



RHODE ISLAND

★ STATE OF THE STATE ★

GOVERNOR GINA M. RAIMONDO

2018 STATE OF THE STATE ADDRESS

AS PREPARED FOR DELIVERY

RHODE ISLAND STATE HOUSE
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STRONGER TODAY

Good evening. Thank you. Mr. Speaker, Senate President, members of the General Assembly; distinguished guests; my husband Andy, my son Tommy; and my fellow Rhode Islanders:

Tonight I stand before you filled with optimism for the future. Rhode Island is stronger than we've been in decades: Four years ago, our unemployment rate was the highest in America.¹ Today, it's in-line with the national average.² The number of people who filed for unemployment insurance last year is the lowest it's been in 50 years.³ Our economy has more jobs than at nearly any other time in our State's history.⁴

We've cut our deficit in half.⁵ TF Green is booming.^{6,7,8} And we're the first state in America to teach computer science in every public school.⁹

¹ For eight consecutive months, including the first five months of 2014, Rhode Island had or tied for the highest unemployment rate in America. The state's 7.7 percent unemployment for the full year was the second highest in the country, behind Nevada's 7.9 percent.

(<http://www.dlt.ri.gov/lmi/laus/us/annavg.htm>)

² The current national unemployment rate is 4.1 percent. Rhode Island's 4.3 percent is tied for 29th in the nation with four other states (AZ, GA, NC and WY) (<https://www.bls.gov/web/laus/laumstrk.htm>) Four years ago, Rhode Island's unemployment rate was more than double what it is today. Rhode Island's current unemployment rate, as of November 2017, is 4.3 percent. The unemployment rate in January 2014 was 8.8 percent.

(<http://www.dlt.ri.gov/lmi/laus/state/seas.htm>)

³ Last year, approximately 58,000 Rhode Islanders filed for unemployment insurance at one point during the year, the fewest number of initial unemployment claims since data was first made available in 1969. In 2014, nearly 75,000 Rhode Islanders filed for unemployment insurance at one point during the year. Initial claims data from 1987 to 2017 can be found here: <https://ows.doleta.gov/unemploy/wkclaims/report.asp>. Initial claims data from 1969 to 1986 was tabulated and reported from contemporary reports and documents by DLT in Fall 2016. (The average number of people receiving unemployment benefits in any given month for 2017 was 23,983).

⁴ In November 2017, Rhode Island had 497,700 jobs, the third most on record. The seven best months for job count, and eight of the best 10 were all in 2017. 1. July 2017 (499,700 jobs); 2. Aug. 2017 (498,800 jobs); 3. Nov. 2017 (497,700); 4. Oct. 2017 (496,900); 5. May 2017 (496,400); 6. June 2017 (496,100); 7. Sept. 2017 (496,000); 8. Dec. 2006 (495,700); 9. Feb. 2017 (495,300); 10. Jan. 2007 (495,200)

(<http://www.dlt.ri.gov/lmi/ces/cescompare.htm>)

⁵ FY15 enacted budget projected the FY19 deficit to be \$463.8M. The projected FY19 deficit from November 2017 Revenue and Caseload Estimating Conferences was \$204M.

⁶ TF Green Airport has doubled the number of nonstop flight routes since 2015 (from 17 to 34) and now offers 10 nonstop international flight routes.

⁷ *Cranston Herald*, October 15, 2017: TF Green now official 'touchdown' spot for Patriots. (<http://cranstononline.com/stories/tf-green-now-official-touchdown-spot-for-patriots,128220>)

⁸ GoLocalProv, June 7, 2017: TF Green is Transforming. (<http://m.golocalprov.com/business/tf-green-airport-is-transforming-see-the-new-places-you-can-now-fly-direct>)

⁹ *Narragansett Times*, December 16, 2017: [Wagner praises computer science at CS4RI](#).



You can see it all around us: Cranes rising over Providence,¹⁰ Johnston¹¹ and Kingston;¹² construction crews fixing roads in every part of Rhode Island;¹³ and hope in the eyes of our friends and family who finally have a good, steady job.

We've made this progress together, and I want to thank everyone who's been a part of it: the legislature, mayors and town managers, and my team. Thank you for your hard work and commitment to our state.

But of course, the real credit goes to the people of Rhode Island: People like **Lisa** and **Alan Tortolani**.

LOVE FOR RHODE ISLAND

Alan grew up in Burrillville and went to school in Pawtucket. After college, he fell in love with a girl from Jersey. (Which I can relate to since I'm a Rhode Island girl who fell in love with a guy from Michigan.) It took a little while, but when he was ready to start his company – ABCya – he convinced Lisa to move to Rhode Island. He couldn't imagine chasing his dream anywhere else.

Alan got started in the basement, balancing a kid on one knee and his laptop on the other, while Lisa supported their young family teaching Italian. But when his game Math Bingo hit #1 in the App Store,¹⁴ they knew it was time to move out of the basement. ABCya started hiring programmers, designers and project managers from all over Rhode Island.

When I met Alan, it was clear to me that he loved Rhode Island, but he didn't shy away from telling me that it sometimes frustrated him. Our maze of regulations drove him crazy, and it was sometimes too hard to find people with the right skills. It seemed to him that the state was putting up barriers instead of clearing the way for him to grow. That kind of thing drives me crazy, too.

I asked Alan to keep believing in Rhode Island, and I promised him that we were going to work together to make things better. Alan kept going. It would have been easier for him to get frustrated and let cynicism crush his dream. But he was proud of his company and he wanted to grow it in Rhode Island. Last year, more than 120 million kids played a game on his site: Kids from Warwick and Westerly to Guatemala and India.

