

Governor Janet Mills State of the State Address
As Prepared for Delivery
February 10, 2022

*****EMBARGOED UNTIL 7:00 PM EST*****

President Jackson, Speaker Fecteau, Chief Justice Stanfill, Secretary Bellows, Attorney General Frey, Treasurer Beck, Auditor Norton, Distinguished Members of the 130th Legislature, Mayors and Honored Guests, it's good to be back!

Tonight is the first time in two years we have been together in this chamber. I am here to continue the story I shared then, a story about the promise of our state and the progress we have made to reach our people's full potential.

As we emerge from the early dark days of January, as a waxing moon sheds light on a dramatic midwinter landscape, it is a good time to take stock, to reflect on our common history, our community progress, and our communal future, to assess the State of our State.

We have been through some difficult and dangerous times together these last twenty-three months. This state, and this nation, have endured a time like no other, fending off a pervasive, unceasing threat to our lives and to our livelihoods.

We in Maine have never had it easy, never been able to take things for granted.

We don't welcome tough times, but we're not afraid of them either. And as any good Maine forester will tell you, "Good timber does not grow in ease / the stronger wind the tougher trees."

Our presence in this Chamber tonight is a sign of progress, of recovery — a step forward in our march towards normalcy and stability, especially from where we have been.

Early in the pandemic, with no experience with this novel virus, I, like virtually every governor across the nation, took steps to protect the health of Maine people, following the best available science to protect lives.

With the development of vaccines – now available to nearly all – science delivered to us the life-saving miracle we needed, and, with it, the responsibility to protect lives no longer belonged to me alone. It became then, as it is now, both a personal responsibility to protect yourself and a shared responsibility to protect us all.

We have arrived at yet another inflection point in this winding pandemic, a hopeful moment as we welcome downward trends and declining hospitalizations; a warmer, brighter spring as we emerge from a cold, dark winter.

Yes, we are tired; yes, we are weary, but we are strong. If nothing else, two years of this pandemic have shown us that we are stronger than we ever imagined.

Last year's emergency measures no longer serve the purposes they once did, nor should they. As science and trends evolve, our response evolves as well.

Today, we focus not on telling people what they cannot do. We focus on telling people what they can and should do.

We focus on preserving the most vital facets of our lives: our schools, our hospitals, our jobs.

As the storm of the pandemic endures, with peaks and valleys to come, my pledge to you is this: that we will work day and night to make vaccines and tests accessible to all; to keep our children safe in their schools; to work in close partnership with our health care systems, ensuring critical care for all those who need it, and not just those with COVID; and to keep our businesses open and thriving and our economy moving forward.

We will continue to expect the unexpected, as common sense, common courtesy and vigilance rightfully replace fear and anger, as we protect ourselves from known risks and take care that our individual actions do not jeopardize the health of others.

And as the vaccine becomes available for our youngest children, and as more people are fully vaccinated and obtain even greater protection with booster shots, we will continue to recommend the common-sense measures that keep our state safe, adjusting to meet changing circumstances.

You can do your part by getting vaccinated.

More than one million of you have, and to each of you, I am deeply grateful.

You are why I am proud to report that Maine is one of the most highly vaccinated states in the nation and, despite being one of the oldest states, we have one of the lowest COVID death rates in the nation.

Our goal has been to save lives. And we have succeeded better than nearly every other state.

This success, however, is cold comfort to the loved ones of those who lost their lives to this insidious virus, the more than 1,800 Maine people - fathers, mothers, grandparents, friends - whose absence is felt painfully every day.

Tonight, we also feel the loss of two good people who served so ably in this Legislature: Representative John Tuttle of Sanford and Representative Donna Doore of Augusta.

Let us bow our heads in a moment of remembrance for those good souls and for our fellow citizens who lost their lives.

As we look across the State of Maine right now, we still see local hospitals trying to stay on top of the extraordinary crush of very ill, mostly unvaccinated, patients fighting for their very breath.

We see children, resilient in the face of great difficulty, desperate for stability, socialization and education.

We see parents persevering, but searching for a break, hoping not to get the call that their day care has closed, because they know they can't afford to miss work.

We see citizen school boards patiently listening to students, teachers and parents, and deliberating on the right measures to keep kids in school while protecting everyone from the virus.

