



Office of Governor Christopher T. Sununu  
State of the State  
Thursday, February 17, 2022, at 10:00 a.m.

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**Governor Sununu:**

I got to get settled. I'm looking for the button where the podium raises from the Speaker, no offense. My dad used to have the same problem, 5'6". Well, good morning. It is really great to be here. It has obviously been a long time since we've been able to gather together.

Obviously Mr. Speaker and Mr. Senate President, thank you very much. Obviously the esteemed Members of our House, the esteemed State Senate, Members of the Executive Council, Chief Justice MacDonald, great to see you this morning.

So, it has been a long year, to be sure. I think we were all looking forward to 2021 erasing 2020. But we had challenges ahead of us without a doubt. And so, what I wanted to do this morning is talk a little bit about some of the things that we've encountered, I think how we've faced a lot of those challenges, and that I think it sets a model for how to be proactive, how to be positive, how not to back away from things, and then really look forward prospectively, in terms of what we can get done, I think, in the next year. There's no doubt that we have set a lot of good standards and good models. And we can build off that, to be sure.

But let's start a little bit behind us in terms of COVID, right? Since we've all gotten together two years ago, it was, I think, February of 2020, just before the pandemic hit this State, we have to recognize that we have lost over 2300 individuals to COVID. And I think I speak for all of us when I say that our hearts just go out to those families, go out to those individuals who have had to deal with this pandemic and this tragedy. That hit us hard. We didn't see it coming, but we buckled down.

COVID has been very tough. But New Hampshire has been very strong. We're resilient. We're putting systems and policies in place that don't just make us like everybody else, right? They separate us from the pack. And I think they really capitalize on a lot of the opportunity we have right here in the Granite State.

So, let's jump into a little bit of an update. Let's start with some good news, right? We don't want to always start on the negative. You have to acknowledge the negative, but there has been some really good news, especially in the past year.

Today, the Granite State, we are ranked as the freest State in the nation. We have the strongest economy in the northeast. We have the fastest population growth in the northeast. We're number 1 in America for public safety. We are first America for economic freedom. And we continue to have the lowest poverty rate and some of the highest wages in this country. Those are big wins for our citizens.

So, when you go down that list, you can see ranking-after-ranking shows that the Granite State is the place to be. America, not just New England, but America is truly taking notice. We are very proud that our way of life here in the 603 is simply the best of the best.

But we did not get here by accident, right? We did it through smart management, tough work, prioritizing individuals over government, prioritizing citizens over systems, and delivering results with the immense responsibility of managing our taxpayer dollars and knowings [sic] that you have to balance

budgets, because I believe, as in the public sector, there's no greater responsibility than managing someone else's money. And this Legislature has done a tremendous job.

So as other States -- we saw other States across this country really buckle down to weather the storm of 2021. But we took a much more proactive approach in the past year. In just the last year, we've cut the statewide property tax. We talk about property taxes all the time. And the Legislature cut it by \$100 million.

We cut the Room & Meals Tax. We cut business taxes again. And we're now permanently phasing out our Interest & Dividends Taxes, again reducing that burden on our citizens. And those were tough decisions to make, without a doubt.

We heard a lot of scary stories, how if you cut taxes, we wouldn't have money to push down to the cities and towns. If you cut taxes, we were going to have to slash all of our programs. But the way we designed this has played out exactly as we anticipated. We cut taxes. And what happened? We've now exceeded all of our expectations in terms of surpluses, and we've doubled the Rainy Day Fund to over \$250 million.

Look, a few years ago -- you guys were here a few years ago -- we would get excited if we had a surplus of \$25 million. Oh, that gives us a lot of opportunity. We manage well. We balance the budget. We have some opportunity to spend in a little infrastructure.

What's the situation today? We're going to have about 10 times that amount, again to make real long-term investments in infrastructure and make sure we do it without putting any additional burden onto our citizens. And at the State level, we've had great financial success by cutting these taxes and drawing all of this business in, right?

But let's not forget local governments, as well, have had unprecedented amounts of financial opportunity. Federal support has been very powerful here in the State. There's no doubt about that. Federal support has put over \$600 million into our education system alone over the next couple years.

Then, you add the other \$250 million. Dollars in, dollars spent. You add another \$250 million in the general Federal support that came through the ARPA funding. That goes down to every city, every town, every county in the State. And then, you add on what this Legislature did with \$100 million of property tax relief, with the fact that not only did we cut Room & Meals Tax, here's an amazing thing. We cut Meals & Room Tax for all our citizens and we increased the amount we're sending back to cities and towns, thanks to Senator Ricciardi over there. We're increasing that by 45% back to cities and towns.

Cut taxes up here, cut taxes for citizens, send more back to cities and towns. It's an incredible amount of money to offset a lot of those local costs. So instead of downshifting costs, which we hear a lot about, historically, decades ago, we're now downshifting cash. And that's a win for our citizens, because, with these investments, what we're seeing is many towns are now lowering their property taxes.

