I am delighted to be with you this morning, as we discuss preparing Arizona’s economy for its Second Century.

Arizona stands at a critical juncture.

We know that growth is coming.

We know over the next several decades millions of people will join us in this great state that we call home.

And, we know something else.

We know we are righting the ship.

In these past 500 days since I became Governor, we’ve permanently reduced state general fund spending by over two point two billion dollars and the state employee count by more than 10 percent.

Personnel expenditures are down by nearly twenty percent since the spending peak in 2008.

My Commission on Privatization and Efficiency (COPE), established in January of this year, is examining ways to streamline state government operations, soliciting ideas from the private sector, policy experts, and citizens.

We’re already laser-focused on getting Arizona back on track -- bolstering our base industries -- advancing our competitive position in the global economy.

We attracted new companies to Arizona to create 25-hundred new jobs for Arizonans.
And businesses across all sectors have added 25-thousand jobs since the job loss peak of December 2009.

So, I know the Arizona Comeback has started.

But, there are still some things we DON’T know.

We don’t know what Arizona look like in 2040 or 2050.

Will communities be built around job centers, health care facilities, and first-class educational institutions?

Will our citizens have a multitude of transportation options, including the opportunity to get to essential services and their jobs without getting in their cars?

What we do today through our state partnerships and our partnerships with all of you -- our local, regional, Tribal and private sector partners -- will determine if we create an Arizona that fosters prosperous communities and successful families.

I believe that the basic necessities leading to a state filled with successful families and prosperous communities are:

-- Opportunities for citizens to choose where they live and how they get around;

-- Opportunities for citizens of all ages to receive an excellent education and create their individual path toward economic prosperity;

-- Opportunities for citizens to thrive in entrepreneurial and workforce pursuits;

-- Opportunities for citizens to spend time with their families in community and recreational activities; and

-- And, opportunities for citizens to enjoy the beauty of Arizona’s diverse geographic landscapes.

At the state level, we are utilizing 21st Century solutions to create prosperous communities:

My Cabinet Directors of Housing, Transportation, State Land and Environmental Quality are working together to reduce bureaucratic obstacles so you can reach your goals of creating communities that make our state competitive in the global economy.

I worked with Arizona’s top CEOs on my Governor’s Commerce Advisory Council to create a new statewide economic development delivery structure to advance Arizona’s global competitiveness.
Replacing the Department of Commerce will be an authority governed by a private-sector led “Economic Advancement Board.”

It will be focused on growing and diversifying our economy, and totally dedicate itself to creating and attracting more quality jobs for Arizonans.

We will now have a comprehensive approach – one for the 21st Century -- one yielding Focused Priorities -- Focused Investment – and Focused Efforts targeted on industries – such as solar, science, technology and aerospace and defense.

Don Carden continues as a guiding light in this reform, and he remains a vital asset in the preservation of the mission that the agency was created to fulfill.

Meanwhile, the Arizona Department of Transportation is working with all of you to explore many transportation options to connect regions within Arizona and to our neighboring states.

Freight and passenger rail projects throughout Arizona can help diversify our economy with job opportunities, housing choices and a new vitality for decades to come.

An example of an exciting corridor ripe with opportunity is the envisioned “I-11” transportation corridor – a complete transportation system with a balance of options between I-10 and US 93 in western Maricopa County.

The ultimate “I-11” corridor would connect the Phoenix and Las Vegas metropolitan areas, two of the fastest growing metropolitan areas in the country, and promote commerce, tourism and trade across the western U.S.

We have worked to better understand what personal travel and freight movement are costing us and we are using that information to identify future investments that will ensure a strong economy for our state.

But, long-term, more needs to be done. Through wise investments, Arizona can capitalize on the opportunity to spur our economy by promoting commerce and trade. The “I-11” corridor represents a long-term concept filled with a complex series of policy, technical and financial challenges:

I want to tell you that the Arizona Department of Transportation will begin studies this fall for the first segment of the envisioned “I-11” corridor between I-10 and US 93 in western Maricopa County.

Recognizing that more information is needed and that there are a number of challenges ahead, we need to work with partners in regional government and the private sector to advance the concepts of long-term infrastructure investment in Arizona, including the “I-11.”
It is important to seek funding to initiate the necessary alignment and environmental studies for this transportation corridor.

Based on past lessons learned, ADOT is currently drafting a memorandum of agreement that will enable beneficial right-of-way dedications, while protecting their taxpayer investments.

This study will also provide the opportunity to assess long-term "multimodal" needs between these two major population and economic activity centers, as well as their connectivity throughout the Intermountain West.

Through transportation corridors such as "I-11," we can make strategic investments that leverage public and private funds, and position Arizona to diversify its economy, enhance its quality of life and compete globally in the 21st century.

It is up to us to get Arizona out of this boom and bust cycle.

Together, we can develop the right strategy to put our plans into action.

Together, we can leave a legacy of prosperous communities and successful families for the most important citizens of 2040 and 2050 – our grandchildren and, yes, even their children.

Thank you.