



**Governor Mark Gordon's
State of the State Address
To the 65th Wyoming Legislature
*January 9, 2019***

Mr. President, Mr. Speaker, Members of the 65th Legislature. Thank you for your welcome. It is nice to be here and will be even better to be back in the Capitol next year.

Would you please join me in recognizing Secretary of State Ed Buchanan, Auditor Kristi Racines, Treasurer Curt Meier and Superintendent Jillian Balow. What an amazing team, what an amazing group of people.

Mr. Chief Justice, I note, that this is the first time in our state's history that we will hear a State of the Judiciary from a majority female bench. This seems fitting though, because 149 years ago Governor John Campbell, anxious to follow up on the monumental achievement of the previous year, appointed Esther Hobart Morris as the first female Justice of the Peace in America. The Sweetwater Clerk's telegram announcing the event read, "Wyoming, the youngest and one of the richest Territories in the United States, gave equal rights to women in actions as well as words..."

Justices, to each of you, thank you for your impartiality, dedication to the constitution and the law, and for your thoughtfulness in deliberation.

Thank you also to the leaders of the Eastern Shoshone Tribe, Vice Chairman Leslie Shakespeare and Council Member Starr Weed Jr.; and to the leaders of the Northern Arapaho Tribe Chairman Lee Spoonhunter and Vice Chairman Anthony Addison. It is good to see you all again. I look forward to building an even more productive relationship between our governments in the years to come.



And to you, members of the 65th Legislature, I say on behalf of all citizens, thank you for your willingness to serve and your commitment to the great state of Wyoming.

You are a true citizen legislature and represent the fabric of Wyoming: real people with real concerns, real jobs, and real families.

Two days ago, I took my oath of office to be your Governor. What a day. I was both inspired and humbled by the wellspring of good energy that this state seems to be feeling right now. The state is excited and expecting good things from all of us.

Even though I have had the great privilege of working with many of you over the past six years as your Treasurer, this is my first opportunity to deliver my own State of the State. Following close on the heels of an inaugural for only the fourth time in our state's history, it has been, in fact, 56 years since that a newly elected Governor Hansen gave his Inaugural Address and his State of the State in the same week.

I look forward to our work in this session as we grapple with the concerns of our people, the opportunities our state provides, sorting our budget priorities, and the other issues that a general session brings forth for discussion.

Set our state on a sustainable fiscal path

Let me begin by expressing my appreciation to Governor Mead and his administration for preparing a supplemental budget that speaks to continuing Wyoming's efforts to diversify our economy, while also emphasizing the needs of higher education, local communities, effective government, and state infrastructure.



Every one of us in this room is familiar with Wyoming's history of booms and busts. These cycles of instability are not new. In October, the group responsible for forecasting the state's revenue struck an optimistic tone, which set the stage for an upbeat budget proposal.

Last week that group met again to review and calibrate their October revenue estimates. Since October things have changed: global volatility has increased, oil and gas prices have declined.

When I was Treasurer, it was more often than not that October has seemed more optimistic than January. The remainder of the year generally comes in somewhere in between.

That is why I believe our best times will come when we assure a reliable and stable fiscal future. It is hard to find a consistent path forward when one chases revenue, hopes for windfall, or reacts drastically to downturns.

It is important that we find a course where "steady as she goes" becomes the watchword.

It is true that Wyoming has been responsible in putting together savings that can help stabilize the downturns. If we are to chart our own future, we must also be disciplined and refill and even augment those savings in the good times.

We must be wise with our savings, using them when we need them. That is why as Treasurer, and now as Governor, I support a bill to better define the purpose of the Rainy Day Account, or LSRA, so that those nearly \$2 billion can be invested in a way that, first and foremost, assures the money in it will be there for rainy days and second that it can earn incrementally better returns than it does now. This definition will also clarify when, how much, and for what purposes we have set aside these specific savings.



My father would often quote an Ogden Nash poem: “Here is a good rule of thumb, often too clever is just dumb.”

Because all of us here run household budgets, we know there is a beauty in simplicity. Understanding the fact that a little more than $\frac{1}{3}$ of our total portfolio is made up by the Permanent Mineral Trust Fund (this is money which cannot be appropriated), and another third is specific to various education missions (also permanent funds), this leaves only $\frac{1}{3}$ for us to work with. We really do not have money to waste.

Last year, investment earnings were the highest source of income to the State. Before we lend out money for low or no interest, please remember any reduction in earning capacity, in my view, is tantamount to raising taxes and none of us is eager to take on new taxes.

