



## **FOR IMMEDIATE RELEASE**

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## **Gov. Lee Delivers 2024 State of the State Address**

### **2024 State of the State Address - speech as prepared for delivery**

Thank you. Lieutenant Governor McNally, Speaker Sexton, Speaker Pro Tem Haile, Speaker Pro Tem Marsh, Members of the 114th General Assembly, Justices of the Supreme Court, Constitutional Officers, Cabinet members, staff members, my friends, my family:

Thank you for coming together tonight to reflect on our state's incredible success, as we advance toward her bright future. It's my highest honor to serve with all of you.

I want to give a special thank you to one more person. This time last year looked very different for Maria and me.

After receiving a challenging diagnosis six months earlier, Maria had just completed her chemotherapy and was preparing for a bone marrow transplant.

So, last year, for the first time since I became governor, she was unable to attend the state of the state address in-person. That night, we didn't know just how remarkable her healing journey would turn out to be.

Maria and I want to thank all of you – here tonight and across the state – for your love, for your encouragement, and most of all, for your prayers for healing.

And I want to thank you, Maria, for all that you do for me and for Tennessee, and for being you. Thank you.

As we enter our sixth year of working together, the state of our state is strong, resilient and ready for the future. That's thanks to the hard work of the people in this room, but there is more work to do.

The world around us is changing, and every day brings new and unique challenges that Tennesseans are counting on us to face with wisdom and discernment.

So, tonight, I want to reiterate something. I've got three years left, and yet there is a lot to do. We're not slowing down – not for a second.

Tennessee is a remarkable place with a richness of passionate people of all kinds, an unrivaled culture and deep-rooted traditions. We are also a state that is focused on opportunity, security and freedom for all of her people.

So, in 2024, and frankly for the remainder of my time in office, I believe our job is to fortify that which has been built over the years, and to remember the work it took to get here.

When thinking about what lies ahead, I am reminded of the historical account of a Jewish man named Nehemiah from the Old Testament.

Nehemiah, who was a high official of a Persian King, hears that his beloved city of Jerusalem is in ruins.

So, Nehemiah sets off on a mission to rebuild the city and the wall that surrounded it. Knowing that this is no small task, he enlists the help of the people of Jerusalem. He directs every person of all ages, trades, and ability to 'take their spot on the wall' that surrounds the city, as the story says, in order to protect the progress that was to be made and to ensure that the work being done would not be done in vain.

By the end of this story, the people of Jerusalem find success thanks to their work together, and it becomes clear that through the experience of restoring the city, the people restore themselves as well.

Throughout my life, I have often come back to this story of Nehemiah, because it reminds us that even two very different people can stand side by side and work together for a shared purpose – and that each individual has a responsibility to hold their spot on the wall.

In 2024, Tennessee is as strong as ever. Generations before us have done their part in building our state into what it is today. Now, we must keep it for future generations by holding our spot on the walls that protect our way of life and by further enriching this place that we call home.

It's up to us to hold our spot.

### ***Fiscal Responsibility and Economic Prosperity***

It all starts with our foundation. Tennessee's firm foundation is possible thanks to our legacy of fiscal responsibility.

Now, more than ever, people across our nation are turning to Tennessee as a model for economic prosperity, and it's clear why.

Over the past five years, Tennessee has been ranked as the fastest-growing economy of all 50 states, the number one state for fiscal stability, a top state for business, the second lowest-taxed state per capita, and the lowest debt state in America. Any state would envy the position that we've been in.

The members of the Tennessee General Assembly – all of you here tonight, as well as your predecessors – are the ones to thank, because of your unwavering commitment to keeping our state in a strong financial position, by balancing our budget, maintaining a healthy savings account and cutting taxes for Tennesseans year after year.

In Tennessee, we spend within our means, we steward dollars wisely and we plan ahead. It's this mentality that has garnered a triple-AAA bond rating for nine consecutive years and keeps us well-positioned to flourish.

Over the past few years, we have had extraordinary growth. So, this year, while our revenue growth is returning to normal, that new normal is 40% higher than it was just three years ago.

We have a very strong economy in Tennessee – an economy that is built to withstand even the pressure of our country's uncertain economic future.

This year, we will bolster our decades-long commitment to fiscal responsibility, starting with a \$20 million investment in Tennessee's Rainy Day Fund, bringing our state reserves to over \$2 billion – the largest in state history.