¹⁰ *Providence Journal*, August 25, 2017: [Towering crane in downtown Providence is part of \\$56M project](#)

¹¹ Press Release: Citizens new Johnston, RI Campus will strengthen collaboration and organization cohesion (<https://jobs.citizensbank.com/New-Johnston-Campus>)

¹² Press Release: URI launches construction of \$125 million engineering complex <https://today.uri.edu/news/uri-launches-construction-of-125-million-engineering-complex/>

¹³ According to the Associated General Contractors of America, Rhode Island construction employment grew more quickly than all but one state in 2017. (<https://pbn.com/agca-r-construction-employment-grew-2nd-fastest-rate-u-s-nov/>)

¹⁴ "Ranked number 1 educational app for 3 straight weeks." <https://itunes.apple.com/us/app/math-bingo/id371338715?mt=8>



Since 2015, we've come together to fix many of the things that frustrated Alan and so many Rhode Islanders. We've cut over three thousand pages of regulations.¹⁵ We've cut red tape.¹⁶ And we've cut taxes every single year.^{17,18,19, 20, 21}

LET'S KEEP GOING: A COMMITMENT TO CHANGE AND PROGRESS

Four years ago, it didn't seem like we'd have so much to celebrate today. At that time, our economy had run out of gas because our leaders hadn't positioned us for growth in the new economy. One out of four bridges in our state was crumbling and unsafe,²² and we didn't even have a plan to fix them. But worst of all, people were losing their pride because they had been out of work for so long.²³ And some people felt like our state leaders weren't listening, and they were losing confidence in Rhode Island.

We came together four years ago and decided to chart a new course. We decided to change the old way of doing things, so that we could do better by Rhode Islanders.

Our progress didn't just happen. It wasn't an accident. And it wouldn't have happened if we kept doing things the same old way. But we had a willingness to try a new approach; a commitment to build a new economy, and not settle for anything less for our kids and our future.

We've come a long way, but we're only in about the third inning of our economic comeback. So tonight, I say: **Let's keep going.**

We've made Rhode Island more business friendly: Our economy is the 18th best in America,²⁴ Last year, we went from No. 50 to No. 23 in unemployment taxes;^{25,26,27} Four years ago, the Gallup Jobs Index ranked our economy dead last.²⁸ Today, we come in at Number 29.²⁹ And we're not stopping until we're at the top of the list. **Let's keep going.**

¹⁵ *Providence Journal*, June 8, 2016: OPINION – Dealing with 27,000 pages of red tape

<http://www.providencejournal.com/opinion/20160608/rald-edgar-dealing-with-27000-pages-of-red-tape>

¹⁶ 21 local communities are currently participating the e-permitting. E-permitting allows local residents and businesses to access and apply for permits through an online state portal. <http://www.valleybreeze.com/2016-09-07/woonsocket-north-smithfield/e-permitting-comes-first-no-smithfield#.W1zuliROlvI>

¹⁷ In FY16 and FY17, Governor Raimondo's expanded the earned-income tax credit (EITC).

<http://www.taxcreditsforworkersandfamilies.org/news/rhode-island-eitc-increase-signed-into-law/>

¹⁸ The FY16 budget eliminated the sales tax on commercial energy. <http://www.providencejournal.com/article/20151015/NEWS/151019532>

¹⁹ The FY17 budget eliminated tax on income. <http://content.ersri.org/ri-budget-includes-new-tax-exemption-for-retirees/#gsc.tab=0>

²⁰ Last year, Governor Raimondo cut unemployment taxes, saving employers \$30M each year that they can reinvest in new equipment and new employees. Last month, Governor Raimondo announced another \$10M cut in the unemployment tax. <http://wpri.com/2017/12/06/ri-will-cut-unemployment-taxes-by-10m-in-2018/>

²¹ Last year, Governor Raimondo introduced a proposal to cut the car tax, and signed the FY18 budget which begins a full phase out of Rhode Island's most hated tax. <http://www.providencejournal.com/news/20170803/governor-signs-92b-budget-clears-way-for-car-tax-phaseout>

²² <https://www.fhwa.dot.gov/bridge/nbi/no10/defbr14.cfm>

²³ In 2014, the U.S. Bureau of Labor Statistics reports that 16,000 Rhode Islanders were unemployed for at least 27 weeks and accounted for more than one-third of the state's unemployed residents. <http://www.governing.com/gov-data/economy-finance/state-long-term-unemployed-duration-of-unemployment.html>

²⁴ U.S. News and World Report, Best States <https://www.usnews.com/news/best-states/rhode-island>

²⁵ Under Governor Raimondo's leadership, the state has cut the unemployment tax businesses pay two consecutive years. In all, these tax cuts have saved businesses \$40 million. <http://www.ri.gov/press/view/32033>

²⁶ Tax Foundation 2018 State Business Tax Climate Index <https://taxfoundation.org/publications/state-business-tax-climate-index/>

²⁷ *Providence Journal*, December 14, 2017: Editorial - RI cuts an onerous tax <http://www.providencejournal.com/opinion/20171214/editorial-ri-cuts-onerous-tax>

²⁸ Providence Business News, February 2014 – Gallup poll ranks RI dead last for perceived job creation <https://pbn.com/Gallup-poll-ranks-RI-dead-last-for-perceived-job-creation-in-2013.95095/>

²⁹ 2016 Gallup Job Creation Index - <http://news.gallup.com/poll/203078/nevada-climbs-last-place-first-job-creation.aspx>



We've proven that you can grow the economy *and* protect the environment at the same time:³⁰ We're the only state in America with an off-shore wind farm.³¹ We're on track to make our energy system 10 times cleaner by 2020.³² Since 2014, we've added more than 5,000 green jobs – a 66 percent increase.³³ **Let's keep going.**

We've made record investments in education,³⁴ and we're committed to ensuring that everyone has a shot to continue their education past high school: Today, there are three times as many public pre-K classrooms as there were four years ago;³⁵ We've guaranteed all-day kindergarten for every child in Rhode Island;³⁶ And more than 1,500 Rhode Islanders³⁷ are getting a shot at a career because we're the first state on the East Coast that's made community college tuition-free.³⁸ But there's so much left to do. **So let's keep going.**

Let's continue to support our veterans: Last year, we opened a new Veterans Home in Bristol;³⁹ And last month, we launched a new online portal to better coordinate the services that our Vets and their families have earned.⁴⁰ To everyone who wears - or has ever worn - our nation's uniform, and to your families, we say thank you.

