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State of the State Address
As Prepared For Delivery
Wednesday, January 11, 2017
The Statehouse, Columbia

Mr. Speaker, Mr. President, Ladies and Gentlemen of the General Assembly, Constitutional Officers, and my fellow South Carolinians:

Tonight marks the seventh time I have stood behind this podium to discuss the State of our State. The first five of those evenings began with the recognition of at least one member of the United States Armed Forces who had perished in the year prior. By the grace of God, for the second year in a row, I will not read a single name of a lost soldier, sailor, airman, or Marine.

But the men and women of our military are not alone in their willingness to sacrifice for us and in their dedication to keeping us safe.

So now, please join me as we pay tribute to those who gave the last full measure of devotion in the service of South Carolina and her people:

Officer Allen Lee Jacobs, Greenville.

Firefighter Christopher Gene Ray, Green Sea.

On behalf of all South Carolinians, to their families, know we will never forget.

Monday night was a great night in South Carolina! If I wasn't proud enough of this state already, our Clemson Tigers winning the national championship took it to a whole new level. Driving to the Statehouse and raising that orange flag over the capitol dome with my daughter, Rena, is a memory I will treasure forever. Congratulations to Coach Dabo, his staff, and every Clemson player. Enjoy this moment. You

earned it.

Clemson is more than just a special place because of our football team winning the National Championship—it is also where I met Michael my very first weekend there. In the 27 years since, we have grown up together. On this roller coaster of life, I have more love and appreciation for him with each passing day: inspiring me in the good times, encouraging me through the tough times, and being a rock for me in the saddest of times.

I can't imagine going through this next adventure without his support. I'm a lucky girl. Please help me welcome and thank the Coolest First Man, Michael Haley.

I am blessed tonight to have many family members here who have supported our family through the last six years. It is not easy being related to a public official – or at least not to this one – but they never complain, and I love them for it. Missing tonight are my two little ones, although I guess they aren't so little anymore. Rena, now 18, started her first day of classes of her first spring semester today. Nalin, now 15, is getting used to his new school in New York.

It's hard to look at the balcony and not see their sweet faces. Michael and I are so proud of both of them, and I know they are watching. I love you both very much.

There is a special group of people sitting in the balcony tonight. They usually stay behind the scenes on this night, watching in what we call “the pit” in the office downstairs. They are familiar faces to many of you, but to me they are my second family. My Chiefs of Staff over the years and the rest of Team Haley are among the most talented, hard-working people I have ever met. They sacrificed and worked with servant hearts every day to lift up and improve our state.

To my team, past and present, know that the impact of your work will be felt for generations. Your sacrifice will never be forgotten. Your future is bright. Thank you for your friendship and sharing the love of our state with me. Please stand and let the state thank you for your service.

To my friend, Henry McMaster. I don't know about you, but it has been a little amusing for me to read the media's recent comparisons of the two of us—of how they think we are similar and where they think we might be different. Sometimes they are right, sometimes they are wrong, and so for clarity's sake, here are two things I know for certain we have always shared: a love of South Carolina and a love of music. Your love of South Carolina gives me great comfort, as I know you cherish our state and its people, and I know you'll take care of them.

Your love of music makes me think that any advice I have might be better received if it came instead from a favorite of mine, Joan Jett: “Just be yourself and everything will fall in line, the way it's supposed to be. ... Live an authentic life and you don't have to worry about your reputation.”

There is wisdom in her words, and if your time as governor is anything like mine, they will serve you well.

Ladies and gentlemen, the state of our state is blessed.

Unsurprisingly, the last few weeks have been a time of great reflection for me. When I walked into the Statehouse this morning, it struck me that I have been doing so for twelve years.

What a road we have traveled together.

There have been good days, and there have been trying ones. There have been wins and losses, progress and setbacks, joys and frustrations.

There have been times of great celebration and those of deep, devastating mourning.

As I have thought back on it all, one thing has become so clear to me: serving as governor of the State of South Carolina is the greatest honor of my life.

When I was first elected, I heard over and over again from governors around the country that this would be the best job I would ever have. I didn't understand what they meant back then—and if I'm honest, some days, especially during legislative session, I didn't agree with them.

I understand it now.

Because they were right. They were absolutely right.

But they weren't right for the reasons some might think. No, the true delight of this job comes not from the influence or authority or pageantry of the office that I hold but from the people that I serve.

It is difficult for me to put into words the way that I feel about the citizens of this state. You are the strength of South Carolina, and so too have you been my strength.

Six years ago you took a chance on me. I have spent each day since working to prove to you that you made the right decision. Know that I will continue to do so, every single day, no matter where I go or what I do.

When addressing the American people for the final time as President, Ronald Reagan had this to say about his experience in that office: "One of the things about the Presidency is that you're always somewhat apart. You spend a lot of time going by too fast in a car someone else is driving, and seeing the people through tinted glass—the parents holding up a child, and the wave you saw too late and couldn't return."

While I have spent a lot of time these last six years going by too fast in a car someone else was driving, I have never felt apart from the people of South Carolina.