That means we will first have to do our best to contain expenditures. A lot of that work is underway already, but I believe we must look both more broadly and deeply at finding better ways of delivering services and finding savings.

But, I get ahead of myself. As I take up my part of the responsibilities that the people of Wyoming have entrusted me with, I am happy to declare the State of Wyoming is strong.

We are strong because of our people, our resources, and our Wyoming work ethic.

We live each day with courage. Just this Friday, some of our bravest were deployed to Afghanistan. We will be sending off another 327 National Guard Troops in 2019. What a deep commitment to the ideals of our nation these men and women show and have shown.



Tech Sergeant Ben Eckman was nominated for a national award for his exemplary service last year. Sergeant Eckman served for 8 months in Iraq. And his skillful work, under challenging and dangerous conditions at an Air Force base, kept aircraft and people safe.

We all know that his wife Sunny, as the spouse of a deployed airman, made an incredible sacrifice as well. Serving our country is a family effort and we're proud to have you both join us today so we can show you our appreciation for your service.

I join with the Legislature in support of the military and our veterans. Let us commit to do more during this session.

I commend to you the work of establishing Wyoming's first Veterans Skilled Nursing facility.

It has been a long time in coming. Building this facility will mark an important step forward for our veterans. As well as an opportunity to expand a talented workforce educated in our community colleges and university.

More broadly, I believe we have an obligation to improve access to mental healthcare for our veterans, our first-responders, and ultimately for all citizens.

Substance abuse, moral injury (the emotional and spiritual impact of participating in, witnessing, and/or being victimized by actions or behavior which violate persons' core moral values), suicide and PTSD, these are all concerns we as a state need to address. We can do more in our communities to help support those who are struggling with crisis.

Happily, in Wyoming there are many organizations working to help those wrestling with these traumas. Through improved coordination of these non-profit, public, and private programs, we can provide better mental health



services in the places where people live. We can save lives and even potentially reduce the overall cost of mental healthcare.

One of those organizations is represented here today.

Volunteers of America is an organization, which operates successful substance abuse facilities in Sheridan and Riverton, and provides services for veterans and those less fortunate.

I mention VOA because it's an example of the multifaceted approach we can take to addressing complex social problems such as community mental health care, prison overcrowding and homelessness.

Jeff Holsinger is the CEO of Volunteers of America Northern Rockies, he and this organization have been dedicated to addressing mental health and community issues in our region for years. Jeff please stand and be recognized.

Health services, family services, workforce services, insurance, and corrections make up some of the most significant expenditures in our state. This body has wrestled with how best to meet the needs of our people in a cost conscious and compassionate way. My administration will seek to better integrate our approaches across agencies not through bigger bureaucracies but by finding synergies and providing better service to our citizens and streamlining our delivery.

Ensure citizens have access to quality education

In this session, I believe we can take steps towards making our schools safer. There's a bill and a budget proposal that I believe can make a difference for the safety of our kids. To be sure there will be issues to properly discuss. But I hope this session will close with all of us knowing we did our best to improve the safety of our schools.



Wyoming people do not ask for recognition. We like to do what has to be done. Even in our day-to-day jobs we are called upon to do extraordinary service.

Last fall, a young person, stepped forward to tell Principal Terry Quinn about a fellow student who planned an attack in his school. After hearing this information Principal Quinn, immediately acted to locate and disarm the student, who was carrying a pistol and had another gun in his locker.

When confronted, the student revealed that he had wanted to shoot as many students as he could. It is a sad thing that these sorts of incidents can happen.

But, Principal Quinn and the staff at Sage Valley Junior High have created a school culture that fosters confidence in students to do the right thing and come forward when necessary.

Principal Quinn is here with us today and I would like to ask him to rise so that we might acknowledge the courage of that young person who stepped forward and his quick and decisive action which averted a potentially devastating tragedy.

I will join Superintendent Balow in launching a multi-year initiative to continue to improve student safety and health. We can find sensible and appropriate solutions that will enhance the physical, mental and emotional well-being of all students as well as make school buildings safer.

But that is not all we need to do for schools. Over the next several years we must work towards a more stable and predictable way to fund education from our rural schools in places like Bill to our larger schools in Cheyenne, Casper or Rock Springs.

