SENATE **No. 2**

Senate, January 23, 2018 -- Message from His Excellency the Governor relative to the general concerns of the Commonwealth

The Commonwealth of Massachusetts



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> KARYN POLITO LIEUTENANT GOVERNOR

> > January 24, 2018

To the Honorable Senate and House of Representatives,

"Mr. Speaker. Madame President. Congressman Neal. Fellow Constitutional Officers. Members of the Governor's Council. Mr. Chief Justice and Members of the Judiciary. Members of the Cabinet and my Administration. Sheriffs. District Attorneys. Mayors. Local Officials. Reverend Clergy. Distinguished Guests.

"Members of my family that are here this evening – Andy, Kristen and William.

"My children, AJ and Caroline. And my wife Lauren. The love of my life for the past 30 years and an outstanding deeply committed First Lady.

"And to my Fellow Citizens.

"When Lieutenant Governor Polito and I began this journey three years ago, we set out to create a state government that worked well for the people who needed it most, and would be as creative, thrifty and hard-working as the people of Massachusetts.

"And while much remains to be done, with your help, we've made great progress toward these objectives.

"We began with a \$1 billion structural budget deficit. Today, we've reduced that deficit to less than \$100 million without raising taxes.

"We began with 1,500 homeless families stuck in hotels and motels, isolated from their support systems. Today there are fewer than 60 families that's a 95% reduction.

"We began with a Department of Children and Families in free fall. Today 99% of its social workers are licensed with the lowest caseloads they've had in years – and clinical teams to support their work.

"We began with a Health Connector that was, by all accounts, a mess. Today it just finished its third consecutive positive open enrollment. Providing more than 240,000 working families with affordable health care coverage.

"We began with a state hospital in Bridgewater that for decades was beset by a series of terrible tragedies – yet nothing was done. Today, with the help and support of the legislature and many others, Bridgewater State Hospital is a completely different place. And families who never expected anything to get better finally have hope.

"We began in the midst of an opioid crisis in which deaths, overdoses and prescriptions had been growing by double digits for more than a decade. It was the worst case of negative momentum I'd ever seen. Today, with your help and support, we've reduced opioid prescribing by 29%. And overdose deaths have dropped for the first time in over a decade by 10%. "And we've made significant progress in many other vital areas that directly influence the quality of life for everyone here in the Commonwealth.

"For the first time we're directing capital grants to vocational technical schools to upgrade equipment and expand popular programs. Providing students with real world skills and experience and employers with job ready workers.

"Public/private partnerships with colleges, researchers, businesses and the federal government in materials, advanced manufacturing, robotics and digital health are incubating the next generation of great commercial clusters.

"Partnerships with our colleagues in local government and the private sector have translated into billions of dollars of downtown and economic development projects. Creating thousands of jobs and preserving and creating thousands of units of affordable and workforce housing.

"Working with you we've allocated more than \$700 million in local road and bridge funding - the largest investment in years. And another \$3.6 billion has been spent on hundreds of road re-surfacing and improvement projects.

"All in we've repaired or replaced 80 bridges and paved enough miles of roadway to crisscross the Commonwealth five times.

"We've also built on this state's historic bipartisan commitment to veterans. We enhanced the benefit for Gold Star Families. Enacted the Home Act. Created a tax credit for small businesses that hire veterans. And committed the funding necessary to rebuild the Chelsea Soldier's Home.

"To celebrate this milestone, we're joined tonight by U.S. Navy Veteran Tom Miller who lives at the Chelsea Soldiers Home, Director of Nursing Debbie Antonelli and Superintendent Cheryl Poppe. God bless you all. "As you all know, our public transportation system collapsed during the brutal winter of 2015.

"But three years later the T is investing hundreds of millions of dollars more on upgrading its core infrastructure than it has in years, modernizing its operations and rescuing projects like the Green Line Extension.

"And after more than three decades of lip service, we're going to make commuter rail from Fall River and New Bedford to Boston a reality.

"There is more to do on the T. Much more. But for the first time in years the plan to modernize the system is in place and moving forward. Fixing decades of neglect doesn't happen overnight. But make no mistake we will deliver the public transit system the people of this Commonwealth deserve.

"Economically, we're hitting on all cylinders.