I got to be honest. If your town is not lowering their property taxes, Town Meeting, it's like a month, right? Go to Town Meeting. Fight for it, because your towns have unprecedented amount of money, unprecedented amount of opportunity. And so, while the State can't control cutting property taxes, by sending this opportunity back to cities and towns, yet again it takes that pressure off the entire system and creates opportunities that a lot of folks never thought that they would see.

Now, let's take a little bit of a step back with COVID, right? It's still here. We know we're going to be grappling that with the while. So last year, our nation continued through the COVID pandemic. It strained our healthcare system. We saw that very upfront and personal. It tested us like never before. We're still dealing with things that a lot of us never thought we'd have to deal with, in terms of the public

sector, or our private lives, or with our businesses. And while other States -- while that winter surge really hit the country, other States, you could watch them. They were kind of caught flatfooted.

But we took a forward-looking perspective. We prepared for what we knew would be a tough winter. Back in the summer and fall, Dr. Chan and Commissioner Shibinette, and I were talking about that winter surge, preparing for that winter surge. And we knew that government can't solve COVID. Government is not going to be able to solve a viral pandemic.

But when we came together, we cut red tape. We flexed open our healthcare system to meet our citizens' needs. And so, what were the results of that? Well, when you look at what's happened just over the past year, New Hampshire was the fastest State in the country with the initial vaccine rollout, which meant that we were the first State in the country to really allow vaccines for anyone who wanted it, again creating a lot of flexibility.

You look at what we've done recently. We delivered 1.5 million free home tests. Click a button, two days later, Amazon was dropping them on your doorstep. We did that twice, and then the Federal Government realized that we had a pretty darn good model. And well, they copied it, although I saw the WMUR story last night. They're not doing a very good job with that. I don't know who ordered the free tests from the Federal Government. Apparently they're still figuring out postage or something. People are waiting weeks for those things. But leave it to the Feds to screw up a good idea.

But here, in New Hampshire, we did it really well. We did it really well. And the fact is we did it so well, yeah, the Federal Government copying our program and we're able to kind of do it a third time with the availability of tests that we now have coming out of our liquor stores.

We looked at what was going to happen in our classrooms. We looked at how hard those, I guess, those spring months of 2020 had been on our kids. And we said we were going to keep our schools open and we're going to keep schools -- children safely in our classrooms.

We built out internal surge centers within the hospitals. We cut red tape. We fast-tracked hundreds of new Nursing Licenses in just a few weeks in December. We cut that red tape. We moved it forward. And we got those folks on the floors of our hospitals. It was really awesome.

We strategically deployed a lot of the dollars to help our Healthcare Providers and our Long-Term Care Providers. And then, when the Federal Government continually kept mixing the messages up, right, that say one thing one week, one thing the next, we were out there every week trying to kind of straighten it out as best we could for our citizens.

There was a lot of mismanagement at the Federal level. And so, then they panicked and they came down with their illegal mandates. And we stood up against the illegal mandates, and we won. And we beat them back in court for our citizens and for our businesses.

So we know New Hampshire has consistently ranked among being one of the safest States, when it comes to COVID. Now having one of the lowest hospitalization rates in the country, and we did it without sacrificing those freedoms that we hold dear. We kept businesses open. And we let individuals and communities decide what was going to best work for them.

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

We used a team approach. Everything has to be team. It wasn't just me sitting up here dictating from the top. Those models don't work, right? By incorporating the Legislature, by incorporating the Fiscal Committee, by incorporating our Teams at Health and Human Services and the Department of Public Health, making sure we put all those ideas on the table, we listened to our citizens. We engaged

them. We asked them what they thought in these processes. We let them take the responsibility of figuring out where we could go locally.

It's never easy, to be sure. It's not a one size fits all. We had some tough battles, not just at the State level but at the local level. You see some of those conversations happening, to be sure. But the nation has taken notice. The nation has taken notice of our success and we've achieved them here in New Hampshire.

So, when we look at crafting guidance to keep the economy open, that was done because we asked the businesses and citizens what they wanted to see. When we looked at the resiliency that we could deliver as Granite Staters and how that translated to actually what was happening in our neighborhoods, in our communities, we weren't resilient because the Government said, be resilient. We were resilient because we believed in the individual. We were resilient because we believed that we could communicate and have some tough battles over some of these issues, but get to a place where, at the end of the day, it really, really worked.

So, now, we're moving forward in the State. And we're moving forward with the mindset that COVID may be here for quite some time. Is it going to be gone this summer? I would love to be able to say it is. But we don't know that, could be here for years. But we can manage. We can absolutely manage. We have the model. And now it's time that we turn new normal -- remember that term? Let's turn 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 the at-home tests. We know so much more. We continue to let data and science dictate where we go with some of these decisions, just as we have since the very beginning.

But let's also recognize a group of individuals that I know we all want to thank. None of this is possible, right, just because Government says so, no matter how good we are at this level. It's only possible when you look at flexing open that healthcare system. Those Healthcare Workers, those Doctors, those Nurses, our National Guard who stepped up time and time again, I just want to take this moment, on behalf of everyone in this room, and simply say thank you.