We see farmers, fishermen, loggers and haulers trying to keep up with the swings in demand, the uncertainty of markets and offshore supplies and, for the lobster industry, arbitrary federal regulations over the Gulf of Maine.

We see an economy making an historic comeback, but challenged by longstanding difficulties, like a shortage of workers, while shops, manufacturers, trades and service providers are anxiously trying to fill thousands of jobs.

We see Maine people struggling with exorbitant electric bills and inflation at the pump and at the grocery store, paying more of their hard-earned paycheck just for basics.

We must work together to address these challenges.

But there are also things we cannot see as readily that show that our state is on the road to recovery.

Maine's economy, like that of the rest of the nation, is making a comeback. Maine's Gross Domestic Product – a key measure of economic growth – has not only fully bounced back from the pandemic, it has surpassed pre-pandemic projections. Indeed, from when I took office through the third quarter of last year, our GDP grew at the second fastest rate in New England and the 14th fastest rate in the nation.

And our unemployment rate, 4.7 percent – which is still too high – has fallen by nearly half from a pandemic high of 9.1 percent. Jobless rates in the Bangor area have fallen to 3.8 percent, to 4 percent in Lewiston and Auburn, and to 3.4 percent in Portland and South Portland.

Only about 6,000 people are actually receiving unemployment benefits, a number comparable to the number before the pandemic.

Our auto, building supply, lodging, retail and restaurant sales all were up this summer.

Our international exports are up and on track to be the best since 2012.

Our tourism industry had a banner summer season.

Our state parks saw a record number of visitors -- more than 3.3 million last year alone -- with thousands more already booked for this year.

Maine families are enjoying their state, and people are coming here, enjoying what Maine has to offer, and contributing to our economy. Thank you, Commissioner Beal, and your staff, for being such good stewards of our public parks and campgrounds.

Our population is growing at the second highest rate in New England, and we have the 7th highest rate of net migration in the nation.

We are encouraging new, innovative businesses with exciting partners like the Roux Institute, and we are welcoming new businesses across the state, like the data and tech company, Dynamic, located in Lewiston, Maine. Congratulations, Mayor Sheline!

Our credit ratings have been reaffirmed -- even as other states were downgraded -- by credit rating agencies who cited our governance practices and the growth of our Rainy Day Fund as signs of stability.

Our Rainy Day Fund has more than doubled under my Administration to nearly \$500 million. Let me repeat that: half a billion dollars – the highest it has ever been.

We have returned \$371 million to Maine people and Maine businesses, including sending \$285 checks to more than 500,000 hardworking men and women in Maine and millions more in tax relief for Maine people and businesses.

And, after passing strong, balanced budgets – the most recent one supported by nearly every member of this Chamber – we are reporting a record budget surplus of \$822 million. This is thanks to good fiscal management and to our careful allocation of Federal and State pandemic relief, including hundreds of millions of dollars in grant funding to keep Maine small businesses open and their employees on the job.

And we have achieved all this without raising any taxes.

All of this is progress.

At the same time, Maine is not immune from the impact of pandemic-driven inflation, from higher energy prices caused by a reliance on fossil fuels, to supply chain issues that contribute to higher prices at the grocery store for everything from potato chips to plastic ware, to ramen noodles and cat food, and even a scarcity of chocolate milk in Houlton and Moxie in Lisbon.

A global pandemic has had very real and very clear impacts on the national economy, and those impacts are felt here in Maine.

While I cannot control the impact of COVID-19 on global markets, I can make sure that we deliver to Maine people the resources they need to grapple with these rising costs as we rebuild a stronger sustainable economy that is more resilient to the whims of the rest of the world.

Many of my friends on the other side of the aisle, like Senate Minority Leader Jeff Timberlake and House budget lead Sawin Millett – have called for a return of half the surplus to Maine people through direct checks. I think they're right.

I propose that we send half of this surplus – \$411 million – back to the people of Maine. These givebacks, by direct checks to the people, will amount to about \$500 per person and will be distributed to an estimated 800,000 taxpayers in Maine to help them offset added costs.

As we continue to rebuild our economy, we know what the largest impediment is to sustained growth. It's the same issue that has garnered headlines for the past decade: Maine's workforce shortage.

Headlines like:

“Here are the jobs Maine employers struggle to fill.” That headline was from the Bangor Daily News on November 1, 2015.

