

Governor Pence Remarks

Thank you Chase Downham for your influence in what is the finest grassroots organization in the United States of America. Abraham Lincoln said that his only ambition in life was to be esteemed by those he esteemed. So Chase, your esteem means a great deal to me. Thank you so very much.

It is wonderful to be with you all today. I will tell you that the introduction I prefer is a little shorter than that. I'm a Christian, a conservative, and a Republican, in that order. I'm grateful to be on this panel, and I very much look forward to the dialogue. I wish that I could be here for the whole weekend, but my niece is getting married, and that's a command performance in a large family like mine.

I often say that fiscal responsibility is the foundation of our prosperity. ... We ought to reflect on this as we look to a good year ahead, look to the final days of Harry Reid as Majority Leader, and mark 24 months to Barack Obama's last day in office and, I'm confident, the election of a principled common-sense conservative as the next President of the United States of America. But it's important that we reflect on the times that have gone before. The Old Book tells us "what has been, has been, for there's nothing new under the sun."

I'll never forget arriving in Washington, D.C. in 2001, and the first bill they handed me was No Child Left Behind - the largest expansion of the federal government's control in education since Jimmy Carter created the Department of Education in the 1970s. I, with a handful of other Republicans, even though it was a bill offered by a president of my own party and supported by the leadership of my own party, said no. And in Indiana, we believe education is a state and local function. We roll our sleeves up and make that a reality. It was just a few short years later...that the next Congress I was elected to, the very first bill we were handed was the Medicare prescription drug bill. I was elected to be Chairman of the House Conservative Caucus, and many of us rolled our sleeves up and fought along the fault lines of limited government. And then, of course, we saw the advent of the Wall Street bailout and one thing after another. I remember speaking at a CPAC during that time after the Medicare prescription drug battle. I had the honor of keynoting the CPAC conference in Washington that year, and I said, "For all the world, I felt like the Republican Party was like a tall ship with a strong captain and a capable crew that was veering dangerously off course into the uncharted waters of Big Government Republicanism." And I said, "We ought to be careful, because there will be rocks ahead." And there were in 2006.

But I have to tell you, there's been a renewal in Washington, D.C. I was there as the House Conference Chairman, and when we rolled our sleeves up and ended the era of Speaker Nancy Pelosi in 2010 with the help of many of you. I believe it's a new season. It's a new season in the Republican Party, and certainly a new season in the conservative movement. We just don't take things like we used to anymore. We expect more, and we demand it. And I think today is a very useful conversation in this breakout session about where it really ought to begin, and, that is, with fiscal responsibility.

The state of Indiana a decade ago was emblematic of many states around the country today, including our neighbors in Illinois. We'd had 16 years of Democrat administrations, we had piled up deficits and debt, we had grown government, and our economy and our schools demonstrated the moribund lack of progress that results from that. But a decade ago, Hoosiers said we can do better. We rolled up our sleeves, and we elected Republican majorities in our House and in our Senate. We elected my predecessor Mitch Daniels, and then we were elected 18 months ago. It's all been built on a very simple principle that everything begins with fiscal responsibility. You've got to be willing to make the hard choices, and in Indiana, we have. When I raised my right hand to become Governor of Indiana 18 months ago, it was a cold day on the west front of our Statehouse. In fact, my opposition said it would be a cold day the day that that I would ever become Governor of the State of Indiana. Thanks for getting that joke. But I walked in and the first thing I said to my legislature was that we were going to have an honestly balanced budget that lives within the means of the people of Indiana, a budget that would hold the line on spending. I don't think a government budget should ever grow faster than the family budgets of the taxpayers it's supporting. We did that in Indiana. We signed a budget that held the line on spending. And then we started to do the hard work.

