

State of Rhode Island and Providence Plantations

JOURNAL
-OF THE-
HOUSE OF REPRESENTATIVES

JANUARY SESSION of the General Assembly begun and held at the State House in the City of Providence on Tuesday, the third day of January in the year of Our Lord two thousand and six.

Volume 133, No. 10

Wednesday, January 25, 2006

Tenth Day

The House of Representatives meets at the State House in Providence, Wednesday, January 25, 2006 and is called to order at 5:08 o'clock P.M., by the Honorable William J. Murphy, Speaker.

The roll is called and a quorum is declared present with 69 members present and 6 members absent as follows:

PRESENT - 69: The Honorable Speaker Murphy and Representatives Ajello, Almeida, Amaral, Brien, Caprio, Carter, Coderre, Corvese, Costantino, Crowley, Davey, DeSimone, Diaz, Ehrhardt, Faria, Flaherty, Fox, Gallison, Gemma, Giannini, Ginaitt, Gorham, Handy, Jackson, Jacquard, Kennedy, Kilmartin, Lally, Landroche, Laroche, Lima, Long, Loughlin, Malik, McCauley, McManus, McNamara, Melo, Moffitt, Moran, Moura, Mumford, Naughton, O'Neill, Pacheco, Palumbo, Petrarca, Picard, Rice, Rose, San Bento, Savage, Schadone, Scott, Shanley, Singleton, Slater, Smith, Story, Sullivan, Trillo, Ucci, Voccola, Wasylyk, Watson, Williams, Williamson, Winfield.

ABSENT – 6: Representatives Anguilla, Church, Dennigan, Lewiss, McHugh, Menard.

INVOCATION

The Honorable Speaker presents Representative Mumford who delivers the Invocation and leads the membership in the Pledge of Allegiance to the Flag.

(For Invocation, see Appendix, this Journal.)

APPROVAL OF RECORD

By unanimous consent, the House Journal of Tuesday, January 24, 2006 is approved as printed.

ANNOUNCEMENTS

Representative Peter Lewiss will be unable to attend session Wednesday, January 25 through Tuesday, January 31, 2006. He is out of town on legislative business.

Representative Rene Menard will be unable to attend session today, January 25, 2006 due to an illness.

NEW BUSINESS**House Bill No. 6889**

BY Coderre E, Crowley, Gemma, Gallison, Lima

ENTITLED, AN ACT RELATING TO HEALTH AND SAFETY -- RHODE ISLAND RESOURCE RECOVERY CORPORATION {LC924/1}

01/25/2006 Introduced, referred to House Separation of Powers

House Bill No. 6890

BY Palumbo

ENTITLED, AN ACT RELATING TO COURTS -- JUDICIAL SELECTION (superior court magistrates, district court magistrates and family court magistrates would be subject to the same appointment procedure as judges) {LC360/1}

01/25/2006 Introduced, referred to House Separation of Powers

House Bill No. 6891

BY McHugh, Caprio D, Ginaitt

ENTITLED, AN ACT RELATING TO WATERS AND NAVIGATION -- COASTAL RESOURCES MANAGEMENT COUNCIL {LC470/1}

01/25/2006 Introduced, referred to House Separation of Powers

House Bill No. 6892

BY Lewiss, McNamara, Carter, Rice, McManus

ENTITLED, AN ACT RELATING TO RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION (composition of the board of directors of the RI Airport Corp/require members be appointed by city/town councils of the communities hosting a state airport) {LC514/1}

01/25/2006 Introduced, referred to House Separation of Powers

House Resolution No. 6893

BY Faria

ENTITLED, HOUSE RESOLUTION CREATING A SPECIAL HOUSE COMMISSION TO STUDY AUTO BODY AND SALVAGE SHOPS {LC834/1}

01/25/2006 Introduced, referred to House Labor

House Resolution No. 6894**BY** Gallison, Corvese, San Bento, Carter, Palumbo**ENTITLED**, HOUSE RESOLUTION CREATING A SPECIAL HOUSE COMMISSION TO STUDY THE IMPOSITION OF THE DEATH PENALTY IN CERTAIN CIRCUMSTANCES {LC219/1}

