

**Governor Maggie Hassan
State of the State Address
As Prepared for Delivery
Thursday, February 4, 2016**

Mr. Speaker, Mr. Senate President, Madam Chief Justice, honorable members of the House, Senate and Executive Council, my fellow citizens:

I am honored to stand before you today to discuss our work together to set the foundation for a new generation of economic growth that will help build a stronger, more innovative New Hampshire.

I'd like to take a moment to recognize our extraordinary First Gentleman, my husband Tom. Tom and I are blessed with a strong and loving family – here today with us our son Ben, my mother Peggy, sister Franny and our family of the heart, Joyce and Liz. Our daughter Meg couldn't join us today, but I owe thanks to all of my family for their steadfast support and love.

This week, as our country's focus turns toward New Hampshire and our First In The Nation primary, Americans will see that the state of our state is strong – and getting stronger.

By partnering together over the past three years, and bringing the traditions of hard work, collaboration and bipartisan problem-solving back to Concord, we have come a long way since the depths of the recession.

Our unemployment rate continues to fall and is now 3.1 percent, which is the fourth-lowest in the country and the lowest level in nearly 15 years.

And for the third year in a row, New Hampshire was ranked as the strongest state in the Union based on more than a dozen measures of our economy, the safety of our communities, and our quality of life.

Our greatest strength is – and always has been – the citizens of New Hampshire. We combine a sense of community and independence unlike anywhere else, and it's that “all-hands-on-deck” spirit that keeps our state moving forward.

That spirit shines through in the brave men and women of the New Hampshire National Guard, who respond to emergencies and disasters while protecting our nation, both at home and abroad.

We can also see that spirit in all of our active duty servicemen and women, and our veterans, who have served bravely in defense of our freedom.

Today – and every day – we thank all of our service members, veterans and their families whose selfless sacrifices make the American Dream possible.

Thank you as well to all of our dedicated law enforcement officers, fire fighters and other first responders for all that you do to keep our communities safe.

Every single day, Granite Staters roll up their sleeves and work together to solve problems and improve our communities, setting a strong example for us here in Concord.

And following that lead, we continue to prove that we can bridge the political divide and accomplish great things together.

That started with enacting two fiscally responsible, bipartisan budgets – while holding the line against a sales or an income tax.

We came together and lowered taxes for small businesses, while protecting our ability to invest in critical economic priorities now and into the future.

Priorities like encouraging innovation, making college more affordable for all of our people, ensuring that hard-working Granite Staters have access to quality, affordable health care, combating the heroin and opioid crisis, and fixing our roads and bridges.

We put our state's financial house in order, working across party lines to end expensive lawsuits that threatened our long-term financial outlook and our bond rating.

Thanks to a strong economy and careful management of our state budget, we finished Fiscal Year 2015 with a 62 million dollar surplus – doubling our Rainy Day Fund to its highest level since Fiscal Year 2009.

This would not have been possible without our dedicated public servants, who continue to do more with less. Thank you to our commissioners, and to all of our hard-working state employees, for your service to the people of New Hampshire.

We have made real bipartisan progress to set the foundation for a new generation of innovative economic growth. But our work to keep New Hampshire moving forward must never cease.

While our state's economy remains ahead of the curve, the American economy has fundamentally changed.

It is critical that we equip our people to adapt to this changing economy so that we can build a future where everyone has the opportunity to get ahead and stay ahead.

A future where New Hampshire's innovative companies can create more high-quality, 21st century jobs that will support a thriving middle class.

And a future where our vibrant communities remain destinations for families, visitors and young people.

We know that our people, our families and our businesses cannot grow and thrive without safe communities. And that is why the first and foremost responsibility of government is keeping our citizens safe.

Thanks to our remarkable public safety officials, we are one of the safest states in the nation.

But we all know that the heroin and opioid crisis remains the most pressing public health and public safety issue facing our state.

Last year alone, more than 400 Granite Staters died from a drug overdose, with the majority of those deaths caused by fentanyl, heroin or another opioid.

And thousands more overdosed, their lives saved only by the quick action of first responders, medical providers or family and friends.

Drug overdoses are now the second-most common cause of death in New Hampshire. Today, more Granite Staters are killed by overdoses than by diabetes, breast cancer or motor vehicle accidents.

We all recognize the serious threat that substance abuse poses to our people and to our high quality of life, and we have been working together to strengthen our efforts to combat this crisis.

I applaud the Joint Legislative Task Force on the Heroin and Opioid Epidemic for its hard work. And I commend members of both parties for quickly acting last month to send bipartisan legislation to my desk.