We've also been listening. We've listened to Rhode Islanders who felt like their leaders weren't doing enough to support them: We raised the minimum wage, and we're gonna do it again next year;⁴¹ We passed paid sick leave, because no Rhode Islander should have to choose between a paycheck and taking care of a sick child at home;⁴² We've improved the quality of child care so parents can have peace of mind while they're at work.⁴³ And we listened to seniors like my mom, who say it's too hard to live on a fixed income, and we cut the tax on their social security.⁴⁴

And we heard *you*. The car tax is probably the most hated tax in Rhode Island. So, last year, we cut it.⁴⁵

³⁰ VIDEO: A stronger Regional Approach to Climate Change (<https://www.youtube.com/watch?v=8LryE8Sykhk>)

³¹ PBS News Hour, December 11, 2016: U.S. builds first offshore wind farm (<https://www.pbs.org/newshour/show/u-s-builds-first-offshore-wind-farm>)

³² Governor's Wind & Solar Energy Coalition: Rhode Island Gov. Raimondo Sets Ambitious Clean Energy Goal (<http://governorswindenergycoalition.org/rhode-island-gov-raimondo-sets-ambitious-clean-energy-goal/>)

³³ 2017 Clean Energy Jobs Report (<http://www.energy.ri.gov/cleanjobs/>)

³⁴ <http://webserver.rilin.state.ri.us/housefinance/sp/2017/Education%20Aid%20-%202017%20Edition.pdf>

³⁵ According to the R.I. Department of Education, during the 2014-2015 school year, there were 17 pre-K classrooms serving 306 children. At the start of the 2017-2018 school year, there were 60 pre-K classrooms serving 1,080 children.

³⁶ WPRI.com, May 16, 2016 – Gov. Raimondo: Full-day kindergarten is just the beginning. <http://wpri.com/2016/05/16/gov-raimondo-full-day-kindergarten-is-just-the-beginning/>

³⁷ Providence Journal, September 21, 2017: CCRI enrollments up 47% under new free-tuition program (<http://www.providencejournal.com/news/20170921/ccri-enrollments-up-47-under-new-free-tuition-program>) NOTE: this story was published prior to the release of final enrollment data.

³⁸ CNN, August 4, 2017: Rhode Island just made community college free <http://money.cnn.com/2017/08/03/pf/college/rhode-island-tuition-free-college/index.html>

³⁹ WJAR, October 30, 2017: New RI veterans home set to open in Bristol <http://turnto10.com/news/local/new-ri-veterans-home-set-to-open-in-bristol>

⁴⁰ RIServes is a coordinated network of public, private and nonprofit organizations serving veterans, service members and their families in Rhode Island. RIServes uses technology and its partner network to guide veterans, service members and their families to the most appropriate services and resources available. www.riserves.org

⁴¹ Providence Journal, June 22, 2017: RI legislature votes to raise minimum wage <http://www.providencejournal.com/news/20170622/house-votes-to-raise-rhode-islands-minimum-wage>

⁴² WPRI, September 28, 2017: Governor signs bill guaranteeing paid sick time <http://wpri.com/2017/09/28/governor-signs-bill-guaranteeing-paid-sick-time/>

⁴³ RI Future, August 11, 2015: SEIU, Raimondo reach agreement to improve early childhood education <http://www.rifuture.org/seiu-raimondo-reach-agreement-to-improve-early-childhood-education/>

⁴⁴ GoLocal Prov, June 4, 2015: Weiss: Rhode Island Lawmakers Poised to Give Retirees Financial Tax Relief <http://www.golocalprov.com/news/weiss-rhode-island-lawmakers-poised-to-give-retirees-financial-tax-relief>

⁴⁵ Warwick Post, August 3, 2017: RI Passes Budget, Free CCRI Tuition, Car Tax Phaseout <https://warwickpost.com/ri-passes-9-2-billion-budget-free-ccri-tuition-car-tax-phaseout/>



The progress we've made together is undeniable, and it's the result of the reforms we've made together. So, let's keep going with bold reforms.⁴⁶ Let's send a clear and loud signal that we are willing to move beyond the old way⁴⁷ of doing things.

Tonight, I'm asking the legislature to put the line item veto^{48,49} on the ballot in November, and let Rhode Islanders decide. It's time. Forty-four other states, including Massachusetts, already have it. And they use it to eliminate waste and give taxpayers confidence in their government.⁵⁰ Rhode Islanders deserve the same thing.

LET'S KEEP GOING: RHODE ISLANDERS WHO INSPIRE

I know that every member of this chamber cares deeply about Rhode Island and works hard for the people of our state. Tonight I'd like to share the stories of Rhode Islanders who inspire us all to keep going. Rhode Islanders who give us confidence that we're on the right path. Rhode Islanders like **Alisa Richardson**. Her story gets right to our core mission: to make sure every Rhode Islander can keep up and get ahead, whether or not they have a college degree.