01/25/2006 Introduced, referred to House Judiciary

House Bill No. 6895**BY** Palumbo, Flaherty**ENTITLED**, AN ACT RELATING TO CRIMINAL OFFENSES -- WEAPONS (legal to transport pistols or revolvers within the state as long as the ammunition is located in a different location within the vehicle not readily accessible from the passenger compartment) {LC364/1}

01/25/2006 Introduced, referred to House Judiciary

House Bill No. 6896**BY** Lewiss, Rice, Jackson, O'Neill, Lally**ENTITLED**, AN ACT RELATING TO PROPERTY -- REDEMPTION, RELEASE AND TRANSFER OF MORTGAGES (confirmatory residential mortgage releases) {LC512/1}

01/25/2006 Introduced, referred to House Judiciary

House Bill No. 6897**BY** Rice**ENTITLED**, AN ACT RELATING TO SOLEMNIZATION OF MARRIAGES (join Jennifer Marie Hannon and David Henry Abdou) {LC964/1}

01/25/2006 Introduced, referred to House Judiciary

House Resolution No. 6898**BY** Winfield, Pacheco, Gorham**ENTITLED**, HOUSE RESOLUTION MEMORIALIZING CONGRESS TO SUPPORT UNITED STATES SENATE BILL 1479 AND HOUSE BILL 3427 CONCERNING LYME DISEASE {LC917/1}

01/25/2006 Introduced, referred to House H.E.W.

House Bill No. 6899**BY** Winfield**ENTITLED**, AN ACT RELATING TO EDUCATION (commissioner of education to publish the annual list of textbooks in use in the public schools) {LC605/1}

01/25/2006 Introduced, referred to House H.E.W.

House Bill No. 6900**BY** Palumbo, Flaherty**ENTITLED**, AN ACT RELATING TO HEALTH AND SAFETY -- ABORTIONS (prevent a woman to be forced to have an abortion against her will) {LC362/1}

01/25/2006 Introduced, referred to House H.E.W.

House Bill No. 6901**BY** Lewiss, Gallison, Lima, Ajello, Handy**ENTITLED**, AN ACT RELATING TO ANIMALS AND ANIMAL HUSBANDRY -- DOGS (penalties/for any person that keeps a dog outside tethered, penned, caged, fenced or otherwise confined without adequate shelter from the elements) {LC119/1}

01/25/2006 Introduced, referred to House H.E.W.

House Bill No. 6902**BY** Rice, Moura, Dennigan, Diaz, Lima**ENTITLED**, AN ACT RELATING TO HEALTH AND SAFETY -- RIGHTS OF NURSING HOME PATIENTS (establish minimum staffing levels for nursing facilities) {LC954/1}

01/25/2006 Introduced, referred to House H.E.W.

House Bill No. 6903**BY** Giannini**ENTITLED**, AN ACT RELATING TO ABUSED AND NEGLECTED CHILDREN (institute a collaborative statewide initiative for the education and prevention of shaken baby syndrome) {LC866/1}

01/25/2006 Introduced, referred to House H.E.W.

House Bill No. 6904 (by request)**BY** Shanley**ENTITLED**, AN ACT RELATING TO BUSINESSES AND PROFESSIONS -- MUSIC LICENSING (provide for collection practices for licensing and performing rights companies) {LC842/1}

01/25/2006 Introduced, referred to House Corporations

House Bill No. 6905 (Lieutenant Governor)**BY** Kennedy, Corvese, McNamara, Gemma, Coderre E**ENTITLED**, AN ACT RELATING TO INSURANCE (establish a RI affordable health plan and reinsurance program) {LC889/1}

01/25/2006 Introduced, referred to House Corporations

House Bill No. 6906**BY** Costantino, Slater**ENTITLED**, AN ACT RELATING TO ALCOHOLIC BEVERAGES (technical amendments to the Sunday liquor sales statute and would allow a Class C licensee to open on Sunday with the written approval of the local board of license) {LC411/1}

01/25/2006 Introduced, referred to House Corporations

House Bill No. 6907**BY** Lima**ENTITLED**, AN ACT TO VACATE THE FORFEITURE OR REVOCATION OF THE CHARTER OF TORO AUTO SALES, INC. {LC767/1}