“Some Farmington area stores struggle to get employees.” The Sun Journal, July 7, 2018.

“What’s next for Maine’s labor shortage?” MaineBiz, December 10, 2018.

Sound familiar?

Maine has long grappled with an aging and declining population, with young people leaving our state in search of better opportunities.

The pandemic didn’t help our workforce by any means. The Maine Department of Labor estimates that, of 22,000 people no longer in our workforce, more than 15,000 of them likely retired, a trend consistent with the rest of the country.

Our workforce shortage is a serious problem. It is a problem I inherited, but it is not one that I will leave to our grandchildren to solve.

It will take hard work, not simplistic solutions – but we know what we need to do.

Maine people are telling us that they need child care, that they need housing, and that they need broadband, that they need good health care, and strong public schools for their kids.

I agree.

This is why we have adopted a comprehensive approach to child care, broadband, housing, and health care through the Maine Jobs and Recovery Plan, and why we welcome a bipartisan effort to improve our schools and make every child ready for a career and a meaningful life in the state we hope they will always call home.

I have five wonderful grandchildren. All here in Maine. One is an adult with special needs. Two are young men in college. And two are just starting out their academic careers — one in kindergarten and one in pre-K. Their hardworking parents, like all Maine parents, juggle jobs, day care, tuition and books, fuel and groceries. They ask every day, “What will tomorrow be like for my child?”

I want us to do everything we can for families like these all across our state to allow them to stay in Maine and to succeed in Maine.

We know that lack of quality affordable child care prevents people from taking jobs, from starting new businesses, from moving to rural communities, and it deprives kids of important developmental care.

That's why we are tackling this issue head on.

We created the first-ever Child Care Plan for Maine that invests approximately \$120 million in American Rescue funds to help Maine's child care system recover and to improve child care quality, accessibility, and affordability over the long-term.

With this funding, we have provided \$200 monthly stipends to more than 6,000 child care workers to encourage them to work in this valuable profession.

And now we are investing another \$25 million in federal funds to help renovate, expand, or build new child care facilities and expand early childhood education programs.

But we also need to do more. Speaker Fecteau has proposed legislation to provide pay increases for child care workers. I support his proposal.

To deliver on it, my supplemental budget will include more than \$12 million to increase pay for our child care workers.

This is progress.

The lack of available, affordable housing is also a serious barrier to entering the workforce, and Maine's chronic housing shortage, long neglected in the past, has only gotten worse during the pandemic.

One of the first things I did as Governor was to sign the \$15 million senior housing bond overwhelmingly approved by Maine voters in 2015 but never released by the previous administration. Now we have built more than 200 new housing units for low-income seniors, all now occupied or near completion, and we have weatherized 100 more.

Two years ago, I asked you to enact Speaker Fecteau's bill to establish the Maine Affordable Housing Tax Credit. You did so, and I was proud to sign into law the single largest state investment in housing in Maine's history. This summer we broke ground on the first major housing project under that law and it is making a huge difference.

Under my Maine Jobs & Recovery Plan we are investing \$50 million to increase the number of energy-efficient, affordable homes for working Maine people. \$10

million of that is now ready to go out the door and will result in at least 150 new affordable, single-family homes.

This is progress.

We must make home ownership and affordable rentals reachable for more Maine people. It is both an economic and moral imperative.

Another thing keeping too many people from working, especially in rural areas of Maine, is the lack of affordable broadband. High speed internet is no longer a luxury; it is a basic necessity, as fundamental as electricity, heat and water.

Two years ago, I asked you to support a \$15 million bond to expand internet for the first time in more than a decade. You agreed and the voters approved and those funds have already brought high-speed internet to more than 11,000 homes and businesses across Maine.

We proposed, and you enacted with bipartisan support, a new entity charged with achieving universal internet access in Maine – the Maine Connectivity Authority.

With this new Authority up and running, and with the support of American Rescue funds, I pledge to you tonight that every person in Maine who wants to connect to high-speed internet will be able to do so by 2024 – just two years from now.

Because this is progress.

We will make Maine one of the most competitive and desirable places to live and work and raise a family and stay connected to the world.

Reliable child care, affordable housing, high speed internet – all of these things are key to people being able to enter and stay in the workforce and provide for their families.

