

MADISON — Gov. Tony Evers tonight delivered his 2023 State of the State address. The governor's address is available to watch here and here.

Below are Gov. Evers' remarks as prepared for delivery:

Good evening, Wisconsin!

Honorable Supreme Court Justices, Tribal Nation leaders, constitutional officers, Maj. Gen. Knapp, members of the Wisconsin National Guard and active and retired members of our armed forces, cabinet members, Sen. President Kapenga, Majority Leader LeMahieu, Minority Leader Agard, Speaker Vos, and Minority Leader Neubauer, legislators, distinguished guests, and to all of the Wisconsinites joining us, whether you're here in the gallery or watching from home, thanks so much for being here tonight.

I'm Tony Evers, and I'm proud to be standing here tonight as the 46th governor of the great state of Wisconsin to deliver my fifth State of the State address. It's good to be back!

My son, Nick, and his wife, Landa, are with us tonight. And my former kindergarten classmate, Kathy, is up in the gallery. We celebrated our 50th wedding anniversary last year, and this year will be celebrating our 54th year of going to the Wisconsin State Fair together. Kathleen Frances, thank you for your relentless support, understanding, humor, and insight. I love you so much.

On May 29, 1848, President Polk signed a bill making Wisconsin a state. That means, in 2023, we'll be celebrating Wisconsin's 175th birthday. And I am proud to report to you tonight that in 175 years of statehood, our state has never been in a better fiscal position than it is today.

When we began our work together four years ago, our roads and bridges were in disrepair.

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We'd sent back tens of millions of your tax dollars to Washington, D.C. that could've been used to expand high-speed internet. Our school rankings dropped to 18th in the country at one point. Support for our university system had been cut by hundreds of millions of dollars. And our state was not actively working to address climate change or invest in clean energy.

Well, I'm proud to say that the state of our state is much different today. We've gotten to work fixing the darn roads—I even helped fill some of those potholes myself, by the way. And as I stand here tonight, I'm proud to report we've worked together to repair and improve over 5,800 miles of roads and nearly 1,600 bridges across our state.

We've also gotten back on track preparing our state, our workforce, and our economy for this century. Over the last four years, we've allocated more than \$340 million into expanding high-speed internet—more than any administration in state history. More than 387,000 homes and businesses will have new or improved access to reliable, high-speed internet, and I want to double that number by the end of this term. And together we will.

We also created the Council on Health Equity and charged them with preparing a blueprint for reducing and eliminating health disparities across our state. We created the state's first-ever plan to respond to and mitigate the effects of climate change. And I signed an executive order creating the first-ever Office of Environmental Justice to develop strategies that will help us address disparate impacts of climate change in communities across the state. Our state now has a Clean Energy Plan with strategies to help lower energy bills for working families, reduce our reliance on out-of-state energy sources, invest in job training and apprenticeship programs in innovative industries and technologies, and create an estimated more than 40,000 jobs by 2030.

I also kept my promises: I vetoed every bill that restricted reproductive freedom; we delivered a 10 percent tax cut for working families; we increased investments in public transit and our university system and technical colleges; we convened a Blue Ribbon Commission to help develop solutions and create opportunities for Wisconsin's veterans. And last October, we took the Commission's recommendations and announced \$10 million to support veterans' mental health, create a rental assistance program for homeless veterans, and to expand veterans' access to skills and jobs training.

We've gotten to work these last four years making smart, strategic investments—and our state's economy shows it. Over the last four years, unemployment has hit record lows, and we had the highest number of people employed ever. Our state has a AAA bond credit rating for the first time in about 40 years—that means we're able to get lower interest rates and save your tax dollars. Our general fund and 'rainy day fund' both ended the last fiscal year at the highest levels ever in our state's 175-year history. We're now expected to end the current biennium with about \$6.5 billion in our state coffers and over \$1.7 billion in the 'rainy day fund.'

And that's great news, Wisconsin. It means we can continue our progress making the wise investments we've long needed to—and not because anyone wants to make government bigger, but because Wisconsinites want a government that works, and works better. We have roads and bridges to fix, schools to fund, kids to support, communities to keep safe, water to

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keep clean, and a future we've built together after years of neglect that, today, we must work to protect.