01/25/2006 Introduced, referred to House Corporations

House Bill No. 6908**BY** McHugh, Caprio D, Shanley**ENTITLED**, AN ACT RELATING TO TAXATION -- LEVY AND ASSESSMENT OF LOCAL TAXES (state to pay for 80% and the local municipality 20% of the revaluation assessments of property) {LC791/1}

01/25/2006 Introduced, referred to House Finance

House Bill No. 6909**BY** McHugh, Shanley, Caprio D**ENTITLED**, AN ACT RELATING TO TAXATION -- LEVY AND ASSESSMENT OF LOCAL TAXES (change the revaluation cycle on property to two times in every 10 year period, completed at least five years apart) {LC789/1}

01/25/2006 Introduced, referred to House Finance

House Bill No. 6910**BY** Winfield, Ucci, Brien T**ENTITLED**, AN ACT RELATING TO MOTOR FUEL TAX (stop the tax collection on fuel used by municipalities) {LC603/1}

01/25/2006 Introduced, referred to House Finance

House Resolution No. 6911**BY** Winfield, Schadone, Caprio D**ENTITLED**, HOUSE RESOLUTION CREATING A SPECIAL HOUSE COMMISSION TO STUDY THE COLLECTION OF FEES**BY** DEPARTMENTS OF STATE {LC610/1}

01/25/2006 Introduced, referred to House Finance

House Bill No. 6912**BY** Palumbo, Flaherty**ENTITLED**, AN ACT RELATING TO ANIMALS (fund for the spaying/neutering of cats/dogs and would provide funds from contributions from a check-off on the RI personal income tax form) {LC367/1}

01/25/2006 Introduced, referred to House Finance

House Bill No. 6913**BY** Lima, Dennigan, Naughton, Coderre E, Rice**ENTITLED**, AN ACT IN AMENDMENT OF "AN ACT AUTHORIZING THE GIRL SCOUTS OF RHODE ISLAND, INCORPORATED TO HOLD PROPERTY EXEMPT FROM TAXATION," AS AMENDED {LC799/1}

01/25/2006 Introduced, referred to House Finance

House Bill No. 6914**BY** Gemma, Landroche, Melo, Flaherty, McHugh**ENTITLED**, AN ACT RELATING TO PUBLIC HEALTH AND WORKPLACE SAFETY ACT (state to fund tobacco prevention and cessation programs/as recommended by the Center for Disease Control and Prevention) {LC1010/1}

01/25/2006 Introduced, referred to House Finance

House Bill No. 6915**BY** Shanley, Lally, Caprio D, Scott**ENTITLED**, AN ACT RELATING TO EDUCATION -- PUBLIC HIGHER EDUCATION ENDOWMENT INCENTIVE PROGRAM {LC841/1}

01/25/2006 Introduced, referred to House Finance

House Bill No. 6916**BY** Shanley, Lally, Scott**ENTITLED**, AN ACT RELATING TO EDUCATION -- BOARD OF GOVERNORS FOR HIGHER EDUCATION (solicit expressions of interest from public and private 2 entities which may have an interest in collaborative research efforts with the college or university) {LC843/1}

01/25/2006 Introduced, referred to House Finance

House Bill No. 6917**BY** Rice, Handy, Sullivan, Faria, Almeida**ENTITLED**, AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT -- FAIR SHARE HEALTH CARE FUND (require employers of 1,000 employees or more to file annual reports relating to the portion of total employees health care costs paid by the employer) {LC525/1}

01/25/2006 Introduced, referred to House Finance

House Bill No. 6918**BY** Gallison, McNamara, Lewiss, Sullivan, Moura**ENTITLED**, AN ACT RELATING TO HEALTH AND SAFETY - - HEALTH CARE FACILITIES STAFFING (establish a maximum workday for certain hourly wage employees and provide penalties for violations) {LC58/1}

01/25/2006 Introduced, referred to House H.E.W.

ANNOUNCEMENTS

Representative Coderre announces that the Committee on Separation of Powers will meet tomorrow, at the rise of the House in Room 135 of the State House.

Representative McManus introduces his intern, David Jose and welcomes him to the House.

