



2022 STATE OF THE STATE AND BUDGET ADDRESS

Governor Brad Little
January 10, 2022

Mr. Speaker, Mr. Pro Tem, Madam President, honored legislators, my fellow constitutional officers, Mr. Chief Justice and members of the judiciary, my family, friends, and my fellow Idahoans.

It's good to deliver this speech back in the chambers. Last year I closed my State of the State address by saying, "In times of hardship, opportunity for growth emerges."

There's no doubt the past couple of years have presented incredible challenges. Our frontline workers in healthcare, public safety, and education in particular have done an exceptional job.

Today, we have a few of these pandemic heroes here with us. They are nurses, doctors, police officers, guardsmen, and teachers. I would like to invite them to please stand up. Please, everyone, join me in recognizing them and their colleagues and thanking them for their service to our great state.

My friends, I stand before you today with great optimism and excitement about the once-in-a-lifetime opportunity before us.

Idaho's economy is stronger than ever before.

We're one of only four states with more jobs today than before the pandemic.

Idahoans are working. We have one of the lowest unemployment rates in the country.

Our budget is balanced.

We have robust reserves.

Idaho businesses and citizens benefit from living and working in the least regulated state in the nation.

We've turned more money back to the citizens through historic tax relief and strategic investments in the areas that impact their daily lives.

And for the second year in a row, we have yet another record budget surplus.

My friends, our success is no accident.

While other states liquidated their rainy-day funds and begged politicians in Washington, D.C. for a bailout, together we rolled up our sleeves, made tough decisions, and led Idaho.

In Idaho, we manage government the same way families manage a household budget. It is basic "kitchen table economics." It means facing tradeoffs head on, choosing to live within our means, saving for hard times, cutting waste, and stretching our dollars further.

While D.C. is digging the country into a \$29 trillion hole, Idaho has a record surplus of \$1.9 billion and counting.

While D.C. continues to crank out onerous new regulations, we took an axe to Idaho's regulations for three straight years, and we continue to widen our lead as the least regulated state in the nation. In fact, since I took office three years ago, we have cut or simplified 95-percent of Idaho regulations. And now, through our Zero-Based Regulation initiative, this year we aim to cut or simplify another 20-percent of what remains, removing rocks from the shoes of small businesses.

While D.C. wants to raise taxes on all citizens as Bidenflation surges, Idaho has put more money back into the people's pockets. Last year, together we cut income taxes and returned \$450 million to all Idaho citizens and businesses.

It was called the biggest tax cut in state history, but I call it a good start.

While President Biden divides Americans in his attempts to elevate the role of government in citizens' lives, coercing Americans with government-imposed vaccine mandates, Idaho says, "No."

Our lawsuits challenging Biden's polarizing vaccine mandates are working.

I banned divisive "vaccine passports."

I never mandated masks or vaccines.

We responded to a crisis with a balanced approach and kept Idaho open.

And, while President Biden continues to dismiss the catastrophe at the U.S.-Mexico border, Idaho is banding together with other states to act.

I traveled to the border last summer, where I saw for myself how Mexico drug cartels control access into our country! All because of President Biden's flawed border policies. This is completely unacceptable. Biden's inaction has spawned a growing drug threat in our state. The vast majority of illicit drugs in Idaho are now sourced in Mexico.

Idaho families deserve better.

Last summer, I sent a specialized team of Idaho State Troopers to Arizona to help fight the drug flow into our country and our state. We sent our best to protect Americans and Idahoans from the drug cartels, and those troopers returned with new knowledge and training to help law enforcement here at home fight the drugs that have devastated so many lives.

We have some of those troopers here with us today. Gentlemen, please stand so we can recognize you.

And now, I am asking for your support to deploy "Operation Esto Perpetua." I will have more to share in the coming weeks, but "Operation Esto Perpetua" will bring together law enforcement and communities in new ways.

We will continue to fight the consequences of our loose border and curb the smuggling of killer drugs such as fentanyl into our state from Mexico.

Folks, we have been able to set the example of accountable, responsible government here in Idaho. My family and Teresa's have been in Idaho for generations. We want nothing more than for our grandchildren to stay settled in Idaho and enjoy their grandchildren here too.

Teresa and I want the same for your grandchildren, too.

By now, you know my goal – for Idaho to be the place where we all can have the opportunity to thrive, where our children and grandchildren choose to stay, and for the ones who have left to choose to return.

Think about someone you know who demonstrated true leadership. For me, my father, David Little, Teresa's father, Phil Soulen, and an old friend, Louise Shadduck, come to mind.

Here's what I've learned from them.

Leaders give people confidence and show the way through humble strength.

Leaders go through life with a spirit of service.

Leaders listen.

The voice of a leader is effective, not just loud.

Every day I endeavor to live up to the example of my mentors. That is what the people of Idaho deserve from their Governor, and it is what they deserve from all those elected to public office.

