

EMBARGOED UNTIL DELIVERY

GOVERNOR DAN MCKEE'S 2024 STATE OF THE STATE ADDRESS

As Prepared for Delivery

Mr. Speaker, Mr. President, members of the legislature, Congressman Seth Magaziner, General Officers, Chief Justice and members of the Judiciary, municipal leaders, members of my cabinet, and my fellow Rhode Islanders who are watching at home (like my mom Willa) – good evening.

When I started thinking about this year's State of the State Address, I thought back to the first inaugural speech I made in March of 2021.

Rhode Island was in a time of significant change. We were faced with many challenges and what felt like endless unknowns. At that time, I asked my fellow Rhode Islanders to join me – to come together as one team – and meet that moment head on.

On that day, I shared something I used to tell the players I coached in basketball.

The team I coached was called the Rhode Island Shooting Stars. They were a group of young men from all different walks of life, family situations, and backgrounds – and no one thought they could succeed. They were underestimated as a team and as individuals.

But through hard work and dedication -- they did compete – and they did succeed. I'll have more to share about their success later.

But throughout the team's journey, I always reminded them: Good teams are built when talented individuals do their best. But the best teams, the very best teams, are built when talented individuals use their skills to help others do their very best.

When I became Governor, I believed that Rhode Island could be better than just a good team. I knew we could be one of the very best.

Over the last three years, we've risen to that challenge. We've shown that it's our turn.

That we can compete.

That we will compete.

And that if we work together, all we can do is succeed.

Tonight, I'm here to cheer on our home team and share our game plan for Rhode Island's future.

I have never been more confident that the State of our State is strong and getting stronger every single day because of the team that's doing the work in all 39 cities and towns.

And although I don't have as much time to be on the basketball court these days, I'm enjoying my new role as coach of Team Rhode Island.

And why wouldn't I be? Together, as one team, we've made so much progress over the last few years. Here's some quick hits from our record:

- We reached the lowest unemployment rate in Rhode Island history.
- 98% of our schools have improved attendance this year.
- 13,000 fewer students are chronically absent this year.
- We have a record number of jobs at Quonset.
- Our state's fiscal outlook was upgraded.
- We're ranked second best in the nation for young workers seeking a job.
- And, we're ranked in the top 10 best states for raising a family.

There's more work ahead – but tonight is about the people who are doing the work to make all this progress happen.

Last year, we set a challenge – for Rhode Island to reach Massachusetts student achievement levels by 2030.

We're doing this by improving 3 main areas: RICAS scores, student attendance, and FAFSA completion.

When we set that goal, I told a story about a painter who wanted to paint the perfect sunrise. Every day, the painter would get ready to start, then he'd think – this sunrise is beautiful – but maybe tomorrow will be better. Long story short, he never got it done.

Last year, I said: When it comes to improving Rhode Island's education system, we can't be like that painter. We can't wait. And the good news is – we haven't.

38 out of 39 cities and towns have joined this effort that we're calling Learn365RI – it's a commitment to prioritize learning in our communities.

A simple concept: Every home. Every day. Learning matters.

We've built a remarkable statewide team who's doing the work on education. And within our Administration, we have experienced staff leading the way:

- Education Commissioner Angélica Infante-Green, who was recently appointed by the Biden Administration to serve on their National Assessment Governing Board.
- Postsecondary Commissioner Shannon Gilkey, who has over 15 years of service in education, with 10 of those in higher ed.

- And Jeremy Chiappetta, our new Senior Advisor on education within my office who has firsthand experience as an educator, a principal, and a certified superintendent.

And they're not alone in this effort.

Last year, under the leadership of Bob Walsh, a nonprofit called Always Learning Rhode Island was formed to support our Learn365RI efforts. To date, they've raised over half a million dollars with the help of the local business community and civic leaders. I'm proud that my wife Susan – a retired teacher – is joining the team as an honorary chair of that board.

We know that students who attend school regularly perform, on average, about 20 points better on reading and math than those who are chronically absent – that's why attendance matters.

This school year, our work to dramatically improve attendance is already having a positive impact.

I want to recognize Alejandro, a second grader from Webster Elementary School in Providence, who is here with us tonight. In kindergarten and first grade, he was chronically absent – however, he turned things around and just received his first perfect attendance award. Alejandro, keep up the great work! Let's give him a round of applause.

