



## 2022 NH STATE OF THE STATE *Remarks as Prepared*

Good morning – thank you Mr. Speaker, Mr. Senate President, honorable members of the House, the Senate, the Executive Council, and of course, Chief Justice MacDonald – and to our fellow citizens tuning in remotely today, WELCOME

This State of the State marks the first time we’ve come together—in person since COVID arrived 2 years ago.

Since then, we’ve tragically lost over 2,300 Granite Staters to this awful virus and our hearts go out to their families.

COVID has been extremely tough. But the state of New Hampshire is strong. It is resilient, and we are putting systems and policies in place that don’t just make us like everyone else, but truly separate us from the pack and capitalize on all our potential.

So, let’s jump right into an update on how the state is doing, the opportunities we have and where we can go.

Let’s start with some really good news:

- Today The Granite State is ranked as the Freest State in the Nation
- We have the Strongest economy and the fastest population growth in the northeast.
- We are Number One in America for Public Safety
- First in Economic Freedom
- and we continue to have Lowest Poverty Rate in in the country with some of the highest average wages for our citizens.

Ranking after ranking shows what we here in New Hampshire have long known – the Granite State is the place to be and America is taking notice.

Our way of life here in the 603 is the best of the best.

We didn’t get here by accident — we did it through smart management, prioritizing individuals over government, citizens over systems, and delivering results with the immense responsibility of properly managing our citizens tax dollars.



**As other states were forced to buckle down and weather the storm, we took a more proactive approach in 2021. In just the last year, we:**

- Cut the statewide property tax by \$100 million to provide relief to NH taxpayers
- Cut the rooms and meals tax
- Cut business taxes — again
- Began permanently phasing out the Interest & Dividends tax

And while we heard scary stories of how cutting taxes and returning such large amounts of money to citizens and towns would ‘cost too much’, the actual results have played out exactly as we planned, record tax revenue pouring into NH exceeding all surplus estimates, allowing us to double the State’s Rainy Day Fund to over \$250 Million.

A few years ago, we would get excited over \$25M in surplus and yet this next year we now estimate that we will see 10 times that amount allowing for overdue investments in the state’s infrastructure without additional burden on our citizens

Along with the state, Local Governments have unprecedented amounts of additional financial opportunity as well.

Federal Support has created \$600 million in additional education funding.

Then you add another \$250 million in general Federal support to every city, town and county in the state through ARPA funds.

When you add all that up with the \$100 Million of property tax relief and don’t forget that thanks to Senator Denise Ricciardi and her colleagues in the legislature that 45% MORE in meals and room tax revenue is coming to your towns, not just this year but every year.

That’s an incredible amount of money to offset costs in your towns.

So instead of downshifting costs, we downshifted cash, giving cities and towns extra flexibility — a win for our citizens.

Because of these investments, many towns are using this increased financial opportunity to lower local property taxes, which everyone loves to see.

I’m here to tell you – if your town isn’t lowering taxes for some reason, town meeting day is in less than a month, so go out, make your voice heard, and work with your local town officials to help make it happen. Now’s the time to do it.



Last year, our nation continued to grapple with COVID — the pandemic strained our health care system and tested us like never before.

While other states were seemingly caught flat footed just reacting to the surge, we took a forward-looking approach and prepared for what we knew would be a tough winter. We knew that the government couldn't SOLVE Covid, but we came together, cut red tape, and flexed open our health care system to meet our citizen's needs.

**Over the last year, New Hampshire:**

- Was the fastest with the initial vaccine roll-out for citizens which meant
- NH was the first state to open the vaccine up to everyone who wanted it.
- We Delivered over 1.5 million free rapid tests to households across the state
- Kept Schools Open with children safely in the classroom.
- Built out internal surge centers at our hospitals
- cut red tape to fast-track licensing of hundreds of nurses in just a few weeks
- Strategically deployed federal dollars to support our health care and long-term care providers
- And when it came to the mixed messaging and mismanagement of the Federal Government, we stood up for our citizens and held Washington accountable for their illegal mandates.