Thanks to that swift action, we are cracking down on fentanyl, streamlining access to treatment and strengthening our prescription drug monitoring program.

But we know that this fight is far from over.

We must be constant and focused in our work to strengthen these efforts, and to give patients, providers, families, educators and law enforcement better tools to combat this horrible epidemic.

Combating the scourge of addiction requires us at times to change the way we have always done things, at a quicker pace than is sometimes comfortable.

And it also requires additional resources and dollars. While some may say that we can't afford to take steps that require additional funding, I believe that we can't afford not to.

Our economy continues to strengthen, and revenues are already more than 40 million dollars above projections this fiscal year. We can afford to address this challenge – and we must.

There remains broad, bipartisan consensus around many of the other items that I proposed in November.

And I thank the Senate for passing many of these measures this morning.

That includes providing additional support to law enforcement in our hardest-hit communities.

We have allocated funding for the State Police to assist the Manchester Police Department’s “Operation Granite Hammer” in seizing illicit drugs and arresting street-level dealers.

With Chief Willard’s leadership, Manchester has seen great success with this initiative – and we remain profoundly grateful for law enforcement’s leadership and dedication.

But Manchester is not alone in facing these challenges. We need to expand this effort to support local law enforcement across the entire state.

While we must continue supporting law enforcement on the front lines, every police chief I have spoken with makes it clear that we can’t arrest our way out of this problem. Strengthening our prevention, treatment and recovery efforts and removing the stigma of addiction remain critical parts of a comprehensive approach.

To help prevent addiction in the first place, we are working with local school districts to help our young people understand the dangers of substance abuse. Both chambers have passed legislation to build on those efforts, and we will continue working to strengthen youth prevention programs.

We also know that this epidemic stems in part from the overuse, misuse and abuse of addictive prescription opioids, so we are working to improve provider training and prevent the overprescribing of opioids.

We have started a series of nationally recognized provider trainings, and in the last several months, the boards of medicine, nursing and dental examiners have set a strong example by adopting emergency rules on the prescribing of opioids.

Now, we must build on this example by requiring the boards governing all prescribers to adopt updated, permanent rules, this year.

We must also ensure that providers have the tools they need to turn these trainings and rules into action. That includes upgrading technology to strengthen our prescription drug monitoring program and to ensure that more prescribers can use it in a timely fashion.

And while our work to increase the safe and effective use of Narcan has saved lives, Narcan is not a cure. Addiction is a disease, and we must ensure that those afflicted with addiction can access services to treat this illness, just as we would for any other chronic condition.

That means strengthening support for the Governor's Commission on Alcohol and Drug Abuse Prevention, Treatment and Recovery and empowering first responders to connect those who they treat for an overdose with ongoing support from counselors.

Across the state, those in recovery and families who have lost loved ones have shared their stories, inspiring us with their bravery and making a profound difference in the lives of countless others battling addiction. To support them, we must ensure that New Hampshire citizens have access to immediate treatment and a robust, long-term recovery system.

There is also broad consensus that we should expand existing drug courts and establish new drug courts across the state to help prevent people from slipping back into addiction and crime.

But drug courts can only work if they are backed by increased treatment capacity.

While we have revised licensing requirements to make it easier for providers to open treatment facilities, New Hampshire has for too long lagged behind other states for treatment capacity.

That is one of the many reasons why we must reauthorize the bipartisan New Hampshire Health Protection Program without delay.

Already, thousands of Granite Staters have accessed substance abuse and behavioral health services through our bipartisan expansion plan. And experts have said that reauthorizing expansion is essential to increasing treatment capacity in New Hampshire.

We also know that reauthorizing expansion is critical to the health and well-being of all of our citizens, our businesses, and our economy.

Just ask Damber, from Manchester, whose lack of insurance almost kept her from completing her nursing program at Plymouth State. Thanks to expansion, she received coverage and was able to continue pursuing her dream of becoming a nurse.

Or ask Deborah and her husband Damon, from Conway, who own a small snow and tree removal business.

They could not afford insurance for the 17 years before the New Hampshire Health Protection Program began. Thanks to coverage under expansion, Deborah received her

first physical in nearly 20 years, and a doctor found and treated a number of health issues that would have increasingly threatened her ability to work.

And Damon now has the peace of mind that comes with health insurance as he confronts the physically demanding tasks that come with their business.

Thousands of our friends and neighbors have similar stories. More than 46,000 hard-working Granite Staters now have the health and financial security that comes with quality, affordable health coverage thanks to our bipartisan expansion plan.