So, I take that step back and I talk about how we did it, not just what we did. What we did was pretty great. But how we did it is very important, as well. And I know I'm reading my speech here and I'm kind of going through a lot of this in my head. I know it must sound like I'm spending a lot of time just bashing on Washington. But, at the end of the day, that's where it all gets bogged up. We know that. That's no secret, right?

When you get into Washington, D.C., and unlike Washington, D.C., when we say we're going to do something, we do it. It doesn't mean we have the end all, be all answer. But we figure it out, because that's the job that we were hired to do. And I think we can all agree that it's a long time coming that frankly Politicians in Washington could take a playbook out of New Hampshire, not out of one Party or another, but out of the fact that, frankly, we're a purple State and we still find a way to get things done. Through politics, policy, we can still find a way to make sure that, at the end of the day, we're getting results. That's what we're hired to do. We're delivering something.

So instead of that partisan bickering, that perpetual gridlock we see, we know that complacency, it's not in our DNA. This is New Hampshire, after all, right? It's not who we are, as Granite Staters. States are the ones that are really leading the management of this pandemic. And the pandemic, the opportunity with cutting taxes, the opportunity with taking some financial burden off of individuals, those are States that are driving that. The States are the laboratories of democracy. And thanks to that

no-nonsense approach that we designed here in New Hampshire with those flexible systems, we meet the needs of our citizens.

So we had a great year last year, all things being considered. It was a great year of opportunity. But there's a lot more to be done. So last year, when I delivered my inaugural address, it was a little different. I had to do it in a television studio. I don't know if anybody watched. A little weird, because I like to have more conversations as opposed to just delivering speeches and all of that.

But one thing that I really tried to focus on last year coming out of 2020 was the idea that we all have to come together. Doesn't mean we all agree, but we all have to find the path so that we can head into that new year united, not necessarily on politics or policy again, but united as Granite Staters, united with the responsibility that I know the 400-plus individuals in this room, I think, do collectively share. When you break through that ugly political divide -- and you see that ugly political divide in a lot of other places -- we can and have shown that we can get some amazing things done.

So last year, let's talk about some real initiatives that I challenged folks with. And I know some of them were popular. Some of them weren't popular. Some of them needed to be hashed out a little more than maybe we were ready to do.

But let's talk about some really innovative things. We didn't just sit on the sidelines and say, well, let's just pass the budget. Let's just keep things going and we will see what happens with COVID. We took the opportunity to still jump onto certain initiatives.

Last year, I talked about paid family leave, delivering it without an income tax. And the result isn't we just didn't talk about it. We actually passed that program. And right now, we're developing frankly one of the most innovative versions of paid leave that you're going to find anywhere in the country.

We talked about educational opportunity, right? We've talked about it for years. And we've nipped around the edges here-and-there and we've done some really good things with educational opportunity. But this year, for the first time in our State's history, a child's zip code and their family's income no longer determine their educational options. With education -- our education savings accounts are providing opportunity not just to a couple hundred but thousands of families across this State. A concept, an idea, and an opportunity they never even imagined that they would ever have. And again, we didn't just talk about it. We found a way to do it. We got it done. And an unprecedented number of families are taking advantage of it with nothing but successful results.

We've always -- we talked about prioritizing cutting taxes, attracting businesses. So you cut them and you cut them, and then we cut them again. Now, we know we have one of the lowest tax burdens in the country, all while still delivering some of the most robust services in the country. In fact, New Hampshire's ranked number 1 in the country for the dollars into the system compared to what you get out. We get a better rate of return for our tax dollars than anywhere else. And so, while you cut taxes, you create financial opportunity, and you can still deliver on the obligations that you have to from a government perspective. And again, we talk about people taking notice.

How do I know? We have the fastest population growth in the northeast. That hasn't happened in a long time. Businesses are absolutely pouring in here. And we have the largest State surplus in the State's history. The tax cuts work. Let's do it again. Let's do it again.

Here's one that we haven't talked about lately. Back in 2016, remember, New Hampshire had some of the highest healthcare costs in the country. It was a real issue, the fact that we were kind of up here in the northeast, some of the highest healthcare costs in the country. And we didn't just accept it. We set out to change it.

So we changed certain regulatory barriers at the State level. We changed certain Policies. And what's the result? This year, we have the lowest benchmark health insurance premiums in New England and we are now below the national average in terms of health insurance and health costs. You guys did that.

So one of the issues that we talk a lot about is mental health, right? This is a national issue and, frankly, I think it's a worldwide issue. And we continue to take that challenge head-on. When I came into office, the State had a mental health system that was fragmented. It was designed by Bureaucrats. It didn't work for families, and we called it the unspoken crisis of our time. And unfortunately, that had only been exacerbated by the COVID pandemic.

It was no accident when I decided to choose for my Commissioner of Health and Human Services a Nurse that had worked her way up through the long-term care system, that had managed New Hampshire Hospital. I know a lot of folks, obviously, they see her on TV with me. A lot of folks have gotten to know Commissioner Shibinette.

But working with her and her Team, we set out to dramatically transform the entire mental health system, not just a piece of it here, not just put a little more money in there, but really transform the system to acknowledge that it is 2022. And to do things like it's 1985 doesn't make any sense and it doesn't deliver results. And as we came through last year's COVID Emergency Order, I immediately issued another Executive Order, if you remember, and we just simply called on direct action to ensure that individuals in the mental health crisis, especially kids, received timely and appropriate medical care. Simple statement, something everybody can agree on.