I have a plan for Idaho – a path to give back our record budget surplus to Idahoans through continued tax relief and strategic investments where they make the biggest difference in their daily lives.

My plan is called LEADING IDAHO.

My plan is rooted in a longstanding conservative principle – fiscal discipline.

For the first time in state history, Idaho was upgraded to a Triple-A credit rating. It is an achievement that will save taxpayer dollars and, importantly, reflects our dedication to conservative, responsible budgeting.

Earlier today I delivered a budget that is balanced and holds the line on spending.

My budget pays off state building debt, saving taxpayers tens of millions of dollars in interest payments.

My budget also puts us on a path to pay off all known deferred maintenance needs – those backlogged repairs needed in our infrastructure – over the next ten years.

And my budget bolsters our rainy-day funds to a record level, putting more than \$1 billion in the bank to guard against future downturns.

We must be even more vigilant in perceived times of plenty to make decisions that are prudent and will withstand the test of time. We did not spend our way to a surplus, and budget surpluses must never become an excuse for wasteful spending.

There's no better feeling than giving back to hardworking Idahoans more of what they earned.

To date, in my first term, we have cut nearly \$1 billion in taxes.

Let me repeat that.

Together, we have given back nearly \$1 billion to Idahoans through income tax relief, property tax relief, and relief from unemployment taxes on Idaho businesses.

And today, I am proposing we double down on our efforts.

I propose we return more than \$1 billion in income tax relief to Idaho taxpayers over the next five years!

And let's not wait. Right now, Idaho families are forced to pay more for food, gas, and everyday goods as inflation swells under Biden's watch. Poor handling of the economy, oppressive regulations, and a bloated federal budget have all contributed to inflation rates we have not seen in 40 years.

With Bidenflation exploding, let's immediately pass \$600 million in income tax relief that we can get back into the wallets of all Idahoans this spring!

I propose \$350 million in immediate rebates and \$250 million in ongoing income tax relief, allowing working families to keep more of what they earned and free them from the penalty of living with historic inflation.

We cannot delay in deploying this investment in working families.

We must also support Idaho's small businesses, the backbone of our economy.

Last year, we strengthened our unemployment insurance trust fund, making it one of the most solvent funds in the country. Doing so led to a \$200 million tax cut for Idaho businesses.

I propose we lock in these lower rates for the next two years, saving Idaho businesses \$64 million so they can continue creating good Idaho jobs.

Some say we shouldn't cut taxes, that we have to choose between cutting taxes and meeting important needs within our state.

This is false.

My budget shows we can do both.

We can spend less than we bring in, offer tax relief, and fund the top priorities – education and infrastructure.

More than 130 years ago, the founders of our state in writing the Idaho Constitution recognized the stability and endurance of our republican form of government depends mainly on "the intelligence of the people."

A person's education starts in the home. Parents are in the drivers' seat, as they should be and always will be in Idaho.

The children today will become the workforce of tomorrow. They will be the engineers, loggers, doctors, farmers, construction workers, entrepreneurs, teachers, truckers, you name it. We want our Idaho students to receive a strong foundation of learning now so they can stay here and make our state strong for future generations.

And Idaho schools partner with parents in the education of their children.

That's why I propose making the largest investment in Idaho education, ever.

My budget adds \$1.1 billion over the next five years to improve Idaho education.

And it all starts with literacy.

Today, I propose adding \$47 million in ongoing funding to literacy programs – to build on the reading success that parents instill at home. Local school districts across Idaho, with input from families, will decide how best to deploy the resources.

Literacy has been my top priority because it just makes sense. Our investments in education later on will have more impact if we can work with families to get more students to read proficiently early on.

Adding these investments now will increase state literacy funding five-fold since I took office just three years ago.

I cannot think of a more “back to basics” investment that will make a meaningful difference in students’ lives today and for years to come.

The key to strong schools is parental involvement. Our system of public education in Idaho is locally driven, and the system works best when parents and families engage.

Parents partner with teachers in the education of their children, and we cannot meet our commitment to our students without supporting the people who teach them in the classroom.

If you're running a business, you know you can only attract and retain dedicated, quality workers by paying them competitively, offering good benefits, and making them feel valued.

Our educator workforce is no different.

My budget invests in these partners – our teachers – which ultimately serves Idaho families.

The pandemic pushed many parents toward new ways of meeting the educational needs of their children. Last year, we served 18,000 Idaho families and 46,000 students with grants to help cover educational needs outside the classroom.

And now, to build on our success, I am proposing \$50 million for the new Empowering Parents grants. The grants will cover things such as computers, tutoring, internet connectivity and other needs so students have the best chance for success.

The Empowering Parents grants put families in control of their child's education, as it should be.

My Leading Idaho plan also makes other key investments to support law enforcement, our veterans, our valued members of the Idaho National Guard, and safe and secure elections.