Since expansion began, hospitals have seen a significant decline in inpatient, outpatient and emergency room visits by uninsured Granite Staters.

That means our hospitals now provide less uncompensated care, reducing the shifting of healthcare costs onto all of our people and businesses.

The state has also seen an increase in revenues from the insurance premium tax, and we are beginning to see cost-savings elsewhere thanks to preventive and primary care and other benefits covered by expansion. Combined, these measures are expected to save taxpayers a total of 29 million dollars in avoided costs over the next biennium.

With the expansion population now on private insurance through our premium assistance program, we are helping retain competition in our insurance marketplace, competition that will strengthen options and affordability for all Granite Staters.

It's clear that the New Hampshire Health Protection Program is making a real difference for our people and boosting our economy, and we must re-authorize it now.

As we continue our work to keep our communities healthy and to combat the heroin and opioid crisis facing our state, we must also confront other threats to the safety and well-being of our people.

From the evolving and unique threats posed by the likes of ISIS and other terrorist organizations, to the increasing acts of gun violence and mass shootings across the country, we must continue to be vigilant in our efforts to keep our communities safe and secure.

This includes our ongoing work to expand our Information and Analysis Center, enhance safety plans at our public schools, institute active shooter trainings for police departments across the state, and strengthen cyber security.

And it has never been more important than it is now for New Hampshire to continue our strong practice of unified training and community policing.

The Police Standards and Training Council helps prepare our dedicated officers for the challenges and dangers that they face every day. And right now, the council is facing a funding crisis.

We cannot let down our dedicated and brave law enforcement officers or the people they protect. We must maintain our commitment to public safety and pass legislation that adequately funds police training.

It is also our responsibility to ensure a safe environment for children, and in the rare instances where their families harm them, we must protect them.

In preparation for an independent, expert review of New Hampshire's child protective services at the Division of Children Youth and Families, the Department of Justice is partnering with DCYF to provide training so that case workers can better identify potential crimes when evaluating cases of abuse and neglect.

In addition, the Legislative Commission to Review Child Abuse Fatalities has recommended legislation to strengthen child abuse investigations – legislation that I stand ready to sign.

Our safe and healthy communities are the foundation of our state, and one of the reasons that New Hampshire is such a great place to live and to raise a family.

And to maintain our high quality of life, we must continue working to advance other critical priorities that support economic growth and help innovative businesses create jobs - the kind of jobs that will strengthen and grow our middle class.

We need to ensure that our workforce has a deep pool of highly skilled workers to meet the needs of our innovative businesses.

We need a solid, modern transportation infrastructure and a more affordable energy future in order for our economy to thrive.

And our small, nimble state government must remain responsive to the needs of the business community to support economic development.

When I visit businesses across the state, they continue to tell me that a strong, highly educated workforce remains their number-one need.

A strong workforce begins with a strong education at all levels – from early childhood, to our K-12 system, to higher education.

A high school degree is rarely enough for jobs in the changing economy, and our people need access to affordable higher education in order to climb the ladder of opportunity.

We have made important progress to hold down the cost of higher education. We froze in-state tuition at our university system for the first time in 25 years. And we lowered tuition at our community colleges.

A new partnership is bringing state and local government together with the education community and other stakeholders to work toward a new 65 by 25 goal – ensuring that 65 percent of New Hampshire’s population holds a postsecondary credential or degree by 2025.

That goal is achievable – but only if everyone in this room continues working together to make higher education more attainable for all Granite Staters.

We must also continue working to prepare our students at the K-12 level for higher education and the challenges of the changing economy.

That is why together, we increased math requirements for our students and building on the efforts of our STEM Task Force, we are developing stronger science standards for our K-12 public schools, developing new options for math classes and integrating coding into our curriculum for a 21st-century education.

Across the country, New Hampshire is recognized as a leader in competency-based education. Through our PACE pilot program, seven school districts and one charter school are now reducing the level of standardized testing in favor of more locally managed assessments that are integrated into the student’s day-to-day work – a model that is expanding nationally based on our success.

But in order to ensure that our schools can continue to be innovators in public education, we must meet our financial commitment to all of our students by fully funding adequacy this year.

It’s also critical that we continue to focus on early childhood education, which is a fundamental aspect of long-term success. Spark New Hampshire has outlined a framework to ensure that our state’s children have the opportunity that they deserve to live healthy lives, receive a high-quality education, and experience economic stability at home.

