



2026 State of the State: The Original Frontier

Transcript of Address by The Honorable Bill Lee, Governor of The State of Tennessee

**Emphasis added with highlight on Rural Health Transformation comments*

Thank you. Lieutenant Governor McNally, Speaker Sexton, Speaker Pro Tem Haile, Speaker Pro Tem Marsh, Members of the 115th General Assembly, Justices of the Supreme Court, Senators, Constitutional Officers, Cabinet, my staff, my friends, my family.

And one more – a special thank you to the one person who has walked every step of this journey with me, serving her state with grace, strength and dignity — the first lady and my precious wife, Maria.

Let me begin by saying – many in our state have experienced real challenges in the past week due to Winter Storm Fern.

There are Tennesseans who are still without power – some who are in this room tonight.

And there are Tennessee families who lost a loved one – 23 lost their lives due to the winter storm. It has been a difficult, frustrating and, in some cases, tragic struggle.

To add to that struggle, I spoke last night with Nicole Bonham, the widow of Derrick Bonham, a Weakley County Sheriff's Deputy who courageously gave his life this week in the line of duty, leaving behind Nicole and their three children.

If you would please pray with me for this family...and for the families who have lost a loved one in this week's tragic storm.

[Prayer]

In the midst of the challenges of this storm, we have seen the courage and selflessness of the line workers, Highway Patrolmen, Tennessee National Guardsmen, TDOT crews, countless state employees...as well as everyday Tennesseans opening their homes to neighbors in need.

So let's take a moment to thank these dedicated Tennesseans who embody the Volunteer Spirit and give us hope that the end will soon be in sight...

In 2019, when I walked through those doors into this chamber for the very first time, I had great excitement for what we, together, could and would deliver for the people of Tennessee. With



seven years under our belt and the gray hair to show for it, we have delivered, but I could never have predicted the journey we would embark upon together.

I now know that it's impossible to fully appreciate the value of a relationship between a governor and a general assembly until you're submerged in the deep end together, solving serious problems and yes, sometimes wrestling it out, but always looking for opportunities to make life better for the seven million people we serve.

I'm grateful to be a part of that process with all of you – the men and women of this general assembly – many of whom don't get near the credit you deserve for choosing to be in this difficult arena.

Whether you and I agree on a lot or very little, we have found a way to accomplish much together.

So tonight, in addition to laying out the priorities for this next important year, I'll also take this chance to be a bit nostalgic about our time together and about the past 250 years of the greatest country the world has ever known.

Let's start by looking back at just a few of the things you've accomplished in the last seven years.

You drove Tennessee's poverty rate below the national average for the first time in history, you reached the lowest recidivism rate, you created the best business environment in America, you passed unprecedented pay raises for law enforcement and a 42 percent pay raise for teachers.

In the midst of that, you've responded to tornadoes, floods, a pandemic, a Christmas bombing, a hurricane, ice storms.

All the while, you modernized our transportation system, created 14 new state parks, cleaned rural brownfields, and protected our rivers.

I could go on all night. This is the State of our State, and you deserve credit for so much.

Your work – our work – is more than just passing legislation. It is changing lives. So, let's not slow down in this last year.

Throughout our nation's 250 years, historians have called Tennessee "The Original Frontier".



And Tennessee frontiersmen to this day never stop exploring the possibilities of a better future for our people. Never coast, never settle. We press through from one frontier to the next.

When American settlers found their way to this country, they didn't stop at the first sight of land after their long voyage.

David Crockett didn't stop at his birthplace in East Tennessee. He went on to explore and settle in Middle Tennessee and West Tennessee, and then on to Texas, the next frontier.

Just like the continuous building of a more perfect union, the work of a frontiersman never stops, and ours should not stop either.

Being governor has afforded me the opportunity to experience things I never could have prior.

Like witnessing the miracle of an adoption ceremony for a foster child or the heartbreaking but powerful experience of praying with a family who just lost everything in the Waverly flood...

...or taking a call from the COO of America's most iconic automaker and hearing them say, "We've decided to pick Tennessee."

These moments, and many others, I will never forget.

Just like the moments I spent with Tennessee soldiers who had just spent Christmas 7,000 miles away from their families.

Three weeks ago, Maria and I traveled to visit Tennessee National Guardsmen stationed in Kuwait, and then in Germany. We slept in the barracks. We ate meals in the mess hall. We witnessed life for your and my neighbor a long way from here, protecting and defending the liberty and freedom that you and I enjoy right here in America.