But you can't just have a Blue Ribbon Commission. You can't just right an Executive Order and tuck it away in a drawer somewhere. So a key piece of that transformation effort, as a lot of us know, is to increase capacity in our community-based services. Getting your services, getting your mental health supports, getting a lot of your healthcare supports in your community is simply a better way to do it. So that means providing access to mental healthcare for children and families, before they find themselves in the crisis, before they walk into -- have to walk into that Emergency Room.

So let's talk about a couple of our successes. And I think they set a model for where we go. As a lot of folks know, we recently signed a Purchase and Sales Agreement to buy Hampstead Hospital. It's a transformational investment to provide dedicated services specifically for New Hampshire's kids who need and deserve access to high-quality Mental Health Providers.

Last month -- just last month, we doubled down on our emergency on-demand access to mental health. So when you're in a crisis, you don't have time to wait. It isn't something that you want to study. When you're in the middle of a mental health crisis, we shouldn't be asking people to Google supports. So now we have our mobile crisis support, a 24/7 crisis call center.

Over the last year, we invested millions to promote youth activities, as well, not just what we do in the classroom. We have great socioemotional learning programs in the classroom. We're working with kids to understand some of the pressures that can be on them and on the system, and how to work through that. We're doing it through our summer camp programs outside of the classroom with kids, something that we had never even tried before but had tremendous success with. And I'm calling on the House and Senate today, while I got you. I got a captive audience, right?

So we've made great progress. SB-234, it's something that I find so simple, but I think it's actually a brilliant idea. And sometimes the best ideas can come in the simplest ways. It simply requires that every Student ID in New Hampshire have the phone number to the National Suicide Prevention Lifeline, a

24/7 emergency service that is now in the pocket of every kid with access to every family member. It's so simple. It costs nothing but will undoubtedly save lives.

But we're not done, not by any means. In the next few weeks, Commissioner Shibinette and I will be bringing forward another, I think, 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 who are most in need.

Making investments in two brand-new mental health hospitals in this State will have a profound effect, not just creating access to the beds but also by opening the door and getting a level of workforce that we've never seen in mental health, a level of specialization that we need here in the State. We'd now become one of the most attractive places on the east coast for Mental Health Workers, for that workforce, for new programs and new ideas. And these investments are going to be coming. I hope to get everybody's support.

We're not done. Just because we're investing in these new hospitals, we're taking better community services. We're making it a little easier for someone in that moment of crisis in their home to access health. We can't just rest on that. And there's going to be a lot more ideas that come to the table. Every one of those ideas has to be put on that table. Every one of those ideas has to be listened to, because whatever we design and invest in today, we can't do what we did three decades ago: make fundamental change and then just kind of rest on our laurels, sit back, go onto the next thing.

The mental health challenges that our country and our State are going to face are going to be here for some time. The door's open. It's a community solution. It's a 10-year mental health plan that was designed by families, not Bureaucrats. Think about that for a second, right? We didn't just have Bureaucrats, right? We brought in the families to do it. That was hard. It was a lot of hard work. But allowing those ideas to come on the table opened our eyes to a world of opportunity, problems, challenges. We're taking them head-on. So there's a lot to do and all I ask is what I think everybody in this room can agree with, that, when it comes to mental health, we have the chance. Let's get this thing done.

Now, just a few years ago, alongside with the mental health crisis, we saw and were dealing daily news stories. We saw the data and we saw that New Hampshire was seeing drug-related deaths continue to skyrocket. From 2013 to 2017, the numbers were going crazy, looked like going up the frontside of Cannon Mountain. I mean, the numbers were just unbelievable. And every day, we kept hearing those stories. Our drug-related deaths in that time period doubled.

When I became Governor, I think we said enough is enough. And instead of just pumping more money, frankly, into a failing system with little accountability, we took the challenge head-on. And again, we said we're going to build a new system, a system that actually achieves results.

So we have it up-and-running today. It's called The Doorways. And it's a system that didn't just focus on 28 days of treatment, goodbye, good luck. That was literally how we treated a lot of the individuals who were suffering through this crisis. But The Doorways is an integrated system. It takes all of those wraparound services that are critical for the long-term success, not just a 28-day success, but the long-term success of that individual and that family: treatment; recovery; transitional housing; recovery-friendly workplaces; harm reduction; prevention. All of that is now wrapped into a continuum. And we've put it all across the State.

Now, we have access to 24/7 services in this area. Now, just because you live up in Coos or Grafton, we're not asking folks to drive 200 miles to get a service that frankly should be in their backyard. We're delivering those services when they want them, how they want them, and where they are. And

thanks to The Doorway and frankly the incredible men and women also that are working in that system to 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 rest of the country has gone up 50%. We are bucking the national trend.

Look, we haven't won the battle. We know this. Nearly 400 people still lost their lives to drug-overdose deaths last year. We have not won the battle by far. But the tools and resources that we have deployed, citizens can rest assured, again, that we're simply just leaving no stone unturned. We're challenging ourselves to do things a little -- that we get results from those systems.