And Bella is here tonight. She's a student at Nowell Academy. Because of circumstances beyond her control, last year, Bella was chronically absent. However, she made the commitment to improve her attendance and this year, she's on track and no longer chronically absent. Bella – Rhode Island is proud of you. Let's give her a round of applause.

With us tonight is Alondra, a senior at Central Falls High School and a member of our Chronic Absenteeism Working Group. She's dedicating her free time to help us create attendance solutions for students across our state. Thank you for stepping up in a big way! Let's give her a round of applause.

We're serious about improving RICAS scores and closing the gap between Rhode Island and Massachusetts by 2030. Rhode Island began to move the needle this year and we want to ensure that progress continues.

That's why my budget will propose \$15 million for math and English Language Arts coaching for students and professional development for teachers to help us meet the goal ahead of us. Let's get this done for our students!

When it comes to education – we are moving ahead as one team – with strong education leaders in the General Assembly like Representative Joe McNamara and Senators Sandra Cano and Val Lawson.

That team includes our municipal leaders, teachers, superintendents, principals, and local AFT and NEA union leaders like Frank Flynn and Mary Barden. Thank you for being on Team Rhode Island.

Now, we're asking all Rhode Island families – parents, grandparents, aunts and uncles to join our team and get in the game. Because: Every home. Every day. Learning matters.

This is my third State of the State as Governor, but my first as a grandfather. And while my granddaughter Mabel James isn't quite old enough to be here tonight, she reminds me of why I'm here – why we're all here. Because we all want to build a Rhode Island that's better for our kids, for our grandkids, for the next generation, and the one after that.

We want to ensure Rhode Island is the place they want to call home and a place they can afford to call home.

In last year's State of the State, we set a goal on education.

This year, we're going to set a goal to raise per capita income by a minimum of \$20,000 by the year 2030.

Just think – how much housing insecurity and food insecurity we could address as a state if we double down and work to raise per capita income across Rhode Island, helping every family.

And just like we did with our education goal – within the next 100 days, we will roll out a game plan for raising incomes with the help of Ernie Almonte, Executive Director of the League of Cities and Towns and Ed Tibaldi an economist and professor at Bryant University.

Later this week, I'll be submitting my budget to the General Assembly. The budget will prioritize programs and initiatives that will help raise the incomes of our fellow Rhode Islanders while controlling recurring costs.

We will continue the fiscal discipline we've had over the past two years – using one-time funds for one-time investments – and budgeting within our means – so we won't be forced to revise our budget and make disruptive midyear cuts.

Our budget will make key investments in education, small businesses, and Rhode Island's health care system without raising any broad-based taxes.

The good news is – we don't have to start from scratch.

Thanks to President Biden and our Congressional Delegation led by Senator Jack Reed – Rhode Island has secured an historic amount of federal funds.

Congressman Magaziner – on behalf of Rhode Island – thank you to you and your colleagues for securing these funds.

Our team put these dollars to work to create an unprecedented pipeline of projects that will put people into good-paying jobs and help raise incomes across our state – an impact that will be felt for decades to come.

In addition to creating good-paying jobs, we must ensure that Rhode Island is an affordable place to live. We must ensure that our young families can purchase their first homes and that our nurses, public safety workers, laborers and teachers can live in the communities they work in.

For far too long – Rhode Island has had one of the lowest housing production rates in the nation.

That’s why our Administration proposed – and I’m grateful that the General Assembly approved over a quarter billion-dollar investment in housing in 2022 and an additional \$71 million in housing in last year’s budget. In sum – since I’ve been Governor – we’ve allocated nearly half a billion dollars to housing.

And while building units doesn’t happen overnight, we continue to see signs of progress.

Under the leadership of Housing Secretary Stefan Pryor, we already have over 1,600 homes in the pipeline with more on the way. And thanks to our downpayment assistance program, we’re helping over 1,500 first time homebuyers, like the Cruz Family who are here tonight.

Juan and Emelin and their two sons moved into their first home in West Warwick last year using our down payment assistance program. I want to congratulate them on their new home and thank them for choosing Rhode Island. Let’s give them a round of applause.