Those of you that are working at Americans for Prosperity at the state level know that vigilance is the real price of achieving progress and accomplishment of conservative goals. In Indiana, over the last two years, even after signing a budget, we've implemented nearly \$140 million dollars in spending cuts to keep Indiana on track. We trimmed state agency spending by 4.5 percent, university spending by 2 percent, and I even sold the state plane. The net result of that is, even in these very uncertain times, where revenue has ebbed and flowed in states around the country including ours, Indiana finished this fiscal year with \$2 billion dollars—one of our largest reserves ever - in the bank, \$100 million surplus, and a AAA bond rating from all three major credit rating agencies. It's because we passed the budgets, and then enforced the budgets. We made the hard decisions. And because we were doing those things, we also were able to allow Hoosiers to keep more of what they earn. I'm someone who believes that a dollar in the hand of an American citizen or a Hoosier is infinitely more productive than it ever will be in the hands of the most productive bureaucrat at any level of government. So after we passed that budget, Chase remembers these days well, we went to my legislature and said, "It's time to cut the income tax in Indiana." I had run on it. Indiana had a strong fiscal foundation, and I said, "In addition to funding our priorities, including education, innovation, and reform, the fastest growing educational voucher program in the country, infrastructure of the 21st century in the Crossroads of America, we're going to cut taxes." So we rolled up our sleeves, we went to the legislature, and it got very interesting.

It turns out, and I guess I should have expected this, having been a legislator for 12 years, that legislators had a different idea. And I have to tell you, we remained adamant about it and worked our way through it. But I'm here to pay a debt of gratitude to all of you. The reason I got on that airplane, and I'm standing before all of you today, and spoke to a breakfast this morning, is to simply say, "Thanks." AFP Indiana, in a critical moment in that debate, came alongside our administration, and informed the people of Indiana. We put together an income

tax cut and a tax cut package that was the largest state tax cut in Indiana history and AFP made a difference in the Hoosier State. We reduced the tax on corporations. Indiana, if you're taking notes and if you're in business, will have the second lowest corporate tax rate in America. We're on our way. We've lowered the income tax and gave our counties new flexibility to encourage manufacturing in our state, which has always been a staple, along with agriculture. And we ended the state's death tax once and for all. Death is no longer a taxable event in the great state of Indiana.

And the result of all of that, because I said to you before that fiscal responsibility and government efficiency might be rewarding in and of itself, but let me make sure you know the results in the Hoosier state. When I took office in early 2013, unemployment in Indiana was more than 8 percent. Our economy in the state of Indiana, like economies around the country, was still struggling. But when we redoubled our efforts to promote fiscal responsibility and pro-growth tax relief, I signed a freeze on any new red tape out of the State of Indiana. We went and told Indiana's story, and unemployment today is 5.9 percent, and on a trajectory to drop even further.

Eighty thousand net new jobs have been created in the state of Indiana since I took my oath of office, not by our administration but by the hard-working people, the men and women, the entrepreneurs of Indiana, in the city and on the farm. It's been inspiring to behold. The amazing thing is our unemployment rate has dropped precipitously, but the last few months it's held steady because we have one of the fastest growing labor forces in the country as well. We're having to build new bridges to states just so more people have an easier way to move into Indiana. Our labor force has grown by thousands, and it's because people are looking at Indiana and realizing that we're a state that works.

We're a state that puts into practice very simple ideas that if you live within your means, if you let people keep more of what they earn, if you create an environment of sensible and commonsense regulations, if you give parents more choices in education, you build it all on a foundation of commonsense and common values, that it all still works. That's why we call Indiana a state that works.

So my challenge to all of you here today, knowing that we have 66 days left, I appreciate what you all have done so far. I was actually at the 9/12 rally, the very first one in Washington, D.C. It was at a time when we were trying to take back the Congress of the United States; you were there. I'll never forget, I stepped up to that podium, and I was scared to death. I'd driven over, it was a Saturday afternoon. I'd told my wife, "There's going to be a few thousand people over at the National Mall, and I told them I'd come over and say something. I love these people." I walked out that west end of the Capitol building and my knees about buckled, and my wife did one of those reach over, grab you by the elbow, it's going to be okay, honey, things.

I got up and I just looked at them and I said, "Remember when Nancy Pelosi said you're not grassroots, you're Astroturf." She thought somebody was paying for you, that you weren't real. I said, "You don't look like Astroturf to me. You people look like the cavalry."

And so as it were, we took back the Congress eighteen months later. I believe by virtue of what I see here today and the energy all across this country driven by good, decent, hard-working Americans and Americans for Prosperity, we're going to win back the Senate in 2014 and win back this country in 2016.

