

Gov. Peter Shumlin  
Farewell Address  
January 4, 2017

Thank you. I want to recognize my friend Governor-Elect Phil Scott who will deliver his inaugural address tomorrow. I have known Phil for a long time, serving with him in the Senate and for the past six years in his capacity as Lieutenant Governor. Phil cares deeply for this state, he's a hard worker, and I know he will serve our state honorably as Vermont's 82<sup>nd</sup> governor.

To those, who like me, will not be roaming the halls of the State House this year – Speaker Shap Smith, Senate President Pro Tem John Campbell, Attorney General Bill Sorrell, and so many other Senate and House leaders who have contributed so much – I want to thank each of you for your service and friendship. It has been an honor to work with you to make Vermont a better place.

And of course, to all of you who will be roaming the halls this coming year, including incoming Lieutenant Governor David Zuckerman, Attorney General TJ Donovan, House Speaker Mitzi Johnson, and Senate President Pro Tem Tim Ashe, I congratulate all of you on your victories and hope for your success in building on the progress we have made these past six years.

As I look at the many new faces in this chamber I remember back fondly to when I was one of them. Almost 30 years ago, I walked into this State House as a young representative from Putney and Westminster with incredible energy, hope, and enthusiasm for Vermont's future. As I prepare to depart tomorrow, I leave with that same optimism, humbled and forever grateful for the faith that Vermonters have put in me.

In part, that faith is rooted in my personal experience. As my mom will tell anyone who asks, as a dyslexic boy who struggled to read, and still can't spell, I faced low expectations. In another state, I might have faced a bleak future. In Vermont, I became Governor.

I came to this office shaped by that experience, knowing that many of us need a helping hand or a second chance. Six years ago, in the grip of a Great Recession, too many Vermonters needed both.

Just before I came to office Vermont had suffered a series of economic body blows. In the three years before I was elected, Vermont lost nearly 10,000 jobs, unemployment had spiked, and incomes had stagnated.

On Day 1, I inherited a budget that included a \$178 million shortfall with revenues that had plunged by almost \$200 million.

We were flying blind with no energy plan to deal with the reality of a changing climate.

Our infrastructure was crumbling, with one quarter of the state's roads rated in very poor condition. Vermont ranked 45<sup>th</sup> in the nation for the number of structurally deficient bridges.

Our state hospital was crumbling, having been decertified by the federal government for nearly a decade, requiring Vermonters to pay \$184 million in their hard-earned money that should have been paid by the federal government.

Over 30,000 Vermonters had no broadband internet service and far too many of our downtowns were falling further into decay.

Our lowest paid workers saw little hope for a real raise, and too many Vermonters with criminal records who had served their time were forced to check the box to all-but-certain permanent unemployment.

Too many homeless Vermonters were freezing to death in our streets.

Vermont's prison population was increasing at such a fast rate we were in danger of incarcerating more Vermonters than we sent to pre-kindergarten. Bubbling just below the surface was a massive opiate crisis feeding our incarceration problem and destroying lives.

Our education system had lost over 20,000 students in two decades, but we refused to adapt to that reality. Too many young Vermonters could not access quality early education, while too many others could not afford to get beyond high school.

And we had tens of thousands of Vermonters living without health insurance.

Six years later this state is a vastly different place thanks to our work together.

When I ran for governor I said my top priority would be to grow jobs and expand economic opportunity. We've done that.

We added almost 16,000 jobs in the last six years. Our unemployment rate has fallen every year since I have had the privilege of being governor. And personal per capita incomes have grown faster than the national average for the last five years – something that has never happened in our history.

We've put Vermonters to work by connecting over 30,000 homes and businesses to broadband internet, cutting in half the number of failing roads and bridges in this state, and rebuilding the Waterbury State Office Complex and a new state of the art mental health facility in Berlin.

On January 1, Vermont's minimum wage increased for the third year in a row on its way to \$10.50 in 2018. We've banned the box. And lower-wage Vermonters no longer have to choose between going to work sick or losing their job.

