



## **Gov. Hickenlooper delivers final State of the State speech**

At a time when shouting seems to have replaced talking, and insults have replaced ideas, I want to start by honoring the men and women who join me in this chamber, and all those who have made it their life's work to serve the people of Colorado -- driven by an abiding desire to serve and make our great state even greater.

- President Grantham
- Speaker Duran
- Members of the General Assembly
- Lieutenant Governor Lynne and her husband Jim
- Justices of the Colorado Supreme Court
- Attorney General Coffman
- Treasurer Stapleton
- Secretary of State Williams
- Southern Ute Councilman Frost
- Ute Mountain Ute Chairman Cuthair and Vice-Chairwoman Cuthair-Root
- Members of the State Board of Education
- Mayor Hancock
- Other elected officials in attendance
- My hard-working cabinet and staff

And, of course, to my amazing wife Robin, who couldn't be here today

To my incredible son, Teddy, and to all of my fellow Coloradans:

We have so much to be thankful for.

We thank our veterans and active service members and their families for their courage and sacrifice to the cause of freedom.

We thank the members of the Colorado National Guard, more than six-hundred of whom were deployed overseas last year.

We thank our Department of Public Safety, along with local first responders, who accept the daily dangers of their work as routine.

We mourn alongside the families of those we've lost:

Deputy Sheriff Zack Parrish.

Firefighters Mike Freeman, Brett Anderson and Lieutenant Jim Schaefer.

Sergeant First Class Stephen Cribben, Special Warfare Operator Petty Officer 1st Class Remington Peters and Sergeant First Class Mihail Golin.

We're here, as public servants, to make this place we love, stay a place we love; a place we can be proud of.

That's called Topophilia – it's our love of place, and reflects our *love* of Colorado.

It's the growling of tractors in Brush's 4th of July parade.

It's the smell of barbecue at the little league ballfields in Sterling on a summer night.

If you've seen a sunrise over the plains...drank a cold beer after a day of hunting, or consider "Rocktober" a real month, *you've experienced it.*

Heck, it was a carriage ride up Pikes Peak that inspired Katharine Bates to write *America the Beautiful.*

She later wrote:

*"We stood at last on that Gate-of-Heaven summit, and gazed in wordless rapture over the far expanse of mountain ranges, and the sea-like sweep of plain."*

This love of place colors everything we do.

We are a community thousands of years in the making.

Starting with the Paleo-Indians, followed by more recent inhabitants including the Arapaho and Cheyenne, and Utes.

Renewed by the first Hispanic settlers; the hopes of the 59ers; the coal-stained faces of the next pioneers; and the sweat of those who built train tracks, bridges, and tunnels, and stayed to start families and build communities.

It was the Germans, Japanese and Irish immigrants from countless countries who planted the seeds of entrepreneurship.

And our immigrants today who continue to harvest those seeds.

As President Reagan said about the shining city on the hill: *“the doors were open to anyone with the will and the heart to get there.”*

Popular culture has tried to sell us a tall tale that Colorado’s history is only about rugged individualism and conflict.

But cooperation has *always* been the *defining* part of our DNA.

Trappers used to go out in packs of ten or twenty because teamwork was safer and more productive.

There were a lot more barn raisings than there were shootouts.

Mountain residents at the turn of the century would leave their cabins unlocked and stocked with food in case a weary traveler in the area hit a storm.

Those travelers were honor-bound to clean the cabin and restock it later.

Sometimes in this building we *stray* from this Colorado way.

We don’t always restock the cabin. We don’t always listen.

Issues can get tangled in a web of special interests.

Trust in our government, at every level, is a critical part of love of place.

Not that our mountains and plains aren’t a big part of our communal affection, and sports teams as well.

But I believe love of place is a key ingredient of most economic development.

And people aren't eager to make the investments that all prosperity demands, if they don't trust the people who lead them, and trust that those leaders will work together.

In this past legislative session, we did just that.

We finally fixed the Hospital Provider Fee.

We now have a little more sanity in our budget.

And hospitals in rural Colorado that would have closed, continue to serve thousands of patients.