Representative Lima announces the House will recess and reconvene at 6:20 P.M. for the Governor's State of the State.

Representative Corvese and the Honorable Speaker Murphy wish Representative Schadone a Happy Birthday.

Representative Carter reminds everyone about the "Debra Beaudion Charity Fund".

PERSONAL PRIVILEGE

Representative Malik rises on a point of personal privilege in regards to an article in the Providence Journal.

RECESS

At 5:20 o'clock P.M. on motion of Representative Fox seconded by Representative Watson the House is in recess until 6:20 P.M., on a voice vote.

ORDER

At 6:42 o'clock P.M. the House is called to order.

APPOINTMENTS

The Honorable Speaker Murphy appoints the following committee to escort the Honorable President of the Senate, and the members of the Honorable Senate, to the House Chamber to meet with the House of Representatives in Joint Session to hear the State of the State Address of the Governor. Representative Shanley, Representative Amaral Representative Almeida, Representative Moffitt, Representative Jackson, Representative Coderre, Representative Rose, Representative Williams and Representative Singleton.

ADJOURNMENT

At 6:43 o'clock P.M. on motion of Representative Jackson, and as a further mark of respect to the memory of Patricia Ann Quinn; on motion of Representative McManus, and as a further mark of respect to the memory of former Senator Michael DeBatt; on motion of Representative Trillo and as a further mark of respect to the memory of Haig Barsamian; seconded by Representatives Fox and Watson the House adjourns, on a unanimous rising vote.

Linda M. McElroy
Recording Clerk

APPENDIX

INVOCATION

REPRESENTATIVE CAROL A. MUMFORD

Almighty God, whose kingdom is everlasting and power infinite; have mercy upon this whole land; and so rule the hearts of thy servants The President of The United States, The Governor of this State, and all others in authority, that they, knowing whose ministers they are, may above all things seek thy honour and glory; and that we and all the People, duly considering whose authority they bear, may faithfully and obediently honour them, according to thy blessed Word and ordinance. Amen

APPENDIX

CALENDAR

IN ORDER FOR THURSDAY, JANUARY 26, 2006:

1 2006-H 6700 SUB A**BY O'Neill****ENTITLED,** AN ACT RELATING TO MOTOR VEHICLE OFFENSES

Committee on Judiciary recommends indefinite postponement of the original bill and passage of Substitute A.

2 2006-H 6862**BY Costantino****ENTITLED,** JOINT RESOLUTION RELATING TO RHODE ISLAND PUBLIC CORPORATION DEBT MANAGEMENT ACT JOINT RESOLUTIONS

Committee on Finance recommends passage.

3 2006-H 6717 SUB A**BY Fox****ENTITLED,** AN ACT RELATING TO MOTOR AND OTHER VEHICLES

Committee on Corporations recommends indefinite postponement of the original bill and passage of Substitute A.

4 2006-H 6708**BY Long****ENTITLED,** AN ACT TO VACATE THE FORFEITURE OR REVOCATION OF THE CHARTER OF A. CAPUANO BROS. INC

Committee on Corporations recommends passage.

Francis P. McCabe
Clerk of the House

Wednesday, January 25, 2006

APPENDIX**PROCEEDINGS IN JOINT SESSION**

Wednesday, January 25, 2006

The Honorable President of the Senate, Joseph A. Montalbano, in the Chair.

CALLED TO ORDER

The Joint Session is called to order at 6:48 o'clock P.M.

Upon suggestion of the Honorable President, and by unanimous consent, the reading of the roll of the Senate and the roll of the House of Representatives is dispensed with, there being a quorum of the Senate and a quorum of the House of Representatives present, therefore a quorum of the Joint Session.

Upon suggestion of the Honorable President, and by unanimous consent, the reading of the Resolution (06-H 6876) of invitation is dispensed with.

The Honorable President, by unanimous consent, appoints Senators Roberts, Goodwin, Fogarty, Tassoni, Bates and Gibbs and Representatives Long, Mumford, McManus, Naughton, Crowley, Faria, Gemma, Pacheco, Williams, Giannini and Picard, at Committee, to escort His Excellency, the Governor, Donald L. Carcieri to the Chamber.

Joint Session attends while members of the Judiciary enter the Chamber.