We will also propose tax cuts again by simplifying our franchise tax and making Tennessee an even stronger choice for companies that choose to do business in our great state.

There has been a good bit of conversation about this change to our franchise tax law, because it is incredibly important. We became aware of a need to change the law, which has been in place for almost 90 years. So, we crafted a solution that resolves the issue now so that we can move forward now. And this is the best strategy to ensure we do right by Tennessee taxpayers.

Because we have budgeted wisely through years of extraordinary revenue growth, Tennessee is now equipped to resolve this tax issue and make Tennessee an even better place to live, work and raise a family. This is an example of how we can turn a challenge into a better outcome for Tennesseans.

Tennessee's fiscal management approach has set the standard for how states across the country should operate, and families and businesses nationwide have taken note.

Everyone knows Tennessee continues to be one of the most moved-to states in the country, but did you know this? In the last three years, as people and companies have shifted to the southeast, so has America's economy.

For the first time in our nation's history, just six states in the Southeast, including Tennessee, are contributing more to America's GDP than the entire Northeast – that includes New York, New Jersey, Massachusetts and Pennsylvania. Tennessee has emerged as an economic powerhouse for this country.

And all of this incredible growth is exactly why we have to think about what Tennessee will look like not just next year or 10 years from now, but 25 and 50 years from now.

That's why we've made infrastructure a top priority, building roads, bridges, sewer systems and more for the future.

After passing the Transportation Modernization Act last year – a bipartisan effort with the men and women in this General Assembly – TDOT's ten-year plan is in motion all across rural and urban communities.

Just a few weeks ago, Tennessee was ranked by U.S. consumers as the state with the best roads in America, and thanks to our work together, we have a plan to keep it that way.

I want to take a minute to thank all of our TDOT workers who were everywhere just a couple weeks ago working day and night through the cold, snow and ice, taking care of Tennesseans, and now they're everywhere taking care of potholes. You TDOT workers are true public servants, and we thank you.

### ***Opportunity for All***

Companies have invested \$35 billion in our state since 2019, creating more than 211,000 new jobs and counting for Tennesseans. That means real opportunity for families across our state, from Rogersville to Ripley.

Today, Tennessee's unemployment rate remains well below the national average, with state unemployment seeing an all-time low over the summer.

And our rural counties are no exception.

Since day one, I've believed that Tennessee's success can be measured in part by the strength of our rural communities. We've prioritized economic investment across rural counties and developed a workforce strategy that works for every Tennessean, and it's paying off.

Five years ago, we had 15 distressed counties – today we have just eight.

And the statistic that really tells the story – for the first time in history, Tennessee’s poverty rate is below the national poverty rate.

When we talk about Tennessee’s record economic growth, many people might assume the biggest beneficiary is Nashville or another one of our big cities, but in 2023, Haywood County in rural West Tennessee had the largest amount of capital investment and the second most new jobs announced of all 95 counties.

This investment and these jobs are changing lives and creating an enormous generational impact. It’s only just beginning, and real Tennesseans are proof of that fact.

This evening we’re joined by a real Tennessean Derrick Montague, who was born and raised in Haywood County.

In the past, a rural high school graduate may have been forced to look far from home to find their next step. But when Derrick graduated from Haywood High School in 2022, TCAT Jackson was ready to enroll him in their Industrial Maintenance Program immediately. His training at TCAT Jackson quickly led to a quality job at Teknor Apex, an auto supplier that chose to expand in Tennessee just a few years ago.

That TCAT and that job are both available because of the work we have done together to invest in the advancement of rural communities.

Not only has Tennessee become the center of the automotive universe, rural Tennessee has become the center of opportunity.

You’ve heard me say what happens in rural Tennessee matters to all of Tennessee, and this is what it’s all about. Please join me in welcoming Derrick Montague from Brownsville.

### ***Protecting Tennessee Music***

Part of expanding economic opportunity is protecting working Tennesseans.

From the birthplace of country music in Bristol to Nashville’s Music Row and Beale Street in Memphis, music has been woven into the fabric of our state since the very beginning. It’s also a vital industry that employs tens of thousands of Tennesseans.

Tennessee’s music industry workforce has grown by 21% over the past five years. Today, we’re the #1 state in the nation for music industry jobs. Unfortunately, Tennessee artists are facing new challenges with the rise of artificial intelligence.

While this new AI technology can be used for good, it also allows users to impersonate and make fake works in the voice and likeness of others.