We've worked to invest in public education at every level after a decade of disinvestment. We passed the largest increase in special education aid in state history. Our K-12 schools have now returned to the top 10 in the country.

But we also know our current funding system is not sustainable. For years, communities have raised their own property taxes to keep their local schools afloat. And while some school districts have successfully passed referenda to help keep the school lights on, many have tried and failed. This system means drastic differences in outcomes for our kids—creating winners and losers, haves and have-nots.

Doing what's best for our kids has always been what's best for our state. And, today, we can afford to do more. So, I am going to deliver on the promise I made before the election to use a portion of our state's historic surplus to make an historic investment in our kids and our schools.

We're going to make targeted investments to improve reading and literacy outcomes and expand financial literacy curriculum across our state. We're going to invest \$20 million to increase literacy-related programming and implement evidence-based reading practices across Wisconsin. And our "Do the Math" initiative will help ensure our kids have the tools and skills to make smart budgeting and financial decisions to prepare for their future.

We also know that if we want to get our kids caught up and achieving at their highest potential, then we need to reduce and keep class sizes small. Schools need resources to retain experienced educators and recruit new, talented folks to join our classrooms. I'm proposing a pathway to get experienced educators back into our workforce by making it easier for school districts to hire retired teachers and staff. And we're going to invest over \$20 million into recruiting, developing, and retaining teachers and student teachers, including \$10 million for our local, homegrown educators, to bolster our educator pipeline and ensure it's sustainable for the future.

We also have work to do to get our kids caught up from the past few years. We all want to improve outcomes and ensure our kids are prepared for success. And I believe that together we will. And we'll start by making sure our kids can bring their full and best selves to our schools and our classrooms.

We cannot overstate the profound impact that the past few years have had on our kids in many ways—and that includes their mental health. According to the Office of Children's Mental Health's 2022 Report, about a third of our kids experience feelings of sadness and hopelessness nearly every day—a 10-percent increase over the last decade.

Kids in crisis are often distracted or disengaged in class, might not be able to finish their homework, and won't be able to focus on their studies at home or at school. Improving student mental health can also improve student learning outcomes and school attendance, while

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reducing bullying, risky behaviors, violence, involvement in the juvenile justice system, and substance misuse.

So, over the last year, we doubled our investment in our "Get Kids Ahead" initiative—investing \$30 million of our federal pandemic relief funds to provide every Wisconsin public school district with new resources to expand school-based mental health services. Tonight, I'm announcing we're going to make "Get Kids Ahead" a permanent state program, and we're investing more than \$270 million to ensure every student has access to mental health services.

The last few years have affected our kids' mental and behavioral health—and adults' mental health, too. We've seen record-high opioid-related overdose deaths, and Wisconsin's 988 Suicide & Crisis Lifeline received 6,000 calls just in the first month of its launch this past July.

The state of mental health in Wisconsin is a quiet, burgeoning crisis that I believe will have catastrophic consequences for generations if we don't treat it with the urgency it requires. Mental and behavioral health is as much a health issue as it is an economic one: it affects kids in the classroom; it affects workers being able to join and stay in our workforce; it affects whether folks are able to stay in safe housing or have economic security; it affects folks' ability to take care of and provide for their family and loved ones.

So, tonight, I'm declaring 2023 the Year of Mental Health.

Together with our "Get Kids Ahead" initiative investment, we'll be making an overall investment of about \$500 million to expand access to mental and behavioral health services for folks across our state.

A 2022 report by the University of Wisconsin Population Health Institute indicated there are 440 people for each mental health provider in Wisconsin. And even before the pandemic, a 2019 report from the Institute indicated that 55 of Wisconsin's 72 counties have significant shortages of psychiatrists. So, we're also going to invest in making sure we have adequate, available mental health professionals who can provide the treatment Wisconsinites need across our state.