Let me introduce you to an example of the kind of leadership that good education can provide. My friend and neighbor, Andrew Borgialli, grew up just down the



creek. I saw his work ethic firsthand watching him on his family ranch. Fortunately, he recently started a teaching career in Wyoming. Last year, through inspired teaching and mentoring, Andrew took a record number of kids from Thunder Basin High School to Washington, DC to compete in the prestigious Future Business Leaders of America national finals. Let's all recognize Andrew and those great students of his. This is an example of the kind of leadership we grow in Wyoming.

It is because of teachers like Andrew that I have faith in our education system. And why I urge this body to recognize this commitment, and support the Joint Education and Appropriations Committees' recommendation of an external cost adjustment for our schools.

Over the course of the last couple of years Wyoming, like a lot of states, is suffering from a lack of a skilled workforce. Education is changing. Our economy is changing. Today, more than ever we need to provide the educational opportunities to enable a nimble workforce to find a job with companies right here in Wyoming.

That is why I support a suite of proposals including Wyoming Works, which promise new ways for high school students and even adults to continue their technical education and this would also stand up career and technical education programs in our community colleges. I believe Wyoming should create a new Trust Fund under the Amendment A provision, with private industry's support and a Wyoming match, would offer scholarships for Career and Technical Education. I look forward to making Wyoming Works a reality.

This proposed supplemental budget is right to place a priority on higher education.



To that end, I applaud those who are proposing bills that would help Wyoming students move more seamlessly from high school to college and from community colleges to the University of Wyoming. We are moving in the right direction.

The University of Wyoming is our flagship and I am glad to support further funding for scholarships to retain our best and brightest students and to advance the effort to provide top-tier science programs and other strategic initiatives. I also believe that we should support UW's efforts to retain staff and faculty.

UW is responding to the times and proving to be innovative in its own right.

I applaud President Nichols for launching the Outdoor Recreation and Tourism Management degree program. That aligns UW with the second largest industry in the state and gives graduates an opportunity for worthwhile and fulfilling work right here in Wyoming. I will also note that UW did this by raising private money, not asking for new state dollars.

One of our university's fundamental missions is to support another cornerstone of the state's economy, agriculture. In this supplemental budget there is a call to further innovation in agriculture and in ranching through an enhanced UW program. I urge you to consider those proposals closely.

Wyoming, like many western states, is struggling to contend with the spread of invasive species like cheatgrass, leafy spurge, and medusahead wildrye.

These species are degrading our range, threatening agricultural viability, impacting big game, and raising fire risks across the West.

In our quest to be a top-tier agricultural school, certainly one mission we should consider expanding is our research into better ways to expunge and control the spread of invasives.



In support of that effort, I plan to work with UW's College of Agriculture and Natural Resources, our community colleges and the state's weed and pest districts to put together a program that will combine research with management. Aiming to make sure Wyoming is a leader nationally on combating invasive species.

I am also excited that we established a trade office in Taiwan last year and one of the first products to sell there was Wyoming beef. It is evidently much sought after in Taipei's finest restaurants. And I am thrilled that after a hiatus, Wyoming lamb is again going to Japan. We need to expand on these efforts across Asia.

Energy must continue to be one of the pillars of our economy. To that end, I will continue to support the UW School of Energy Resources' efforts across the spectrum of industries that have helped to build our state. SER has become a recognized global leader in areas that will continue to underpin our economy.

The world demands what Wyoming has to offer, especially when it comes to our mineral and energy sectors.

In 2018, Wyoming hit a record for permit applications to drill for oil and gas. Wyoming also continues to be a global leader in trona, uranium, and bentonite production. We must continue to advocate for all of these industries, including fighting for level-playing fields internationally.

I want to take just a moment to talk about coal. Coal continues to power this country and, despite market trends and politics, it will remain an essential part of America's energy portfolio for decades to come.

Around the globe technology keeps advancing, there is progress benefitting our world by burning coal more cleanly and efficiently. Japan and Korea have built the most efficient clean burning fleets of coal fired electric generation ever.



Technologies employed there, when paired with Powder River Basin coal, can reduce the overall carbon emitted to the atmosphere. That is progress that should be a gut cinch for those advocating to control carbon emissions.

And yet, our access to these Asian markets remains restricted, tied up in permit after permit. I believe this to be an unconstitutional restraint of trade. And I will strongly advocate for access to all markets.

I have invited my friend and a former colleague on the Environmental Quality Council, Wendy Hutchinson, to be with us here today. Wendy has been working for nearly a decade to open a coal port in Longview, Washington. This is a port that will expedite coal exports among other commodities to countries like Japan and Korea.