With so much fake news influencing our political dialogue, I have to take a moment to make sure that as you craft a budget for the next fiscal year, we accurately recount the fiscal record we have achieved together. Keep this number in mind: 3.7 percent. That's the average growth rate of Vermont's total funds budget over the last six years. That is in line with our state's economic growth. It is also far lower than the budget growth that preceded my time in office: 7.8 percent in 2004, 13.4 percent in 2005, and 7 percent in 2006.

Our record of fiscal responsibility is one to be proud of, and we did it while keeping my promise not to raise income, sales, or rooms and meals tax rates on hard working Vermonters, because they are already too high.

We not only balanced six consecutive budgets. We did it while enhancing our bond rating and reducing our reliance on one-time funds for ongoing state expenses to zero for the first time in decades. We fully funded Vermont's pension obligations and our rainy day funds. And we're leaving an unprecedented \$100 million cash reserve to help the Medicaid program whenever our economy hits a bumpy road.

On energy, we have proven state leadership can mean the difference between relying on yesterday's aging, leaking nuclear plant, or today's clean, local, renewable energy.

Today Vermont Yankee is shuttered, we have 12 times the number of solar panels, 25 times the wind power, and our utilities are transforming into cutting edge efficiency companies. Working together, we passed a ground-breaking renewable energy standard that can single-handedly achieve a quarter of the greenhouse gas emissions reduction needed to meet our state's 2050 target.

And if you have 17 Vermonters in a room, or better yet a pub in one of our revived downtowns drinking a Heady Topper after a long day's work, one of them works in the renewable energy sector. Vermont leads America in clean energy jobs per capita with over 17,700 of them.

Today we enjoy the second lowest electric rates in New England, and lower residential rates than our neighbors in New Hampshire, Massachusetts, and New York. That means more money in Vermonters' pockets. Most important, Vermont finally adopted a smart, statewide energy plan, and we are moving on the path to 90 percent renewable energy by 2050. If the other states would follow us, we might have some hope of preserving a livable planet for our kids and grandkids.

When I ran for governor I had a simple idea: Let's become the early education state, giving every Vermonter a strong start, and pay for it by not incarcerating non-violent Vermonters suffering from addiction. Everyone loved the education idea, but the skeptics pounced on my criminal justice reform proposals.

When I made that campaign promise, I never imagined the enormous problem we would uncover along the way. The crisis of opiate and heroin addiction did not begin in Vermont, but Vermont began the national conversation about how to address it. We invented hub and spoke, invested in state of the art treatment centers, implemented pre-trial services, passed out rescue kits to anyone who would take them, and adopted the toughest limits on prescribing OxyContin and other pain medications in the nation.

Incarceration rates are at the lowest level since the early 2000s, and Vermont has almost 600 fewer inmates today than we did in 2010. That's tens of millions of dollars each year that Vermonters are not wasting on prison cells.

And we delivered on the rest of the promise, becoming the first state in America to enact universal pre-k for all three and four year olds. We made it so more kids could access free school meals, so no kid has to try to learn hungry. Thousands of Vermont high school kids have gotten a free head start on college through expanded dual enrollment and early college programs. Personalized learning plans are ensuring that every student links choices in their educational journey to a meaningful career down the road. My Step Up program to help those Vermonters already in the workforce get back into school and on the road to success is funded and enrolling Vermonters as we speak. And, together, we passed a once-in-a-generation reform bill to improve educational quality and find efficiencies in our system. Working from the ground up, today well over half of Vermont kids are in a school district that has either decided to streamline or is in discussions to do so.

Vermont has chosen education for all over incarceration for too many. That is change whose time has come.

On health care, while we did not accomplish all of our goals, over 25,000 Vermonters who didn't have health insurance when I became governor now do, meaning they no longer have to worry that one serious illness or accident could send them into bankruptcy. Thanks to our embrace of Obamacare, Vermont's uninsured rate is a nationwide low of 2.7 percent.

After persistent challenges, Vermont Health Connect is functioning well.

This open enrollment, the annual transitioning of Vermonters from one year's plan to the next occurred with an over 99 percent success rate.

In November, 95 percent of requested change of circumstances were completed in time to be reflected on a customer's next bill, up from 54 percent at the beginning of the year. And nine out of ten calls to the Customer Support Center were answered within 24 seconds.