New Hampshire has consistently ranked among the safest states in the country for COVID — now having one of the lowest hospitalization rates in America — and we did it without sacrificing the freedoms we hold dear.

- We kept businesses open
- We stopped the federal vaccine mandates
- We let individuals, businesses, and communities decide what worked best of them

But we also didn't go to extremes and tell small businesses who they could hire or fire. We know it's not right to infringe on those businesses' rights and it's not what Live Free or Die is all about.

We used a team approach and let local solutions drive our strategy.

We listened to our citizens and took every question because it is our responsibility to inform our citizens.



The nation has taken notice of the success we've achieved here in New Hampshire - and that's thanks to the citizens of this great state.

- You heeded the advice of public health experts
- You craft the guidance that kept our economy open
- You cared for your neighbors, and
- You took on each day with the resiliency known only by Granite Staters.

For all of that, we Thank You.

Now we're moving forward as a state with the mindset that COVID may be here for quite some time — and we can manage.

We can turn our 'New Normal' back to 'Old Normal'.

The Pandemic of 2022 is not like March of 2020 because we have so many more tools in our toolbox. We have the vaccines, we have boosters, we have at-home tests. We know so much more, and we will continue to let data and science guide our approach — just as we have from Day One.

But none of this would have been successful were it not for the dedicated, hardworking, and lifesaving **Healthcare Workers** on the front lines. And the men and women of our **National Guard**. These are New Hampshire's heroes that have worked nonstop through the pandemic, and it is because of them that we stand here today and say: THANK YOU! Because of our strength, our resilience, and Granite State innovation, we continue to grab the attention of those in Washington, D.C. and in state capitols across the country.

And unlike those in Washington, D.C., when we say we're going to do something, we do it.

I think we can all agree that its long time coming that politicians in Washington take a page out of New Hampshire's playbook.

We lay out policy goals and go after it.

Instead of partisan bickering and perpetual gridlock, we deliver results.

Complacency isn't in our DNA — and it's not who we are as Granite Staters.

State are the ones leading the management of today's challenges. The states are the laboratory for democracy — and thanks to a no-nonsense approach we design flexible programs to meet the needs of the 603.

We had a great year last year — but there is still more work to be done.



Last year when I delivered my inaugural address, I asked everyone to come together to find a more positive path so that we might head into the new year united. Understanding that we may disagree on policy or politics, which is OK, but we needed to enter the new year united as citizens with the responsibility to uplift our communities for positive change. Because I knew that when you break through the ugly political divide that we see eating away at the rest of the country, we could get some amazing things done.

**Last year, in my speech, I called for:**

**Passing paid family medical leave — without an income tax.**

- The result is that this year New Hampshire is developing the most innovative paid family medical leave program in America — one that is truly voluntary and funded **without** an income tax.

**Last year we fought to Expand Educational Opportunities for students and families**

- This year, for the first time in state history, a child’s zip code or family income no longer dictates their educational options, with **Education Freedom Savings Accounts** New Hampshire is providing opportunities to thousands of families across our state with nothing but positive results.

**Last year I prioritized cutting taxes and attracting businesses**

- Thanks to this legislature, **we cut taxes, and then cut more taxes** - New Hampshire has one of the lowest tax burdens in the country, putting more money back into the pockets of families and small businesses — all while continuing robust services under a fair and balanced budget. The result is businesses pouring into New Hampshire, growing sustainably, and creating the **biggest** budget surplus in the state’s history. **TAX CUTS WORK, SO LET’S DO IT AGAIN!**
- And remember back in 2016 when New Hampshire had some of the highest health care costs in America? Well, we challenged ourselves to change that. This year we redesigned our state-level policies with families in mind. And today in New Hampshire, benchmark health insurance premiums are the lowest in New England, and below the national average.