Jennifer Riley, an executive at Memorial Regional Health in Craig, told us, "You helped keep our doors open. Thank you."

Last year, we reformed construction defects. And slowly, we're building more condos.

We delivered a modest deposit on our broadband initiative.

*And today, a high-schooler in Julesburg is taking remote business classes so perhaps one day he can start his own company.*

For the first time we used marijuana taxes for a homeless initiative. We helped people save their *own* lives.

Last year wasn't always pretty; *progress isn't always painless.*

But it was the most impactful, bipartisan legislative session since the great recession.

We reminded everyone: the collaborative Colorado way is *the best way.*

When we're frustrated, we listen harder. When we're stumped, we turn to facts and data.

We try to bring the best ideas to the table.

We don't define ourselves by those who oppose us. As any restaurateur knows, there's no margin in having enemies.

*That's basically our slogan.*

And I'm grateful to have been your friend these last seven years.

Most of the time.

If you haven't lived in Colorado long, you might be tempted to think that the state you see today was inevitable.

But when we first met in this room, our economy was in disarray. We had just ended the worst year for job seekers in generations:

- We were twenty-sixth in unemployment and fortieth in job growth;
- Nearly 400,000 Coloradans were unemployed or underemployed;
- And tens of thousands more had dropped out of the workforce.

So we did what Coloradans do. We rolled up our sleeves and got to work. We hosted fifty meetings and took comments from more than thirteen thousand people in all sixty-four counties.

Coloradans told us what they needed to shape their communities across the state from the bottom up.

With this input, we created a new blueprint for a new economy.

We cut red tape; promoted the state not just to tourists, but as a pro business destination for aspiring entrepreneurs; championed innovation and technology; and made it easier for small-businesses to get a loan.

The Colorado Blueprint made it easier for people to create and grow their own businesses, and helped make Colorado a place that loves entrepreneurs.

By almost any measure, we've become one of the best places for business in America.

We're one of the most active and healthiest, one of the best states to raise a family and make a living.

We shattered unemployment records, tourism records, and hosted world-class cultural and music events.

The state has become a bridge between nonprofits and the private sector. We've leveraged a quarter of a billion dollars through public-private partnerships for community initiatives that have touched millions of lives.

We're putting our faith in people like seven-year old Ashley Scott from Colorado Springs. Two years ago, she started a holiday benefit and purchased blankets, socks and gloves for the homeless. This past year, she partnered with twenty businesses, her school, and the community to do even *more*.

She said "doing this makes me feel happy. The homeless need a Merry Christmas, too."

Ashley, we're grateful for you. Please stand.

It's a shame you're not twenty-three years older. You could run for governor!

*Everyone else is doing it.*

We've swelled our ranks in health care with 600,000 more enrollees while prioritizing value.

We lifted families out of poverty with a focus on two-generation solutions.

Our family planning initiative has helped reduce the abortion rate among teens in Colorado by *sixty-four percent*.

We've become the leading state for aerospace employment.

When our cyber security center reaches full capacity, we'll have thousands of people a year getting certificates.

We were the first state to legalize recreational marijuana while creating a roadmap for other states.

*By the way -- we're not wild about Washington telling us what's best for us. We expect the federal government will respect the will of Colorado voters.*

We charted our trails, expanded broadband to almost one-hundred thousand rural homes, lured countless businesses large and small, and revitalized dozens of main streets. We provided wraparound services for thousands of people -- like Sarah Middlebrooks, who completed the Fort Lyon program, found permanent housing, and now maintains her own small business while pursuing her associate's degree.

She couldn't make it because of an accident over the weekend. Sarah if you're watching, we wish you a speedy recovery.

We created the country's first and best methane regulations; a water plan that secures food production; protected the sage grouse from being listed as an endangered species; and developed an electric vehicle infrastructure spanning seven thousand miles.

We cut or modified almost half of our rules and regulations. And in doing so, saved businesses nearly eight million dollars and over two million hours last year alone.

Two million hours!

And we measured our progress on everything that matters.

We trained thousands of employees who completed six-hundred LEAN process improvements, created more value for Coloradans and won several awards.