I have no evidence to back this up, but I have always had the feeling that I spent more time outside of Columbia than most of my predecessors.

Often it was out of necessity—celebrating a new company, speaking at a graduation, or laying eyes on the aftermath of a flood or a storm.

But often it wasn't. Often it was for me.

The school visits with those sweet children full of innocence and optimism.

The church services, sharing peace and faith with old friends and new.

The county days, watching neighbors helping neighbors.

This is what kept me going.

No matter what was taking place, no matter what challenges we were facing, if I could get out with the people, if I could see and feel the true goodness that is so deeply ingrained in the fabric of this state, I was rejuvenated.

G.K. Chesterton, the English writer, defined gratitude as "happiness doubled by wonder." I am so, so grateful for the kindness, the compassion, the trust, and the friendship the citizens of South Carolina have shown me and my family. Thank you for being an important part of our lives and allowing us to be a part of yours.

It has been an interesting process to think back on where we started in 2011 and where we are today. Each year brought new challenges and with them new priorities.

But behind each and every thing we did was the underlying goal to better the image of South Carolina.

When I first ran for governor, I often heard people speaking negatively about our state, both here at home and around the country. Those were difficult words to hear. This was the state that adopted my parents and the state that raised me.

I knew what we had in us. I knew the potential was there for us to be a force across the region, the nation, the world.

When we first asked public servants to answer the phones at state agencies with, “It’s a Great Day in South Carolina, how may I help you?” they hated it. But it wasn’t just some off-the-wall catchphrase, borne of some hidden desire to make things more difficult.

It had a purpose—two, in fact:

First, it was to remind those public servants that they worked for the person on the other side of the phone and that they were there, above all, to answer whatever question or solve whatever problem might come up.

Second, South Carolina was never the state it was portrayed to be. We are so much more than the punchline of a late night joke. We always have been. It was time for the rest of the country, and the rest of the world, to see South Carolina as she truly is—a state of unlimited potential and unrivaled beauty populated by good, faithful, hardworking people.

The kind of place, with the kind of people, where every day can be great.

So in spite of the pushback we kept saying it. People kept hearing it. And then they started saying it too.

Now, the first thing I hear wherever I speak is almost always, “It’s a Great Day in South Carolina.” And they are right. Because, it almost always is.

That doesn’t mean things have been easy. In 2011, we were in the heart of the Great Recession. At the end of my first month as governor, our unemployment rate stood at 11.1 percent. Jobs were scarce. Economic anxiety was real. People were hurting.

State government was too. The struggling economy meant revenues were down. Years of spending more than we should had caught up to us. Our budget had massive holes. The federal money we had relied on was, predictably, drying up. Three agencies were staring at multi-million dollar mid-year deficits.

I remember not quite knowing where to start. And then I came across a quote from Governor Carroll Campbell.

I know you’ve heard this before, maybe even from this podium, during this speech. But it bears repeating, because it is the core of what has driven this administration from the very beginning.

Governor Campbell said, “If you can find a person a job, you can take care of a family.”

We have taken care of a lot of families over the last six years.

And the most important word in that sentence is, “We.”

Bobby Hitt and I have received a lot of credit for the economic revival that has transpired in South Carolina, and while it’s nice that people appreciate our work, this is so much more than him, or me, or any other single person.

The only chance we had to come through the downturn was if the state banded together. The challenge we faced was simply too large for us to confront in any other way.

Commerce, the economic–development alliances, local and county leadership, ReadySC, DEW, our technical schools, the business community, the good people of our state—none of the successes we have celebrated would have been possible if all of these parties were not pulling in the same direction.

That meant breaking from the traditional regionalism of the past and embracing the idea that we were one South Carolina. It meant understanding that a win for the Upstate was a win for the Lowcountry, and a win for the PeeDee was a win for the Midlands. It meant committing, fully, to no longer competing against each

other but presenting a united front, a Team South Carolina that actually meant something.

The old way of thinking died. And magic happened.

We have announced 85,613 jobs. We have celebrated 672 projects—more than half of which were expansions. We have seen \$21.5 billion in capital investment. Our unemployment rate is now 4.4 percent. Every single one of our 46 counties has seen new jobs. Every one.

Team South Carolina is a very real thing. And it is no wonder they now call us, which I love, the “Beast of the Southeast.”

When I travel out of state, I am often asked about the change that has taken place in South Carolina, as if there is some secret formula to our successes. My answer is that like most things in government, it's not as complicated as people think. What we have accomplished in South Carolina has not been rocket science. It's has been about common sense, a belief that all things are possible if you free people to pursue their own dreams, and a willingness to get creative and challenge norms.

That is certainly true when it comes to job creation and economic development. But the last six years have proven it true elsewhere as well.

For as long as most of us can remember, our public schools have not been good enough. That is no secret to anyone inside or out of this Chamber.

We simply haven't done enough to prepare South Carolina's children for the future.

This is a problem on a number of levels.

The first is practical: With South Carolina's economy booming and new jobs springing up all across the state, we have to be able to produce a workforce that can fill them. If we don't, if companies cannot find the talent they need to be successful in South Carolina, they will go somewhere that they can.