We're going to invest in developing robust prevention strategies to reduce suicide, self-harm, and other mental and behavioral health-related injuries. And that includes state resources to support 988, the new Suicide & Crisis Lifeline—which went live in 2022 thanks to the hard work of our senator, Senator Tammy Baldwin—as well as increased support for peer-run and community-based services across the state.

We cannot look back two years from now as we prepare the next budget and wonder whether we should've done more and sooner to take good care of our mental health. Let's take this seriously, and let's start today.

And mental health is just one issue facing our state that needs urgent attention and action. I've also spent four years trying to get some of the people in this room to believe PFAS are a pressing threat to our state's economy, our health and well-being, and our way of life. I created

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the state's PFAS Action Council to prepare the state's first-ever PFAS Action Plan. We set enforceable PFAS drinking and surface water standards for the first time ever. Attorney General Kaul and I have filed a lawsuit against more than a dozen defendants who we believe contributed to PFAS contamination and to make sure Wisconsinites won't have to foot the bill for cleaning it up. And I also directed \$10 million that will help get PFAS, nitrates, and other harmful contaminants out of about 1,000 private wells across Wisconsin.

While clean drinking water has been a priority for my administration from Day One, we've also proposed efforts, resources, and ideas to make headway on PFAS and other contaminants that have been obstructed, delayed, or outright rejected.

So, tonight, I implore you, again, to join me in this fight. The work we must do to address PFAS and other contaminants grows harder and more expensive with each day of delay. Partisan politics cannot keep getting in the way of this work while Wisconsinites worry about the water coming from their tap. Clean water must be a top priority for us, from PFAS to lead to nitrates, folks—and it WILL be in my executive budget I'll announce next month.

I'm proposing to invest more than \$100 million to take a three-pronged approach to confront PFAS across our state. We're going to increase PFAS testing, sampling, and monitoring statewide so we can find these contaminants and get them out of our water. We're going to make more resources available to on-the-ground partners to respond to PFAS contamination when it happens. And we're going to work to increase awareness about the dangers of PFAS so folks can take steps to keep themselves and their loved ones safe.

Whether it's PFAS and clean water, supporting our farmers and our agricultural industry, finding more district attorneys and public defenders, or expanding access to affordable housing and child care, every level of government must be working together to address the challenges facing our state. And the state must do its part if we want our local partners to help with this important work.

But we all know that for the last decade, local communities have been asked to do more with less. State aid has gone down while costs have gone up. While help from the state was cut by more than nine percent, public safety costs have skyrocketed more than 16 percent. Communities across Wisconsin have been forced to make difficult decisions to cut critical services—including public safety.

Last fall, I announced a plan to invest over \$100 million to help local governments fund essential services in communities across our state. And that includes a new \$10 million program to help specifically fund public safety services like EMS, police, and fire.

The bottom line for me has always been making sure our communities have the resources they need to meet basic and unique needs alike. But there are a lot of different ways we can find compromise to achieve that goal, and together we will.

So, as we keep working together on a plan, let's find common ground. I'm announcing tonight that I want to work together on a budget provision that will send a total of up to 20 percent of

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the state's sales tax revenue back to our local communities for shared revenue. This commitment will ensure our communities will see growth in shared revenue in the future after years of state investment not keeping up with our communities' needs. And it means more than half a billion dollars more per year in new resources to invest in key priorities like EMS, fire, and law enforcement services, transportation, local health and human services, and other challenges facing our communities.

The state must fulfill its obligation to fund our communities, just like we must fully fund our public schools and invest in clean water—our state, our economy, and our workforce depend on these investments.

At the same time, just because we're in the greatest fiscal position in state history doesn't mean we can afford to be careless. Wisconsinites have worked too hard and have gone through too much for us to return to austerity. Now is the time to stay prudent, to save smart, and to be bold with reasonable investments to keep building a lasting legacy of prosperity.

So, cutting taxes is part of our agenda, just as it has been for the past four years. We've kept more money in Wisconsinites' pockets and delivered the largest tax cut in state history—and we can do more. But I also want to be clear tonight: splurging \$3.5 billion to hand out big breaks to the wealthiest 20 percent of earners isn't responsible, folks; it's reckless.

