

Beginning in January 2021, Governors delivered their State of the State addresses to their legislatures and the public. As expected, Governors' highlighted their state responses to COVID 19, the public health challenges they have had and are currently working through, including vaccine distribution, and the impacts on the states' economy and government. A theme of hope was apparent in many speeches, with Governors outlining plans to move forward as the country emerges from the pandemic in the coming year.

Arizona

On January 11, Governor Doug Ducey (R-AZ) delivered his address in a live broadcast to the opening session of the 55th Arizona State legislature. He focused on the impacts of COVID and the decisions Arizona made in response, including not implementing a lock-down. He went on to say, "Among other agenda items requiring our attention, let's work on broadband expansion...greater access to telemedicine ...better roads and bridges...continuing to be a global leader on water innovation...better equipment and training for law enforcement...criminal justice reform...and guarding against wildfires, so we stay on top of that ever-present risk."

Idaho

On January 11, Governor Brad Little (R-ID) revealed his "Building Idaho's Future" plan. After highlighting the 2020 challenges that COVID 19 brought, he described his plan, which focuses on education, a strong economy, and strategic investments that support rural communities, small businesses, sustainable transportation planning, public health and safety.

"My 'Building Idaho's Future' plan also invests in needed projects for agriculture and water infrastructure to aid in the economic vitality of rural Idaho. In Idaho, agriculture remains a way of life.... Agriculture – and our economic future – hinge on safe and dependable water sources. Water is truly the source of life. My plan makes \$60 million in strategic investments in long-term water projects and safe water systems for our communities."

Kansas

On January 12, Governor Laura Kelly (D-KS) highlighted her Framework for Growth, a roadmap for a thriving economy that focuses on small businesses, infrastructure, new job creation, agriculture, and broadband. "The tough, pragmatic budget choices we have made to this point have given us flexibility to protect our core services – like education, infrastructure, and economic development tools – from COVID-related cuts, and have been an historically potent tool we have to recruit businesses to Kansas. As we recover from the economic damage caused by effects of this virus, we must continue to prioritize strategic and inclusive economic policies...."

Nevada

On January 19, Governor Steve Sisolak (D-NV) delivered a virtual address due to COVID 19 precautions. Governor Sisolak outlined five initiatives to propel Nevada forward, including: (1) the new energy economy, with a focus on all aspects of clean energy to create jobs and help address climate change; (2) the creation of Innovation Zones; (3) preparing the workforce for the new Nevada economy; (4) building infrastructure; and (5) making government work better.

"Infrastructure creates real jobs for real people, and it will allow us to put hundreds of millions of dollars into our economy. Capital projects not only create high-paying construction and development jobs now, but those infrastructure improvements serve as the building blocks for our State's economic expansion for decades to come. The budget I unveiled yesterday includes \$75 million for future capital improvement projects that will be used to launch the State Infrastructure Bank, so we can leverage outside capital to fund important infrastructure projects like rural broadband, renewable energy, and road improvements. I am also calling on state agencies and local governments to fast-track billions of dollars of infrastructure projects that haven't been started."

He acknowledged: "The COVID-19 pandemic and the unknown economic impact required State employees to do more with less, including required furloughs for the second half of Fiscal Year 2021. My recommended budget will not include a continuation of furloughs into the next biennium. My budget also prioritizes the health and well-being of state employees and their health benefits in a time when health is wealth."

New Mexico

On January 26, Governor Michelle Lujan Grisham delivered her address virtually. She acknowledged the challenges of the pandemic, but was confident in the State's response to get New Mexico's economy back to where it was when the pandemic hit. "I have all the confidence in our state because I have seen that in two years, even while facing the greatest public health emergency in a century, we can change the narrative. There's progress all around us, even if the pandemic has made it a bit harder to see – economic progress, environmental progress, quality of life progress."

Lujan Grisham highlighted the importance of improved access to broadband, hundreds of infrastructure projects, and job creation for helping to bring the economy back. "The Department of Transportation is at work on more than 200 infrastructure projects statewide, including priority roadway improvements in the southeast. New Mexico is creating new jobs in the outdoor recreation industry 10 times faster than the national average, with more than a billion now in total annual income for New Mexicans. We issued 42,000 construction permits last year; we completed 120 miles of stream protection along the Rio Costilla, safeguarding the Rio Grande cutthroat trout.... We can be aggressive in recruiting new workers and creating new jobs all across our state – in tourism and hospitality, in construction and agriculture, in energy and aerospace and outdoor recreation."

She noted the importance of the environment to economic progress. "The sanctity of our natural environment – our clean air, our water, our beautiful mesas and forests and mountains – is non-negotiable. We know that protecting our environment can also mean giving ourselves a leg up economically, and that's what we will continue to do. By taking swift action, New Mexico will once again be a model for the country."

North Dakota

On January 4, Governor Doug Burgum (R-ND) addressed a joint session of the 67th Legislative Assembly. He described the past year of flooding, drought, pandemic, market crashes, and rapid economic contractions that have tested the resiliency of North Dakotans, adding that the State is well-positioned to rebound. He noted that drought has crept across the State in recent months. "A year ago at this time, there was no part of North Dakota that was considered abnormally dry. Today the entire state is at least that dry – abnormally dry – or dryer. Sixteen percent of the state is rated abnormally dry, 24% is in moderate drought, 53% of our state is in severe drought, and 7% is in extreme drought.... We'll be closely watching these conditions as spring nears and, just as we were in 2017, we'll be ready to support our farmers and ranchers, no matter what nature brings."