And to build on those efforts, we must also continue working to make full-day kindergarten a reality statewide.

But as we educate our young people and build the highly skilled workforce of the future, innovative businesses looking to grow here in New Hampshire need more workers now. We have an opportunity to better use the talent of our own people right here in New Hampshire, helping our businesses thrive while closing the opportunity gap for New Hampshire’s children and families.

We are proud that New Hampshire's child poverty rate is among the lowest in the nation, but no child should live in poverty.

And the best indicator of the long-term success of a child is the success of his or her parents. Children whose parents are able to work their way into the middle class are themselves more likely to stay in the middle class.

The successful New Hampshire Working program is helping people stay at work, return to work and get ready to work.

And today I am announcing a new plan – Gateway to Work – that complements New Hampshire Working to help develop and expand our workforce as our economy continues to strengthen, while at the same time closing the opportunity gap for our families.

As with New Hampshire Working, Gateway to Work repurposes existing federal funds to help Granite Staters succeed in the workforce. With this new initiative, we have the opportunity to help those on the New Hampshire Health Protection Program or other state programs move into jobs that pay sustainable wages – lessening their need for public assistance.

Through Gateway to Work, we will strengthen job training, create new apprenticeship opportunities, help remove the barriers that cause too many of our citizens to fail in the workplace, and help our young people get a leg up on their futures.

First, we know that many good-paying jobs at innovative employers like Dartmouth-Hitchcock, Albany/Safran and Dyn require more than a high school education.

So we will establish a partnership between the community college system and the business community to create apprenticeship programs in high-need areas such as advanced manufacturing, information technology networking, and health care. These are solid, good-paying career pathways that will help expand our middle class.

Second, while businesses need workers, they are often reluctant to risk the investment of time and money that comes from hiring someone who may require additional training or who lacks reliable access to child care and transportation.

We will help overcome such obstacles for workers and businesses by providing employers with job-training grants and salary support for eligible workers for six weeks. This will help ensure that workers can get a fair shot at a new career, while providing businesses with the workforce that they need to grow and thrive.

Third, we also know that there are individuals who face significant barriers to joining the workforce.

Goodwill of Northern New England and Families in Transition have begun a pilot project in Manchester to help individuals served by the Temporary Assistance to Needy Families program overcome barriers and enter the workforce.

We will partner with these non-profits and other organizations willing to address this challenge through efforts such as increasing case management, eliminating child care co-pays for TANF clients and expanding in-home visitation to work with more at-risk parents. Each of these steps will help these individuals enter and stay in the workforce.

Finally, because work experience as a young person can help ensure success in school and in the workforce later in life, we will strengthen our efforts to prepare at-risk youth for the workplace.

We will expand after-school and summer youth employment programs for young people, including apprenticeships and on-the-job training. And we will create a pilot program that will allow counselors to work with at-risk middle schoolers to develop education and career plans.

Through Gateway to Work, we can provide more of the workers our businesses need to thrive. And we can help give more of our families the opportunity to work their way to self-sufficiency and into the middle class.

This effort will also help address the healthcare workforce shortage in fields from direct care workers to pediatric nurses to psychologists. But we must do more.

In our bipartisan budget, we provided resources to the Department of Health and Human Services to examine healthcare workforce shortage issues. And I will be appointing a Task Force to work with the department on that effort and to bring forward creative solutions.

From those who experience disabilities to New Hampshire's seniors, addressing this shortage will allow more Granite Staters to stay at home and live independently.

But to help ensure that all of our workers are able to succeed and fully support their families, we must finally restore and increase the minimum wage in New Hampshire.

As we invest in giving families the opportunity to work their way to a better future, we know that the success of both our established businesses and new start-ups also depends on our efforts to continue strengthening our transportation infrastructure.

Innovative public-private partnerships like Pettengill Road in Londonderry are attracting job-creating businesses to the Granite State, and the Ten-Year Transportation Plan is the next step in our work to strengthen our infrastructure.

I have put forward a ten-year plan that advances critical transportation goals while maintaining fiscal responsibility and living within our projected revenues.

It is a plan to preserve and fix our bridges. A plan to preserve good roads now in order to avoid more expensive projects later. A plan that begins the first phase of widening the portion of Route 106 critical for access to the New Hampshire Motor Speedway, and a plan that completes the expansion of Interstate 93.

It advances and accelerates the Exit 4A project in Londonderry and Derry, which represents one of the most promising economic development opportunities in the state.

And it leverages federal funds for the environmental and engineering work necessary to move forward with commuter rail from Boston to Nashua and Manchester.