So, this year, together with members of the General Assembly, I’m proposing legislation to protect Tennessee’s rich musical heritage and ensure that no one can steal the voice of Tennessee artists.

We’re calling this bill the ELVIS Act to honor our very own King of Rock & Roll, as well as his family who is still working to protect his legacy today.

Tonight, I want to acknowledge a Nashville songwriter who has been at the forefront of this effort to protect Tennessee artists of all kinds. Tom Douglas has written hundreds of hits topping the music charts, including country hits “I Run to You,” “The House That Built Me” and many, many more. Please join me in welcoming my friend and legendary songwriter Tom Douglas.

Tennessee has the opportunity to be the first state in the nation to enact this kind of protection, and we hope the ELVIS Act will serve as the blueprint for states across the country.

It's only right that we lead the nation in this effort. Tennessee is the music capital of the world, and we intend to keep it that way.

### ***Education Freedom***

As we explore ways to continue building on our state's firm foundation, nothing is more important than expanding opportunities for our children.

The ability for young Tennesseans to succeed is the key to Tennessee's long-term success. And without a doubt, education has the power to change the trajectory of a child's life forever.

We've done a lot of work in Tennessee, but we still have a ways to go in providing the best possible education for every student in our state. 2024 is the year to make school choice a reality for every Tennessee family.

The premise behind Education Freedom, and the one thing that most all of us agree upon, is that parents know what's best for their child's education.

There are thousands of parents in this state who know their student would thrive in a different setting, but the financial barrier is simply too high. It's time that we change that. It's time that parents get to decide – and not the government – where their child goes to school and what they learn.

Some are concerned that more choices for families could mean fewer resources for public schools, but that is simply not true.

As a father who sent his child to public school, with grandkids in public school, and as Governor – visiting countless schools across the state – I feel very strongly that public schools are invaluable.

Over the past five years, working together, we have invested historic amounts in public education, and that will continue.

We've increased funding for public education by more than \$1.8 billion dollars since I became Governor – by far the most in our state's history.

With that increased investment, we also modernized the way that we fund public schools for the first time in 30 years.

Last year, we gave teachers the largest annual pay raise in state history, and we're not done. We'll make another significant investment in the TISA formula this year, and we're working on a plan to help public schools retain the best and brightest teachers in their individual districts.

We have placed an unprecedented focus on public education, and I intend to continue that every year.

We can give parents choice and support public schools at the same time. You'll hear me say that over and over again – these two ideas are not in conflict.

Now, there are some who say that parents don't belong in the decision-making process about their child's education. But our responsibility is to the student and to the family, not to the status quo.

When you empower parents, students succeed.

And we already have success stories across our state today.

Tonight, I'd like to welcome Arieale Munson and her two sons, Nigel and Steven.

I had the opportunity to meet this incredible family a few months ago, and I was struck by their story.

Arieale knew both of her sons learned differently. Their current education just wasn't serving them well, and what worked for Nigel wasn't necessarily right for Steven.

As a single parent, options were limited. She knew that the path to paying for an independent school would be difficult, even while working two jobs. But as their biggest champion, Arieale knew that she had to do something to set them up for success.

She enrolled Nigel in a public charter school that was a perfect fit for his learning style. But her other son, Steven, still needed something different.

This was right around the time that Tennessee's current choice program became available in Shelby County. She applied, and Steven was quickly accepted as the first ESA student. Arieale calls it an answered prayer.

Today, Steven is thriving at St. George's Independent School in Memphis. He's making exceptional grades, joined the outdoor club and the soccer team, and he dreams of being a paleontologist.

Her son Nigel will graduate this May at the top of his senior class at Memphis Business Academy with a list of scholarship opportunities at nine colleges across the nation.

And it's all because Arieale realized what many of us have come to know. Each student has unique needs, and when parents have a choice, that child's life is changed forever.

Please join me in welcoming and congratulating Arieale Munson and her sons, Steven and Nigel.

### ***Strong Tennessee Families***

Parents also know best what social media does to kids.

Depression, anxiety and loneliness are all skyrocketing among children. Study after study tells us how damaging social media is for children.

We must empower parents with the tools to help their kids online.

So, this year, I'm bringing a bill that will give parents tools to oversee their child's social media activity, and it will require social media companies to get parental consent for minors to create their own accounts in Tennessee.

Moving from the youngest Tennesseans to our oldest.