With the creation of the Green Mountain Care Board, we have kept the growth in hospital budgets to the lowest levels in 40 years. And the All-Payer Model is the single best shot that we or any other state in America has to control health care costs. By paying doctors and hospitals to keep you healthy rather than for the tests they run, Vermonters will be healthier and so will their pocketbooks.

Seven years ago, marriage equality would not have passed had it not been for many in this chamber who came together to overcome outdated opposition to a moral imperative. When we came down on the right side of history and over-rode a gubernatorial veto, that was a moment of courage that was heard across America. In the six years in which I have had the privilege of

being your governor, Vermont has not shied away from continuing that tradition of being among the first to do the right thing.

Terminally ill patients can now make their own end of life choices.

In an era where voter suppression has become a legitimate tactic to win elections in some states, Vermont will now automatically register voters and offer same-day voter registration.

And of course, there was Vermont's first-in-the-nation GMO labeling law. While Congress stepped in with a weakened compromise, I firmly believe that our setback was America's step forward. While we must fight on, a flawed national labeling standard is still a national labeling standard.

With all that we've accomplished, there are some areas where we must keep pushing, even though I won't be here with you as Governor to help.

In the last year, Vermont has seen an almost 30 percent decline in homelessness thanks in part to our establishment of a goal to end family homelessness by 2020. We need to keep our foot on the pedal to make sure that goal becomes a reality.

Although we have made progress on opiate addiction, Big Pharma is still giving more money to politicians to influence public policy in America. A Washington Post investigative series recently detailed how high-level Justice Department officials called off multiple DEA efforts to halt shipments of opiates to illegal pill mills after pressure from Big Pharma. Unbelievably, Congress then amended laws to make it almost impossible to halt the shipments in the future. The DEA's top cop on the beat got removed from his position, while Big Pharma simultaneously hired 42 retired DEA officials to help them keep the FDA-approved painkillers flowing.

Big Pharma doesn't just profit from the sale of the painkillers, they profit from the pills to reduce constipation caused by the painkillers; they profit from the medications you need after you sign up for the disease; and they profit from the rescue kits that we pay so much money for. For the past year, I've often felt like a lone voice in the forest calling out Big Pharma for these practices that are creating the opiate addiction crisis in America. I can't think of a current governor who is likely to keep calling them out. Vermont has continually stood up to Big Pharma in the past and I call upon you to keep up the fight now more than ever, or we will continue to see our sons, daughters, and neighbors die or have their lives destroyed by this crisis.

We also have more work to do to realize the promise of a cleaner Lake and a livable planet. We are entering an era where EPA, the Department of Energy, and the State Department are going to be under the sway of climate skeptics. But let's be clear, when we said we would clean up our Lake and reduce greenhouse gas emissions, we didn't do that for the benefit of the federal government. We passed the toughest clean water law in the history of the state for Vermonters, for our future, for our children and grandchildren. We are counting on you to complete the job. With your vigilance, we can meet the requirements of the TMDL, and we can keep our green energy revolution moving forward.

Vermont has always shown our best when other parts of our country show their worst. When slavery was written into the federal constitution, Vermont was the first to exclude it from ours. When gay and lesbian Americans were being discriminated against nationwide, Vermont was the first to say love is love. When women and children fleeing unimaginable violence in Syria were turned away by other states, I made sure Vermont would never close our doors to those looking for a better life.

Today, America needs us more than ever. We are entering an era of narrow, outdated ways of thinking, emboldened by a divisive and contemptuous President-Elect. In the face of such a future, it can be tempting to disengage from the national politics of our time, to sit back on the progress we have made, simply enjoy the beauty that surrounds us, and rejoice in the fact that our little state is not like the rest of America.

But we can't do that. Our nation has stumbled backwards, and America needs Vermont's leadership now more than ever. That requires all of you to keep up the fight, and turn a momentary stumble backwards into an inspiring leap forward. Vermont must always stand against the hatred, the bigotry, the intolerance that will sadly be part of our future.

Tomorrow, I will no longer be your governor. But I will be a Vermonter demanding that my government stand firm for the values that make this state what it is and has always been. Given what I know to be true about this state that I love, I am confident I will not be the only one. That's why I am leaving this chamber today with the same enthusiasm, hope, and optimism I had 30 years ago when I first arrived.

Thank you.