Each of these critical transportation projects will help set the foundation for long-term economic growth, and we must pass a Ten-Year Plan that supports these important priorities.

As we work to strengthen our transportation infrastructure, we also recognize that high energy costs remain a burden on people and businesses across our region.

We must strengthen our energy infrastructure and diversify our energy resources to reduce costs for our families and businesses, to create jobs, and to reach a more reliable clean-energy future.

As large-scale energy projects are considered, we must work to ensure that any proposed project will deliver real benefits to our ratepayers, while incorporating local viewpoints and protecting our communities and our natural resources.

And we must continue to be a leader in promoting clean air and combating climate change, which threatens our economic future and the health of our citizens.

Throughout our efforts, we must never take our eyes off the imperative of building a cleaner and more sustainable energy future.

Thanks to initiatives like RGGI, our Renewable Portfolio Standard and our long-term energy strategy, our growing clean energy sector recently ranked New Hampshire as one of the top five states for renewable energy.

In recent years, New Hampshire's families and businesses have invested millions of dollars in our local economy by installing solar arrays and other renewable generation facilities, decreasing the need for new transmission projects in the future.

This makes our families and businesses, and our entire state, more energy independent. It also benefits our local economy. A New Hampshire Cleantech Council report estimated that fifteen to twenty thousand New Hampshire workers are now employed by the clean tech industry, at wages significantly higher than the state's average annual wage.

Because of our clean energy sector's success, we are now at the statutory limit on net metering, which is a critical tool for individuals and businesses to be compensated for the energy they provide to the electric grid and to other customers.

We must continue our clean energy progress, and I support the efforts from members of both parties to lift the cap on net metering.

Supporting our emerging clean energy sector is critical to protecting the natural beauty that makes New Hampshire a special place to live, work, visit and raise a family.

But we must also step up efforts to ensure clean water for future generations.

As we prepare for the final decision in the MtBE case, we must have a plan ready for the funds if the previous decisions stand. That is why we should create a trust fund to ensure that these dollars are used for their intended purpose – removing MtBE contamination and ensuring that all Granite Staters have access to clean drinking water now and into the future.

We know that transportation, affordable energy, and clean air and water are critical to a thriving economy, but we also know that there is more we must do to support our job-creating businesses.

We have worked to support economic development opportunities in every corner of our state. That includes working across party lines to help move forward the redevelopment of the Balsams in the North Country – a bold vision that has the potential to revitalize the North Country's economy and have a ripple effect across the entire state.

This process involved relevant state agencies and the legislature acting quickly, showing just how nimble our small state government can be. Such responsiveness is a leading economic advantage for our state.

New Hampshire was also ranked as the fifth-best state for entrepreneurship, and we must continue to build on this progress.

Through Live Free and Start, we are bringing together business leaders and entrepreneurs to make it easier for innovative companies to start up and grow. We have worked to modernize our securities regulations, ease the process for registering a business, and connect our start-up community with angel investors in order to increase access to capital.

And Live Free and Start will continue working to help innovation-based businesses start, connect and succeed in New Hampshire.

Each of these individual efforts – from combating the heroin and opioid crisis and reauthorizing the New Hampshire Health Protection Program, to workforce development

and supporting innovative businesses, to reducing energy costs and protecting our environment – are fundamental to our shared economic success.

We've come a long way from the depths of the recession – working together to address the priorities that are critical to supporting our vibrant communities, encouraging a thriving economy with a strong middle class, and maintaining the high quality of life that we are known for in New Hampshire.

But our work to advance these priorities must continue if we are to help our citizens adapt to the changing economy and build a stronger, more innovative New Hampshire. A New Hampshire where all of our people and businesses have a fair shot to get ahead and stay ahead.

These are the priorities that I have fought for since becoming Governor, and these are the priorities I will continue working on with Republicans, Democrats and Independents now and into the future.

This week – more than ever – the eyes of our nation are upon New Hampshire.

As the spotlight turns toward our state, Americans will see the vibrant and robust citizen-led democracy that makes New Hampshire the perfect place to host the nation's first presidential primary.

They will also see a place where we make government work for our people and our businesses.

A place where we embrace individualism and community like nowhere else.

A place where we overcome our political differences, move past the inevitable arguments, and come together to make progress for our people, our communities and our economy.

And a place where we are facing the challenges of a changing economy head on, keeping our communities safe and secure, and working together to help our families and businesses adapt and thrive.

I look forward to continuing that important work with all of you.

Thank you.