"In 2017 we had more people working than at any time in state history. Our economy has added 180,000 new jobs since we took office. And best of all, the number of people looking for work has dropped in every county over the past three years in most cases by more than 35%.

"The progress we've made together has been noticed and it should be.

"Bloomberg ranked Massachusetts #1 in innovation for the past two years.

"The United Health Foundation called Massachusetts the healthiest state in the nation.

"In a 2014 national survey, Thumbtack gave Massachusetts a D+ for small business friendliness. Last year, they gave us an A-.

"U.S. News and World Report ranked Massachusetts the best state in the nation in which to live, work and raise a family.

"And for the 3rd time in four years – the New England Patriots are going to the Super Bowl!

"So I can stand here and say without question --- the state of our Commonwealth is strong!

"A strong Commonwealth is built on a foundation of strong communities. Friendly, welcoming, bustling neighborhoods and downtowns. Great schools. Safe, accessible, attractive places to play. Growing local economies. And a belief that anything is possible.

"That's why for the past three years, Karyn Polito and I have focused so much on strengthening communities.

"Our first Executive Order created a new partnership between state and local government.

"Funded by the Legislature and overseen by the Lieutenant Governor, 330 cities and towns have joined this partnership. Adopting more than 800 best practices in everything from financial planning to regional collaboration. This is how government should work.

"When we took office, more than 50 communities in Western Massachusetts didn't have access to high speed internet services.

"I first heard about this when a local official told me horror stories about what life was like without it. He mentioned students like Sarah Beckwith from Mt. Washington who often did her homework sitting in the car next to the library after hours – so she could get access to their wifi.

"Sarah is a straight A student at Mt. Everett Regional High School, but c'mon. The parking lot?

"Here's the good news. Mt. Washington now has high speed internet and Sarah is applying online to colleges using the wifi in her home.

"And the vast majority of the communities that had none when we took office either have it now or have plans to install it. Thanks to this Legislature's help with funding for the build out they will all have this must have infrastructure over the next two years.

"Our program to plant 10,000 trees in Gateway Cities has been a success and we look forward to planting 10,000 more. And by the fall of 2018, 71% of all streetlights will be LEDs. Saving communities millions of dollars and cutting power usage by 60%.

"To support our coastal communities, we revived the Seaport Council, established a statewide task force to study resiliency and adaptability and have begun making millions of dollars in strategic investments to preserve protect and properly use this critical natural resource.

"With the help of community leaders and our legislative colleagues we instituted programs for small bridge maintenance and repair, made major investments in bike paths and walking trails. And delivered predictable investments in unrestricted local aid and municipal infrastructure.

"We've also worked together with our colleagues in local government to welcome fellow citizens from Puerto Rico and the Virgin Islands after the devastating hurricanes.

"State agencies have worked together to help thousands of families relocate here and find housing, schools and jobs. Our budget will include additional aide for the communities hosting these families.

"Over 20 years ago we committed to what became a long-standing bipartisan investment in K-12 education, high standards, equitable funding and other major reforms. It worked.

"We continue to finish first for the tenth year in a row – on the National Assessment of Educational Progress Exam in both English and Math. We have the highest four-year graduation rate and lowest dropout rate we've ever had.

"To continue that momentum, we're funding K-12 education at the highest level in history, more than \$4.7 billion. Tomorrow's budget submission will boost that number by more than \$100 million, representing an increase of nearly half a billion dollars since we took office.

"The Commonwealth's efforts don't stop with K-12 education.

"For students and families struggling to pay for college, we'll expand three successful initiatives.

"First, we'll increase college scholarship funding by more than \$7 million so that all community college students who qualify for Pell Grants, with an unmet financial need, will have their remaining tuition and fees fully covered.

"Second, we'll significantly expand our early college programs. Which give students the opportunity to take college-level courses and earn college credits while they're still in high school. This prepares students for academic success, reduces their costs and boosts college completion rates.

"And third, we'll continue to expand our Commonwealth Commitment plan. Which makes it possible for students to earn four-year degrees for less than \$30,000. And that's before including scholarships and state or federal grants.

"In addition, to help the next generation of students get off to a good start we delivered, with your support, one of the largest increases in funding for early childhood education in over a decade in our 2018 budget.

"All in, we've increased state spending on early education rates, delivering a \$45 million wage increase for teachers.

"For seven years in a row, Massachusetts has been ranked the most energy efficient state in the country.