For her efforts, last year Wendy was named one of the 100 Most Inspirational Women in Mining in the world.

Wendy, I have asked you here today so that we can recognize you and the Millennium Bulk Terminal's perseverance in navigating a complicated, time consuming, and inefficient, perhaps even now adulterated process. Would you please stand. Thank you.

There are promising new uses of coal that can provide advanced building materials and innovative new products. Some of these are being developed at UW and others by private industry.

Wyoming is the nation's leader in advancing carbon sequestration and has launched the Integrated Test Center which is working on turning a byproduct like carbon dioxide into a valuable and marketable product.

Here in Wyoming, we will continue to seek innovative solutions that support coal, address climate change, and grow our economy.



We in Wyoming are anxious to lead the way to a brighter future, not by following political fashion, but by rolling up our sleeves, doubling down on research and innovation, and solving our world's energy problems.

We can support this effort through the creation of an enhanced Energy Office. Our governmental resources related to energy are spread across multiple agencies. This Office can help speed up permitting for oil and gas drilling, better site renewable energy projects, all in service of improving our ability to wisely develop our full portfolio of resources in a transparent way. While safeguarding our wildlife, our open spaces, and our livelihoods.

And it is not only with energy that I believe we can make great strides with efficiencies and productivity of government.

Now, more than ever, to find efficiencies and build new processes means we need the best possible employees in state government. So, let us make that investment in productivity and our employees. Governor Mead's budget recommends a raise for Wyoming employees. I support this request because I know how vital motivated and talented employees are to efficient, cost-effective government.

I am not interested in growing the cost of government. I am interested in making it better. Working together with this legislature, my administration will drive towards more efficient government.

Over the past several days, Wyoming has been talking a lot about opportunity and transformation. I mentioned in my inaugural speech, that this is a watershed time in Wyoming's history. This is our time to reshape government.



With initiatives like the efficiency study, and the transparency work that Auditor Racines and I are spearheading, we can work within government to make it serve the public better, be leaner and be more efficient.

Because I believe that when people are empowered to find better approaches to doing business, better approaches are found and more enthusiastically adopted.

Our budgeting process has become complex. I can say this with some confidence having served as your Treasurer. Treasurer Meier and Secretary Buchanan, you each served in the Legislature. Would you agree?

I would like to engage Wyoming more broadly in our budget discussions. We can start with a program I have asked my fellow statewide elected constitutional officers to help get off the ground.

I have asked each of them, and the leadership of both Houses to sponsor a local high school of their choosing, so that students get the chance to build a state budget. If there are any other legislators who would like to participate in the Cowboy Budget Challenge, now is your chance.

The rules are simple: sponsor a High School, direct participating students to the appropriate websites for information, and finally submit proposals.

In the coming weeks, the Governor's website will be publishing details of this challenge. This effort will better connect government to the people it serves, spur conversation, and better inform our citizens about our budget.

Provide local communities with the tools and resources needed to thrive

Ultimately though, to make Wyoming stronger, our focus must be on local communities.



Wyoming is blessed to be home to many community heroes:

Jacob Carlson is one of them. He is an Army Veteran and currently serves with the Casper Police Department. On May 6th of last year he and his partner, Randi Garrett, responded to what might have seemed to many like a relatively harmless situation.

Someone was letting a young child drive a car in an empty parking lot in East Casper. But, when Randi and Jacob arrived they immediately and unexpectedly put their lives on the line. The two police officers were fired on.

Officer Carlson was shot at least five times. But thanks to his and his partner's incredible bravery, skill and the aid of other capable police officers, EMTs and doctors. Jacob lived ... as did the two small children who were in the car.

Officer Jacob Carlson, we are so grateful that you are here today and are recovering. We are also grateful that you have the strength and support of your wife, Tiffany, and your son, Zane. We thank you and commend you for your service and sacrifice.

And we need to support our local police departments, sheriff's offices, fire halls; our local communities.

I believe the best decisions are made closest to where the impact of those decisions is felt. It is also at the local level where individuals and entrepreneurs can spur new businesses that align with a community's values and assets.

I applaud Governor Mead's dedication to providing funding to locals these past eight years, and I will continue that work. But beyond dollars, I hope to move forward with improving the tools required for cities, towns and counties to prosper. This means finding ways to enhance the services of the State Loan and Investment Board. I also support the recommendations in the supplemental



budget to augment the Federal Natural Resources Protection Account; a good buttress against federal overreach.