Here's what you've got to do—three things. Number one, I was in the gas station business when I was growing up. My dad got me a job in one of the gas stations that our family business owned. I walked in after my first day, and some of the guys back in the bays, some of the mechanics, some of the other gas station guys - they didn't like this boss's kid thing. I said, "Dad, they were kind of cool to me; they weren't that friendly." He said to me, "Well, I've got something you can do." I said, "What?" He said, "Outwork them."

I went back to that gas station and for the five years that I worked there, sometimes ten hours a day helping to pay my way through college, I outworked everybody there. For those of you under the age of thirty, we'll explain later what a gas station attendant is. Just imagine if the person behind the bulletproof glass came running out to your car, pumped your gas, washed the windshield, checked your tires, checked your oil, and didn't charge you extra for it. Those are the good old days. But I outworked them. Some of my best friends, Max Boughty is still a mechanic in Columbus, Indiana, some of my best friends to this day are guys I worked with at that gas station because I outworked them.

Let me give you three words: 66 days, folks. We've got the wind at our back. America's caught on to these majorities. But let's put our head down. Let's outwork them, and let's deliver a great victory for freedom in every state in this country.

Number one, outwork them. Number two, let's remember the states. Chase was very kind and generous. I served twelve years in the Congress, and I've served eighteen months as a governor. If I only had twelve months to live, I'd want to live it as a member of Congress because those were the longest twelve years of my life. The truth of the matter is there are some things Congress shouldn't even try to solve. I'm convinced after eighteen months as Governor of the great state of Indiana that the cure for what ails this country will come more from our nation's state capitals than it ever will from our nation's capital, so we've got to have leadership in the states that can deliver.

I keep hearing some people I read from time to time, that some people think our next nominee should be a governor. And I'm certainly sympathetic to that. Let me tell you what I'm listening for. I'm not going to be listening for somebody that says, "Send me to Washington and I'll run the place like I run my state." Because Washington's not a state, literally or figuratively. I'm listening for somebody that says, "Send me to Washington, D.C. and I'll make it more possible for the next person running my state to run it with more freedom and more flexibility to solve the problems facing our people." That's number two. And all of these great conservatives we elect to Washington, D.C. and this new Senate majority, we need to tell them this: it will not be enough, when we have both ends of Pennsylvania Avenue, for you people just to cut spending

in Washington. We need to demand that renewed, Republican leadership in Washington, vote to permanently reduce the size and scope of the federal government by restoring to the states and to the people the resources and flexibility that are theirs under the Constitution of the United States of America.

Number three: Let me remind you that winners have fun. I was out at the Indiana State Fair not too long ago. I had a man come up to me and he was wringing his hands, had circles under his eyes, his lip was quivering as he expressed concern about the future of the country. He had all the tell-tale signs of excessive cable-television viewing. Put his hand on my shoulder, and he said, "Governor, you've been at this awhile, do you really think we can still work it out?" And I put my arm around him and I said, "You bet." Because there's a lot wrong with the American government, but there's nothing wrong with America. Men and women of this movement, let me challenge you. Let's stop confusing the national government with the nation. Ronald Reagan said, "We are a people with a government, not the other way around."

I can tell you firsthand, I know these people in Washington—it's a pretty rough crowd. We haven't had government as good as our people for a while. And that's a bipartisan statement. But from all that I've seen in all of my years, whether it be as Governor, whether it be visiting troops downrange, whether it be standing at quiet gravesites, whether it be seeing the generosity and resilience of Hoosiers that have come alongside perfect strangers in times of crisis, I say from my heart: I know the American people today are every bit as strong and resilient and generous and capable as they ever have been in our nation's history and on the foundation of our people we can bring this nation back. I believe it with all of my heart.

So, it's about believing in the American people. Let's outwork them. Let's remember state-based reform and get the right leadership in your states and ask Washington, D.C. to give them the resources and flexibility and lastly, let's be confident. Let's be optimistic. Let's be happy warriors. You know, I've always said for years, I'm a conservative, but I'm not in a bad mood about it. As you go back out there for the last 66 days, smile. Smile because the American people are on our side. Don't ever doubt it. The American people believe in freedom. And, I truly do believe that where the spirit of the Lord is, there's freedom. So, let's leave here today, let's appeal to the American people, let's appeal to Heaven as well, and let's be confident that the best days, for my beloved Indiana and all of America, are yet to come.

Thank you all very much, and God bless you.