"In a few days, the Commonwealth will announce the results of the largest renewable energy procurement in our history. The process enabled by our 2016 legislation will lead to clean energy pricing that's competitive with carbon-emitting fossil fuels, a huge win for families, businesses and our environment.

"And later this year, we'll complete a competitive process that could lead to the construction of the largest offshore wind power operation in the nation.

"This effort will further reduce emissions, create thousands of green jobs in places like New Bedford and solidify our standing as a global leader in innovation and clean energy.

"We're also making new investments in the development of energy storage. By helping to bridge the gaps in peak demand, expanded storage will boost the effectiveness of wind and solar power, provide further price relief for ratepayers and pave the way for a future independent from fossil fuels.

"But despite the tremendous progress we've made and will continue to make in Massachusetts our climate is still changing.

"That's why we'll dedicate an additional \$2 million to climate adaptation and resiliency planning efforts in our 2019 budget, providing additional support to municipalities and accelerating statewide hazard mitigation planning.

"On health care, we made a strong statement, that in this Commonwealth everyone will have access to quality care.

"By working with Governors and Members of Congress we were able to preserve the health insurance program put in place in the Commonwealth a decade ago.

"We must continue to be vigilant to protect what has worked for us. And we'll continue to advocate for bipartisan fixes to the Affordable Care Act that many Governors, Democrats and Republicans, fought for last year.

"And we made an equally strong statement on women's health care when we pledged that regardless of the outcome in D.C., no woman in Massachusetts will be denied reproductive health care services.

"We have just six more months in this legislative session to work together on a long list of important initiatives.

"Let's start with the opioid epidemic. In 2015 Mayor Walsh and I testified on behalf of opioid addiction legislation which this body enacted several months later. Mr. Mayor thank you for your steadfast leadership on this issue.

"Recently Secretary Marylou Sudders and I testified in support of the CARE Act.

A follow up to that 2016 law.

"The CARE Act will provide a framework for community based aftercare addiction services, expand school-based education and broaden paths to treatment for people dealing with addiction.

"Since 2015, we've added over 1,100 treatment beds, increased state spending on addiction services by 60%, upgraded our prescription monitoring program, required medical, dental, nursing, social work and pharmacy schools to teach every student about opioid therapy and pain management, increased access to NARCAN, certified hundreds of sober homes, expanded school-based education and screening programs and created new pathways to treatment.

"Over the next five years we also plan to add 500 treatment beds and increase spending on addiction services by more than \$200 million.

"But everyone in this room knows we need to do more.

"Please move quickly to enact the CARE Act.

"In addition, we have to deal with Fentanyl.

"Fentanyl was present in less than 30% of overdose deaths in 2014 but was present in more than 80% of overdose deaths in 2017. Federal, state and local law enforcement agencies are working this issue hard. But we have more to do to drive this deadly drug off our streets.

"A bipartisan fentanyl bill that makes it easier to arrest and convict dealers and traffickers is in your hands. I ask you to enact it as soon as possible.

"We also have work to do to bolster behavioral health services. The budget we file tomorrow will include more than \$83 million in new funding for the Department of Mental Health to strengthen community based services for adults with serious mental illness. "In addition to integrating behavioral and physical healthcare these services will provide active outreach and engagement services, residential supports, clinical coverage 24 hours a day, 7 days a week and include peer and recovery coaches as part of the treatment team. We urge that you make this initiative part of your budget.

"As many of you know, we've significantly expanded our investments in workforce and affordable housing over the past three years. Investing hundreds of millions of dollars to create and preserve over 30,000 units of housing – often combining them with transit oriented development.

"But here too, we must do more. It has been decades since this state produced enough housing to keep up with demand. The result has been predictable. A limited supply creates overheated demand and rising prices.

"Young people, seniors, young, working and middle class families can't afford to rent or buy a home here in the Commonwealth.

"We filed legislation in 2017 that will make it possible to build more housing. Our goal is 135,000 new units of housing by 2025.

"We ask that this proposal be taken up soon because for too many people housing in the Commonwealth is unaffordable.

"To increase the take home pay for more than 400,000 working families we expanded the Earned Income Tax Credit in 2015. We're proposing another increase in the EITC in our budget which would result in a doubling of the credit. I look forward to signing that provision into law.