In addition to the new housing tools passed last year, the budget I’ll propose will call for a \$100 million housing production bond on the ballot.

This would be the largest housing production bond in our state’s history.

And we’re going to ensure that – if approved by the voters – these dollars will create more inventory and help put young people on a path to homeownership in our state.

We know that homeownership is one of the top ways to build generational wealth.

Let’s get it done.

We know that states across the country are dealing with issues in their health care systems – hospitals are facing financial difficulties and shortages of primary care doctors are creating challenges for patients.

Under the leadership of Health and Human Services Secretary Rick Charest, our administration is dedicated to strengthening the state’s health care system.

And Rick is no stranger to this work. He is the former CEO of Landmark Medical Center where he led a significant turnaround, bringing the hospital out of receivership. And when I recruited him to state government, he immediately went to fix the longstanding challenges we inherited at

Eleanor Slater Hospital and made significant progress in improving patient safety and increasing staff morale.

The budget I proposed last year that the General Assembly passed, included new state directed payments to hospitals. These new payments, combined other changes, resulted in over \$110 million in new Medicaid funding to our state's hospitals.

The budget I'll propose this year will once again include this crucial funding.

Additionally, our budget will propose over \$135 million in investments to increase health care provider rates and support the behavioral health needs of Rhode Islanders. Some provider rates have not increased in over ten years.

We know how important Early Intervention is for our children and families. This crucial program promotes the development of infants and toddlers who have a developmental disability or delay.

In addition to the federal funding that we directed to Early Intervention providers to strengthen their workforce, the budget I'll propose to the General Assembly will fully fund the Early Intervention rate increases recommended by the Office of the Health Insurance Commissioner and EOHHS.

Finally, in collaboration with Secretary Charest, in the coming weeks, I'll be signing an executive order focused on improving Rhode Island's health care systems and planning work to ensure we have access to an efficient and effective health care delivery system aligned with our state's needs.

The working group created as part of this executive order will be comprised of members from my health cabinet with broad input from a wide array of stakeholders who will be ready to do the work.

Under the leadership of the Department of Health Director Dr. Bandy -- we're building a new State Health Lab. This public private partnership will also have much-needed wet lab space which will be essential to growing Rhode Island's life sciences industry.

For over a decade, Rhode Island leaders have stepped up to the microphone and talked about how Massachusetts is a leader in life science and that Rhode Island could be as well.

Instead of dreaming of that possibility -- thanks to the leadership of Speaker Shekarchi, we're making it a reality.

Our Administration worked with the Speaker and the General Assembly to propose a new quasi-public agency dedicated to our state's life science strategy and we included \$45 million in last year's budget to support this sector.

Neil Steinberg who will be leading our life science strategy is here with us tonight and I want to thank the Senate for confirming his appointment earlier this month. Neil, stand up.

Jobs in the life science sector are good-paying jobs usually commanding six figures. We want these jobs in Rhode Island to help raise per capita income.

To grow the talent pipeline and solidify Rhode Island as a life science leader, my budget will propose building a new life science school at the University of Rhode Island through a bond referendum. I'll be out across the state with URI President Marc Parlange rallying Rhode Islanders behind this important, income-raising initiative.

Thanks to Rhode Island College President Jack Warner teaming up with former Congressman Jim Langevin, we launched the first State Institute for Cybersecurity & Emerging Technologies at RIC.

Tonight, we're joined by Jillian Costello and Nygel Gomes – two students who are already enrolled in the institute and on a path to a good-paying job in this emerging industry. Jillian and Nygel please stand up – thank you for being a part of Team Rhode Island.

Cybersecurity is a rapidly growing field with thousands of unfilled positions. An "Information Security Analyst" is now ranked as one of the top 5 best jobs in the nation with a median salary of \$112,000. We want these jobs in Rhode Island to help raise per capita income.

The Cybersecurity Institute at RIC is equipping the next generation of cybersecurity professionals with the technical and business skills to meet the cybersecurity challenges of the 21st century.

To meet the potential that this field offers – I'm calling on us to take it to the next level.

Let's pass a first-of-its-kind cybersecurity bond to grow RIC's current cybersecurity program into a cybersecurity school of choice. And in 5 years – let's have 1,000 students enrolled in this school graduating 250 students a year with these degrees.