Now, we talk a lot about mental health. We talk a lot about opioids. But a lot of folks lately are also talking. One of the big words of the day is infrastructure. Governor, the great services of a rural community, what are you going to do about broadband? I live in a community with contaminated groundwater. My well is contaminated, right? What are we doing for the infrastructure of the State, because making those investments ensures that we're not just solving a problem for the next five or 10, but literally the next 100 years potentially for what might come?

So, during COVID in 2020, we were one of the only States to make broadband investments. This was a really amazing process. I wasn't even sure if we could get it done. But using some of the CARES Act money, we delivered new high-speed broadband to about 4500 families all across this State. And we did it in just a couple months. And because of that model, because we were so aggressive about it back then, now that these new dollars are being made available through ARPA and the infrastructure, we're going to be one of the first States, because we're just kind of copying and duplicating the model that we had that worked so successfully. We're now going to be one of the first States to deliver high-speed broadband to tens of thousands of more individuals over the next couple years, a huge, huge opportunity. And we continue to make big investments to address PFAS contamination in our water system.

Look, I was an Environmental Engineer, right? This is what I did. I used to drill those wells and sample that contaminated water. It was chlorinated solvents. That was one of my specialties. And I can say, without a doubt, that the PFAS groundwater contamination issue that we have in this State is one of the biggest environmental concerns that the State has ever seen.

I see Chuck over here. I'm going to dote on Chuck a little bit. It takes leadership to really get this stuff done. When I first became Governor, I don't even think I was inaugurated yet. I think this is right. I think maybe it was in December, and, at the time, Senate President Morse came to me and started talking about this concept they had about a fund and the fact we could take some of the money we had gotten from a large settlement and create a fund. And we knew that would kind of just scratch the service. And we said, gee, how many towns could we get to? And it was a lot. There's a lot you can do with a couple hundred million dollars, to be sure.

But as over time we've seen the need grow, and we didn't say, well, that's just it. We put a bunch of money in there. Goodbye and good luck. We continued to make those investments. In just the last year, we made another \$150 million of investments with Senator Morse's leadership, using some of the Federal supports we have, using some of our local dollars, and, again, making sure that this crisis that we do have for a lot of families, there are a lot of families out there still drinking bottled water all the time, because they don't have access.

But we're not settling on that. Senator Morse is driving forward hundreds of millions of dollars in new investments. We're taking that challenge head-on. And again, it's not something that's going to solve it today but also for the next 20 and 50 years. So, thank you, Senator Morse.



People talk about inflation. This is another one. I actually got a call this morning, someone saying, why aren't you solving inflation, Governor? Look, I get the sentiment. We're all feeling it, right, especially low-income families. Inflation is the worst tax you can possibly put upon a low-income family. They have to put gas in their tank just as much as anybody else.

So to not address that at the national level, there's only so much we know we can do at the State level. But I think we've put some innovative stuff in there. But to not address that at the national level, to not address the fact that fuel costs are skyrocketing. And in a place like New Hampshire, people have to heat their homes. Have you seen some of the fuel oil bills coming to your constituents lately? It's out-of-control. Is there any sense that Washington is addressing the fuel issues, that it's addressing the inflationary pressures on our system? No.

Now, that's where I think that New Hampshire stepped up and said, we're going to cut taxes. We're going to take financial burdens off of our citizens. We're going to do what we can to offset those national pressures that are coming.

We know that increasing those costs -- and when we see those costs skyrocketing -- it hurts our job creators, our families. Seniors on fixed incomes, right, they have to feel that heating, the oil, that inflationary pressure as much as anybody else.

So, I think what we've seen over the past year, it reinforces a philosophy on energy in particular that I try to always bring to the table. First and foremost, we have to prioritize our rate payers. And we have to make sure our policy decisions don't unduly overburden them. And when possible, we want to strive to make New Hampshire solutions that are innovative and also responsible.

So having more of a methodical way of addressing energy policy in New Hampshire over the past few years has proven to be, I think, incredibly successful. Over the last five years -- I just saw the statistic -- over the last five years, the increase in energy costs for Massachusetts, double that of New Hampshire. That's pretty incredible. Let me say that a different way. If we had just done what Massachusetts did with all of their projects saying yes to everything across the table, an extra \$100 million of burden would have been placed on, again, our low-income families, our senior citizens. They would have had to pay another \$100 million just to turn on the light switch. That's wrong.

So we took a step back and we knew we weren't going to go down a path blindly. We can be much smarter. We stepped up. We established a Department of Energy. One thing that I noticed is that, when I looked historically what was happening, every project that came across individuals' desks we just funded, right? The Lobbyists would get involved. The special interests would get involved. Oh, just fund it. Just fund it. We didn't want to take the political hit.