Across our state, those 65 and older make up the fastest-growing group of Tennesseans. Nearly a quarter of Tennesseans will be over 60 by 2030.

And more and more older Americans are choosing to retire here and enjoy all that the Volunteer State has to offer.

Because of that, we've made an important decision to take what was previously our Commission on Aging and Disability and combine it with our Department of Intellectual and Developmental Disabilities to better serve all Tennesseans.

This proposal will create a new Department of Disability and Aging, headed by Commissioner Brad Turner, that will enable better coordination and stronger advocacy.

Ultimately, it will get bureaucracy out of the way and allow both of these populations to live and age with as much independence as possible.

### ***Better Government***

As you all know, I come from the business world. Since I became Governor, one of our top objectives has been making government work better for the people of Tennessee.

In my view, less government is better government.

This year, working with the General Assembly, we will bring forward a plan to repeal or streamline nearly 40% of all existing rules across the executive branch. That's 4,000 rules eliminated or streamlined.

I'm proud that this will be one of the largest cuts of red tape, not just in Tennessee history, but for any state anywhere in the country.

And cutting red tape is a green light for Tennessee's job creators to continue growing our economy.

### ***Advancing Rural Health***

As I mentioned earlier, since 2019, we've made great strides in expanding economic opportunity for rural Tennesseans. Now, we have to accelerate our focus on the advancement of rural health.

We know we have challenges with access to care and workforce shortages. That's why I formed the Rural Healthcare Task Force in 2021 to explore solutions to address the issue head-on. These solutions are becoming a reality. We will be expanding apprenticeships, providing greater access to specialty care and telehealth, better pathways from high school to healthcare careers, and much more.

So, this year, building off the recommendations from the task force, we will propose the single largest investment in rural healthcare in state history – nearly \$200 million over the next five years.

This is possible because of the remarkable opportunity that we have thanks to the success of Tennessee's one-of-a-kind TennCare Waiver, which continues to exceed expectations and allows us to heavily invest in some of the biggest healthcare challenges facing our state.

Because of these shared savings, this investment in rural healthcare will come at no added cost to Tennessee taxpayers.

This opportunity should not be taken for granted. It is only possible thanks to the strong partnership of this General Assembly, and we'll continue to see success if we maintain the conservative, responsible principles that got us here. So, I want to thank all of you again for the work you've done to make this TennCare Waiver a reality.

### ***Enhancing Mental Health Support***

In addition to rural health, the funds from this year's shared savings will allow us to again invest in mental health – another challenge that is prevalent, not just in our state, but across the country.

Nearly four-in-ten Tennesseans report symptoms of anxiety or depression. Drug and opioid overdoses remain an enormous challenge.

We've done a lot of work in the last five years to boost mental health resources across our state. This year, we're investing more than \$100 million over five years, from the shared savings, in behavioral health and substance abuse support in Tennessee.

## ***Streamlined Permitting***

As I mentioned earlier, Tennessee is in demand. With that comes growth, new homes and new businesses. And with that comes reviews, inspections, permits.

When demand is high and the projects get bigger, it's very easy to fall behind. Time is money. Building delays drive up the cost of homes and businesses for all Tennesseans. Every day added to the schedule adds to the price of the house, and this matters for hardworking families.

That's why, this year, we are proposing statewide permitting reform to accelerate building times, lower costs and safely streamline construction in Tennessee.

Now, legislation about permitting may not sound like front page news, but just take it from someone who spent 35 years in the construction industry – a bureaucratic permitting process is bad for everybody but the government.

This proposal will make it easier and more cost effective to build homes, businesses, childcare facilities, everything.

## ***Safe Neighborhoods***

Yes, Tennessee is in demand. People are moving here, and one of the reasons is they know that we're committed to making it a safe place to live.

There will always be more work to do when it comes to public safety. It is a huge challenge.

I want to thank all of you for partnering with us to prioritize major investments to keep Tennessee communities safe.

We've created innovative programs across our justice system, resulting in Tennessee's lowest recidivism rate in state history.

We've provided funding to hire 200 new Tennessee Highway Patrol troopers, and this year, we're proposing an additional 60 troopers to continue growing the force.

I'm incredibly proud of our work together to support local law enforcement agencies across Tennessee with a \$150 million investment in the Violent Crime Intervention Fund. These dollars are at work right now in areas of our state that need it most – places like Shelby County where I believe that state and local partnerships can and will make a real difference.