Raising incomes also means making sure our retirees can afford to stay in Rhode Island.

Right now, Treasurer James Diossa is spearheading a Pension Advisory Working Group to look at potential changes to our state's pension system.

We're also working with his office on legislation to create Secure Choice, a new voluntary retirement savings program.

While that work continues, let's act now to raise the threshold for taxable retirement income so our retirees can keep more money in their pockets. I'll be sending a budget proposal to the General Assembly to make this happen.

It's the right thing to do – let's get it done.

Rhode Island is the small business state. I know that, not only as Governor, but as a former small business owner.

That's why one of my top priorities is making Rhode Island a better place to do business.

But let's not forget what we've already accomplished with the General Assembly:

- We sped up and fully eliminated the car tax.
- We wiped out the tangible tax for 75 percent of Rhode Island businesses. Thank you, Senate President for your leadership on this.
- We eliminated the so-called "litter tax" on businesses.
- We delivered \$35 million in utility rate relief for families and businesses.
- We exempted the trade-in value of motorcycles from sales tax for the purchase of new motorcycles.
- We increased access to capital for small businesses.
- And altogether, we've provided tens of millions of dollars in tax relief to local businesses.

And we're not stopping there.

The budget I'll send to the General Assembly this week will keep that progress going.

I will call for reducing the corporate minimum tax from \$400 to \$350 – this tax impacts our state's smallest businesses the most. Let's give them more relief.

I'm targeting 6 annoying fees for elimination – including the redundant real estate broker and liquor manufacturing fees.

And we're also proposing funding to help more minority and women owned businesses get certified to qualify for state contracts.

Secretary Liz Tanner and her team at Commerce know that it's Rhode Island's turn to be a leader in small business friendliness. Together, we're not only making progress but we're going to get it done.

In addition to the budget I'll propose – I'm looking forward to working with the General Assembly on several key issues:

Finding common ground and reforming the Law Enforcement Officers' Bill of Rights, finding new ways to speed up housing production, and this year – let's finally pass an assault weapons ban in Rhode Island.

Now, I want to share some highlights from our state's economic hubs that are sustaining good-paying jobs and keeping our progress going.

We're making the biggest investment in the Port of Galilee in decades. Galilee isn't just the home of George's and Champlin's – the port is one of Rhode Island's economic and jobs powerhouses. In fact, Galilee is the 4th highest value fishing port on the East Coast and the 18th highest value port in the United States.

Department of Environmental Management Director Terry Gray is here tonight with Ryan Clark, President and CEO of The Town Dock a family business down in Galilee. The Town Dock is one of the leading calamari suppliers in the United States (Rep. McNamara, you'll like that). Their facilities are directly behind one of our upgrade projects, and we're glad to see them benefiting from the work. Ryan, thanks for all you do and for being on Team Rhode Island. Let's give him a round of applause.

Last year, we launched a new program through the Department of Transportation to help our cities and towns expedite repairs to local roads and bridges.

All 39 cities and towns participated and here are the results: 622 total projects representing 456 lane miles of road and nearly 24 miles of sidewalk.

As the State works to improve Rhode Island's infrastructure rankings, we want to provide support to our municipalities to do the same.

That's why my budget will call for an additional \$5 million so this program continues!

DOT Director Peter Alviti is here tonight along with our municipal leaders who stepped up in a big way to capitalize on this program.

And while we're talking about our transportation infrastructure – I want to take a minute to acknowledge the frustration that many Rhode Islanders experienced when we had to make the decision to quickly close part of the Washington Bridge as a public safety measure.

I know this impacted routines like getting to doctor's appointments and taking kids to school – so I want to once again thank Rhode Islanders for their patience and understanding.

We look forward to getting the Washington Bridge open as quickly as possible.

I want to thank the people at DOT who are doing the work to fix our roads and bridges – just take a drive on 295 – which we repaved for the first time in over 20 years.

With the first working offshore wind farm in the United States, we know that Rhode Island is an industry leader. But we're not stopping there – our second offshore wind project, Revolution Wind, is set to commence construction this year.

When construction is complete, Revolution Wind will power nearly 263,000 households at a rate of 9.8 cents per kilowatt for 20 years. This is an important step toward meeting our Act on Climate goals.

In order to get our offshore wind projects completed, we need the people doing the work.

