorado jobs.

While the outdoor recreation economy continues to expand opportunities in rural Colorado, we must also double down on supporting Colorado's rich farming and ranching tradition.

Though our agriculture exports have nearly quadrupled over the last two decades, the last few years have been difficult for farmers and ranchers. Volatile commodities markets, a damaging trade war from Washington, an increasingly serious water shortage — are all making life harder for the men and women of our agriculture industry.

We need to make sure today's farmers and ranchers, and tomorrow's, have the tools to succeed. And I couldn't be more excited that our nominee for Agriculture Commissioner, Kate Greenberg, will be the first woman to hold the position. Kate has spent her career focused on the future of farming rather than the past, which is exactly what today's challenges call for.

The lifeblood of our agriculture industry is water — which is why we must commit to a bipartisan and sustainable funding source for the Colorado Water Plan. Governor Hickenlooper, along with the leadership of John Stulp, did extraordinary work bringing together a coalition of Coloradans from all corners of our state to create the Water Plan. Now we're going to do our part by implementing it.

We will also partner with organizations like the Rocky Mountain Farmers Union's Co-Op Development Center and others to reduce barriers to employee ownership and grow wages in the agriculture sector. And we'll work with the Rural Colorado Venture Capital Fund to expand access to capital and help the next generation of farmers thrive.

And we'll make good on the promise of industrial hemp. With our world-class universities like Colorado State and Adams State, which are at the forefront of hemp innovation, and with the leading hemp manufacturers and cultivators already here, we will seize the opportunity to make Colorado the national leader in industrial hemp production.

And when we talk about protecting Colorado's way of life, we need to talk about climate change.

Climate change is a scientific reality. It's real. There's no pretending otherwise for farmers and ranchers who are facing historic water shortages. There's no pretending otherwise for the 46,000 women and men who work in Colorado's ski industry and see their jobs threatened by decreased snowpack.

And there will be no pretending otherwise in this administration. We're going to confront this challenge head-on — not only because we must, but because we want to take advantage of the huge opportunities associated with being a leader in the growing green-energy economy.

I launched my campaign for Governor in Pueblo at an all-solar coffee-roasting small business, just 10 miles from the Vestas Wind Turbine factory, which employs 800 Coloradans today.

I did so to demonstrate that our commitment to reaching 100% renewable energy by 2040 is not just about climate change. It's about saving money for consumers with cheaper energy, and it's about making sure the good-paying green jobs of the future are created right here in Colorado.

Today the work begins setting Colorado on course to reach that goal.

That means modernizing both our grid infrastructure and our regulatory processes to ensure all Coloradans are reaping the full suite of benefits associated with swift adoption of renewable energy.

It means working to electrify our cars and buses and trucks.

And it means taking advantage of modern technology to use energy more efficiently — cleaning our air and saving consumers money in the process.

As Governor, my goal is to lead the statewide transition to a clean, sustainable, and growing economy. It is imperative for our climate, our security, our health, and our economic growth for all Coloradans.

We will lead with policies that support, enable, and accelerate market investment. We will work with stakeholders across Colorado on outcomes-based approaches that promote innovation, and that deliver emissions reductions from all sources, reductions in consumer costs, and sustainable economic growth for communities across Colorado.

We will build upon significant work and commitment by communities, businesses, and people throughout the state. Today 62,800 people are employed in advanced energy in Colorado. Xcel Energy has committed to achieving 80% carbon reduction by 2030 and 100% carbon-free electricity by 2050. Communities like Pueblo, Summit County, Fort Collins, Denver and others across the state have embraced strong climate goals. We are already leading the way forward right here in Colorado, and now we will build on that progress.

Make no mistake — with price declines and technology advances, the move toward renewable energy is already taking place and will only accelerate. But as we embrace the renewable-energy future, we must also do right by all the men and women in today's energy workforce. Some of the hardest-working people in Colorado today work in the coal and oil-and-gas industries and we will not leave them behind.

We will embrace the skills and experience these Coloradans bring to the table. Their help will be needed and rewarded at every single step of this transition. And we will support the communities these jobs have sustained, to ensure they can continue to thrive in the renewable-energy economy.

Creative financing mechanisms that exist today can ensure that consumers pay lower rates as we move to renewables, and help provide for a transition that is just and fair both for workers and for communities directly impacted.

Colorado has always been, and must always be, a place where we respect the dignity of hard work. Providing for ourselves and our families is at the core of the Colorado Way of Life we all love. And a strong economy cannot be built on any one sector, or any one region of the state, on its own.

Our mission is to help businesses of all kinds start, grow, thrive, and create good-paying jobs across Colorado, from the Western Slope and the Eastern Plains, to the Front Range, Southern Colorado, and the San Luis Valley.