And when it comes to mental health, we continued to face that challenge head on.

When I came into office, the State had a mental health system that was fragmented. It was designed by bureaucrats and didn't work for families. We called it the unspoken crisis of our time, which has only been exacerbated by the COVID pandemic.

It was no accident that when we needed a new Commissioner of Health and Human Services that I chose a nurse who had worked her way up through long term care and later ran New Hampshire Hospital. We have all gotten to know Commissioner Shbinette and have worked with her and her team to dramatically transform the entire mental health system.

As we came through last year's Covid Emergency Order I immediately issued an Executive Order calling for direct action to ensure individuals in mental health crisis receive timely and appropriate medical care.

A key piece of the transformation effort is to increase capacity in community-based services. This means providing access to mental health care for children and families before they find themselves in crisis, reducing the need for Emergency Room visits.

- As many know, we recently signed a purchase agreement to buy Hampstead Hospital — this is a transformational investment to provide dedicated services to New Hampshire's kids who need and deserve access to high quality mental health providers.
- Last month, we doubled down on our Emergency On-Demand access to mental health. When you're in crisis, you don't have time to wait. There is now mobile crisis support and a 24/7 crisis call center.
- Over the last year we invested millions to promote youth activities outside the classroom and provided access to mental health supports through summer camps and in our schools through social and emotional learning.
- And I am calling on the House and Senate today to continue the progress we've made in bolstering mental health services by passing SB 234 — which would require every student ID card in New Hampshire to have the phone number of the National Suicide Prevention Lifeline. Easy access to this 24-Emergency service for every family — It's so simple, cost nothing, but will undoubtedly save lives.



- And we're not done. In the next few weeks, the Commissioner and I will be bringing forward a historic opportunity for a public-private partnership that will for the first time provide New Hampshire with an adequate number of crisis beds for those most in need. And at the same time allow us to attract the best and most specialized mental health workforce around.
- Let's get this done!

Just a few years ago, alongside the Mental health crisis, New Hampshire was seeing drug related deaths continue to skyrocket –from 2013-2017 our drug related deaths doubled.

When I became Governor, we said Enough is Enough and instead of just pumping more money into a failing system with little accountability we took the challenge head on and built a new system of care.

The Doorways:

A system that didn't just focus on 28 days of treatment, but one that actually integrated all of the wrap around services critical for long term success of the individual.

Treatment – Recovery - Transitional Housing- Recovery Friendly Workplaces – Harm Reduction - Prevention – All of it working together for the first time, many services now being offered 24/7

Where you need them – when you need them.

Thanks to The Doorway and the incredible men and women that support it, in 2021 New Hampshire became one of the only states in America where overdose deaths did not increase.

In fact, over the last two years, we've reduced drug overdose deaths by more than 10% - while the national statistics have risen 50%

Here in New Hampshire we are bucking the trend.

We have not won this battle — far from it, but with the tools and resources we've deployed, citizens can rest assured that we are leaving no stone unturned in our battle against addiction.

We are making strides with mental health and opioid addiction, but people always ask where we are on connectivity and infrastructure.



During Covid, we brought broadband to over 4,500 hard-to-reach households creating connectivity to areas often forgotten across the state. And over the next 2 years, we are going to be one of the first states in the country to extend broadband to tens of thousands of more.

We made investments to address PFAS contamination in our water systems. PFAS is one of the biggest Environmental Concerns this state has ever faced and with the leadership and help of Senator Chuck Morse, we allocated \$150M to fund water infrastructure projects to ensure when you turn on your faucet — you know the water in your cup is safe to drink.

Unfortunately, we see Washington continue to ignore the nationwide inflation crisis that has led to skyrocketing energy costs. This affects Granite Staters at the gas pump, on their electric bills, and when they heat their homes. Increasing costs hurt our job creators, our families, and our seniors on fixed incomes.