A few of our offshore wind workers are here tonight and I want to thank them: Nicole Kent of IBEW Local 99, Nicholas Russo of Laborers Local 271 and Jennifer O'Dwyer of Ironworkers Local 37. I want to recognize them and everyone who is helping us continue our progress on offshore wind. Thank you all for being on Team Rhode Island. Let's give them a round of applause.

But we're not just building the infrastructure, we're also training the workers at the state's first offshore wind safety training center at the CCRI Flanagan Campus in Lincoln under the leadership of Interim President Dr. Rosemary Costigan. We want these jobs in Rhode Island to help raise per capita income.

In partnership with the General Assembly, we made a significant and smart investment in Quonset by directing \$60 million to the Port of Davisville.

As one of North America's Top 10 auto importers, more than 200,000 cars crossed the piers at Davisville last year, supporting more than 1,600 jobs.

We're going all in on boosting tourism and raising Rhode Island's national profile.

We doubled our investment in destination marketing and -- it's working.

Last year, our state had over 27 million visitors – an increase of more than 5 percent compared to the prior year.

We're proud to have many of those visitors flying into Rhode Island T.F. Green International Airport, ranked in the top 10 best airports in the world.

But that's not all – this year, Rhode Island became home of Good Burger 2, Hocus Pocus 2, and the Gilded Age.

And we're not stopping there. I'm excited about another new movie that's going to be filmed in Rhode Island this year. It's called Ella McCay – a story about a Lt. Governor who becomes a Governor. And while it's a familiar story – I've been assured that it's not about yours truly.

I want to thank Rhode Island Film and Television Office Director Steve Feinberg for doing the work to attract these blockbusters which help put Rhode Island on the map in a big way.

We made a little history this year when we moved the Independent Man from the top of the State House to undergo an historic repair and preservation effort. This was the first time in nearly 50 years – and only the second time in state history -- that Rhode Islanders could come see the man up close.

The Independent Man is a source of pride for Rhode Islanders. And so is this building. That's why we're executing a long overdue cleaning of the building's outer shell for the first time in 30 years.

I want to recognize Department of Administration Director Jonathan Womer and our team at the Division of Capital Asset Management and Maintenance for leading the charge on this effort. They're joined in the gallery tonight by some of the men and women who did the work to safely remove the Independent Man and clean this historic building. Please stand up. Let's give them a round of applause.

We're using this opportunity to invest in the People's House and preserve the Independent Man for generations of Rhode Islanders and visitors to enjoy.

And while we're at it, let's make Rhode Island's history a true attraction that brings thousands of tourists to our state every year. In partnership with Secretary of State Gregg Amore, let's build a new State Archive and History Center – a place to display our founding documents and important treasures.

My budget proposal will ask the General Assembly to put this on the 2024 ballot. It's our turn to capitalize on our history and have a place to document what Rhode Island's future holds.

And speaking of taking pride in our beautiful state, on behalf of First Lady Sue McKee who is here tonight – I want to encourage all Rhode Islanders to take our Litter Free Rhode Island pledge to keep our state clean. The budget I will submit to the General Assembly will include additional resources to make that happen. Visit LitterFree.RI.Gov to take the pledge.

Tonight, you heard the stories of people across Rhode Island who are doing the work – and there are thousands more just like them all across our state.

Team Rhode Island is filled with talented, dedicated players – both in and out of state government. I am inspired by these people every single day.

Earlier, I talked about how the very best teams are built when talented individuals use their skills to help others do their very best.

That basketball team I coached – the Rhode Island Shooting Stars – they were an example of a team who helped each other do their very best. In many ways, their story is Rhode Island's story too.

No one believed they could succeed, but they did: two state championships, four national championship invites, and so much more. And just like Rhode Island, they earned the respect they deserved. But what I'm most proud of is what they're achieving today as they're raising their families.

In 2024, Team Rhode Island will continue using our skills to make our state one of the very best in the nation. We will use our resources to put people to work in good-paying jobs on projects that will pay dividends for decades to come.

Rhode Island's days of being an underdog are over.

Never underestimate the power of a team that has each other's backs.

My fellow Rhode Islanders –

The State of the State is strong.

The future is bright.

And our very best, is well on the way!

Thank you and goodnight!