"Volunteer Spirit" is more than our tagline. It is a value. It's unique to Tennesseans, and it's passed down from generation to generation.

When you meet someone who embodies this spirit, you won't forget it, and I won't forget them – today's example of Tennessee's contribution to 250 years of America's freedom.

The America 250 celebration isn't just about reflection. We're also called to forge ahead to the next frontier, because the decisions that you and I make this year will shape the future of our state for the next 250 years.



So, this year we'll continue to forge a path forward with education.

Tennessee has cast a vision for what education can and should look like — strong public schools, choices for parents, and opportunity for every kid to succeed.

But we weren't always in this spot. When I took office in 2019, Tennessee ranked in the bottom half of states in both math and reading.

Today, not only do our scores outpace the national average, but since 2022, Tennessee is a top five state for gains in reading and math.

This didn't happen by accident.

First, we've made an historic investment of more than \$2.5 billion in our public schools — that's a 50 percent increase. And I'm proud that, this year, we're proposing an additional \$340 million in the budget directed to our public schools.

Second, we brought common sense back to the classroom. We know that kids have to learn to read by the third grade, so that in fourth grade, they can read to learn. This simple truth has guided our kindergarten through third grade literacy strategy, and the work has paid off. Today, only six states in the country have fourth graders who read significantly better than ours.

Third, we've recognized the dignity and value of Tennessee teachers. In 2019, the starting salary for a teacher was \$35,000. Thanks to you — the members of this General Assembly — in 2027, starting pay will be \$50,000.

Finally, last year, we gave families school choice with the Education Freedom Scholarship program, because parents know best.

Clearly, Tennesseans like freedom. Last year, we received more than 40,000 applications, and this year, 54,000 applications so far for 20,000 spots.

That means, right now, 34,000 students are still waiting for a shot at Education Freedom. We owe it to them.



We don't have to look far to see how education freedom is changing lives. Down the road in Antioch, 77 percent of students enrolled at Lighthouse Christian School are there because they received a scholarship from the State.

Dr. Milton Nettles, Head of School at Lighthouse, has seen how school choice is changing lives firsthand. Once a public school teacher himself, he believes parents know best, and he's seen hundreds of students find their fit at Lighthouse and parents who have a choice, at last.

Still, he says, it isn't enough, and I agree. Growing the program would open the doors of opportunity for thousands more children statewide.

Please join me in welcoming Dr. Nettles and some of the exceptional students of Lighthouse Christian.

This is why we should empower parents. This is why we need education freedom, and this is why we should, at the very least, double the amount of scholarships this year for Tennessee students.

Every governor's time in office is marked by unique problems, but some of our state's greatest challenges actually span governors and span decades.

Memphis crime has been one of our most frustrating challenges that many of you in this room tonight wrestled with long before I came into office.

I have loved Memphis all my life. I grew up spending summers with my cousins who lived right off Getwell, riding my bike for hours in a neighborhood of a great American city that's legendary worldwide. It's saddened my heart that over the decades Memphis kids just haven't been able to live that same, safe experience.

From day one, we have looked for opportunities to create lasting change in a city that is more than worth fighting for.

Over the years, good faith efforts have resulted in incremental progress, and that deserves recognition.

But the Memphis Safe Task Force has fostered an unprecedented collaboration between local, state and federal partners that is nothing short of extraordinary.



The federal resources delivered by the Trump Administration, the dozens of agencies working side-by-side, the relentless bipartisanship that has proven all the critics wrong – this herculean effort has, in fact, created generational change in Memphis.

Crime is down 55 percent in Shelby County with the lowest monthly crime totals in over 25 years.

More than 5,500 criminals have been arrested. And remarkably, dozens of missing children have been found.

Last fall, as part of the task force, the TBI and partner agencies established the Missing Child Unit, a specialized group dedicated to locating high-risk missing children and returning them to safety.

This mission, led by Special Agent Emily Keifer, resulted in the recovery of 146 missing children in Memphis.

Please join me in thanking Special Agent Keifer, flanked by her supervising agents – Assistant Special Agent in Charge Shelly Smitherman and Special Agent in Charge Alisha Rutherford.

Now, we've gotta make it stick. Crime plagued the city for decades. It won't go away in six months.

To that end, this year's budget includes \$80 million in grants to accelerate the momentum in Memphis, and we will increase the full-time Tennessee Highway Patrol presence by permanently placing 100 troopers in Shelby County.

Of course, safe neighborhoods don't just belong in Memphis. This should extend to every Tennessee community.