When it comes to the Wyoming Business Council, and other community investment opportunities. I am beginning a comprehensive review of how all of our economic development programs work and if they work together or apart. I believe we can improve our approaches and have already begun conversations with the Business Council and the Chairmen of the ENDOW and ENGAGE councils.

I support the ongoing effort to improve access to broadband internet coverage throughout the state. This has been an appropriate partnership between government and private industry. Not only does broadband give our students a tool to compete with the rest of the world, it is necessary for healthcare delivery - especially in rural areas where other specialized doctors are not available.

Lives are being saved now because of advances in tele-health. Neurologists in Casper are connected by internet-video to emergency rooms in Douglas and Sheridan and can help treat stroke patients by getting them life-saving drugs in time for them to have the most benefit.

Advancements in technology like this improve the quality of life in Wyoming, solve complex challenges, create jobs and will allow entrepreneurs and established businesses to see even our smallest towns as fertile ground to grow a company.

As governor, I will support our hometowns as they chart their own courses into the future.

Likewise, I will always stand up for Wyoming charting our own course. This is certainly the case with healthcare.



We have been given an opportunity to craft a Wyoming solution for health care. I look forward to working with the legislature to bring forth state-led solutions.

Health care is too important to our children, our parents, and to each of us. We certainly cannot expand the economy, keep our major employers or attract new businesses if we do not find ways to bring down health care costs.

Wyoming is a headwater state.

Wyoming has some of the cleanest water and cleanest air in the nation. Our heritage of wildlife, unparalleled vistas and open space, make us the envy of the world. These are important and special assets for Wyoming that inspire tourism and just plain make Wyoming communities nicer places to live.

Over the past several years citizens from every one of the state's nine judicial districts have brought a discerning eye to the projects supported by the Wyoming Wildlife Natural Resource Trust. Projects have benefitted Wyoming's water, wild animals, and habitats. In its nearly 15 years the Trust has put forward \$58 million in projects all over the state, often pulling matching funds to better lever results.

This Fund has facilitated energy development and made our wildlife populations stronger by controlling invasive species, improving irrigation diversions, and mitigating erosion throughout Wyoming.

The Trust has also made a difference for those of us who love to hunt and fish. Our wildlife populations are doing extremely well, and contributing more than a billion dollars per year to our economy.

I could testify to this myself, as someone who enjoys hunting, but my experiences do not measure up to those of Ashlee Lundvall.



Ashlee is from Cody. My wife Jennie and I got to know her through the Wyoming Women's Foundation antelope hunt.

Ashlee is a remarkable individual who despite becoming paralyzed in a ranching accident when she was younger, is one of the most amazing and inspiring individuals I have ever met. She has redefined her life, and encouraged others with her powerful messages of living life to the fullest. She is an author, and a powerful motivational speaker, a passionate advocate for accessible outdoor recreation and someone you just have to respect for all that she continues to accomplish. At all times, she has been an ambassador for Wyoming, for the outdoors, and for our hunting heritage.

Ashlee is here with us today. I would ask you all to join me in recognizing her. Thank you Ashlee.

To further invest in our hunting, in our big game, in all wildlife, and their habitats, I would like to add to the Wildlife and Natural Resource Trust this session. With the aim of moving towards having the Trust be self sufficient. Let's not let this opportunity to build a legacy pass us by.

Now, I would like to take a moment to thank my family. Many of our kids have headed back to their jobs, but today we are joined by Spencer, Sarah and their son Everett.

Jennie, I am so honored to serve with you. Wyoming is fortunate to have you as its next First Lady. You are someone as at home in the calving barn as you were two nights ago dressed to the nines at a black tie inaugural ball.

For those of you legislators who do not know Jennie, we look forward to hosting you at the Residence and getting to know you. We are humbled to have the responsibility of being first family of this incredible state for the next four years.



I have to say the enthusiasm we have felt over the past couple of days should give us all optimism for our future. We are a resourceful people in an amazing state at an important time in our state's history. Let us make the most of it.

I thank each of you legislators for your friendship, for engaging in this conversation, and I look forward to hearing your ideas and learning your priorities.

For those of you watching or listening at home, my hat is off to you for being engaged with your government. The topics discussed today and bills that will be debated can only get better with your input.

And we can all applaud the legislature for advancing transparency and making it easier to participate in the legislative process.

I cannot do justice to the gratitude and humility I feel to be standing here as your governor and governor of the greatest state in the nation.

God bless Wyoming. And God bless America.