He talked about the importance of streamlining processes to provide better support, and announced the Unified Spill Reporting System. "A working group led by the North Dakota Department of Emergency Services and including the Department of Ag, the Department of Environmental Quality and the Department of Mineral Resources, began planning for the Unified Spill Reporting System back in 2018. The result, launched Friday, is a simplified one-stop reporting system for hazardous materials spills, eliminating the need for producers and the public to report spills to sometimes three or four different state agencies.... Through increased collaboration and unified reporting, our state agencies are now better prepared to protect North Dakota's water, air and soil."

He pointed to low interest rates and said North Dakota had a historic opportunity to create a \$700M revolving loan fund to take advantage of those rates and invest in the future with smart, efficient, modern infrastructure, instead of waiting for years to pay cash for aging infrastructure. "And with a flexible \$700 million revolving loan fund, we can support strategic high-dollar infrastructure projects while creating room in our DOT budget and the Resources Trust Fund to support many other smaller yet essential water and road projects in every corner of the state.... At the same time, we have an opportunity to create a distribution formula for the Legacy Fund earnings to support projects that will have a lasting impact beyond our current generation; that have a regional, state and national impact; that leverage other financial support and partnership for a high return on investment for our taxpayers; that they're one-time projects that don't grow government, and yet they create a positive impact for our economy, our workforce and our communities."

He said North Dakota ranks sixth in the nation for total energy production thanks to their "all-of-the-above approach that embraces oil, gas, coal, hydroelectric, biofuels, wind, and solar." He described a rising opportunity to use wastewater to produce carbon-neutral power through electrolysis. "But the scale required to make hydrogen-produced energy work requires massive amounts of storage. Thanks to the work of the Energy & Environmental Research Center in Grand Forks, we now know that our western North Dakota geology has three salt beds more than a mile underground that show promise for creating salt caverns. These caverns would generate revenue for landowners while safely storing gases or liquids that are injected into them. This opportunity isn't just limited to hydrogen storage, but also could be used for strategic natural gas storage or essential infrastructure for attracting a \$10B petrochemical facility. We have a great opportunity to complement our natural resources, but this opportunity is only possible through continued innovation and a stable tax and regulatory environment."

Oregon

On January 21, Governor Kate Brown (D-OR) delivered a virtual address that focused on systemic racism; improving the health care and educational systems on a limited state budget; expanding broadband access, including a \$100M investment statewide; managing wildfire risk; ensuring housing for every Oregonian; and protecting the right to vote.

Regarding wildfires, Governor Brown said: “This year, the West was also disproportionately impacted by one of the consequences of climate change – wildfire. In a historic event, hot, dry, winds brought on a wildfire emergency that our state has never seen before.... There is much work left to do in order to have a full recovery. At the same time, we must continue to prepare our communities and our landscapes for these more challenging fire seasons. That starts with creating fire-adapted communities to protect our people and the houses they live in.... Second, we must respond safely and effectively to active fires. This means putting more boots on the ground and investing in new technology, like the next generation of air tankers. Third, we must prevent fire by creating healthier landscapes. That means coordinating thinning and controlled burning during our wet season to reduce fire risk and increase the odds for firefighters. While climate change, population growth, and record fuel levels combine to create a growing wildfire debt, an immediate response to mitigate fire risks is required.”

South Dakota

On January 12, Governor Kristi Noem (R-SD) said: “We continue to get good news about South Dakota’s revenue situation. Ongoing general fund revenues are up tens of millions of dollars through December, compared to last fiscal year.” She said that blizzards and flooding decreased agricultural production in 2019, but that USDA forecasts indicate record yields for 2021. She said the agriculture industry is critically important in South Dakota, and discussed reforms her administration has made to standardize and streamline permitting processes to create a more competitive and attractive environment for agricultural businesses. She noted the merger of the Department of Agriculture and the Department of Environment and Natural Resources, and proposed several further investments in her budget.

Utah

On January 21, newly elected Governor Spencer Cox (R-UT) gave his first and what he deemed “the shortest State of the State speech in Utah history.” Cox focused on the “foundational cracks” that need to be addressed in Utah – equity in education, sustainable development in urban and rural areas, job training, tax reform and investments in infrastructure. In reference to the unique opportunity of the current legislative session, he said: “By providing an \$80 million tax cut targeted at senior citizens and Utah families, we can improve the quality of life for scores of Utahns, while simultaneously investing significant new funding for transportation, water, recreation and broadband infrastructure that will benefit every Utahn on and off the Wasatch Front for generations to come.”

Cox referenced his One Utah Roadmap, a Plan for the First 500 Days of the Cox-Henderson Administration. Within the Rural Matters strategic priority, Rural Infrastructure and Natural Resources, Energy, Agriculture and Public Lands are highlighted as strategies for improving the economic future of Utah. They included supporting the Lake Powell Pipeline, Bear River water project, and the San Juan County water and transportation project, and advocating for “expansion of the Watershed Restoration Initiative, the Shared Stewardship Agreement, and additional areas of successful cooperation with federal land management agencies.”