Job Training for all Rhode Islanders in the New Economy

I met Alisa at her daughter **Elisabeth's** graduation from one of our job training programs.⁵¹ Elisabeth had started college, but she didn't finish.⁵² She still has a mountain of loans, and they're due every month. Because of the job training program, though, she now has a good job at Guill Tool in West Warwick. Alisa's son, **James**, studied electronics at the Warwick Career and Tech Center.⁵³ He's now one of the thousands of Rhode Islanders Electric Boat has hired in recent years.⁵⁴ And her youngest child, **Katie**, is a senior at Pilgrim High School, and she's excited to go to college next year. She's planning to go to CCRI on a Rhode Island Promise scholarship.

Alisa and her kids are here tonight. Congratulations, you guys are doing great.

The reality is that 70 percent of jobs in Rhode Island require more training and education than just a high school diploma, but they don't all require a four-year degree.⁵⁵ It's on us to make sure that every Rhode Islander has the job training and education they need to get a good job.

⁴⁶ From July 11, 2017 *New York Times* column: "Health Reform, Both Real and Conservative" by David Leonhardt: "[C]osts were still a problem when Gina Raimondo, a Democrat, became governor in 2015. Medicaid accounts for close to one-third of Rhode Island's budget. It crowds out spending on schools, roads and other job-creating investments. Unless she could get Medicaid spending under control, Raimondo told me, she wouldn't be able to do much else." https://www.nytimes.com/2017/07/11/opinion/health-reform-bipartisan.html?_r=0

⁴⁷ *Business Insider*, August 8, 2014: What's the Matter with RI? <http://www.businessinsider.com/the-fall-and-rise-of-rhode-island-2014-8>

⁴⁸ Governor Raimondo's 2016 op-ed – *Providence Journal*, May 21, 2016: R.I. Needs Line Item Veto, Other Reforms <http://www.providencejournal.com/article/20160521/OPINION/160529891>

⁴⁹ Governor Raimondo's 2017 op-ed – *Providence Journal*, March 18, 2017: R.I. Needs Line Item Veto, Other Reforms <http://www.providencejournal.com/opinion/20170318/gina-m-raimondo-ri-needs-line-item-veto-other-reforms>

⁵⁰ From July 22, 2017 edition of Nesi's Notes. "#5. Governor Baker exercised his line-item veto authority in Massachusetts this week, removing \$320 million from the roughly \$40 billion state budget there. Rhode Island continues to debate whether to give its governors the same power, so at last week's NGA meeting I asked Baker for his view on the line-item veto. "It's a useful tool," Baker told me. "Government's supposed to be checks and balances between the branches, and I completely understand that. But I think one of the things the line-item veto does is it give us as executives a chance to both re-engage with the legislature on particular issues where we have a disagreement, and it gives everybody a means or a mechanism to ensure that we're all in the same place on available revenue, anticipated spending, and all the rest." <http://wpri.com/2017/07/22/nesis-notes-july-22/>

⁵¹ Shipbuilding/Marine Trades and Advanced Manufacturing Institute <http://samiri.org/>

⁵² More than 98,000 Rhode Islanders (roughly 17 percent of the state's working-age population) have started some form of college but have not earned a degree. <http://strongernation.luminafoundation.org/report/2017/#state/RI>

⁵³ Warwick Area Career and Technical Center: <https://wactc.warrickschools.org/>

⁵⁴ WJAR, July 19, 2016: Gov. Raimondo, Electric Boat to announce long-term jobs plan <http://turnto10.com/news/local/gov-raimondo-electric-boat-to-announce-long-term-jobs-plan>

⁵⁵ According to Georgetown University, 32 percent of jobs in Rhode Island in 2020 will require an associate's degree or credential. https://cew-7632.kxcdn.com/wp-content/uploads/StateProjections_6.1.15_agc_v2.pdf – page 88.



Since 2015, we've completely revamped our approach to job training. Real Jobs Rhode Island now gives Rhode Islanders in the middle of their career the new skills they need in a changing economy. Real Jobs alone has trained and placed more than 2,000 Rhode Islanders into good, solid jobs.⁵⁶

We've also expanded more than two dozen career and tech programs in our high schools, like the welding program at Coventry High School.⁵⁷ **Austin Ferrara** enrolled in that program last year. He graduated in June, and got his high school diploma *and* a credential. A week later, he started a job at Electric Boat. And if you ask him if he likes his job as a welder, he'll look you dead in the eye, filled with pride and tell you: "I've got a real job."

Tonight I'm proposing that we expand our job training initiatives and our technical training in high schools.⁵⁸

A year ago, we opened the Westerly Higher Education Center which trains people for jobs at local companies. It's been an incredible success. In just one year, more than 500 Rhode Islanders have earned a certificate to get a good job, and 345 of them already started working at Electric Boat.⁵⁹

Let's keep going. Let's put the same kind of center in the Blackstone Valley. In the weeks ahead, I'll announce a new public-private partnership to establish the Northern Rhode Island Higher Education Center which will provide hands-on training and a path to a good job for Rhode Islanders without a college degree.

Small Business is Our Business

Small businesses have always been the engine of our economy. In fact, they employ about half of our state's labor force.⁶⁰ That's why we've made investments to help small businesses.

A couple years ago, we announced 10,000 Small Businesses,⁶¹ a unique partnership at CCRI that helps small business owners learn the skills they need to jump to the next level.⁶² Since then, more than 100 companies have gone through the program. These are local stores, restaurants, jewelry makers, and small food companies. These are our neighbors and friends who put everything they have into their business.

Nearly every one of them has added jobs, including **Evan Oliveira**, a Navy veteran from East Providence.