It's why you'll see funding in our budget to strengthen trusted nonprofit partners all across the state – partners that run at-risk youth employment programs and provide reentry support – all to stop crime in Tennessee communities at the source.

And not only will we increase troopers in Shelby County, but we'll boost our highway patrol presence statewide.



In 2019, we had 800 troopers in the line of duty across Tennessee. In my first budget session, I asked Safety Commissioner Jeff Long and Colonel Matt Perry, “How many troopers do we actually need?” Their answer was 1,300.

That’s why we’ve added THP positions every year since I’ve been in office, and with the additional 50 proposed this year, we will reach the benchmark of 1,300 troopers.

You’ve heard me say that what happens in rural Tennessee matters to every Tennessean, and together, we have acted on that belief, from my very first executive order for rural counties to investing hundreds of millions of TennCare Shared Savings dollars to strengthen rural healthcare.

We all know how hard this issue of rural health is, and while we’ve made progress, we have more work to do to deliver better care, closer to home.

We now have an opportunity like we haven’t seen in decades. Thanks to the Trump Administration, resources have become available through the Rural Health Transformation Fund, awarded just one month ago, that will provide Tennessee with more than \$1 billion over the next five years to transform healthcare in rural communities all across the state. That’s a billion dollars for our rural hospitals, our rural EMS, and our rural primary care doctors.

This Rural Health Transformation Fund has given us an opportunity that we have to make certain we do not miss. In order to be eligible for these federal dollars, Tennessee must take legislative action to make it easier for medical professionals to practice and easier for rural healthcare facilities to operate.

Right now, government overregulation stands in the way.

If your child has strep, why should you have to drive an hour away to see the pediatrician when your neighborhood pharmacist could test and treat your family right then and there?

In a rural community with a shortage of doctors, why can’t we both train more physicians and make it possible to see the fully-trained physician's assistant down the road?

When a rural facility loses its supervising physician, should we really force the fully-trained nurse practitioner to close her doors to the community?



These are real scenarios in rural communities all across Tennessee.

We have a solution that will mean more providers in rural counties, shorter wait times, and care closer to home. That solution is to get government out of the way and let these providers practice to the full extent of their training, this legislative session.

It's not just about letting providers practice. We also have to let them open their doors in the first place. Rural Tennessee is growing. Our communities need more options.

But right now, if a doctor wants to open a new clinic in a rural county or if your hospital wants to build an imaging center closer to families that need it, existing Certificate of Need laws make it nearly impossible.

These laws were created over 50 years ago to prevent hospital overbuilding, but today, what they do is block investment, limit competition, and leave rural communities with few or even zero choices.

Since 2000, Certificate of Need laws have turned away nearly \$1.5 billion in healthcare investment in our state. Those are clinics that were never built, beds that were never added, care that never came.

States like Texas and Florida got government out of the way, and as a result, their rural communities have more hospitals, more surgery centers, and more options for care for their people.

This General Assembly began reforming these laws years ago. We should finish the job for rural Tennessee, and the time is now.

When Maria and I drove our RV around the state almost nine years ago, I said then that what Tennesseans cared about most is having a good job, a good school for their kid, and a safe neighborhood – the seemingly simple things in life that, in fact, make the biggest difference.

Tonight, we've talked about good schools for our kids and safe neighborhoods, but when I consider the state of our state, one of the most important things we can do is create opportunity. For Tennesseans, that means a good job, and that starts with economic development.



I want to remind you of what you have done in the last seven years to improve opportunity for our neighbors all across the state.

The perfect example of this life-changing opportunity is BlueOval City. For decades, many called the Megasite a hopeless piece of land, but we never gave up on Haywood County, and now, it's home to one of the most vibrant, job-creating economic projects in the country.

Because you have created the best business environment in the country, Oracle moved to Nashville, xAi is in Memphis, Orano is in Oak Ridge, and In-N-Out is in Tennessee.

You brought the biggest Major League Baseball game in American history to the Bristol Motor Speedway. And because of a stadium that you invested in, I'm pretty confident a Superbowl will be coming to Music City.

We've also been a top five moved-to state for years now. 91 out of our 95 counties have grown, and yes, that is a very good thing.

People want to be here because Tennessee is on a winning streak like nothing we've seen before.

2025 marked a stand out year for economic development, with more than \$11 billion invested in our state.

I recently returned from a trip to Asia, where we talked to dozens of global companies looking to invest in America.

Tennessee is competing with nearly every neighboring state for these jobs, but no other state matches the opportunity found here.