Joint Session attends while members of the Diplomatic Corps enter the Chamber.

Joint Session attends while members of the Board of Governors, Board of Regents and Presidents of the Rhode Island Institutions of Higher Learning enter the Chamber.

Joint Session attends while Mayors, Town Administrators and Local City and Town Officials enter the Chamber.

Joint Session attends while Directors of the Executive Departments and invited guests enter the Chamber.

Joint Session attends while the Honorable Paul J. Tavares, General Treasurer, enters the Chamber.

Joint Session attends while the Honorable Patrick C. Lynch, Attorney General, enters the Chamber.

Joint Session attends while the Honorable Matthew A. Brown, Secretary of State, enters the Chamber.

Joint Session attends while His Honor, the Lieutenant Governor, Charles J. Fogarty, enters the Chamber.

Joint Session attends while members of the Governor's family enter the chamber.

Joint Session attends while His Excellency, the Governor, Donald L. Carcieri, and the First Lady, Suzanne Carcieri, enter the Chamber.

The Honorable President presents His Excellency, the Governor, Donald L. Carcieri, to the Joint Session. The Governor delivers his State of the State Address.

(See Appendix for Governor's Message.)

Upon suggestion of the Honorable President, and by unanimous consent, the Joint Session attends while the committee escorts His Excellency, the Governor, Donald L. Carcieri, members of the Governor's family and invited guests from the Chamber.

ADJOURNMENT

Upon motion of Speaker Murphy, seconded by Senate Majority Leader Paiva Weed and House Majority Leader Fox, and by unanimous consent, Joint Session adjourns and the two Houses separate at 7:35 o'clock P.M.

RAYMOND T. HOYAS, JR.
Secretary of the Senate

APPENDIX

**STATE OF THE STATE ADDRESS
GOVERNOR DONALD L. CARCIERI
2006 State of the State Address**

Thank you Speaker Murphy.
President Montalbano;
My fellow general officers;
Members of the judiciary;
My cabinet directors;
Distinguished guests;
Members of the diplomatic corps;
And fellow Rhode Islanders;

A special thank you to members of my family here tonight, my daughters Sarah and Jill; and, most especially, to my wife of 40 years, who cares as deeply as I do about our State - First Lady, Sue Carcieri.

In spite of her own health issues this past year, she continues to lead our state's Wellness Initiative – determined to make Rhode Island the first “well-state” in the nation. She also conceived of the *Celebrate Rhode Island Ball*, which last Friday hosted over a thousand people, and raised \$130,000 for the Good Neighbor Energy Fund.

She's also the devoted mother of our 4 children, and proud grand-mother to our 13 grandchildren. Thank you for all you do for our state.

My fellow Rhode Islanders, this is my fourth State of the State Address, and today I am more excited than ever.

- Jobs are growing
- Investment is booming
- Incomes are rising
- Tax relief is beginning
- Educational results are improving
- Parks and open spaces are increasing
- Narragansett Bay is getting cleaner
- And, our state's credit rating was upgraded to AA.

The state of the state is vibrant and dynamic!

More Rhode Islanders are working than ever before. We are the New England leader in creating jobs.

When I took office, we set a goal to add 20,000 net new jobs in 4 years. We are

on track, with 14,000 through December.

And most recently, Fidelity announced a plan for a third building and a thousand new jobs. The tax incentives you passed were a big help.

And there's more good news. Last year, while the federal government was closing military bases around the country – Rhode Island gained 500 new jobs. And there's a reason. Rhode Island truly is a leader in naval training and technology. Beyond that, the marine trades and boat building have become one of our major industries. The Ocean State is indeed a center of ocean technology.

Investments at Quonset continue to pay off. We are adding new companies and new jobs. If you haven't been there lately, drive down and take a look.

Ocean State Job Lot has completed its new facility. Brown & Sharpe's new building is well along, and many other expansions are underway. Soon we will have over 7,000 people employed in 147 companies there.

But Quonset is not the only place where exciting things are happening. Today, we are in the middle of an absolute construction boom.

Private companies are investing more than \$4.9 billion in projects all over the state -- condos, apartments, hotels, office buildings, manufacturing plants, retail space and warehouses.