We're one of the most innovative and transparent state governments in America.

My mother used to say: *"use it up, wear it out, make it do, or do without!"*

Those are pretty good words for a state to live by.

Along the journey, our spirit was tested by floods and fires and inexplicable loss.

On the other side of these tests, *we became stronger.*

By nearly every measure, Colorado is perhaps stronger now than at any point in history.

Our economy is ten times more diverse than when I was laid off in 1986. We developed a well-deserved reputation for innovation, and welcomed the several hundred thousand "pilgrims" who have moved here from elsewhere, allowing them to experience, firsthand, just why we love this place so much.

This is an era for the record books.

But we can't rest on our laurels.

As one farmer told me "in Colorado, you can be a rainfall away from a record crop, but a hailstorm away from losing it all."

So we will not let up. We won't stop to enjoy the view. We have a lot to accomplish in the next 119 days:

- We need to find the right solution to PERA's unfunded liability.
- We need to pass legislation to safely cap orphan wells.

- We need to halt the opioid epidemic that continues to destroy lives and families, and disproportionately affects our rural communities.
- We need to enact a K-12 and Infrastructure Funding Plan that will help make the Water Plan a reality.
- We need legislation and funds to ensure full broadband buildout in rural areas.
- And we need to protect our rural communities by addressing the intense, negative impact the Gallagher amendment has had, and will have, in the future.

It's a commonsense agenda.

And it's an opportunity for us to continue showing the country how it's done, that politics need not be a blood sport, that we need not wage war between the "blue team" and the "red team", and that dedicated and caring people - even those who may disagree at times - can still achieve important goals together.

It's also an opportunity to recommit ourselves to honor and respect our colleagues and uphold the dignity of our offices. Let's pledge here and now that we will not tolerate sexual harassment in Colorado.

In the early hours of the last century...Theodore Roosevelt said of the United States:

*"It should be the growing nation with a future that takes the long look ahead."*

Let's take a long look, and think together about the kind of place Colorado must become so that we can pass our love of place onto the next generation.

Today, more Coloradans are working than ever before.

The Colorado secret is out, our in-migration to the front range is the envy of the nation.

But our rural areas are not experiencing the same boom.

We need to create the right ecosystem.

It's like the bristlecone pine, unique to the West. It lives in a harsh but stunning high altitude environment, the perfect conditions for it to thrive.

It may grow more slowly than the spruce, but it is sturdy, , resilient, , and yes, , beautiful.

Most people in rural areas are filled with a love of place. I had lunch with fourteen Future Farmers of America almost a year ago. I asked these young adults how many would choose to



return to their small hometowns if they could make a living. Every hand went up. But one young woman later noted, *“If I came back with someone I loved, they’d need a job too.”*

We need more good jobs in rural Colorado.

Many outdoor recreation and manufacturing companies, sports enthusiasts and adventurers from around the world, seek out dynamic rural areas.

And that’s great.

But some of our best entrepreneurs are already in rural communities.

Seven years ago, Robert Graves, a fourth-generation dairy farmer in Bellvue CO, started making an Australian style yogurt, which you can now buy in all fifty states. Noosa yogurt is in all 50 states and has annual revenues of over two-hundred million dollars.

Robert, thank you for joining us.

But to reinvigorate more of our smaller communities, we need to incentivize companies and rural entrepreneurs, or the urban ones who want to be rural, to take a chance and start a business where they’re needed the most.

That’s why we just announced a ten-million dollar Rural Venture Fund to focus equity investment and access to capital in rural parts of the state, similar to what they’ve done along the front range.

Startup Colorado is a five-year initiative to organize and convene startups around the state, supported by Brad Feld and other top entrepreneurial leaders.

We’re expanding our Blueprint and Rural Jumpstart economic development programs.

Maybe we need to expand the Jumpstart incentive to seven years?

We’re backstopping loans for rural markets that allow businesses and startups to get more access to capital. Maybe we should do more?

We need to make it easier for anyone to love any part of Colorado and start a business here. Companies need affordable, quality health care.

We have some of the most expensive counties for health care in the country, and fourteen counties only have one option on the exchange - all of them are in rural areas.