For years, he worked a desk job that he tolerated; but, on the side, he owned a small cleaning business that he loved. His company was growing, and he finally built up the courage to tell his family that he was going to quit the desk job to focus full time on his company, Universal Cleaning.⁶³ So, as you can imagine, Evan *really* needed to make this work. He also

⁵⁶ VIDEO: DLT Director Scott Jensen delivers Governor's August 25, 2017 weekly address. <https://medium.com/@GovRaimondo/weekly-video-address-august-25-2017-6cff455ef3c8>

⁵⁷ Kent County Daily Times, June 3, 2017: Coventry welding students graduate with jobs at Electric Boat http://www.ricentral.com/kent_county_daily_times/coventry-welding-students-graduate-with-jobs-at-electric-boat/article_4b93d708-4892-11e7-8738-6b00a6838f7c.html

⁵⁸ The Governor's FY19 budget proposal will include \$5.6M in CTE categorical funding, \$300,000 to support two new P-TECH schools and new incentives as part of the Governor's school construction proposal for modernization of existing CTE facilities.

⁵⁹ *Providence Journal*, February 4, 2016: Officials celebrate planned job-skills training center for Electric Boat in Westerly. <http://www.providencejournal.com/news/20160204/officials-celebrate-planned-job-skills-training-center-for-electric-boat-in-westerly>

⁶⁰ Small employers (with less than 20 workers) account for 90 percent of the employers in Rhode Island and employ 24.8 percent of the state's workforce. Midsized employers (21-99 employees) employ 26.8 percent of the workforce. <http://www.dlt.ri.gov/lmi/pdf/size.pdf>

⁶¹ VIDEO: 10,000 Small Businesses Rhode Island sizzle reel <https://www.youtube.com/watch?v=e8U17KyetRg&feature=youtu.be> "The backbone of Rhode Island's economy are small businesses, and we can't do enough to give 'em a hand." – Governor Raimondo

⁶² Responding to a critic of the program on Twitter, Asher Schofield, the owner of Frog and Toad, tweeted: "As a 16 year Rhode Island business, [this program] is easily Rhode Island's best small business initiative to date." <https://twitter.com/fntpvd/status/874415823414231041>

⁶³ <https://www.universalcleaning.org/>



needed some capital to grow, and banks wouldn't lend to him because he was too small. He applied for a loan through a new program we started for small businesses in 2015.⁶⁴ With that \$10,000 loan, he was able to buy the equipment he needed to support his new contracts. And since then, his business has tripled.

Like every Rhode Islander I've ever met, Evan is determined to succeed. Rhode Island small businesses are expanding because of these loans, and tonight I'm committing to double the number of loans awarded by the end of this year.⁶⁵

The responsibility to support small business, though, can't rest solely on state government. It's time to come together as a community and support one another. We need our biggest employers to use their spending power to support our small businesses.

Here's an example: If our colleges, universities and hospitals shifted just *two percent* of their contracts to Rhode Island companies, it could add more than \$50 million to our economy and create hundreds of new jobs.⁶⁶ This year, we'll launch "Supply RI" to make it easier for our biggest employers to buy from local companies like Evan's. Andy and I do as much local shopping as we can, and we hope our biggest employers will do the same.

Most of our manufacturers are small businesses, too. For every Electric Boat, there are dozens of smaller manufacturers like FarSounder in Warwick and Swissline Precision in Cumberland. Last year, manufacturing companies created 1,500 new jobs.⁶⁷ My dad spent his career in manufacturing, and making a living making things gave *him* so much pride.

Let's bring that pride back. This year, I'm again calling on the legislature to pass the Rhode Island Manufacturing Initiative. It's a good plan that helps smaller manufacturers buy new equipment and hire more people.⁶⁸

⁶⁴ The Commerce Corporation's Small Business Loan Fund (SBLF) aims to fill the gap in financing that small and mid-sized businesses face. Small companies working in fields like the health and life sciences, defense and national security, marine and environmental technology, information technology, and advanced manufacturing add enormous value to our historically industrial-based economy, but often are constrained by traditional bank lending parameters. Small businesses often do not have the balance sheets or liquidity at the level that a private lender wants to see. <http://commerceri.com/finance-business/small-business-loans/>

⁶⁵ Since launching the Small Business Assistance Program (SBAP), the Commerce Corporation has awarded 35 loans. The Governor's proposed FY19 budget will include an additional \$500,000 for the loan program. The Commerce Corporation aims to award 70 loans this year, bringing the total number of SBAP loans to 105 by the end of 2018.

⁶⁶ Rhode Island's hospitals, colleges, and universities are estimated to spend approximately \$1.5B each year on procured goods and services, not including payroll and other non-usable purchases (e.g. utilities, government payments, internal transfers, etc.). Based on third-party economic impact analysis, every \$15M (which represents 1 percent of the estimated \$1.5B in goods and services our hospitals, colleges, and universities procure each year) that is shifted from out-of-state to in-state suppliers is estimated to add \$25M to Rhode Island's economic output.

⁶⁷ According to the U.S. Bureau of Labor Statistics, there were 40,000 manufacturing jobs in November 2016. In November 2017, there were 41,500. <http://www.dlt.ri.gov/lmi/ces/cescompare.htm>

⁶⁸ The FY19 manufacturing initiative is designed to encourage the growth of Rhode Island's manufacturing industry by incentivizing job-creation in the sector by amending the Qualified Job Tax Incentive, promoting business investment through expanding the Rebuild RI program to more manufacturers, expanding access to the Real Jobs RI program for small manufacturers, providing the Polaris manufacturing support organization with the ability to add capacity and programming, providing funding for an additional education center in Northern Rhode Island, and providing tax breaks for manufacturers investing in new equipment. This initiative is a top priority for the Rhode Island Manufacturers Association. Governor Raimondo's FY19 budget proposal includes \$600,000 to support the initiative.



Protecting Our New Approach to Compete with Other States

Our first priority will always be to support businesses that are already here, but if we're going to be sure there's a good job for everyone, we also need to recruit new companies to Rhode Island. The good news is that for the first time in a long time companies⁶⁹ are moving here⁷⁰ and expanding here,⁷¹ mostly because they want to hire Rhode Islanders.