I want to add more than \$60 million to address needs within the Idaho State Police. Idaho is a state that openly values its police officers. While others seek to “defund the police,” Idaho DEFENDS the police. Idaho truly is a state that “backs the blue.”

I also propose we make the biggest investment ever in our State Veterans Homes - \$75 million – to give our veterans better quality of life and improve services for them. Our veterans have done so much for us, and they deserve it.

I also want to invest in the soldiers and airmen of the Idaho National Guard. My plan doubles our investment in scholarships for Guardsmen, which boosts our efforts to get more Idahoans to sign up for the Guard. Military service has always been and always will be one of the most honorable ways for a person to serve their community, state, and country. We are so grateful to our Guardsmen and all military service members and veterans for all they have done and continue to do to promote freedom and peace in our country.

We can honor the sacrifice of our military heroes by doing our part to make America as strong as possible – and we all know free and fair elections are the cornerstone of our democracy.

We’re very fortunate to live in Idaho where our elections are free of fraud. But there is more we can do to elevate Idahoans’ trust in their elections.

Last year, I established my Cybersecurity Task Force to come up with new ways to protect Idaho from cyber-attacks and bolster election integrity. My Leading Idaho plan implements recommendations from the task force.

I am proposing \$12 million to establish the new Cyber Response and Defense Fund to ensure the state is prepared to respond to any cyber-attack from bad actors in China, Russia, or elsewhere.

I’m also pushing for proactive integrity audits to enhance transparency and confidence in our elections here in Idaho.

We must make election integrity a priority, to give our citizens confidence that their vote matters.

Idaho has a strong track record of giving back through tax relief and by making significant investments in the areas that impact Idahoans’ daily lives the most.

Things like... clean and plentiful water for a strong agricultural sector; improved broadband access; increased medical capacity to support a healthy Idaho and our healthcare heroes; better access to outdoor recreation and improved land and fire management; and better

opportunities through investments in career technical education, colleges, workforce development and housing, and childcare.

The list goes on and on. My Leading Idaho plan will continue to invest in all of these important areas and many others.

Protecting Idahoans of all ages from the afflictions of mental illness and addiction led to the creation of the three-branch Behavioral Health Council in 2020. It was a step that is now helping Idaho families access the services they need when they need it most.

Behavioral health issues affect Idaho's corrections system, judicial system, hospitals, local communities, and schools.

Today, we are joined by Krista Gneiting, the brave teacher who confronted and disarmed a 12-year-old girl at school last May in Rigby. Krista calmly took the gun away from a little girl in crisis, and then held her in her arms until police arrived.

Krista, please stand so we can recognize you for protecting everyone in the building that day and for your compassion with that sixth-grade girl.

As I know Krista can attest, there is a strong connection between safe communities and access to behavioral health resources for Idahoans of all ages.

Today, I am proposing we accelerate the implementation of the Behavioral Health Council's recommendations by investing \$50 million to improve behavioral healthcare across Idaho. It is one step of many we will take to help prevent tragedy, improve lives, and make our communities safer.

Another area where we are making real progress to improve safety is the time Idahoans spend on the road.

Last year, together we passed the largest transportation funding package in state history. Our sustainable transportation funding solution added historic amounts for new infrastructure to improve safety and ease congestion, giving all Idahoans more precious time with their families.

And we did it without raising taxes.

But we cannot stop there.

The continued prosperity of our farmers, ranchers, and the folks who work in the woods depends on a safe, efficient system of roads and bridges.

We cannot continue our record economic trajectory if our logging trucks can't get across old bridges or we can't get our farm products to market.

My budget invests another \$200 million in ongoing funding to fully address our known maintenance needs locally and statewide. I also propose we invest another \$200 million in one-time funding to clear out one-third of the backlog of deficient bridges.

We have a once-in-a-lifetime opportunity to fully fund known needs – to maintain our roads and bridges permanently – with no new taxes.

I am unwilling to put the safety of Idahoans and the maintenance of our state's roads and bridges at the whims of the feds. We must not look to Washington, D.C. to solve our problems. Leading Idaho means addressing our own state's needs. Together, we'll show Washington, D.C., how to tackle transportation – by fully funding known gaps with no new taxes and providing long-term funding for long-term needs.

Ladies and gentlemen, the challenges of the past two years for many, including myself, have driven us to more frequent prayer and a closer relationship with our creator.

And out of the hardships we have strengthened. We have kept things headed in the right direction.

We won't spoil the once-in-a-lifetime opportunity before us to give the people back their hard-earned dollars through tax relief and make historic investments where they matter most.

We will stay focused on LEADING IDAHO.

I want to thank my family for their unwavering support. Family is the nucleus of all that is important in life. And our First Lady – her good heart is a source of strength and peace for our family and the entire state.

And I want to thank YOU – the people of Idaho – for Idaho's success. You have proven you will always stand up for the strength and prosperity of our great state.

Thank you and God bless.