We need our friends in Washington to finally move past the tired fight over the Affordable Care Act. It's not perfect, and we need to strengthen it in lots of ways -- but it has helped reduce our uninsured rate by half. 600,000 Coloradans -- many from rural parts of the state -- now have coverage who didn't before. It has helped save lives.

However, we all can agree that America spends too much on healthcare and gets too little for it.

This is an economic argument as much as a health related one.

The year before the Affordable Care Act, two-thirds of bankruptcies were caused by medical debt, that's over 100,000 individuals and families! -- a disproportionate number in rural areas.

The following year, the ACA helped reduce that number by sixty percent. More than 60,000 families, didn't go through the trauma of bankruptcy.

When we're secure in our health care, we're more likely to take a chance and start a business.

Every economist and anyone with a smartphone would agree: our economy is undergoing tectonic shifts with the acceleration of automation and artificial intelligence.

Yet today, in almost every part of Colorado, zip code still determines your educational outcome.

And that determines your economic outcome. This needs to change.

We re-convened the Education Leadership Council to build a long-term vision and path forward. It's nonpartisan and comprehensive, with a focus on the building blocks of a child's success from early childhood to workforce and beyond.

We're pumping an additional one hundred million dollars above enrollment and inflation into our schools this year, and adding ten million dollars to address teacher shortages in rural areas.

We also proposed repeating this year's thirty million dollars to rural schools next year.

Even with these increases, we remain roughly three quarters of a billion dollars behind the funding Colorado voters placed in our constitution nearly two decades ago.

We need to be honest with ourselves and the voters: this number won't go down much without their help. And if we are being really blunt, it hurts rural Colorado more than the front range.

But to create the kind of workforce that will keep our state at the forefront of the new economy, we need to go beyond the funding issue - we need to rethink and retool our approach. We need to transition from a degree-based education system to one that also includes skill-based training.

Experts tell us over sixty percent of our kids in school today will not get a 4-year degree.

Careers and professions by the dozens will be swept away in the coming decades.

But new industries will emerge at an equally frantic rate. We will need not just engineers but huge numbers of technicians and analysts with new sets of skills.

We need to get more kids learning skills that matter.

We need to do it yesterday.

That's why we're working with the state board of education to expose more students to coding in middle and high school.

Why not give those schools with a foreign language requirement the choice to offer coding as an alternative language?

But let's not fall into the trap of instituting a bunch of coding classes and thinking we've solved the problem.

We need flexible solutions that can adapt to what employers need tomorrow, not just what they need today.

This means training and apprenticeships.

Working closely with business and education leaders, in a public-private partnership, Colorado is igniting an apprenticeship renaissance with Careerwise.

We're connecting companies, talent, K-12 schools, community colleges and training centers. We have youth apprentices in pilot programs at thirty-one schools in four districts and we're partnering with forty businesses.

This isn't your grandparents' version of apprenticeship.

This is on-the-job, skills-training in industries, like business operations, health care, and advanced manufacturing.

Within a decade we want to see twenty-thousand students per year receiving college credit, developing skills, and learning how business works.

Apprenticeships are designed to grow hand in glove with Skillful, a digital platform, developed with LinkedIn and the Markle Foundation, that will help connect job seekers and employers in this new economy.

Last summer, Microsoft Philanthropies announced a twenty-six million dollar investment in Skillful to expand these efforts, the largest grant in the history of the foundation.

Projections of all kinds suggest we will fall well short in trained workers, in every industry in the next decade.

We need all hands on deck. We need to expand our training programs and tailor them for people with disabilities and the incarcerated soon to be released.

There's a lot to do, but Colorado has become an early model for the country.

I presented our apprenticeship and Skillful programs to dozens of executives from some of the the nation's largest foundations, who are putting their considerable weight behind solving challenges of the twenty-first century, and building a skills-based workforce.

Our work continues when it comes to higher education.

Last fall, the Colorado Commission on Higher Education presented our updated higher education master plan. We need to increase post secondary credentials by tens of thousands in the next eight years, and erase equity gaps.