But we've also got to do more to help people get ready for work and careers to begin with. That starts with our youngest kids.

That's why when I took office, I reinvigorated the Children's Cabinet, neglected in previous years, to accomplish two goals: 1) to ensure that all Maine children enter kindergarten prepared to succeed; and 2) to ensure that all Maine kids are able to enter adulthood in good health, with a good education, and ready for a good-paying job.

Beginning with Pre-K, we are delivering on these plans.

Pre-K promotes child development, improves early literacy, math, and social-emotional skills, and bolsters student success.

My Administration has increased our investment in public Pre-K programs by \$5.4 million, resulting in 90 more Pre-K classrooms across the state.

And just last month, we announced grants from the Maine Jobs & Recovery Plan to 14 school districts, from Kittery and Sanford to Caribou and Greenville, and in between, to further expand Pre-K to more than 500 children across Maine. And there is more to come.

I am also proud of the progress we have achieved in Kindergarten through twelfth grade.

Working with you, we have raised the minimum teacher salary to \$40,000, and we delivered on one of our most fundamental commitments:

For the first time in Maine history we met the state's longstanding commitment to fund 55 percent of the cost of education.

No longer will we underfund education in the State of Maine, as past administrations have done.

We will maintain this commitment to our students, to our teachers, to our municipalities, and to our property taxpayers. And to help us do so, tonight, I propose creating an Education Stabilization Fund, capitalized with \$30 million from the General Fund, to continue delivering on that promise.

It is the fiscally responsible thing and the morally right thing to do by our people.

In other words, progress.

We all know that students can't learn on an empty stomach.

Last year the Legislature, led by Senate President Troy Jackson, got rid of the distinction between paid lunch and free and reduced lunch and asked us to pick up the cost of these school meals once federal funding ended.

I am pleased to announce that my supplemental budget will include money to fully fund universal free meals in our schools.

It is time to keep feeding our children good food — more and more of it Maine grown, Maine fished, Maine farmed.

To that same end, to get more Maine-grown food into our schools and communities, and to extend the growing season, I am recommending that we provide one-time funds to offer Maine-built greenhouses to as many schools and communities as possible to promote community gardens and teach kids and their families how to grow their own food.

Maine has placed a high priority on keeping classrooms open, but even so, too many kids have lost the vital connections with their school, their friends, their teachers and their academic path. Children need structure. They need to be in school. But kids can also learn while doing, and they can learn outside the walls of a classroom.

I want to show Maine kids the breadth and depth, the experience of our state. Let them hike the trails of western Maine. Learn boating at a 4-H camp. Feed the Tilapia fish that are fertilizing gardens at Herring Gut Learning Center in Port Clyde and SpringWorks in Lisbon. Tend the state's aquarium in Boothbay. Learn forestry at an Outdoor Ed Center in Brewer. Explore Burnt Island and Hurricane Island and learn how OceansWide is retrieving ghost gear from the ocean bottom. Ford the streams at Baxter State Park. See all the research being done at the University of Maine, at UNE, at UMaine Machias, at the Darling Marine Center, the Bigelow Labs, Jackson Labs and the Gulf of Maine Research Institute.

Education is changing in so many new and exciting ways, and we should be at the forefront, preparing our children, introducing them to the great outdoors and offering them hands-on experiences outside the classroom that will spark new perspectives, engender new friendships, and deliver new skills.

Experiential learning will help kids reconnect while enjoying all that Maine has to offer.

Tonight, I am directing the Commissioner of Education, Pender Makin, to develop a new collaborative, using federal enrichment funds, to get children outdoors this summer, exposing them to lived experiences that will get them ready for life and new careers.

We have so much to offer for education here in Maine at every level.

Our kids can take courses at career and technical education centers where they can learn critical skills in the trades on the equipment which we have now funded for the first time in decades. They can take courses in computer science -- a growing and critical part of our economy. Those courses should be expanded, and they should be taught earlier. We are working on that.

And we believe that exposing young people to meaningful work while they are still in school can also increase our workforce participation rates. That's why this summer, we will expand our Maine Career Exploration program, connecting Maine high school students with paid work that puts them on a path to future careers.

We are making progress.

And when they are ready, our kids can attend one of the University of Maine's seven excellent campuses or one of our nationally recognized community colleges.