They have confidence in us. And we have confidence in ourselves. We are investing another \$1.7B in roads, bridges, airports, schools, and train stations.

We also sold the Westin Hotel for over \$100 million, and took control of the Dunkin Donuts Center with a plan to make it a first-class facility connected to our beautiful Convention Center.

Combined, that's almost \$7 billion! By far, the largest construction boom in our state's history.

To keep this entire momentum going, we are concentrating on 4 things:

First, to focus our economic strategy on innovation, based on science and technology.

Second, to fuel that economy with our young people performing at world class levels in math and science.

Third, to reduce the tax burden of government. To lower taxes, we must control government spending.

Finally, to maintain that special quality of life that makes people want to live here

in Rhode Island.

I'll start tonight with our economic strategy. Science and technology are keys to higher paying jobs. Nine months ago, I created a Science and Technology Advisory Council composed of world-class leaders in science and business. Just days ago, that group made a number of recommendations to me, to guide Rhode Island in creating a vibrant innovation economy.

This is our ACTION PLAN!

First, we must expand the research capacity of our universities and strengthen our ability to attract top notch scientists. Under the leadership of my Science Council, the federal government recently awarded us more than \$6 million in new research grants. The state will supplement this for a total pool of \$10 million. This fund is to stimulate new ideas for businesses and build a foundation for the jobs of tomorrow.

Second, we intend to make unprecedented investments in research at U.R.I. Along with University leaders, I am asking the voters to approve a bold vision for a \$140M science center. With this investment, we can make the university a leader in important fields like chemistry, pharmacy, and nursing. Last year's investment is Dr. Ballard's Inner Space Center, at the Graduate School of Oceanography, has already positioned the Ocean State as the International Center for Ocean Exploration.

Third, we must enact a Science and Technology Tax Credit. This credit is geared to stimulate investment in high-tech startups and attract to Rhode Island the entrepreneurs who create high paying jobs.

Finally, Rhode Island is poised to become the first state in the nation to be wireless border to border. The opportunities for business, healthcare and education are limitless. It requires a public investment, but promises to pay off in the future with new jobs.

To fuel that economy we are implementing programs to significantly upgrade our students' preparation in math and science. Following on last year's State of the State Address I established and co-chaired a Blue Ribbon Panel on Mathematics and Science Education. That panel was made up of education and business leaders from around the state.

This summer, the panel made several recommendations to me that will make Rhode Island schools national leaders in science, math, and technology. To accomplish those, I propose \$15 million in targeted investments that will:

1. Improve coordination and collaboration between schools, colleges and employers;
2. Attract more people to teach math and science;
3. Improve teacher training in math and science, especially at the elementary level; and,
4. Provide increased opportunities for all of our students to engage in more

rigorous programs of study.

We are already piloting a new “Physics First” program in 5 of our school districts. Just today, Nobel physicist, Dr. Leon Lederman, the father of “physics First”, spoke to our teachers and students about the importance of physics as a building block in science education. We are also testing in Central Falls, “I Can Learn”, an exciting new technique for teaching Algebra.

Our suburban and rural schools are ready to meet this challenge. They are performing above the national average. But we all know, we need to lift the performance of our urban schools. There are encouraging signs in public elementary schools, charter schools, and private schools.

It is the job of the cities to uplift their schools. But the state has a responsibility to step in when schools continue to fail. Hope High School is a case in point. The state’s intervention is beginning to make real improvements. That’s a testament to the cooperation of parents, students, administrators, and the leadership and members of the Providence Teachers Union.

I suggest that we need to go further!

I will create a working group of community leaders to develop a plan for a single, Metropolitan School District, to initially include Providence, Central Falls and Pawtucket. The combination of these districts could produce significant efficiencies in administration, transportation, standardized curriculum, and infrastructure.

And a single district will make it easier for children and families in the urban region. Many students transfer among the three districts today, so uniformity of the educational systems would benefit those children. This will require extensive study, but I believe the benefits for those children could be great.

A single urban district can be a model for the state for innovative educational programs.

We will launch pilot projects to improve student performance by extending the school day, expanding the teacher year for additional training, re-evaluating the middle schools, and increasing the number of public charter schools.