Over the last seven years, we've added more than 250 million dollars to support higher education, and we need to do more to help these schools succeed and expand.

They are the engines of our economy.

Yet we're still seeing a seemingly continuous inflation of tuition, fees and books. We need to redouble efforts around costs, collaboration, and student success.

Purdue University hasn't raised tuition for resident undergraduates in the last six years.

Ambitious moves like that will take some flexibility from this building, too.

We've created a strong foundation for growth.

But no matter how hard we work to incentivize potential and capitalize on this topophilia...Coloradans won't continue to love this place or build their lives here, if they can't move around easily, afford housing and stay connected.

It's about companies like Mayfly, which builds equipment for anglers, and worked with the state to move all their manufacturing to Montrose. They wanted a rural environment with strong broadband.

They're training local workers, while building an outdoor rec center and business park, because they believe their business should grow side-by-side with the community.

*David Dragoo please stand.*

It's great news for rural communities that many jobs can be done anywhere -- but it requires good internet. We need to giddy up!

We went from sixty percent to eighty percent coverage in rural Colorado in the last two years. We'll be at eighty-five percent by the end of this year and one-hundred percent by 2020.

We need your support to get to the finish line.

One of the most essential pieces of infrastructure in our economy is our natural landscape, our clean air and water, the things everyone thinks about when they hear the word "Colorado."

It's one reason why companies of all sorts have been drawn to this place we love.

And the reason why the outdoor recreation show is coming to Denver in a couple weeks along with its one-hundred and ten million dollars in economic impact.

It's why many of our farmers and ranchers, who live on the land, came here, and stay here.

But the responsibility to be good stewards doesn't only fall on rural parts of the state. It rests with all of us.

Xcel has submitted a plan to close two coals plants in Pueblo. This will clean our air and lower costs for consumers - and lead to greater investments that support twenty-first century careers.

What is it the critics don't like? Is it the cleaner air or the lower utility bills?

Clean air matters.

Xcel is also working with Evraz Rocky Mountain Steel -- one of the cleanest steel plants in the world -- to move toward renewable energy while protecting Pueblo's future as a center for steel manufacturing. We need everyone's support to make this a reality.

Pueblo is known as steel city, but soon it could also be "solar and wind city."

Most of us agree that science shows climate change is happening at a significant rate in large part because of humans. But even those of us who disagree on climate change can agree that we need to protect the Colorado environment our grandchildren will grow to love - with a strong economy where they *can find jobs*.

This includes protecting our water for agriculture. If we don't implement our water plan, rural agricultural communities will be hit first and hardest. We live in a state of open markets. They can never afford to match what front range homeowners pay for domestic water. Having a sustainable source of food--no matter what happens around the world--is an essential foundation for the future of our state. We're one of the great food exporting states and that's a resource we should continue to invest in, rather than put at risk.

The Colorado Water Plan provides a framework, but doesn't include all the funding for the last billion dollars over the next thirty years, we need the support of the General Assembly.

But the cost of water has been a small part of rising new housing prices along much of the front range and elsewhere.

It strains one's ability to love where they live when they can't afford the price of a home or even rent near the jobs and communities they care about.

While many conversations around affordable housing are confined to the front range, the Colorado Housing and Finance Authority has supported housing projects all across Colorado. They've invested over thirteen billion dollars across the state. We should increase our affordable housing tax credits by fifty percent -- these are matching funds that work only with local investment.

If we believe private enterprise is part of the solution, CHFA is one of the answers.

I'm forgetting some other type of infrastructure. What is it?

OH right, the multi-billion dollar hole in our roads.

It's about connecting to our communities, our jobs, our markets, and the people we love.

And good infrastructure creates good jobs.

These are facts:

Fort Morgan voters said "yes" to raising their sales tax, so they could get to work repairing their city streets.

And El Paso County voted for new lanes on I-25.

Coloradans WANT to invest in our quality of life--because of our affection for Colorado.

And allow us to pass that affection confidently on to the next generation.

That's why communities are easing traffic with bike lanes and creating walkable areas. And in response to demand from southwest Colorado and other rural parts of the state, Bustang is expanding routes.