That's the story we hear from countless business leaders around the world. They want to invest in a state that matches the momentum of their company, and that's Tennessee.

You have done this. You have created this environment. Fiscal responsibility may not make headlines, but it's the number one reason why Tennessee is leading the pack.

We balance our budget, we grow our savings, we spend wisely, and we cut taxes.



Consider this. Over the last eight years, our state's revenues have increased by more than 50 percent, but over those same 8 years, with the exception of boosting law enforcement, we have actually reduced the number of government employees by 1,100. That's fiscal stewardship.

This disciplined approach that you have taken has earned Tennessee a triple-AAA bond rating for the last decade – proof that smart management keeps our state strong.

And what does that mean? 300,000 new jobs that are more than a timecard and more than a paycheck. Every new job created is an opportunity for a better life, not only for the Tennessean who is employed, but also for their spouse, for their children, and a hope and a future for their grandchildren.

Thanks to your work, that opportunity is found in every corner of our state, from our urban centers to Tennessee's rural towns.

Did you know that since 2019, Memphis ranks number one for the highest number of economic development projects?

At the same time, our rural counties are growing economically as well. Over the past seven years, more than 50 percent of dollars invested by businesses have gone directly to rural counties.

That kind of success doesn't happen by accident, and it takes skilled workers.

How did we get them? Thanks to you, they were on a TCAT waitlist that got funded by a \$1 billion investment, their community college received a GIVE grant, or their high school's new CTE program taught them how to weld.

This commitment to our workforce is the reason why companies are creating thousands of jobs all across Tennessee, changing lives from Unicoi County to Union City.

But our work doesn't stop there. We have also made Tennessee the global epicenter of nuclear energy...talk about a new frontier.

Tennessee was just named the number one state for nuclear energy development, and it's clear why.



Tennessee's Nuclear Fund that you helped create has already recruited \$8 billion in investment from leading nuclear companies around the world, creating thousands of new jobs, and more are on the way.

That's why we're proposing an additional \$25 million to the Nuclear Fund this year.

Tennessee's nuclear energy innovation is unlike any other state in America. Since the days of the Manhattan Project, generations of East Tennesseans have kept the legacy alive.

In the 1940s, a pipefitter from Oak Ridge helped build the K-25 building, and his wife rode the bus to work at the Secret City every day.

In the 70s, their son became an engineer at Oak Ridge. Today, their grandson, Michael Whedbee, works at Oak Ridge National Laboratory developing the next generation of nuclear power.

This kind of legacy story is why Tennessee leads the nation.

Please join me in welcoming Michael Whedbee and honoring the legacy of the Whedbee family to secure America's future.

That legacy lives on today at the Clinch River Site, where five years ago we set out to be the first state in America to build a small modular reactor, and now it appears that Tennessee will be that state.

We also have a vision that Tennessee will both power America and be the catalyst for solving our nation's most complex problems. So, we're moving ahead on another front – AI and quantum computing.

Tonight, I'm proud to announce we're launching the Tennessee Quantum Initiative, a statewide effort to position Tennessee as the national leader in quantum research, infrastructure and workforce development.

Now, we all know that elaborating on quantum would make a state of the state speech much too long, so you'll hear more about that later.

But let me just say this – they've called Tennessee the Original Frontier – and now it's time we're the future frontier as well.



My time as governor will draw to a close – not yet, but it will. Tennessee, however, is actually accelerating.

Just like in 2019, when we started together, the opportunity before us today is greater than we could ever imagine.

In my first inaugural speech, I recalled how a young man and his family settled on the banks of the Cumberland River in 1796, the year the great state of Tennessee was formed. Some of you will remember that that man I referred to was my seventh great-grandfather, Braxton Lee.

“Once again, here we are: Tennesseans, standing on the banks of the Cumberland, with great challenges and great opportunities before us – as in need of the Wisdom and favor of God as much as ever – and with a deep commitment to each other.”

When we walk out of those doors tonight, we have one more year together to keep climbing – to move higher to even better ground.

Tennesseans 250 years from now – what will they say of us?

“Were we strong and courageous, faithful, committed, certain? Did we come together to meet the challenges we faced, with courage, optimism and belief in each other?”

If we meet the challenges of this moment...just as we have for the last seven years together...future generations will, too, say of us – “They were Tennesseans.”

It has been the highest honor of my life to serve alongside you, and I will cherish our final year together.

And in that year, may the Lord grant his favor and his blessing on the people and the places that are the great State of Tennessee. Thank you.