This week, we celebrate the University of Maine's achievement of R1 status as a leading research university.

This well-deserved designation reflects years of hard work by University staff, students, and researchers. And it will globalize the University of Maine's reputation as a top-flight research institution and attract and keep the best and brightest in our state.

Congratulations President Ferrini-Mundy and Chancellor Dan Malloy!

It is also our responsibility to ensure that higher education is affordable.

And I've got some ideas to tackle that.

First, I am proposing funding in my supplemental budget to stave off tuition hikes across the University of Maine System, to keep university education in Maine affordable.

Secondly, thinking especially about all those young people whose aspirations have been most impacted by the pandemic, I propose making two years of community college free.

To the high school classes of 2020 through 2023 – if you enroll full-time in a Maine community college this fall or next, the State of Maine will cover every last dollar of your tuition so you can obtain a one-year certificate or two-year associates degree and graduate unburdened by debt and ready to enter the workforce.

And if you are someone who's already started a two-year program, we've got your back too. We will cover the last dollar of your second year.

There are so many good-paying jobs in health care, engineering, the trades, construction, in clean energy technology, and many other industries that are just

waiting for you – and, as your Governor, I want you to know the future is yours, and we will help you embrace it.

Because that is progress. Thank you, President Dave Daigler for helping make this happen.

But what about those who have already graduated and still have student debt?

Recent graduates in Maine carry an average of \$33,000 in student loan debt. Some have even more, like the nurse who told a radio station that she owes more than \$100,000.

That level of debt prevents young people from starting a business, affording a mortgage or paying their bills and achieving their full potential. It is simply unacceptable.

Thankfully, Senator Matt Pouliot has had his eyes on this problem for a while now. He's drafted legislation that will streamline the Maine Opportunity Tax Credit after so many years of changes that complicated and undermined the program's good goal of attracting and keeping talented people in the State.

This legislation, which received bipartisan support in Committee, transforms the program from an obscure bureaucratic tax benefit available to just a few, into a strong student debt relief tool available to all.

I like it.

And that is why tonight I am announcing that I will fund an overhaul of the Opportunity Maine Tax Credit, consistent with the goals of this legislation.

We will broaden and simplify the program's eligibility criteria so that those who graduated with student debt – regardless of what type of degree they have or where they graduated or what type of work they do now – they will be eligible for up to \$25,000 of debt relief over the course of their lifetime, so long as they have a job and they make Maine their home.

With these changes, the Opportunity Maine Tax Credit will be the leading student debt relief program in the nation and a powerful tool for employers to draw people from all walks of life to work and live in the State of Maine.

This is progress.

Some of those people may be health care workers.

Now, it almost goes without saying that our health care system, like those in states governed by Republicans and those in other states governed by Democrats, has been pushed to the very brink.

Our health care system has long confronted a shortage of medical professionals. But it is a problem that has grown worse, particularly as the pandemic has dragged on and as so many people, largely unvaccinated, have had to be hospitalized and receive critical care.

But these increased demands never stopped our health care workers – all of them now vaccinated – from holding the hands of their patients to ease suffering, despite their own exhaustion.

Just as it has not stopped our National Guard members, who have courageously stepped up to fight the pandemic, leaving their families, jobs, and communities to serve the people of Maine. You have our undying gratitude. You are all true heroes.

Now, I know there are some who say that requiring our health care workers to be vaccinated against COVID-19 was a bad move.

To them, I say: the American Medical Association, American Nurses Association, and the American Academy of Pediatricians; along with the Maine Medical Association, Maine Hospital Association, and Maine Health Care Association; Maine's two largest hospital systems; and not to mention – the United States Supreme Court which upheld the Federal vaccine requirement and let ours stand – they all disagree with you.

And they can't all be wrong.

Yes, our health care system has been stressed, just as the health care systems of our neighboring states, including New Hampshire, have been stressed.

But it is because of the virus, not because of the vaccine.

Our takeaway from this experience should not be to doubt the overwhelming efficacy of a vaccine that has protected those caring for us. The takeaway should be: get vaccinated and let's strengthen our health care workforce in new and profound ways.

And that is exactly what we are doing.

Through my Jobs plan, we have invested \$21 million to train new health care workers, and we've already started at Northern Maine, Eastern Maine, and Southern Maine Community Colleges, with more courses starting soon, in addition to the university's new nursing program at Fort Kent.