It's part of why we partnered with Panasonic to see how we can link vehicles with smart highways and save lives.

Futuristic transportation companies like Arrivo, Otto, and Hyperloop One are making Colorado a testing ground.

But we can't innovate our way out of traffic jams without the resources.

Coloradans spend hundreds of dollars a year extra per car on repairs and operating costs as a result of bad road conditions. We waste dozens of hours a year in traffic.

The cost of asphalt and concrete continue to rise; yet we haven't increased the state gas tax in over twenty-five years.

We've been driving on a flat tire for a quarter century.

All while Utah raised their gas tax twice.

Not only do we under-fund maintenance by more than two-hundred million dollars per year, but we also have a project list of nine billion dollars. Total needs are estimated to be twenty-five billion dollars by 2040.

And that's all on top of CDOT's existing budget.

Last year, we committed 1.9 billion dollars in financing for roads when we addressed the Hospital Provider Fee. Soon, thanks to Senate Bill 267, we will see a one-hundred million dollar per year commitment in General Fund revenue towards those roads.

Last week we proposed another 148 million dollars from increased revenues.

And then, in the coming years, our proposal for future revenues will continue to dedicate more than 100 million dollars per year on top of that - also from the General Fund.

That's progress. But it *still* won't be enough to solve our transportation problem, and it doesn't devote a single dollar to our city and county roads and bridges.

We need to be *even more* ambitious. It's time we look at a long term solution with a sustainable funding source.

There's broad agreement -- across party lines.

Coloradans deserve the opportunity to vote on whether we need new resources and where they should come from.

*It's time to go to the voters.*

It's tempting to surround ourselves with people who agree with us. It's easy to create an echo chamber.

But we're investing in the unglamorous effort it takes to *listen*.

Because it works.



In ancient Greece, conversations about the great disagreements of the day took place around big dinners and lasted days. Strangers were welcome.

Conversation would slow down, and unlike a cable TV debate or tweet storm, it allowed a spectrum of viewpoints to emerge.

People invested their time in each other.

Often, fueled by wine. Here in Colorado, we'll stick with beer.

We need to get back to that point.

We need to rebuild these places of convergence. So I'll offer up my office.

We have 364 days left in this administration.

That's an eternity for compromise. It only took eighty-seven days for thirty-nine delegates to create Colorado's Constitution!

And that included: a bill of rights, three-branch state government, bicameral legislature, elected governor, and supreme, district, and county courts.

It's an eternity, but the issues are fiercely urgent. As Martin Luther King Jr. said: "tomorrow is today."

When we invest in education today, we make our kids more competitive tomorrow. When we modernize our infrastructure, we lay the groundwork for the jobs of the future. When we stand up for common sense approaches to health care and get more people covered, we lower costs and save lives for years to come.

These core priorities aren't always glamorous. They don't always get the big headlines.

But that's the Colorado WAY.

This is the Colorado that has lured generations from across the country and around the world. It's why we swell with pride whenever we tell outsiders where we're from, and why they smile in response.

It's what Walter Cheesman, Claude Boettcher and Bruce Randolph worked towards, and what Emily Griffith invested her life in.

There's no place like it

David Mason, who became our poet laureate in 2010, said it best:

*“Some come out West to beat the odds and find out the sky's the limit.  
Some simply stare--no end to it,  
The way you can love a land  
And quite a few of the people in it  
Give me the sage in sunlight, warm  
Even in winter. Give me the moonlit snow  
Give me the book cliffs and the farms,  
The wild flowers of Colorado.”*

One of the greatest joys of my life was pitching in baseball games in high school.

You have to be so focused and every atom of your being has to be intent on throwing that pitch to the perfect spot.

But you'll never succeed without a great team behind you.

The joy of these past seven years has been every bit as intense, and just as sweet.

I've been blessed to work with an incredible group of people -- I'd like my cabinet and senior staff to stand and be recognized.

And I include all of you as part of this team, you are an incredible group as well.

Thank you for your partnership, your friendship, and for deepening our love of this wonderful, *wild* place.

One last time from this podium: Giddy up!

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