The political win is standing up for your citizens who have to pay those bills every single month, right? And so, we say, we can still be smart about how we do renewable energy. We fought hard to do solar panels and solar projects. But you know what? Let's put them on the low-income families' locations first, right? Maybe they're inner-city locations. Maybe they're mobile home parks. Maybe they're senior citizens' homes. We all get the environmental benefit. But let's let those who have the least amount of possibility to pay those high burdens, let's let those be the first of the trough to get the financial benefits, when we do that. It's just very strategic, as opposed to we're going to do a little bit of everything everywhere.

Offshore wind, I'm incredibly proud that, again, we've finally established this Office for Offshore Wind Industry and Development, because we can do it in a very responsible way. Clean, reliable, offshore wind will be a reality here in New Hampshire, no doubt. You might not be able to see it. It's going to be

way off the coast. But I guarantee you we're all going to get the benefits of that. And we didn't just run through the door first, right?

We saw how some of these other projects are playing out. We saw how some of those costs are being managed. And my point in all this is just saying, we're finding smarter ways to do things. Net metering, right? We had the net-metering battle going on in the Legislature, in our Office for a couple years.

But last year, we found a way to bring folks together, find a compromise, move forward on net metering with clean energy, with more solar power, and letting the cities and towns actually dictate their energy future for themselves, a huge, huge win. I'm -- Senator Avard, a lot of folks really came together to make that happen. Thank you, guys.

A couple years ago, I'm not sure which speech it was. I think I was before the Legislature. I'm not sure which time. But one of the things that I said was that those of us that are born here in New Hampshire, we're lucky. And those that move here are smart.

Apparently, there's a lot of really smart people moving into New Hampshire, right, because we're seeing this real population boom that we haven't seen in a long, long time. But there are families that are coming here and businesses that are coming here for a specific reason, right? They didn't just throw a dart on a map and say, well, maybe New Hampshire will be okay. They very strategically said, that's where I want to be. And they're coming out of California. They're coming out of Nevada. They're coming out of New York and New Jersey, and Michigan, Minnesota.

But these are families that are looking for low taxes. They're looking for good schools. They're looking for a sense of community. They're looking for that quality of life and living that we talk about with the mountains and the lakes, and the rivers, and the oceans. And when you look at the opportunities that we provide, there's no place that people want to be more in the northeast than right here in New Hampshire.

So that presents opportunities and challenges, to be sure. And so, one of our biggest challenges that we are seeing that we talk about almost on a daily basis now is the availability of housing for working families. Our State shortage of available housing was further squeezed by the pandemic. Everyone starting pouring in. And so, we can just harp on the challenge, or we can say, where's the opportunity, right? Where's the opportunity again to make the right investments, the right regulatory changes, invest in the infrastructure not just for tomorrow but really for the long-term?

I created the Council on Housing Stability in November of 2020. And that Council really designed kind of a three-year plan. It aims to reduce homelessness and really attack the homelessness issue, which we see rampant all across this country. But we have our issues here, as well. And we can't ignore that. It really aims to increase housing units for working families by over 13,000 units in the next three years, which sounds like a lot. But it is achievable. It is an achievable goal that is within our grasp.

So I'll continue to ask the Legislature. I know it got put on hold. But we have SB-400, a Bill that Senator Bradley -- hey, Jeff, how are you -- Senator Bradley really championed. SB-400 really creates some regulatory flexibilities and some incentives at the local level to really move things forward, because that's where we see things stalling out. But we know that SB-400 just won't be enough.

I've repeatedly asked the Federal Government, right? We have this rental relief money that comes in, and mortgage relief money that is coming in. And I've asked the Federal Government multiple times, can you give us some flexibility? Those things might be super important, top priority in other parts of the country. It's important here to be sure. But let us take some of those funds that are currently being unused and find ways to create actual more housing, right? You want to solve the housing problem in

New Hampshire, bricks and mortar, creating more. They said, no. The Federal Government won't give any more flexibility on any of those funds. I'm not deterred. I don't think anybody should be deterred, frankly.

So we know that we do have to make an investment today. We know that we can move forward, create more of that workforce housing, but, just as important, do so in a way -- and this is the important part -- in a way that really preserves who we are in our communities, what we're about, whether it's in the small towns or our larger cities. Preserve everything we are as Granite Staters. And we have a shared responsibility to our neighbors and to our businesses that are relying on the housing to get the workforce so that they can keep growing here and taking advantage of all the opportunity that we're creating for them. This is the way we do it in New Hampshire.

Now, today, because we've had so much financial success, I'm proposing the Invest NH Housing Incentive Fund, a historic \$100 million fund using ARP dollars to rebuild and expand housing for our next generation. So it's a multitiered approach. Let me walk you through it.

First step, my proposal will invest \$60 million in flexible grants to match investments for multifamily housing projects already ready to move and getting into the building stages. And one of the issues that we know we have is slow or uncertain permitting at the local level. That happens a lot.

So I want to incentivize towns, right? Not with a stick, we do things in New Hampshire with a carrot. We want to incentivize them. So with this plan, I'm calling for a \$30 million commitment to reward municipalities that can approve Permits within six months of Application. Those grants will be made directly to the towns to offset the costs that they may see and increase their ability to invest locally.