When we deliver tax relief—and we will deliver tax relief—we're going to do it responsibly by ensuring we can keep taxes low now and into the future, and we'll do it without driving our state into debt or causing devastating cuts to priorities like public schools and public safety.

Spending billions on a flat tax isn't a workforce plan or an economic development plan. We need to bolster the middle class; we need to maintain our economy's momentum; and we need to reduce barriers to work and recruit and retain talent to address our state's workforce challenges.

I have a plan to responsibly address all three priorities, and we'll begin here tonight.

A key priority in our strategy for investing federal pandemic aid was supporting Wisconsin's small businesses, our workforce, and long-term economic development. And we were successful. A new 2023 report shows that, as a share of aid we received under the American Rescue Plan Act, Wisconsin ranks number one in the country for both aid we directed to support businesses and aid we directed toward economic development.

We invested more than \$800 million to provide grants to tens of thousands of businesses to respond to and get through the pandemic—to make health and safety improvements, purchase inventory, afford payroll and rent, and keep the lights on.

Through our successful Main Street Bounceback grant program, I'm proud to announce tonight that we've helped more than 8,500 Wisconsin small businesses expand and move into vacant storefronts in communities across all 72 counties. If you travel around the state like I do, you can literally see the transformative impacts these investments have had in corridors and

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communities across Wisconsin.

Take Fond du Lac, for example, right by where Kathy and I grew up in Plymouth. Some things haven't changed much over the years—like Edith's right downtown, where Kathy bought her wedding dress 50 years ago. But other things have changed—even just in the last year alone.

Monica, who owns a jewelry store in Fond du Lac, was one of the 8,500 small businesses that received one of our Main Street Bounceback grants. Monica took a chance, opening her store on a street in Fondy that, at the time, was surrounded by empty storefronts. She thought maybe—maybe—in five to 10 years other shops might fill in around her.

Her shop opened its doors just about two years ago now. Today, Monica's small business is surrounded by new business storefronts, many of which received our Main Street Bounceback grants. In fact, Monica's shop is doing so well, she's moving her business into a bigger space just a few blocks away.

When I visited Monica's shop, she told me, "I never could've done this in Florida or California." And she's probably right. But even four years ago, this dream might not have been possible in Wisconsin, either. \(\text{\text{\text{l}}} \)

When we began our work together, Wisconsin was among the worst states in the country for start-up creation. But, much like downtown Fondy, Wisconsin's changed a lot since then. Since 2019, we've seen significant increases in business start-ups. New business formations increased to more than 71,000—that's a 42-percent increase between 2019 and 2021.

And that was no accident, folks; our economic recovery plan worked by design. We knew that small businesses make up more than 99 percent of Wisconsin businesses. We knew that small businesses employ nearly half of Wisconsin workers. We knew that small businesses are more likely to hire locally, buy supplies locally, and reinvest locally back into our communities. We fueled our economic recovery by harnessing the ingenuity and homegrown talent we already have right here in Wisconsin. And it's why our focus must continue to be building our economy from the ground up—starting with our small businesses, our Main Streets, and the hearts of our communities.

Tonight, I'm excited to announce we're going to continue our Main Street Bounceback program in my biennial budget with a \$50 million investment to provide as many as 5,000 eligible businesses with grants up to \$10,000 to help afford building repairs and improvements, lease and mortgage payments, and defray other expenses that can be a barrier to someone's dream becoming a successful business.

We're also going to ensure our more than 8,500 small businesses who've already received Main Street Bounceback grants continue to thrive by investing up to \$5 million into providing technical assistance, mentorship, and educational training to these small business owners to ensure they have the support they need to continue their success.

Our homegrown innovators and entrepreneurs also need homegrown talent to support our

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local businesses and our local economies—and that's been a top priority for us these past four years.

We had record-high job numbers in 2022 in key sectors like construction, wholesale trade, professional, scientific, and technical services, and transportation and utilities. Our Registered Apprenticeship program last year had the highest number of participants ever in state history. And last year, we added 14 new career pathways to our Youth Apprenticeship program in construction, agriculture, health sciences, and science and engineering.

