



Saddlebrooke Republican Club

Remarks by Gov. Jan Brewer
Wednesday, October 14, 2009

Thank you, very much.

I am absolutely DELIGHTED to be with you today.

I am ALWAYS grateful for an opportunity to come visit fellow Republicans, but I am especially delighted to be among friends here at the Saddlebrooke Republican Club.

Yes, we ARE Republicans, but I know we do not always agree on every issue.

However, let us agree on this.

Arizona has a bright future ahead – we have the fundamentals that can get us through these difficult times.

The Legislature and I agree that we have a \$1.5 billion deficit, just in this current fiscal year.

In FY08, revenues to the State were down 8% or \$768 million from the previous year. In FY09, revenues were down 20.8% or \$1.82 billion from the previous year. In FY10 so far, revenues are down even from our most conservative estimates.

I want you to know, that since I became Governor in January, I have already instituted the largest spending cuts of any Governor in Arizona history – over \$700 million in permanent cuts have already been implemented.

You should keep that in mind when you hear people tell you that we can simply cut our way out of this mess.

We have already reduced the state work force by 1560 state employees – permanently, and yet we still have a \$1.5 billion deficit.

We have already furloughed over 15,000 state employees – which is practically the same thing as a big pay cut, and yet we still have a \$1.5 billion deficit.

AHCCCS (Arizona’s Medicaid program), is growing by tens of thousands each month. Over 1.3 million Arizonans are now enrolled with AHCCCS, and the voters have locked in the additional growth and spending – the Legislature and the Governor TOGETHER cannot reduce eligibility even if we wanted to.

Our available cash on hand is extremely limited – so it’s a challenge every week just to make payroll, and when that it happens the State’s credit rating will be hurt.

That’s important because it means the cost of government will be going up dramatically. We must stop pretending that spending cuts are the only answer.

As Governor, I have a responsibility to cut even more and prevent Arizona from bankruptcy.

And, I will do that. I am sworn to do that.

In the mean time, however, Arizona’s government can only live with the amount of funding provided to it by the Legislature, which means ANOTHER round of major, significant budget cuts that will have a dramatic impact on services.

As Republicans, I hope everyone in this room understands that the current fiscal problems we are facing in the state were NOT created by Republicans.

Regardless of what squabbles and infighting we Republicans might have endured these past few months -- it is absolutely essential that we NOT let Democrats off the hook for the poor financial decisions that THEY made.

Let’s be honest, THEY are the ones who put us in this mess in the first place.

Too often, it seems, people have forgotten that upon taking office in 2003, Governor Napolitano took control of a general fund budget of about six billion dollars.

Today, just six years later -- that budget has ballooned to over TEN billion dollars in spending.

Not so long ago, we had hundreds of millions of dollars saved away in the State's Rainy Day Fund.

But all of those savings were completely squandered by Napolitano on new government programs.

So, after six years of Napolitano's "leadership" -- also known as a six-year spending binge -- the State of Arizona finds itself weighed down with major overdue obligation.

As we Republicans craft an equitable way to clean up the Napolitano mess, -- and we WILL clean it up -- I am determined that those solutions are in place for the long term, and not just a brief, feel-good, fix.

I promise you this: I will not push this solution off to future generations. However this mess arrived, it is now on my watch, and I intend to solve it without punishing our children or grandchildren.

And, while we are doing that, it is important to recognize -- and, yes, celebrate -- the many accomplishments that the Republican-led Legislature and I have made.

I know these accomplishments don't get the attention in the media they deserve

As I mentioned, Republicans made state government SMALLER.

My first act as Governor included issuing a directive freezing all new agency regulations and rulemaking, because I understood more than 90 percent of Arizona's businesses are classified as small -- these are a critical economic engine for Arizona.

Republicans passed and signed into law legislation that allows parents of disabled and foster children to continue to choose and utilize the school that best serves the needs of their children.

We have retained higher funding levels for K-12, for Universities, for the Department of Economic Security, and for the Department of Health Services.

Fulfilling my commitment to higher education, I announced the disbursement of funds to our three universities for FY 2009 funding from the first phase of the State Fiscal Stabilization Fund (SFSF) through the American Recovery and Reinvestment Act of 2009 (ARRA).

A total of \$154 million was released to the Governor's Office from the U.S. Department of Education, with the universities receiving the following amounts: ASU \$69,822,000, U of A \$60,824,000 and NAU \$23,491,000.

I recently issued an executive order establishing the “Governor’s P-20 Coordinating Council of Arizona,” which will help maximize the effectiveness of education at all levels.

This new coordinating council will provide a forum where educators can coordinate policies and discuss the future.

I have charged the Council with devising ways to streamline Arizona’s education system while improving academic achievement.

I formally urged the Secretary of Defense to put up to 400 National Guardsmen on our border to help law enforcement do their part. That’s because we Republicans understand whatever else Arizonans want from immigration reform - - FIRST they want borders that are secure.

As your Republican Governor, I was pleased to sign an executive order to reaffirm the State of Arizona’s longstanding prohibition against mandatory union activity as a condition of employment in Arizona.

We still have a Right to Work in the Grand Canyon State. Let’s celebrate that.

The best way to move Arizona forward is to work toward the creation of more jobs and economic vitality.

Just this past Labor Day weekend, Chairman Wu and nine ministers of the Standing Committee of the National People’s Congress of China visited Arizona for an economic and trade cooperation forum.

Forty-one contracts were signed with a value of \$12.4 billion.

Chairman Wu told me agreements so far in 2009 make America the largest supplier of technology to China. He chose Arizona as his first stop because we are China’s fastest growing trade partner.

Major opportunity exists in promoting alternative energy such as solar.

In June, I signed the new Renewable Energy Tax Incentive Program into law.

Beginning in January 2010, it is designed to stimulate new investments in manufacturing and headquarter operations of renewable energy companies using wind – solar – and geothermal resources.

Both programs are designed to create quality, well paying jobs for Arizonans.

This tool allows us to compete globally – with other states, and with other nations.

To be successful in the global marketplace, we have to be more aggressive, agile. And, we have to be smarter.

The time to act – aggressively – is right now.

We are going to commit to -- and invest in -- economic development.

So, I have assembled a team to examine opportunities that fit Arizona and its unique businesses and communities.

This team will call on the expertise of the Arizona Economic Resource Organization – working with our state’s top CEOs and our universities.

I hope you can see that while we are facing serious economic challenges, we are not sitting still – we are not saying “Oh, woe is us, what shall we do?”

No, we are seizing the challenges boldly, wisely, and with a renewed sense of purpose.

Arizona is a wonderful treasure that we all love. Our mission is to nourish it, strengthen it, and ensure that it thrives.

Thank you for working together on what is best for the economy of our state – and, thank you, again, for the opportunity to speak with you today.