Third, I want to create -- this is a little bit of interesting one, something I heard all across the State -- a \$5 million demolition fund. We found all these projects across the State that weren't moving forward because we had dilapidated housing, often from the '20s or '30s, or '40s. The cost to remove that housing or do the environmental cleanup for those projects was too much. So the Developer wouldn't do it. The town wouldn't do it. So the town or city might want new housing to move in but you have this dilapidated housing, that was frankly an environmental problem, a plight. It lowered property values and inhibited that development growth that we want to see.

So a \$5 million demolition grant fund for those communities to help match some of the costs and offset some of the costs that they might have to really clear away for new, sustainable, well-designed, well-built housing. And finally, I want to invest directly into the cities and towns by providing \$5 million in planning grants and zoning grants.

So many towns are looking for the assistance to update their Planning & Zoning Laws. We have towns that haven't changed Zoning & Planning Laws in 40 years here, right? They have to bring in a Consultant. It might take some costs. They don't have that money for whatever reason. So let's create a fund again to help them at the local level move their process a little faster, a little further along, that brings more -- again, attracts more investment, brings more Developers in, and ultimately gets it done.

These investments are critical. They're absolutely critical in ensuring that New Hampshire continues to be the number 1 destination in New England. The housing is for workers. They are for families. They're for those who contribute to our community. They go to our schools. They boom our economy. And so, the data is very clear. Housing creates regional stabilities for families and businesses. And that's a win that I'm hoping the Legislature can help us deliver on.

So back in 2020, New Hampshire, we took an aggressive approach, I think, and the right approach, in tackling issues surrounding Law Enforcement accountability, our Correctional Reforms, 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. New Hampshire Law Enforcement remains the gold standard across the country. It really does. From the very local level in the small towns working seamlessly with the State Police, with our Federal Partners. In fact, our system is so good, working so seamlessly, not just building up fiefdoms, but working together as a Team, that we are out teaching other States how to do it. We're working across the borders in Maine and Vermont, and Massachusetts, right?

So, knowing that we're able to do that gave us the opportunity to really take on some of the challenges and do it together, right, and do it in a very comprehensive way. The LEACT Commission that we put together was able to move forward on a lot of the initiatives and a lot of the ideas that they had. Some were at Police Standard and Training. Some happened right here in the Legislature. Some we could do with Executive Order. Some required funding. Some were as simple as bodycams for our Cops, and some were more advanced as how we're going to train and teach, and work with Law Enforcement in a seamless way, right, State, Local, and Federal.

But we also looked very aggressively. And this Legislature deserves a lot of credit. Looked very aggressively at our corrections system designed for youth, for our kids. 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 continues the comprehensive criminal investigation into these allegations. And while the abuse may have occurred many years or even decades ago, I think I speak for everyone in here when I say that we are not going to stop until we've brought all those Perpetrators to justice. And to that end, working with the Attorney General -- and I know he's brought to this Legislature a proposal to set a \$100 million settlement fund for compensating these victims.

It's the sensible thing to do. It's the right thing to do. I hope you'll support me in creating the fund, so we can bring closure to what has been an incredibly painful process. We got to move the current group of kids, right? We can't forget we still have kids in that facility today. And again, we got to make sure that we're providing not just the security around those children, but a model that works for them, a 21st century thinking model. And so, bringing those group of kids more a treatment-focused model, and then, frankly, bulldoze that -- I won't use a swear word -- bulldoze that darn building to the ground once and for all in the City of Manchester.

That's the opportunity I see. Community-based services, treatment-based services, saying we're going to move beyond a failed system of the past. We're going to right what we need to right. And we're designing for the future in a way that can be more sustainable and create a better product for all of us.

So, despite our ranking as the number 1 State in public safety in the United States, we obviously know that there's still a lot more to do to keep communities safe. That's always a challenge that we need to take on. I was very grateful. I saw just yesterday the Senate passed SB-294, that will ensure violent criminals don't automatically walk free on bail.

I mean, who wants to see a violent criminal walk free on bail? I'm not sure how everyone in this room isn't standing up for that, frankly. It's criminal in protecting the victims of domestic violence. Attackers shouldn't be able just to walk right out and prey on their victims once again. And this Legislature's standing up and doing something about it.

So at a time when Law Enforcement across the country, they are faced with unspeakable danger, we have to continue and stand up for a system that prioritizes safe communities above all else. With that gold standard for public safety, SB-294 will make us safer. Do whatever you can, get that Bill to my desk so we can get it done. Thank you, guys.

So I'd like to close. And I know it was longer that y'all thought, longer than I thought. I apologize. Lot of good stuff, I'm excited. But I want to close with a really exciting opportunity and a project. It's not obviously the last project we're going to do, but the last one I'll kind of push here, because I think it's an incredible opportunity.

One area that I think we're all passionate about is supporting our Veterans, right, and our active Military Service Members. We do a great job of that here in New Hampshire, can always do more, to be sure. But we always make sure that that is on the front of our mindset.

This past year, we opened a new state of the art homeless facilities for our Veterans -- for struggling Veterans. We know we can do more. I want to talk about a project that I think is a little bigger, a little broader, a little more encompassing, and a little more 21st century in terms of what our obligation, our responsibility is to deliver for those individuals, those heroes that stand up for the United States of America.