We will value every job. We will respect every worker and every shareholder. We will protect the rights of workers to organize and collectively bargain for the pay and benefits they deserve, and the rights of shareholders to lead their companies.

And just as we stand up for workers and good jobs, so too must we stand up for our communities — and their right to have a voice when it comes to industrial activities within their borders. It's time for us to take meaningful action to address the conflicts between oil-and-gas drilling operations and the neighborhoods they impact, and to make sure that all of our communities have clean air and water.

This is a vital quality-of-life issue for Colorado families.

To keep our economy moving in the right direction, we must upgrade our antiquated roads and highways and limited public transit options. They are simply not equipped to sustain a growing 21st-century economy.

Thanks to the bipartisan commitment made last year to dedicate additional funds to transportation, we have hundreds of millions of dollars to improve our roads over the next few years.

That's a strong foundation to work from but it's not enough. We must come together around a bipartisan funding mechanism for our future transportation needs that the voters of this state will accept.

We also need to expand access to broadband. I'm eager to work with legislators to cut red tape that forces communities to go through costly and lengthy elections to

build out their own broadband infrastructure. And at the same time, we'll continue the good work of the Hickenlooper administration in supporting the creation of Strategic Regional Broadband plans to make high-speed internet access a reality across our entire state.

In the 21st-century economy, broadband is critical infrastructure that EVERYONE must have access to. Let's work together to give it to them.

So many of the important issues Coloradans face today boil down to opportunity. The opportunity to grow and start a business. The opportunity to enjoy Colorado's special way of life, our majestic outdoors. The opportunity to get a great education that leads to a successful future.

But for Colorado to be a place where these opportunities are available for all, and not just some, we need to make our economy work better for middle-class families.

One way we'll do this is by working with you to make our tax code more fair, so that we can reduce rates for Colorado families and small businesses. Our tax code gives too much power to the special interests who can afford expensive lobbyists, while forcing ordinary families to pay more. As legislators, I know that many of you find these tax giveaways offensive.

Unlike budget expenditures, which you vote on every year, these tax expenditures are on autopilot, some since the 1930s. We need a tax code that reflects today's realities rather than yesterday's distortions. Let people keep more of their hard-earned money rather than give it away to special interests.

The Legislature and the Auditor, thanks to your efforts, have gotten off to a good start by closely examining which deductions are benefiting our economy, and which are being exploited by corporations at Coloradans' expense. I want to work with you to close these loopholes and pass the savings on to families by lowering the income tax rate.

For instance, many of the changes in President Trump's tax law were giveaways to the most influential corporations in the country. Some big businesses pay less,

while many families here in Colorado have to pay more. We should not blindly copy President Trump's policies into our state tax code. We do not need to take the bad with the good. Instead, we should reflect the good in our tax code and change the bad to put families and small businesses ahead of special interests as nearly every other state has done.

Also, 90 percent of the retailers in our state are small businesses. It's time to cap the vendor fee, which is a giveaway to the largest and most profitable retailers in the nation, and use the savings to lower rates, which will benefit small businesses and millions of working Coloradans.

That's extra money Colorado families can use on home repairs, a college fund, or any of the other innumerable expenses that folks are having a harder and harder time keeping up with as the cost of living keeps going up.

We want to make Colorado better for everyone. Broadening the base while lowering rates leads to more growth and a stronger economy. We look forward to working with you to seek tax efficiencies and clear-eyed policies that make everyone better off.

Our tax reform proposal will not change how much money the state collects or affect investment in public priorities one way or the other. It simply asks the largest, most influential corporations to start paying their fair share so that individuals, families, and small businesses can pay less.

As we address the inequities in our tax code, so too must we address the inequities in our criminal justice system. That means tackling discriminatory practices that make people of color, individuals living with mental illness, and Coloradans experiencing poverty more likely to face incarceration. And it means working to make sure Coloradans who do serve prison or jail time are able to live a dignified and fulfilling life after they've paid their debt to society.

Criminal justice reform is an economic necessity and a human-rights necessity. We won't follow on this issue. We'll lead.

It's not easy folks, but it is simple: every Coloradan wants the opportunity to earn a good life. And we can break down the barriers that hold them back by bringing high-quality early education to every family, lowering health care costs, creating good-paying jobs here, and saving families money on their tax bill.

What makes Colorado unique isn't just the boldness of our ideas. It is the resilience and the spirit of our people, who make change **happen**, who bring these bold ideas to life.

Our shared responsibility is to turn challenges into opportunities and ideas into action.

So, now is the time to unite in our common purpose and move Colorado forward.

Together, we will build a Colorado that works for ALL.

Let's get to work.

Thank you.

God bless you.

And God bless the great state of Colorado.

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