This is an ambitious agenda. Foremost in the learning process are good teachers – and we have some outstanding ones. Here tonight are two of our best: Milken National Award Winners, Diana Petrosinelli and Andrew Wallace. They each received \$25,000 cash awards for their exemplary work. Please join me in recognizing their dedication to our children.

Let’s remember that teachers can’t do this job alone. Sue and I know this first hand, we both taught school. Teachers need the strong support of public officials. And most importantly, they need the support of parents. A strong 2-parent family, actively

engaged in their children's education, is a virtual guarantee of results. Less time in front of a TV, and more time reading. That works!!

I am committed to working closely together with all of you to make sure that we prepare our children for the 21st century. To keep our children here, and to attract the businesses to employ them, we need to reduce our tax burden. We have made progress, but it's not enough. I am committed to working with you to create long-term, systemic tax relief.

Last year, with the overwhelming concurrence of this General Assembly, we resumed the phase-out of the car tax. 38,000 cars are no longer taxed. All Rhode Islanders thank you for that.

And my budget will keep the promise we made last year to eliminate the car tax. By dedicating the increased revenues from Lincoln Park and Newport Grand to tax relief, we will completely eliminate the car tax within 5 years. That puts money directly in your pockets!

We all know that Rhode Islanders need more tax relief, but to do that, we must reduce the growth rate of government spending. Last year, we reached an historic agreement to reform the state pension system, saving Rhode Islanders nearly \$250 million over the next 5 years.

And, the Big Audit is alive and well. By the end of this year, cumulative savings from the Fiscal Fitness program will exceed \$140 million. We have done this through better business practices, elimination of redundancies, 21st century technology, and just plain hard negotiating. And we have just begun!

Because of these efforts, since I took office, there have been no broad-based tax increases. And every budget has been balanced. But we must do more!

I will propose a number of critical reforms to reduce spending, not just for the next year, but for the long term fiscal health of the state. We will reform the state personnel system this year, just as we reformed the state pension system last year. We will reduce the number of middle managers in state government and run our operations more efficiently. To do that, I will need your help.

We will reform the massive human service entitlement programs that have been built up over the last decade. The growth rate of these programs is not sustainable! My budget will propose a number of important reforms to our welfare system. We will put more Rhode Islanders to work faster, encourage self-sufficiency and promote healthier choices.

Further, to enforce greater spending discipline, I will support a Constitutional Amendment that limits the overall growth in state spending to an inflation adjusted amount. Many states have enacted such laws with great success.

Locally, cities and towns must slow their property tax increases. Last year, I refused to approve any property tax increases in excess of the 5.5% cap. Every city and town was able to live within that cap. But our property taxes are still too high. I believe that cap should be lower, and will submit a budget article to reduce it more in line with personal income growth. These two disciplines will allow us to lower the tax burden on all Rhode Island families – and that’s a good thing!

Now we all know that we enjoy a special quality of life here in Rhode Island. To maintain that special quality, my priorities are to provide affordable health care, control energy prices, and protect our environment.

First, health care must be affordable, accessible, and high quality. Several months ago, I announced a 5-point strategy to improve health care in Rhode Island. It focuses on:

1. A new affordable health plan for small businesses and individuals;
2. Increasing wellness programs across the state;
3. Making major investments in health care technology;
4. Developing centers of excellence at our hospitals; and
5. Leveraging the state’s own purchasing power.

We are moving ahead on all 5 fronts. Within the next few weeks I will launch a major health care reform and investment initiative.

Energy costs also impact our quality of life and our economy. Rhode Island can be a national leader in energy policy. Earlier this month, I appointed a Chief Energy Advisor and announced a 5-point energy policy to make us that leader. My plan will:

1. Promote conservation;
2. Increase LNG supplies without building in populated areas;
3. Provide assistance to the most vulnerable;
4. Reform the unfair electricity pricing system in New England. At present, the producers of oil and natural gas are reaping enormous windfall profits. That leaves every consumer holding the bag! That’s wrong and we need to change it.
5. Finally, we will vigorously pursue renewable sources of energy.