In last year's state of the state address, I talked about the importance of public safety and why school safety matters to every single Tennessean. At that time, we had no idea that we were about to face one of the most difficult moments our state had ever seen.

Covenant experienced unimaginable tragedy, but tragedy doesn't have to be the end of the story. There is a redemption in struggle, if we lean into it.

That's why, over the last year, we have worked together and made significant progress building on our strong foundation for school safety, starting with a \$140 million grant to place a trained, armed school resource officer in every Tennessee public school.

These brave Tennesseans are the first line of protection for our students and teachers, and we appreciate their unwavering commitment to keeping schools safe.



A great example is the leadership of Sheriff Troy Klyce. Crockett County has made tremendous strides in SRO staffing with this fund, and they are not alone. Crockett County joins three other Tennessee counties that moved from zero SROs in their district to being fully staffed in under a year – which is a truly remarkable achievement.

Please join me in welcoming Sheriff Troy Klyce and Officer Matt Mosier, a newly hired SRO from Crockett County.

### ***Conservation for a Brighter Future***

Over the past five years, Maria and I have traveled to every corner of our state in awe of Tennessee's natural beauty and rich resources. From the flats of the Wolf River to the peaks of Bays Mountain, to the Ocoee River, this is a beautiful place.

Last year, we created a new conservation strategy to preserve the state for generations to come, but there's more work to do.

We've continually made investments in our state parks, which are the cornerstone of this conservation effort. This year's proposed budget will take it to the next level, with another eight new state parks.

Tennessee's outdoor heritage also extends to our rivers, lakes and streams. We are proposing a "blueway trail development" to improve access to state waterways and invest in dozens of state lakes, boosting rural economies, welcoming more Tennesseans and visitors to kayak, canoe and fish our beautiful waters.

We are also proposing investments to improve water quality across rivers and streams, making them safe to enjoy.

Our proposed budget will include funding to preserve our natural resources where Tennesseans and tourists are most likely to see them – on the road – with a plan to protect and enhance scenic beauty along our major highways.

And off the major highways are the drivers of Tennessee's economy – Tennessee farmers. Our agriculture industry employs more than 360,000 Tennesseans and generates \$89 billion annually, making agriculture the number one contributor to our state's economy. Yet, today, we are ranked the third-most threatened state for farmland loss in the country.

So, this year, we're proposing a Farmland Conservation Fund – a plan to partner with Tennessee farmers who voluntarily place a conservation easement on their land – just as 28 other states do today. This will give farm families the ability to preserve and protect their farmland for future generations, securing Tennessee's rich rural heritage as a pathway to opportunity.

I have often said that a conservation strategy must include investments, not just for the environment, but for safe, clean and reliable energy for the future. Over the past year, thanks to your partnership, we have made great strides.

Along with the \$50 million Nuclear Energy Fund that was included in our budget last year, we established the Tennessee Nuclear Energy Advisory Council that just produced its first report to help guide our strategy using the knowledge, expertise and experience of some of Tennessee's brightest minds.

And while more work needs to be done and is being done, Tennessee is well-positioned to protect the foundation laid decades before at Oak Ridge to not only lead the Southeast but lead this country into a new era of energy in America.

Tonight, I've attempted to give just a glimpse of the state of our great state:

The foundations that were laid by the generations before us, the “city on a hill” that we call Tennessee, the gates that welcome those who want opportunity and security and freedom. the walls that protect fiscal stewardship and public safety and our environment.

We recognize the great challenges that lie before us, whether it be rural healthcare or workforce protections.

We have opportunity and obligation, and it will take each one of us, as we debate and agree and disagree, about the path forward to accomplish that which we all believe in – serving our fellow Tennesseans, recognizing the dignity of each one of them, each person’s God-given value, and working to make a better life and future for them all.

We each have our spot on the wall – an important spot, no one greater than the other, each one greatly necessary.

And just like in Nehemiah’s day, there will be those who criticize – those who will see Tennessee’s success and try to stop it. And they’ll do that by trying to divide us. We shouldn’t let that happen.

Let’s stand together – remember our shared purpose.

Only when we work together – side by side – will we build upon, protect and create that which is one of the greatest places in all the world, and ensure that it remains for those who live here, for those who want to live here, and their children and their children’s children.

May the Lord pour his spirit and favor out on each one of you, and may the Lord bless the people and the place that is the great state of Tennessee.

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