For decades, we just sat back and watched as Massachusetts rebuilt and thrived. Boston and its suburbs flourished, while the mill buildings along 95 and the Blackstone River stood vacant and crumbling. The resurgence in Massachusetts didn't just happen. It wasn't an accident. They had a strategy and a plan to create jobs and put cranes in the sky. They used job training investments *and* incentives to create thousands of jobs in and around Boston.

Massachusetts, and nearly every other state in the northeast, still uses incentives.^{72,73} And they've all been doing it for years. Until recently, though, our leaders didn't have a strategy; and because of that, Rhode Islanders got left behind. And the few times our past leaders did take action, they put all their eggs in one basket or chased special deals. Any way you slice it, Rhode Islanders got hurt.⁷⁴

So in 2015, we created a strategy combining job training and incentives that enables us to compete and prevent the special deals of the past. The results are in. Our new approach is working. In the last two years, we've recruited or expanded 22 companies.⁷⁵ Twenty-two companies that would have gone somewhere else. Because of our new approach, they're here and on track to hire more than 2,000 Rhode Islanders at an average salary of more than \$70,000.

So, yes, our new approach is working. And if we go back to the old way of doing things, we'll put hard-working Rhode Islanders at risk. **So, let's keep going.**

Rebuilding Rhode Island's Roads

Let's continue to fix our roads.

When our kids were younger, Andy and I would take them to soccer practice and drive across the Newman Avenue Bridge in East Providence. That bridge made me so mad. The Massachusetts side was in great shape: The road was smooth; the lanes were well marked. But when we drove back into Rhode Island, you could literally feel exactly where the state line was.

⁶⁹ WPRI.com, December 19, 2016 – Johnson & Johnson to hire 75 at RI office <http://wpri.com/2016/12/19/johnson-johnson-to-hire-75-at-new-ri-office/>

⁷⁰ Boston Globe, June 9, 2016 – GE Digital to bring 100 jobs to Rhode Island <https://www.bostonglobe.com/business/2016/06/09/general-electric-bring-plus-jobs-rhode-island-new-computing-center/czaMQm5CxrZISTFIOWcAO/story.html>

⁷¹ WPRI, February 15, 2017 – United Natural Foods to add 150 jobs at RI headquarters <http://wpri.com/2017/02/15/united-natural-foods-to-add-150-jobs-at-ri-headquarters/>

⁷² Reuters, January 13, 2016 – “Massachusetts, Boston offered GE \$145M in perks to move” <https://www.reuters.com/article/us-ge-headquarters-massachusetts/massachusetts-boston-offered-ge-145-million-in-perks-to-move-governor-idUSKCN0UR2OC20160113>

⁷³ MA: <http://www.mass.gov/hed/business/taxes/credits-incentives/>; CT: <http://www.ct.gov/ecd/cwp/view.asp?a=3931&q=462618&ecdNav>. More information about state incentives: www.stateincentives.org/

⁷⁴ New York Times, April 20, 2013 – Thrown for a Curve in Rhode Island: “Rhode Island was on the precipice of economic ruin. Its unemployment rate was pushing up against 12 percent — fourth worst in the nation — and three of its cities were careening toward bankruptcy. Facing term limits, Mr. Carcieri had only months left to do something to arrest the steep decline. And that's when Don Carcieri ran into Curt Schilling, the revered former Boston Red Sox ace — the man who had famously bled through a sock while pitching his team to its first World Series title in 86 years.” <http://www.nytimes.com/2013/04/21/business/curt-schilling-rhode-island-and-the-fall-of-38-studios.html>.

⁷⁵ Providence Journal, November 27, 2017 – Tech firm Infosys to establish RI hub, creating 500 jobs <http://www.providencejournal.com/news/20171127/tech-firm-infosys-to-establish-ri-hub-creating-500-jobs-over-next-5-years>



Since then, we made a commitment to fix our roads. And I want to thank members of this chamber for passing RhodeWorks which has allowed us to fix dozens of roads and bridges all over the state and put thousands of Rhode Islanders to work fixing them.⁷⁶ **Let's keep going.**

Pathway to Recovery

Now, I want to talk about a fight that we just cannot lose: the overdose crisis. It remains our most urgent public health crisis, taking people away from us in every single community. In the last two years, we've made it a top priority,^{77,78,79} and as a result, overdose deaths were down eight percent last year.^{80,81} But even one death is too many. The budget I'll send the General Assembly continues to fund what's working.

But, we have to do more. If we're going to save lives, we have to support people's recovery. One of the members of our Opioid Task Force, **Jonathan Goyer**,⁸² has often told me that his job has been critical to his recovery. That's true for so many people. This year, we're going to create a new job training program for people in recovery. There is no silver bullet in our fight against addiction, but helping Rhode Islanders in recovery to get a good job will save lives.

I'd also like to talk about another topic we don't talk enough about because of the unfortunate stigma, and that's mental health. I hear from so many Rhode Islanders who are beside themselves because they or their loved ones can't get access to good mental health care, mostly because their insurance company won't to cover it.

That needs to stop.

In the coming weeks, I'll propose legislation to make health insurance companies cover addiction and mental health treatment just like they cover diabetes or other chronic conditions.

