

President Pro Tem Bray, Speaker Huston, Lt. Governor Beckwith, Chief Judge Altice, Chief Justice Rush, members of the General Assembly, honored guests, Maureen and family, fellow Hoosiers: it's my honor to address you tonight.

Every year for the last six years, I've had the privilege of visiting each of Indiana's 92 counties.

I've met thousands of Hoosiers on their farms, in their small businesses, in their schools, their churches, and their homes.

Not everyone I met has had an easy time these last few years. Many families were barely holding their heads above water as prices just kept rising.

But despite all of that, what comes through most clearly when listening to Hoosiers is our resilience, our optimism, and a shared desire to make our state truly great.

The state of the state is strong because Hoosiers are strong.

In my inaugural address, my message was that our state is at a crossroads.

Indiana does many things well, but the question we face is simple: Will that be a plateau, or a foundation to build something truly exceptional?

I put out my Freedom & Opportunity Agenda because I believe Indiana should be a national model for bold, innovative leadership.

The positive reception to that plan has been overwhelming, and in November Hoosiers sent a resounding message that freedom and opportunity is what they want.

I believe the work of this legislature has put us in position to achieve great things, if we seize this opportunity and act decisively.

Tonight I'm going to outline the wins my administration has already secured for Hoosiers, and legislation we can pass now to make life better for the people we have the honor to serve.

Hoosiers have been hurting from high prices. I'm proud that my budget continues the historic efforts of past Governors and this General Assembly to keep reducing the income tax burden on Hoosiers. Indiana has led the way, and I want to find new ways to continue delivering historic tax relief.

Too many seniors and young families are getting priced out of their homes due to runaway property taxes.

There are stories all over the state of Hoosiers struggling with huge hikes in their property tax bills. Janice's bill in Mooresville went up 44% since 2021. Grant in Plainfield saw his bill go up 32% in that same time. Shawn and Kimberly's bill in Martinsville increased nearly 50%. And here with us tonight are Rob and Stephanie from Greenwood. They've lived in the same house for 27 years, and since 2021 their property tax bill has more than doubled. "Skyrocketed" in Rob's words, from \$715 a year to over \$1,500. Hoosiers from all over the state told me these tax bills keep rising, but wages aren't keeping pace. This is not sustainable. Hoosiers like Rob and Stephanie need immediate relief. Thank you for being here tonight to share your story.

My property tax plan is built on three priorities: cut property taxes for Hoosier families - especially new homeowners and seniors, cap the annual increase to protect homeowners, farmers, and businesses, and reform the system through transparency.

I understand this tax relief will have an impact on local governments, but taxpayers are struggling, and we have to put their needs first. Just like the example I set with my budget proposal, all governments need to do more with less. We will continue to have important discussions with local governments about how to protect vital services like police, fire, and schools.

Senator Travis Holdman introduced our Freedom & Opportunity Property Tax Relief bill. I look forward to working with all of you to get this bill across the finish line. Hoosiers sent me here with a clear directive that this cannot be ignored.

And while we're at it, let's give seniors on a fixed income some more breathing room with tax relief on their retirement income.

For farmers, let's create tax-advantaged Farm Savings Accounts to help stabilize their income during bad crop years. And let's address our aging Ag workforce with a tax credit for retiring farmers passing their farms onto the next generation.

Raising kids is expensive, and all across the state parents are making tough choices at the kitchen table to make ends meet.

Every Hoosier family and business had to tighten their belts over the last four years. It's time the government does the same.

One thing I learned building a business for 37 years — you can always run more efficiently.

My vision is a streamlined, accountable, responsible government that keeps more money in your pocket and empowers the private sector to innovate and grow.

I've already taken action to make our government more efficient and accountable to the people.

I directed my agency leaders to find big cuts in their departments, and signed a directive to cut at least a quarter of government regulations.

We replaced the political DEI ideology with a level playing field of MEI - Merit, Excellence, and Innovation. Diversity and equality are hallmarks of what we believe as a country, but these top-down DEI mandates led to division and inefficiency. MEI puts merit and results at the forefront, and everyone has the chance to get ahead with hard work. My agenda is about delivering Freedom and Opportunity for all Hoosiers.

I directed state employees to come back to the office to improve productivity and collaboration.

I created a new Cabinet structure that's designed to run like a business, and adds a new level of accountability. My new Cabinet organizes the executive branch under 8 offices each led by a Secretary that reports directly to me. This improvement aligns agencies for more accountability, promotes more collaboration between agencies, and creates a clear chain of command so great ideas can get to me - no matter where they start.

Tonight I'm inviting legislators to work with me to identify opportunities for efficiency, and many of you have already done that. Thank you.

Together, we'll create a more accountable and responsive state government.

We're also taking action to protect Hoosiers with the Freedom and Opportunity Public Safety agenda.

We need to improve police recruitment and retention for Indiana State Police with competitive salaries, cost of living adjustments, and more comprehensive benefits.

A major Freedom and Opportunity public safety bill written by Senator Aaron Freeman passed out of committee yesterday 8 to 1 on a bipartisan vote. This bill increases penalties on fentanyl and meth dealers, raises the price for targeting police, and adds mandatory minimum bail for repeat violent offenders.

Americans sent a clear message in November they do not want open borders. Indiana will do whatever we can to help secure our southern border and end this crisis that has brought deadly fentanyl and crime to our streets.

Unchecked illegal immigration brings serious risks to our communities. In September, an illegal alien stabbed a 14 year old girl with a butcher knife in a random attack in Lowell.