At present, Rhode Island has no major source of energy. We produce no oil or natural gas. My goal is to use wind power to produce 15% of Rhode Island’s energy needs. And my administration is already working hard to make this a reality.

We all know that our natural beauty is at the heart of our quality of life. Our citizens readily support efforts to preserve open space, and protect our most precious resource, Narragansett Bay.

Last year we added 2,300 acres of open space throughout the state. Since I took office, we have added 8,400 acres. And Narragansett Bay is getting cleaner. We have

reduced pollution and cut the number of beach closure days in half. I will ask the voters to approve an additional \$25M Clean Water bond this year to finish the task.

Construction is now underway on my plan for a Bay Island Park System. Now, more Rhode Islanders – especially those living in urban areas – will be able to enjoy the jewels of Narragansett Bay.

Last summer, Sue and I took our grandchildren on the Save the Bay boat, from Providence to Colt Park. It was a special day for us. More Rhode Island families should have that opportunity.

To accomplish all of this, we will work together. We have worked together well this past year on economic development, pension reform, and tax relief.

Let's keep the momentum going.

- Let's get tougher on drunk drivers,
- Tougher on sexual predators,
- Limit the power of government to take homes by eminent domain, and
- Reform the medical malpractice insurance system.
- And, pass a Voter Initiative Constitutional Amendment

And we must enact new legislation to ensure that no Rhode Islander will lose their home because of a \$450 sewer tax lien. Who can forget the awful image of 81 year old Madeleine Walker being evicted from her home of 50 years on a cold day just before Christmas? Predatory tax sales like this must stop now!

I also ask that you reject an idea that is not in the public interest. Amending our State Constitution for the self-interest of an out of state casino corporation would be a travesty. Such an amendment would be unprecedented.

I know that we can work together to get this done.

For inspiration, we need only look to the example of Rhode Islanders who responded to Hurricane Katrina. They rose to the occasion and demonstrated tremendous compassion and generosity. We welcomed nearly 500 of our fellow Americans who lost everything they owned. They arrived here with only the clothes on their backs, and a few bags of belongings.

Many of our local businesses and community organizations donated furniture, clothing, food, and much much more to make our guests as comfortable as possible. For all of that, I thank you.

Another group of our citizens went above and beyond – they went to New Orleans and Mississippi on a days notice. Our National Guard military police unit went to New Orleans. Many of them had only recently returned from Iraq.

Regarding their performance, I received an email from the commander of the USS Iwo Jima. In his words, "To their credit, they were the first to enter the Convention Center and restore order with only 140 troops though the mission called for more than 500. They saved 15 lives and evacuated hundreds." He called them "huge heroes from a small state".

Our Urban Search & Rescue Team led a four-state team in Mississippi to recover victims of that devastation, and reconcile missing person's reports. That is hazardous, tedious, painstaking work.

Here tonight, representing those who responded to Katrina are two great Rhode Islanders:

- Private Eric Carrier from the 119th Military Police Unit;
- Task Force Leader, Curt Varone of our Urban Search and Rescue Team.

Please congratulate them on such a great job.

In summary, my message is clear; the state of our state is strong! I love this state! There is so much to be proud of.

Our economy is flourishing.

Our rich history makes us a magnet for visitors from around the world.

The vibrancy and vitality of higher education makes us an international center for innovation.

Our people are demanding a civic culture that encourages hope, not cynicism. Where corruption will find no refuge.

We are making our government less of a burden, and more of a catalyst.

And Rhode Island is, once again, being seen as a leader in the nation, just as it was at the birth of our nation.

Finally, there is no greater pride that we all have than that in the men and women of our armed forces. The Rhode Island National Guard has distinguished itself time and again in the global fight against terrorism. They and their families have sacrificed mightily on our behalf.

Last month two of our soldiers were both personally awarded the Purple Heart by President Bush for injuries sustained in Iraq.

They are SPC David Dyer and SPC. Chad Danusis. They could not be with us tonight because they are still undergoing treatment. Representing them and all our national guard are Specialist Nathaniel Deitch and Sergeant First Class Ted Marrero. Please join me in thanking them, and all their fellow soldiers, sailors, marines, and

airmen.

In honor of all our men and women in uniform, please join the First Lady and me singing "God Bless America".

Good Night!