⁷⁶ Rhode Island Public Radio, February 22, 2017 – Raimondo Marks One-Year Anniversary of RhodeWorks Law <http://ripr.org/post/raimondo-marks-one-year-anniversary-rhodeworks-law#stream/0>

⁷⁷ Press Release: (Raimondo Announces Partnership with CVS) <http://www.thecwprov.com/story/35877936/raimondo-announces-partnership-with-cvs-health-to-fight-opioid-epidemic>

⁷⁸ StatNews.com, August 3, 2017 – A Novel Approach to Opioid Addiction <https://www.statnews.com/2017/08/03/opioid-treatment-prisons/>

⁷⁹ Through Governor Raimondo's Overdose Prevention and Intervention Task Force, initiatives were implemented throughout Rhode Island in 2017 to prevent overdoses and save lives, with an emphasis on people who are highest risk for overdose. In March 2017, the Rhode Island Department of Health (RIDOH) made comprehensive changes to the state's regulations for prescribing pain medication to eliminate unnecessary prescribing of opioids for acute pain. Through an investment of \$200,000, the Rhode Island Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals (BHDDH), supported the opening of nine Centers of Excellence (with two satellite locations), which are sites throughout the state where people can get all the services and supports they need to get on the road to recovery, including medication-assisted treatment. These Centers of Excellence complement a program at the Rhode Island Department of Corrections (DOC) that now makes medication-assisted treatment available to any incarcerated person who is living with opioid-use disorder. (Additionally, all people are screened for opioid-use disorder before entering the DOC.) In 2017 the state partnered with pharmacies, hospitals, and numerous front-line, harm-reduction agencies to get more than 5,000 doses of naloxone, the overdose reversal medication, directly into the hands of people who are living with addiction. BHDDH and RIDOH have worked together to provide complimentary recovery supports for the opioid epidemic throughout the state. BHDDH and RIDOH supported recovery through a joint investment into the Recovery Hotline (401-942-STOP, available 24/7) with \$100,000 and \$50,000 invested respectively. RIDOH also supported recovery efforts funding recovery coaches through the Providence Center and provides Neonatal Abstinence Syndrome training and recovery supports through Parent Support Network. BHDDH has invested \$750,000 into Recovery Housing. Recovery housing is a broad term describing a sober, safe, and healthy living environment that promotes recovery from alcohol and other drug use and associated problems.

⁸⁰ According to the Rhode Island Department of Health, 253 Rhode Islanders died of overdose during the first nine months of 2016. In 2017, RIDOH reported 233 deaths during the same time period. www.preventoverdoseri.com

⁸¹ Providence Journal, December 19, 2017 – Overdose Deaths in RI Drop 9 Percent <http://www.providencejournal.com/news/20171219/raimondo-overdose-deaths-in-ri-drop-9-percent> **NOTE:** This story reports on RIDOH data from the first seven months of the year.

⁸² PBS News Hour, October 6, 2017 – Former drug users serve on the front lines of Rhode Island's opioid crisis <https://www.pbs.org/newshour/show/former-drug-users-work-front-lines-opioid-crisis-rhode-island>



Let's Fix Our Schools

Now, let's talk for a few minutes about what we're going to do to fix our schools.

Last week, schools across our state had to close⁸³ and send students home.⁸⁴ All across Rhode Island, there are teachers putting trash bins in the middle of the classroom to collect water dripping from leaky ceilings. Teachers and students are getting sick because of mold.

Our school buildings get a failing grade, and that's not acceptable.⁸⁵ And like anything, the longer we wait, the more expensive it gets. Rhode Island hasn't made a meaningful, statewide investment in our school buildings in over 25 years.

One of the first things I did as Governor was to end the previous administrations' freeze on school construction and add funding for high priority projects. Because of that decision, we've been able to fix a handful of our worst schools, including Potter Burns Elementary School in Pawtucket. It was a 100-year-old building, and you knew it the minute you walked in the door. Today, because we came together and made an investment, it's bright, it's clean, it's got a new library, and it's been totally rebuilt and wired for 21st century learning so that kids are ready for 21st century jobs.

Attendance is up, and disciplinary problems are down. Students and teachers are proud to attend Potter Burns. And there isn't a parent in Rhode Island who wouldn't be proud to send their child there.

So, let's keep going. Our children deserve to know we value them.

Tonight I'm calling on all of us to take action. Let's make a once-in-a-generation investment in our schools. Together with our cities and towns, let's commit to investing \$1 billion over the next five years to fix our public schools.⁸⁶ Don't let anyone tell you we can't afford to do this. We can. We have a detailed plan that outlines how we can invest more and do it smarter so that we protect taxpayers at the same time. Every year we wait, we waste millions of dollars putting band aids on our crumbling schools. So let's act now.

LET'S KEEP GOING: OUR WORK IS FAR FROM DONE

My fellow Rhode Islanders, we're making real progress. But our work is far from done. The recovery still hasn't reached everyone. We're not going to stop until every Rhode Islander is included. We'll keep going until every child is lifted out

⁸³ *Providence Journal*, January 9, 2018 – Governor Reaffirms Commitment to School Building Funds - “Warwick Mayor Scott Avedisian said he was especially pleased that Raimondo said she was considering changing how the state pays school building subsidies. Currently, a school district has to incur the whole project cost up front and then the state pays the subsidy, in Warwick’s case, about 50 percent.”

<http://www.providencejournal.com/news/20180109/ri-governor-reaffirms-push-for-school-building-funds>

⁸⁴ *Providence Journal*, January 9, 2018 – Two Cranston Schools Remain Closed Wednesday Due to Water Damage – “The sun was shining and the snow banks were melting Tuesday, but municipal and school officials in Cranston and Warwick were still dealing with the aftereffects of the weekend’s frigid temperatures, shuffling students and staff to cope with buildings that were rendered unusable because of burst water pipes.”