A lot of New Hampshire citizens have answered that call to service. It's a proud legacy in our State, something that we're all eternally grateful for. But over the past few months, I've been working with Adjutant General David Mikolaities, some folks in Legislative Leadership, some folks with our Veterans' Support Groups around the State on a proposal that takes advantage of an opportunity and a partnership with Easter Seals, a great nonprofit group that does a lot of different things here in New Hampshire.

This \$21 million initiative will create a very unique, all-encompassing Veterans' campus. And so, the Veterans' campus is being proposed for a site up in Franklin, New Hampshire. It's designed to really integrate Veterans, Active Military, their families. A campus that includes housing, support services, a retreat center, an integration of care coordination, therapeutic and recreational services, all designed by Veterans and Military Personnel for Veterans and Military Personnel. And I think that with this project moving forward like never before, New Hampshire is going to be that gold standard -- I keep using that term -- but that gold standard, as we should be, for those who have stood up for us so bravely across this country but designing a campus that integrates all of these amazing services, because, at the end of the day, it's about the health and wellness of American heroes. We're going to push out a lot more details and information. It's a project that's moving along very aggressively. And I hope the Legislature will find a way to support it.

So, in closing, we have had a lot of success over the last year. There's no doubt about it, even with all the challenges we face, and a lot more opportunity ahead of us. Let's not take any of our progress for granted. As I say, we don't just rest on our laurels of success. You got to keep driving forward and keep putting new ideas on the table.

Now, too often we see it on the national level, especially. We see folks really in this country fighting in the extremes. We see ideological differences that can bring great ideas to a screeching halt. And sometimes it's all over some political turf battle more than anything. We can't let that happen here in New Hampshire.

As a State, we're moving full speed ahead. But we can't get bogged down or disrupted by those extremes. And we have to have the courage to reject a lot of those notions. The citizens of this State did not hire us just to be political ideologues. They hired us to do a job. They hired us to get results. And frankly, if you're here to get attention over the fight that frankly gets us nowhere, I don't think any of us have any patience for that. And I have never, and I will never let our process and our opportunity be hijacked by radical elements on either side of the aisle. This is New Hampshire.

I know you see it on the news all the time that it happens in Washington every day. I don't see anybody trying to stand up and really stop it. Here, in New Hampshire, we work hard to keep it from holding us back.

Let's not let social media dictate our priorities or our sentiments. It's not really real. I think a lot of us know that. Let's not fixate on cable news, as opposed --

(Audience abruptly creating commotion)

**Jean Mackin:**

You're watching a pause in the Governor's State of the State address. It appears someone may be having a medical emergency, because we can hear Legislators calling for a Medic in the room. The Governor has stepped aside from the podium. And Mike, it looks like people are paying attention to someone in the back of the room.

**Mike Cherry:**

Yeah, it's unclear exactly what took place. The Governor was in the middle of wrapping up his speech. And you heard some folks in the background asking for a Medic. So, again, the Governor has been delivering his first State of the State in two years, as far as being in-person. And of course, all eyes now focused on whomever that might be in the back.

**Jean Mackin:**

We have confirmation, Mike, now from a Photographer who's in the room that says somebody did collapse in the room. So, it appears to be a medical emergency that happened. They're gathered, the House and the Senate, in a joint convention at the Manchester Double Tree Hotel for social distancing reasons.

We could hear the Governor speaking, as you said, about to wrap up his address, when there was a loud bang in the room. He paused and looked over, and that's when people went running to someone who needs some medical attention at this time. You can see Lawmakers have stepped back from the podium and they're giving pause, so that person can receive the attention they need.

**Mike Cherry:**

Yeah, again, a very troubling sight to see right now. Let's bring it back out here, though, real quick. We do have our Political Director, Adam Sexton, standing by. Of course, thoughts and prayers right now are to the person who is receiving that medical attention. Adam, as far as what you could hear, though, so far, in regards to what the Governor said today, what did stand out for you?

**Adam Sexton:**

Yeah, and just quickly on this medical situation, Mike, it's not unheard of, actually, in the House of Representatives with 400 Reps. Once a session-or-so, an ambulance is called to the Hall and someone has an issue, whether that's heart-related, medication-related, a seizure. It's not unheard of for something like this to happen. It's sounds like the House Speaker is actually at the lectern right now.

**House Speaker Packard:**

Take a brief recess.

**Adam Sexton:**

I think he just said they're going to be in recess. But that might have been it for the Governor. He's shaking hands there. But, just to point out, we don't know what this is. And I've never heard of it happening during a State of the State address. But this does sometimes happen from time-to-time that, with so many Reps and Senators, that you have somebody who has a medical issue.

(Reporters speaking back and forth to each other)

**Jean Mackin:**

Sorry, Mike, just to bring you up-to-date, the Governor was just a few sentences away from concluding his State of the State address. We want to bring you up-to-date on what you're seeing on the screen here. When audibly we could hear a loud boom in the room, startled the Governor and I'm sure everyone there inside the convention. He looked toward the back. And at that point, stepped away from the podium. And it appears they are in recess at this point.