We made a groundbreaking investment into three programs designed to address our state's post-pandemic workforce needs, including our Worker Advancement Initiative and our Worker Connection Program, which helped provide more skills training and career coaching, and connected unemployed workers with available jobs.

We also recognized that we cannot solve our workforce challenges with a one-size-fits-all approach—what Superior needs to support its local workforce and economy might be different from the needs in Platteville and Milwaukee or in La Crosse and Marinette. So, we created the Workforce Innovation Grant program and invested in 27 local projects across our state to help develop long-term, locally-based solutions that meet the unique needs of our local communities and regions. One of those projects at the Wisconsin Forestry Center at UW-Stevens Point is focused on developing the next generation of forestry professionals with skills curriculum in K-12 schools to get more young people into this critical profession. Another project with the Waupaca County Economic Development Corporation is expanding transportation services to make sure workers can get to work around the clock, even third shift.

Tonight, I'm announcing we're going to continue harnessing our local ingenuity through the Workforce Innovation Grant program with a \$100 million investment in my budget to keep developing new, innovative ideas and locally-based projects that will support our workforce and economic development based on what those communities and regions need.

We're also going to invest \$10 million in an initiative led by the Wisconsin Economic Development Corporation to collaborate with industries in every sector of our state's economy to develop and implement initiatives to retain and attract talented workers.

But we'll also need investments in targeted industries that we know have been hit hard by the pandemic, including in our healthcare industry. I'll propose a historic, \$50 million investment to bolster Wisconsin's healthcare workforce--to expand our long-term care providers, increase the number of mental health providers and psychiatrists, and expand the Wisconsin Nurse Educator program to provide high-quality education for our future nurses.

Finally, our state's Clean Energy Plan provides a blueprint for skills training, apprenticeships, and creating good-paying, family-supporting jobs by investing in new, innovative industries and technologies. So, we're also going to invest nearly \$10 million into expanding clean energy job training and reemployment and reducing barriers for folks joining our clean energy workforce.

But there's another critical factor that affects our state's workforce—and I hear about it

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everywhere I go, no matter which corner of the state I'm visiting. Fifty-four percent of Wisconsinites today live in a child care desert—where there are few to no high-quality options for child care in their neighborhood or community. And even if there is a nearby child care provider, it still might not be affordable for a working family.

If we want to address our state's workforce challenges, we have to make sure child care is accessible and affordable. And together we will.

So, the first thing I'm going to do is deliver on my promise to expand the Child and Dependent Care Credit, which will provide nearly \$30 million in tax relief to more than 100,000 Wisconsinites.

Through our Partner Up! Program, more than 200 employers from Prescott to Two Rivers are helping make child care more affordable for their employees. We also helped stabilize the child care industry through our monthly Child Care Counts Program, providing the financial stability providers needed to stay open and recruit and retain quality staff to care for our kids. All told, we helped more than 3,300 providers across the state keep their doors open; we helped more than 22,000 child care professionals stay employed or become employed; and we helped ensure care continued for more than 113,000 kids across our state. That's a big deal, folks.

These two programs made a big difference in the lives of kids and working families across Wisconsin. But the reality is that the federal funds that support them won't last forever. So, we'll be continuing these programs to keep child care affordable and accessible in my budget. We're going to provide more than \$340 million for Child Care Counts so providers can have the financial stability they need to keep the lights on, pay their workers fair, competitive wages, and continue to provide high-quality care to kids across the state.

We'll also be investing more than \$22 million into the Partner Up! program to expand partnerships between employers and child care providers. Our employers are ready to play a role in ensuring workers have access to affordable child care, and we're ready to support them.

Wisconsin, we face much work ahead of us, but there is also much opportunity. We can do big things in our next four years together. And if we are inspired, not by power, but by partnership, if we are dedicated, not to selfish interests, but to self-sacrifice, if we can forge new paths, not through conflict, but through collaboration, then together we will.

So, let's get to work, folks. 1

Thank you so much. On, Wisconsin!