<http://www.providencejournal.com/news/20180109/2-cranston-schools-to-remain-closed-wednesday-due-to-water-damage>

⁸⁵ WPRI.com, September 13, 2017 – RI Schools Need \$2.2B in Repairs, Here’s 12 Things Everyone Should Know <http://wpri.com/2017/09/13/ri-schools-need-2-2b-in-repairs-here-are-12-things-everyone-should-know/>

⁸⁶ In conjunction with investments by the cities and towns, we expect to see \$1B in school construction activity over the next 5 years. The \$1B consists of both a state share (\$650M) and municipal share (\$350M). Cities and towns will continue to use RIHEBC to bond for school construction. The state and the city/town each pay a share of the debt service on that borrowing. The state will contribute \$80M in general revenue each year for the next five years (\$400M) to pay for its share of the debt service. The local share for that debt service is anticipated to be \$350M. In addition, Governor Raimondo’s school construction plan proposes a \$250M GO bond over the next five years to fund urgent repairs and to provide some of the state’s share of the costs of the project upfront. **\$250M (GO Bond) + \$400M (general revenue appropriations, \$80x5) + \$350M from cities and towns = \$1B**



of poverty;⁸⁷ until every child can attend a flourishing public school; until we meet the needs of every senior; and until every Rhode Islander has a shot at a good job.

Let's stay at it until every Rhode Islander can work free from harassment, abuse or bullying.⁸⁸ I applaud every woman who has come forward to tell her story. And I pledge to work with anyone to root out harassment in this building and every other workplace in our state.

We also have to come together to make sure that the uncertainty in Washington doesn't derail our progress. Now, more than ever, we need to stand up to protect Rhode Islanders.

Nearly every person in Rhode Island has health insurance,⁸⁹ and the premiums on our health exchange are the lowest in America.⁹⁰ When politicians in Washington tried to take health care away, we spoke out⁹¹ and we stopped it. We are not going to let Washington take your health care away.

When politicians in Washington took aim at our Dreamers we stood with them because in Rhode Island we don't just tolerate diversity; we celebrate it.⁹²

And last week, when President Trump announced a plan to open our coast line to drill for oil, we, the people of Rhode Island said: "Not on our watch."^{93,94}

We've come so far and need to keep going.

THE RHODE ISLAND WE LOVE

I'd like to end tonight where we began, and share with you the rest of Alan and Lisa Tortolani's story. It's a story that offers a window into what Rhode Island is all about. Who we are, and what our state can be.

Nine months ago, on a Friday, Alan called Lisa while he was heading home from work. Before they hung up, they said, "I love you," just like they always do. And after that, Alan went out for a bike ride.

But Alan never came home.

⁸⁷ *Providence Journal*, November 20, 2017 – RI poverty rate is highest in N.E. <http://www.providencejournal.com/news/20171120/report-ri-poverty-rate-is-highest-in-ne>

⁸⁸ @GovRaimondo on Twitter, October 17, 2017 – "No woman is obligated to tell her story. Every woman has the right to not be harassed in their workplace." <https://twitter.com/GovRaimondo/status/920406327402422272>

⁸⁹ More than 96 percent of Rhode Islanders currently have health insurance. In 2013, more than 11.6 percent of Rhode Islanders did not have health insurance. <http://economicprogressri.org/index.php/2017/09/12/number-of-uninsured-rhode-islanders-continues-to-drop-thanks-to-the-affordable-care-act/>

⁹⁰ Rhode Island's marketplace average benchmark premium for 2018 is \$311, the lowest in America, according to Kaiser Family Foundation. <https://www.kff.org/health-reform/state-indicator/marketplace-average-benchmark-premiums/?activeTab=map¤tTimeframe=0&selectedDistributions=2018&sortModel=%7B%22colId%22:%222018%22,%22sort%22:%22asc%22%7D>

⁹¹ On September 22, 2017, Governor Raimondo called Senator Lisa Murkowski's (AK) office and urged her to vote against TrumpCare. <https://www.facebook.com/GinaMRaimondo/videos/1455872194460274/>

⁹² Alex Seitz-Wald (NBC News) on Twitter, September 18, 2017 – "Wow: Rhode Island is going to pay for every DACA recipient's \$495 renewal fee, @GovRaimondo announces." https://twitter.com/aseitzwald/status/909855286860685312?ref_src=twsrc%5Etfw&ref_url=https%3A%2F%2Fwww.bustle.com%2Fp%2Fwho-is-gov-gina-raimondo-rhode-island-will-pay-daca-renewal-fees-for-dreamers-in-the-state-2405580

⁹³ Governor Raimondo official statement, January 10, 2018 - <https://www.facebook.com/GinaMRaimondo/photos/a.344160122298159.74122.223653951015444/1561515877229238/?type=3&theater>

⁹⁴ The Hill, January 12, 2018 – Zinke talks with more governors about offshore drilling plan <http://thehill.com/policy/energy-environment/368813-zinke-talks-with-more-governors-about-offshore-drilling-plan>



He was 40 years old. He was a dad with three kids. While he was riding, something happened. He collapsed. He was rushed to the hospital. And he passed away late that night.

His wife and kids miss him every single day. Somehow, Lisa's found the strength to pick up the pieces. She keeps going. She's running ABCya now, leading it to new heights, honoring Alan's work and deepening ABCya's commitment to Rhode Island.

I asked Lisa, "Why are you so committed to Rhode Island." I mean, she wasn't born here; she didn't grow up here.

She told me she's never lived in a community that's as kind-hearted, and as tight-knit as Rhode Island. Alan's been gone nine months. Lisa can't remember a single night that a friend or neighbor hasn't brought dinner over for her and her three kids. *That's* who we are. *That's* the state we love. *That's* what Rhode Island is all about.

Lisa's here with us tonight. Lisa, you're amazing, and inspire us all to keep going.

Let's all keep going for Rhode Island. Let's commit ourselves to making our recovery real for everybody. Let's stand up for our values and protect the progress we've made.

The Tortolanis love Rhode Island – not because it's perfect, but because of the people – people who wake up every morning determined to make Rhode Island it better. They love it for the same reason we all do.

Because it's home.

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