This is progress.

And to bolster the healthcare workforce, we have invested more than \$600 million in state and federal funds to improve MaineCare rates and to provide pandemic assistance for health care providers across the spectrum.

And tonight I propose that we send another \$50 million in State and Federal funds to our hospitals and nursing homes to sustain them through these difficult times.

No other Administration in Maine history has invested as much as we have in our hospitals, nursing homes, and other health care providers.

That is progress.

And I have to say I thank God every day that we expanded Medicaid on Day One of my Administration, extending health care to 90,000 people.

I thank God we reinstated the Drugs for the Elderly program, cut by the previous administration; and that we enshrined coverage for pre-existing conditions in state law, that we reversed declining health insurance enrollment, covering 11,000 new people through CoverME.gov; and that we are lowering the cost of health care for 5,000 small businesses and their 29,000 employees.

That is progress.

But that cannot be the end of our efforts.

The system of care for people as they grow older in Maine is inadequate.

It is far past time to ensure that Maine people can live safely and with dignity as they age.

Tonight, I am announcing that I will convene a Silver Cabinet – a mirror to our Children's Cabinet – to mobilize our people, to eliminate silos across State government, and to enhance coordination and communication among all players to address long-term care issues and ensure that every person in Maine may age safely, affordably, in a way that best serves their needs.

Maine people work hard their entire lives, and they deserve no less.

Just as people deserve reliable child care that they can count on; and a safe place to call home; and internet that isn't dial up. They deserve affordable health care that keeps them on their feet, and a quality, public education that sets them on a path to life-long success.

These are investments in people – our people.

Maine people deserve every ounce of hard-won progress that we have achieved despite the pandemic.

More than this, Maine people have earned the progress that is yet to come.

We will make progress on the opioid epidemic, on improving the child welfare system, on combatting climate change, on bringing down the cost of electricity and curbing our reliance on fossil fuels to cut energy costs, and on addressing the devastating impact of PFAS on our health and livelihoods.

We will make that progress.

We are making progress because of this Legislature and also because of fifteen people in particular. They are sitting in the gallery tonight.

The fifteen members of my cabinet and their staff have been by my side -- and by the side of the people of Maine -- consistently, with focus, fortitude, courage and creativity -- through some of the most turbulent times in recent history. And I want to thank them publicly tonight for everything they have done, much of it unseen, but all of it always to the enduring benefit of the people of Maine.

[Jeanne, Pender, Kirsten, Mike, Judy, Pat, John, Amanda, Melanie, Heather, Doug, Randy, Laura, Bruce, Anne – You have my undying respect. Thank you.]

In my State of the State address two years ago, I borrowed a quote often attributed to Sam Rayburn:

He said, “Any fool can burn down a barn; but it takes a good carpenter to build one.”

Let's build that barn together – a solid shelter to weather every storm.

And let's not argue about how many nails are in your nail gun, or mine, or who didn't close the barn door, or who will shovel the roof next winter.

Or will the very rich pay for the shingles?

Will Portland developers want to put condos in the loft?

Will the Steller's Sea Eagle build its nest in the cupola?

And if so, will the planning board consider it an accessory dwelling?

Will there be a tenants' union?

Will John Martin want to store cull potatoes in it?

Will it have Starlink?

Look, it has been a turbulent year. But not so turbulent that we can't work together on all these things.

And not so turbulent that the sight of mysterious sea smoke doesn't take our breath away; that the cold lapping of the Atlantic Ocean doesn't send us into rhythmic dreams; that the power of the Maine mountains doesn't cause us to gasp and bend a knee; that the beauty and breadth of our state and the goodness of our people doesn't inspire us all to be better leaders, to take this state to greater heights.

Our state is beautiful. The state of our state is strong, and it is growing stronger.

Tonight, we recommit to progress, to recovery, to moving forward towards normalcy -- to building our barn, our state, together -- a safe and stable structure, with crossed rafters and a solid ridge beam, with firm trusses and brackets and a roof that is pointed to the heavens.

That is my mission, and I ask you all to join me. Because progress is why Maine people sent us here, and after these past 23 months, I have never believed MORE in the people of our great state.

Thank you.

And God bless the State of Maine.