Thank you, President Faulkner. It is an honor to be here with such a gifted group of visionaries, the inventors, researchers, entrepreneurs and investors who are laying the groundwork for the next wave of the technology revolution. Some of you may be wondering why an Aggie governor who grew up on a farm was asked to address a technology commercialization conference hosted by UT. Thankfully for you and me both, I am not here to provide a detailed explanation of scalable methods of producing three-dimensional nanocomposites. The reason I chose to join you today is simple: Texas has a vested interest in the work you are doing, because technology innovation and commercialization are essential to the long-term prosperity of this state and our people.

We are home to some of the nation’s most innovative universities and research centers. Research at UT-Austin alone produces more than 100 new technologies on an annual basis. The information technology sector by itself provides $37 billion in paychecks for Texas families. And growth in technology manufacturing has contributed significantly to Texas being ranked the number one exporting state in the nation. One of my chief aims as governor is to cultivate an environment that rewards the entrepreneurial spirit, that welcomes those who risk capital and create jobs, and that seeks to expand the emerging industries that will form the backbone of tomorrow’s economy.

In Texas, we understand that high-tech economies don’t just happen by accident. For proof, look no further than Sematech. Sematech did not just fall from the sky and land in central Texas. They, MCC, and other large anchor tenants of the technology boom in Texas were the product of forethought, partnerships and a series of visionary decisions made by academic and business leaders. Those decisions laid the groundwork to make Texas a national and global leader in technology. The phenomenal economic growth of the 1990s was the fruit of their innovation. I am proud that so many technology employers have chosen Texas as their home, that our business climate has been ranked the best in America, that we are the number one state for job expansions and relocations, and that employment in Texas is at an all-time high.

But at the same time, Texas cannot rely on the same old methods to attract growth if we hope to stay competitive in the high-stakes, high-tech global marketplace of tomorrow. There is an undeniable trend towards a technology-based economy that is taking place worldwide. Over the next ten years, emerging technologies will generate $3 trillion in revenue. The question is, where will those investments be made, and who will reap the benefits? States like California, Ohio, Florida and New Jersey are putting up huge sums to attract high-tech researchers and employers that will provide the jobs in the marketplace of tomorrow. I would hate to see the inventions you all have developed, or the
firms you are working to establish, be lured away by another state. But the fact is, that is a very real possibility if Texas doesn't take action now to increase our investment in technology research, development and commercialization.

That is why it is critical that Texas establish a new Emerging Technology Fund. With an Emerging Technology Fund, we can help universities form new partnerships with the private sector, bolster research capabilities of Texas institutions of higher learning, and help start-up companies get off the ground faster so their inventions get to consumers sooner. We have already caught a glimpse of the potential of an Emerging Technology Fund through the investments we have made with another economic development tool, the Texas Enterprise Fund. In just two years, we have invested a total of $115 million from the Enterprise Fund to help Texas Instruments, Sematech and a consortium of healthcare leaders establish new research and production facilities. Combined, these projects will bring 7,200 jobs to Texas and add more than $3.2 billion to our economy. And I might add that there will be a very large, very significant Enterprise Fund announcement in the near future regarding new biotechnology jobs coming to Texas.

But to measure the benefits of these types of investments only in dollars and cents would be to miss their greatest impact. While an Emerging Tech Fund will allow us to focus and expand our efforts to attract high-tech jobs, each dollar we invest in technology research and commercialization could very well put the world one step closer to the faster computer chip, the gene therapies that can save our loved ones from debilitating diseases and injuries, or the green technologies that can give our children a cleaner world. High-tech methods to detect breast cancer, Doppler radar that alerts us to oncoming storms, even the Internet, can all trace their origins to a partnership between government and industry. These partnerships prove that when we invest public resources into emerging technology, the possibilities for revolutionary developments are limitless.

I ask the leaders here today to continue to voice support for the creation of an Emerging Tech Fund in this session of the Texas legislature. With available budget resources, I believe lawmakers must make a significant investment in emerging technologies that will yield tremendous returns for decades to come, not just in jobs and additional revenue for government, but in the improved quality of life for all our people. I am thankful that Texas is home to so many leaders who are committed to improving our quality of life through innovation. Texas appreciates the work you are doing, and we want to make sure you stay for many years to come.

Thank you, and may God bless you.