What we have seen over the past year only reinforces my philosophy on energy during my time in office: That first and foremost, we have to prioritize our ratepayers and make sure our policy decisions do not overly burden them. When possible, we must strive for New Hampshire solutions that are innovative and responsible.

This methodical way of addressing energy policy pays dividends: According to data from the Federal Department of Energy, over the last 5 years, Massachusetts residential ratepayers have seen over double the increase in electricity rates than New Hampshire households have.

Said another way, if New Hampshire had followed Massachusetts's lead New Hampshire families and seniors on fixed incomes would have paid an additional \$100 Million dollars A YEAR just to turn on the lights.

You see, we no longer just say yes to every energy project that comes across our desk just because the lobbyists or special interests wants the funding. That's lazy, it's political, and it costs New Hampshire families a fortune.

We can be smarter.

Just last year, we established the Department of Energy and Funded the Office of Offshore Wind Industry Development for the First time in history to signal we can move forward in a responsible way.

Clean, reliable, and affordable offshore wind energy will be a reality for New Hampshire. You might not be able to see it way out there, but we'll all benefit from it!





And let's not forget our big win in net metering. It took a couple years to find the right balance, but we passed a bipartisan bill that did things the New Hampshire way. Protecting ratepayers, advancing clean energy, and helping cities and towns choose **their** energy future. I was proud to work with Representative Vose and Senator Avard and all the legislators that got this done.  
Thank you!

A few years ago, I stood before you and said those of us that are born in New Hampshire are lucky, and those of us who move here are smart. Well, it appears we have a whole lot of smart people moving to New Hampshire.

Families looking for low taxes, good schools, a sense of community, and beautiful lakes, mountains, and forests are moving here in droves – and at a faster clip than anywhere else in the Northeast.

Which presents both opportunities and challenges. One of our biggest challenges is the availability of housing for our working families. Our state's shortage of available housing was further squeezed by the pandemic as people poured in.

With that challenge I see opportunity. I created the Council for Housing Stability in November 2020. That council developed a three-year plan, that aims reduce homelessness and to increase housing options for our working families by 13,500 units in the next three years. These are achievable goals within our grasp.

I'll also continue to ask the legislature to get SB 400 done — a bill to create regulatory incentives for workforce housing across this state.

But with the post Covid economic boom hitting the Granite State, SB400 won't be enough. I have repeatedly asked the Federal Government to give New Hampshire flexibility with our housing relief funds, but they keep refusing.

Nevertheless, I'm not deterred. We know that New Hampshire needs to make an investment today.

We can and we must move forward and create more workforce housing but just as important, do so in a way that preserves what is best about our state. Our shared sense of responsibility to our neighbors.



This is the New Hampshire way and that is why today –

I'm proposing the **InvestNH Housing Incentive Fund** – a historic \$100 Million Fund using ARP dollars to rebuild and expand Housing for New Hampshire's next generation.

Working with the legislature, this program is a multipronged approach:

**First** – This proposal will invest \$60 million in flexible grants to match investments for multifamily housing projects ready to move to the building stage.

**Second** – Slow and uncertain permitting deters investment. So, we want to incentivize towns to move quickly. I'm calling for a \$30 million commitment to reward municipalities that can approve permits within 6-months of application. These grants would be made directly to the towns to offset costs and increase their ability to invest locally.

**Third** – I want to create a \$5 million demolition grant fund for those communities that have vacant and dilapidated buildings that they just cannot afford to remove. Let's clean the old lots out to move the next generation of sustainable housing in.

**And finally**, I want to invest directly into cities and towns by providing \$5 Million in planning grants so they can update planning and zoning regulations that facilitate modernizing development in New Hampshire.

These investments are critical to ensuring New Hampshire is the number one destination in New England. This housing is for workers and families who work in our communities, go to our schools, and contribute to our economy.

**The Data is Clear - Housing creates regional stability for our families and businesses!**

And that's a win this legislature can deliver for New Hampshire!