Let me be clear, Indiana will not be a safe haven for illegal immigration. As the Trump administration begins to return illegal aliens with criminal records to their home countries, we will assist.

A state should always put the safety of its own citizens first.

On economic development we're taking a new approach, focused on building skills for Hoosiers currently in the workforce to match high value, high wage jobs that employers need to fill.

One way we'll achieve that is our Hoosier Workforce Investment Tax Credit. Employers will have a strong tax incentive to invest in employee skills training and development.

We're restructuring the Indiana Economic Development Corporation to spread the benefits of economic development programs across the state, and expanding their mission to focus on existing employers and building on what other agencies are doing.

And we're creating an Office of Entrepreneurship and Innovation focused on Main Street entrepreneurs backed by their family, friends, and communities — not just businesses backed by venture capital.

Maureen and I lived the American dream of starting homegrown businesses in our hometown of Jasper, and I want every Hoosier to have the opportunity to live that dream as well.

Health care premiums and drug prices keep going up, and many Hoosiers watching tonight are wondering how they're going to pay for the care they need.

For too long this issue has been seen as too tough to tackle because of entrenched special interests.

Hoosiers pay some of the highest health care costs in the country, but we don't get the best health care results.

Based on experience taking on this issue in my own business, I developed my Freedom and Opportunity Health Care plan to lower prices, improve access, and promote innovation in the industry.

I signed several executive orders to pull back the curtain on health care prices and bring down costs.

I directed our state agencies to bring full price transparency to health care services, so Hoosiers are empowered to shop around with clear, upfront prices. When providers compete, prices drop.

I directed our agencies to address the misaligned incentives causing high drug prices like pharmacy benefit managers, or PBMs.

We're also leading comprehensive audits to find waste and abuse in our own state health care spending.

But we need legislative action, and the General Assembly has shown a strong desire to get results.

State Rep Brad Barrett introduced House Bill 1003, a bill that will require historic price transparency, stop anti-competitive practices driving up prices, and put an end to surprise billing.

With us tonight is Melissa from Ossian up near Fort Wayne. After Melissa got a yearly physical and routine blood work, she was shocked to get a bill for \$1,348. Anybody would be.

She had good insurance, and always paid a \$35 copay for testing or yearly checkups.

She spent hours on the phone with the insurance company who assured her it was covered, and a provider who told her to work with her insurance company. Sound familiar?

She eventually settled the bill for \$305, but it didn't feel right. Melissa, it shouldn't feel right.

Hoosiers should be able to see what they're going to have to pay before they receive care, and a medical bill like that should never come as a surprise.

Let's pass House Bill 1003 and reveal prices, fight health care fraud, and finally end surprise billing once and for all.

And thank you Melissa for speaking out and advocating for lower health care prices for all Hoosiers.

Another bill that will protect Hoosiers is Senate Bill 3, authored by Senator Justin Busch, which mandates that third party administrators for health insurance plans have a fiduciary duty to act in the best interests of the plan sponsor.

State Rep Martin Carbaugh's House Bill 1004 will make sure non-profit hospitals actually act like non-profits.

Senator Ed Charbonneau and State Rep Julie McGuire are leading the charge on PBM reform.

Thank you all for your leadership. Bringing down health care costs, improving outcomes for Hoosiers, and reforming this industry shouldn't be a partisan issue, and it won't be with me.

On education, Indiana got some good news this morning in the Nation's Report Card. We were in the middle of the pack, but now Indiana is ranked 6th in the nation in reading. That's excellent progress, and a strong foundation to build on.

I was a school board member for 10 years. I know firsthand the challenges our schools face.

Everything I do on this issue will always be based on one simple idea: Parents are in charge of their own kids' education. Let's put parents in the driver's seat and kids first with universal school choice. My budget proposal has the plan to get it done. And with your help, we'll win this historic victory for Hoosier parents and kids.

Let's increase teacher base pay to attract and keep great teachers. Senate Bill 146 authored by Senator Linda Rogers will raise the minimum salary for public school teachers by \$5,000, and make sure that 65% of tuition support is going to pay teachers.

And let's pass House Bill 1637, authored by State Rep Steve Bartels, which establishes the Office of School Safety called for in my Freedom and Opportunity Agenda to protect our kids.

And we can't forget that education is also workforce development.

There are programs around the state where students can get hands-on training in manufacturing skills, get engaged with Indiana companies that are hiring now, and even earn some money. Tonight in the audience we have two instructors from the 4T Academy program in southern Indiana, Rick Gilmore from Princeton Community High School and Gabe Golba from Bosse High School in Evansville. This program is a partnership between high schools and Toyota, and students have launched good-paying careers directly from the class. Thirty-eight 4T Academy students have been hired by Toyota in production roles and fifteen students have started careers as advanced manufacturing technicians. This is a model we should replicate across the state. Rick, Gabe, thank you for your work to teach real world skills and jump-start these students' careers.

Indiana's future depends on how we educate the next generation. Let's have a round of applause for our teachers and all the Hoosiers who have dedicated their careers to our students.

As I conclude tonight, my message to my partners in the General Assembly on both sides of the aisle and my fellow statewide office holders is one of unity.

We were all elected by Hoosiers to get results.

The question we face is simple: Will we treat this moment as a plateau, or as a foundation to build something truly exceptional?

Now is the time to be bold and think out of the box.

We can do it through big ideas, collaboration, and above all: action.

Thank you, and God Bless the Great State of Indiana.