The second is moral: Every South Carolina child deserves a quality education, regardless of where he or she is born and raised, regardless of who his or her parents are or what they do. And as the elected leadership of the state, it is our obligation to give it to them.

We failed in that obligation for too long.

It wasn't for lack of trying, or because we didn't recognize the scope of the problem. But sometimes in government, a challenge can seem so daunting that we make the solutions far more complex than they need be, a lesson I learned through the course of the education conversation we started a few years ago.

In truth, much of the dysfunction in our public school system was caused by simple problems with clear solutions.

Our funding formula was outdated and complicated and didn't address the needs of the children who most require the resources we can provide, so we changed it to account for things like poverty and gifted and talented students.

Too many of our kids were leaving the third grade without being able to read, so we made it mandatory that they be held back if they couldn't and provided reading coaches to make sure they could.

Schools in rural and high-poverty areas couldn't afford the technology necessary for a 21st Century education, so we found a way to provide it to them.

Those same school districts struggle to recruit new teachers and to keep the ones they have, so we incentivized our educators to sign up with those schools, and when they do, to stay.

None of this is to suggest that we have fixed everything that ails our public education system. There is still much to be done—making the Superintendent of Education a position appointed by the governor is one example. But we brought fundamental change to a system that desperately needed it, we did so quickly and without acrimony, and we made genuine progress towards delivering every South Carolina child the education he or she deserves.

That is worth celebrating. My hope is that, in working together, we have established a blueprint for successful education reform, one that will allow that progress – and those celebrations – to continue.

Throughout my time in public life I have spoken often of my parents. It is not just because I love them, which I of course do, or just because I am proud of them, which I of course am, but because the lessons they taught me I carry each and every day.

One such lesson came from my mom, whose constant mantra was this: Whatever you do, be great at it, and make sure people remember you for it.

I don't presume to know what people will remember from my time as governor—I imagine it will be different for everyone. But I do know some of what I will take from the last six years, some of what I will remember.

I will remember that we brought a level of accountability to state government that never existed before, and that legislators now show their votes on the record, disclose who pays them, and no longer police themselves.

I will remember that we changed the structure of a state government that was antiquated and broken and that future governors will choose their running mate, their Adjutant General, and have the full benefit of a Department of Administration that drives responsibility, efficiency, and better service to our citizens.

I will remember the willingness of the people in this room to step into someone else's shoes, find genuine understanding, remove a divisive symbol of an oppressive past, and move South Carolina forward.

I will remember that we got our fiscal house in order, and that during my time in office, no Cabinet agency ran a deficit, all while we cut taxes, doubled our reserves, and reduced our debt service by half.

I will remember that we saved the Heritage golf tournament, and that we did it without a single taxpayer dollar.

I will remember that we acknowledged South Carolina's shameful history on domestic violence, and gave voice to its survivors.

I will remember that we moved thousands from welfare-to-work and started preparing prisoners for life outside the fence, in the hope that they never again find themselves inside it.

I will remember that I was gifted the most talented, most dedicated Cabinet a governor could hope for and that nothing we accomplished would have been possible without them.

I will remember the devastating fire in Georgetown, the two winter storms, the shooting of an unarmed man by a North Charleston police officer, the hate-filled atrocity committed against twelve faithful men and women in the most sacred of places, the 1,000-year flood, the loss of a precious child to a school shooting, and Hurricane Matthew.

But above all, I will remember how the good people of South Carolina responded to those tragedies, with love and generosity and compassion, and what that has meant for our state.

I spoke earlier of my dear desire to see the image of South Carolina changed for the better. Standing here tonight, I can say with every confidence that it has happened, that that desire has been fulfilled.

But not because of me. The people of South Carolina accomplished the highest aspiration I had for our state all on their own.

They did it by showing the entire world what love and acceptance looks like. They did it by displaying for all to see the power of faith, of kindness, and of forgiveness. They did it by stepping up to every challenge, through every tragedy, every time.

And in so doing, the people of South Carolina changed our image in a way no piece of legislation or shift in policy or job announcement could have ever accomplished.

What a blessing to serve such people. What a profound blessing. Thank you for giving our family this opportunity. Because of you, South Carolina will always be our home.

It is a bittersweet thing, taking on this new challenge, moving on from this state that I so love, called to serve this nation I hold so dear.

When the bitter gets a little too strong for the sweet, I try to think of the children's author, A.A. Milne, whose loveable character Winnie-the-Pooh so put it like this: "How lucky I am to have something that makes saying goodbye so hard."

And goodbye this is, for now.

But I will always have one eye on South Carolina.

And South Carolina will always be with me. As I move into this new capacity, it is the lessons I learned from this state and its people, starting all the way back when I was a young Indian girl in small, rural Bamberg who spent her time playing tennis and dreaming big, that I will take with me.

Faith. Hard work. Respect. Love of family. Love of country. These are the values that South Carolina has gifted to me. I will forever hold them close.

Don't forget about us. We're not going far. And we're already looking forward to coming home to this state we love so deeply.

Thank you, God bless you, and may it always be a great day in South Carolina.

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