Housing is critical to the success of our communities, but so is the safety of our neighborhoods.

Back in 2020 New Hampshire aggressively took on the challenge of tackling issues surrounding law enforcement accountability, correctional reforms for modernizing our detention systems. We ensured that law enforcement worked in conjunction with community leaders to develop our Commission on Law Enforcement Accountability (we call it LEACT). NH law enforcement remains the gold standard across the country, and it is because of their collaborative work with the LEACT Commission that we are able to move forward on so many of these crucial and successful initiatives



But we also looked at the correction system designed for our youth. And after years of inaction, we brought from the shadows the horrific cases of abuse that occurred at New Hampshire's Youth Detention Facility in Manchester.

The Attorney General's Office is continuing the comprehensive criminal investigation into these allegations. While this abuse occurred many years ago, in some cases decades ago, we will not stop until we have brought all perpetrators to justice.

And to that end we have put forward a proposal to the legislature to set a \$100 million settlement fund for compensating these victims. This is the sensible and right thing to do. I hope you'll support me in creating this fund, so that we can bring closure to this incredibly painful process, move the current group of kids to a more treatment focus model, and bulldoze that facility once and for all for Manchester.

And despite our ranking as the Number One State for Public Safety in the United States – we know there is still more work to do to keep our communities safe.

I was grateful to see that just yesterday the Senate passed SB 294 – which will ensure violent criminals do not automatically walk free on bail.

This law is critical in protecting victims of domestic violence – attackers shouldn't be able to continue to prey on their victims.

At a time when law enforcement across the country is faced with unspeakable danger, we must continue to stand up and fight for a system that prioritizes safe communities above all else.

NH is the gold standard for public safety, SB 294 will help make us even safer, and I urge the legislature to get this bill to my desk.

I would like to close by talking about one final, very exciting project.

One area I think we all passionate about is supporting our veterans and active military service members.

This past year we opened new state of the art homeless facilities for our struggling veterans, but we can do more. We have to think bigger and broader.



So many New Hampshire citizens have answered the call to serve; it's a proud legacy in our state. That service comes with great personal sacrifice that we are all eternally grateful for.

Over the past few months, I have worked with Adjutant General David Mikolaities, legislative leadership and our Veterans support groups on a proposal that takes advantage of an opportunity and partnership with Easter Seals. This \$21 million initiative creates a unique all-encompassing Veterans Campus.

The Veterans Campus, being proposed for a site in Franklin, is designed to integrate veterans, active military, and their families. A campus that includes housing, supportive services, a retreat center, a true integration of care coordination, therapeutic and recreational services all designed by veterans and military personnel, for veterans and military personnel.

Like never before New Hampshire is going to be able to create the gold standard in the health and wellness of America's heroes.

We have had a lot of success over the last year with a lot more opportunity ahead of us. But we cannot take any of this progress for granted.

Too often across the country we see people fight in the extremes. We see ideological differences bring great ideas to a screeching halt - all over a political turf battle.

We cannot let that happen here in New Hampshire.

As a state we are moving full speed ahead, but we cannot get bogged down or disrupted by the extremes. We have to have the courage to reject those notions.

The citizens of our state did not hire us to just be political ideologues, they hired us to do a job. If you are here to relish the attention over a fight that gets us nowhere, I have no patience for that. I have never and will never let our state be hijacked by these radical elements on either side.

They let it happen to Washington, every day. No one stands up to stop it. But here in NH, together, we have worked hard to keep it from holding us back.

Let's not let social media dictate our priorities and sentiments. Because it's not real. Let's not fixate on cable news, let's start listening to our constituents and engaging with our neighbors.



Just because we don't always agree doesn't mean we can't continue to do great things as a state.

Let's work together, let's meet the moment and let's deliver results for the 603.

Thank you, God bless you, and God bless the Great State of New Hampshire.