"We'll also include additional skill building funds for low-income workers. The funds will be targeted to job openings in each region so people can take the next step up the wage ladder. And we'll be filing an economic development bill in February, that will build on the success of the legislation that was signed into law in 2016.

"Thanks to the strength of our economy our welfare caseload has dropped by 25 percent. And our budget will include reforms that will help thousands more on public assistance find good jobs.

"Last spring, I appointed a Council to address aging. With a goal of making Massachusetts the most age-friendly state in the nation. The council has provided a platform to think beyond public programs and to draw on expertise in technology, health care, business and innovation.

"We're pleased to announce that AARP has formally designated Massachusetts as one of only two age-friendly states in the country.

"We'll also be increasing state support for the Councils on Aging in our 2019 budget to the highest level ever.

"Our discussions with the legislature and other interested parties about MassHealth have been helpful. And we believe our shared goals of quality care and long-term sustainability can be achieved.

"Finally, while our K-12 schools are the envy of the nation, we still have more to do to close the Opportunity Gap. An innovative program in Springfield to address this issue is producing impressive results for middle and high school students --- and deserves our attention.

"The Springfield Empowerment Zone gives teachers and administrators a chance to share decision-making on professional development, curriculum, budgets, the works. And it seems to be working for kids. I visited the schools three times and every time I came away full of optimism for all involved.

"Collaborative approaches like this one are working in Springfield. And can work in other struggling districts as well.

"Tammi Grimes and Evan Christner are teachers in the Empowerment Zone in Springfield. When I visited with them they told me this is a game changer – for them and for the kids they teach. They are here with us tonight.

"Thanks for joining us. And thanks for the work you and your colleagues do every day here in the Commonwealth.

"This is my fourth turn behind this podium. I know I speak for the Lieutenant Governor and for myself when I say that the opportunity to serve has been the honor of a lifetime for both of us.

"With this in mind, I want to close with a few thoughts on the responsibility we all share in serving our Commonwealth while in public office.

"I don't think I'm being too simplistic when I say we are all here to help people. We may differ about how we get that done, but we all share that goal. We want to create opportunities for people.

"To help them get a great education. To live in a great community. To get a great job. To live a long and healthy life. To believe in their own future and the future for their kids and their families.

"But we also want people to believe in their government.

"This requires among other things, that we commit ourselves to a common decency in our debate and in our dealings with one another and the public. "That doesn't mean we always have to agree. We won't. There are 200 members of this Legislature. Thousands of elected and appointed local officials. And millions of adults in this state who all have life experience and a point of view. Some of us will agree with each other most of the time. Some will agree some of the time. And some will never agree at all.

"That's okay. That's called 'democracy' and more often than not, it works.

"Finally, we should recognize and never forget why we have this precious chance to serve our fellow citizens.

"The most heart-wrenching responsibility I have as Governor is to meet a family at the airport as they stand silently waiting for the military casket of their loved one to come home. I always say the same thing. 'I am sorry to be here today --- and I know you are too. If I can do anything for you --- just ask.'

"And each time I've said those words, that parent, spouse, sibling responds with a heartfelt thank you.

"Think about that, in the midst of their immeasurable grief, they are kind and generous. Grace beyond compare.

"For generations, people put themselves in harm's way so the rest of us could create and nurture a democracy. A democracy based on a very simple concept 'Out of Many – One.'

"We owe every citizen our best efforts. But we owe those who have paid the ultimate price to keep us free something more.

"We owe them the humility to understand that what we do in this building is tied to something so much bigger than partial partial partial solution with the solution of the so "It's our job to create the cohesion envisioned by those who came before us. To move this state forward. To protect and fight for its interests and its people. And to never forget that we are the lucky ones.

"We live in a great state filled with creative, community minded, hard-working, decent people. And what they want from us is opportunity, possibility and hope.

"Not noise. Not name-calling. And not finger pointing.

"Progress on the things that help them help themselves.

"We've done great work with you on many important issues. But our work has just begun. We stand ready to do so much more. On housing. Economic development. Life sciences. Education. Criminal Justice. Community Building. Transportation. And Addiction.

"But most of all, we all gather here tonight as the grateful recipients of a profound opportunity to serve the great people of this great state. Let's make the most of it.

"God Bless This Commonwealth.

"God Bless the United States of America."

Respectfully submitted

Charles D. Baker, *Governor*