

**Remarks of Governor Peter Shumlin
State House, Montpelier
January 7, 2016**

Mr. President, Mr. President Pro Tem, Mr. Speaker, Mr. Chief justice, Senator Leahy, General Cray, members of the general assembly, distinguished guests and fellow Vermonters, thank you all so much.

I am as honored and humbled to stand before you today as I was giving my first Inaugural Address in 2011. That day I spoke with affection about our last Governor from Putney, George Aiken. Three-quarters of a century ago, he stood before this body and reflected on the challenges and progress of his day. He said:

“During these four years Vermont, in common with the rest of the nation, has experienced changes and put into practice new functions of government that were either unforeseen or in the visionary stage a few years ago. Our task has been to apply these innovations in a practicable manner.”

Seventy-five years later, his words call to mind our own efforts over the last five years.

When I became Governor I promised to focus every day on making the lives of Vermonters more secure – secure in an economy that grows jobs and works for everyone; secure with a saner energy policy that relies on Vermont-grown energy while protecting our planet and our economy; secure with an education system that gives all Vermont kids an equal shot at success; secure with a criminal justice system that relies less on incarceration and more on rehabilitation; and secure with a health care system that offers coverage to all and costs Vermonters less.

From day one, I made it clear that I didn’t run for this office to be a caretaker. I ran to get tough things done. I ran for Governor because Vermont is a great state. I wanted to make it greater.

I knew it wouldn’t be easy. That is why I ended my first address to you with these words: “Our obstacles are many, and our challenges are daunting. The change we’re proposing is transformative and systemic. It will not happen quickly or easily.”

It hasn’t been easy, but together we have accomplished so much. Vermont is a better place to live, work and raise a family than it was when we began.

Governor Aiken was forthright in saying “there have been times when we have encountered rough places on the highway of our history.” But he concluded “we have been successful for the most part.” Both are as true today as they were in Aiken’s day.

We put Vermont back to work.

We started at the trough of the Great Recession, unsure whether we’d be able to build back. Soon after, Irene struck. We were down and we got knocked down again. But we stood back up. We added 17,600 new jobs in the last five years and have grown per capita incomes at or above the national rate every year I have been Governor and that has never happened in Vermont’s history. We have expanded health insurance to 19,000 Vermonters who had no coverage when I took office, and in my forthcoming budget

speech I'll address the important work left to do with our health care system. This hard work, these positive statistics are about real Vermonters who we've helped to better times.

- Christie Montagne of St. Albans was "living the dream" with her husband and eight children on their dairy farm when her husband became ill, forcing them to sell the farm. She was only able to get a part-time job. Christie was struggling to support her family when she found a free job training opportunity sponsored by the state to work as a Medical Coder with Precyse. Now, Christie is earning a great salary with excellent benefits, and describes the job-training as "a life changer" for her family. Christie and Matthew Gamage from Precyse are in the chamber today.

While there are thousands of success stories like Christie's, there are still Vermonters stuck with bills that are piling up faster than they can pay them. We have more work to do.

Vermonters who are sick should not have to choose between going to work or losing their job. This isn't just about fairness for employees; it's about protecting all of us. Nationwide, almost 90 percent of food workers report that they go to work sick, and according to the CDC, 65 percent of foodborne illnesses result from the handling of food by someone who's sick. I'm encouraged that the Senate is committed to getting the good bill the House passed last year to my desk.

In a race to the bottom where states cannibalize each other for jobs, Vermont has succeeded by being smart, not big. Two years ago, we added to our job creation arsenal the Vermont Enterprise Fund, and in my budget I will ask you to enhance and extend it because of our job-creating successes. This tool has helped create 70 new manufacturing jobs at GW Plastics in Royalton. I am proud to announce that BHS Composites of Sherbrooke, Quebec is expanding to Vermont with 75 new manufacturing jobs in St. Johnsbury thanks to support from the Enterprise Fund. BHS CEO Lena Swennen and her husband and Vice President Jacques Hainse are here today. Thank you Lena and Jacques for being Vermont's newest job creators.

4,400 of the new jobs we've created are because of the new face of farming and locally grown food in Vermont. It wasn't that long ago that many believed that our best farming days were behind us, but today a new generation of young farmers are competing for land and resources and producing the best fruits, vegetables, meats, cheeses, beer, cider, and spirits in the world. In the past two years, I've had the privilege of moving the Best Cheese in America award from one Vermont farm to another Vermont farm. Take that Wisconsin.

Now get this. Long known to out of staters for our great deer hunting, flatlanders are now coming to Vermont to beer hunt. They are literally rising at dawn to drive to the promise land where they stand in a long line and wait, and wait, and wait some more to purchase Vermont's world award winning beers, which they carry back with them in the trunks of their cars to lift up their miserable lives because they don't live in Vermont.

We can't let up on our farm to plate, farm to glass, and farm to can revolution. I'm pleased to announce \$175,000 in new money for the Working Lands fund, which has been a catalyst in our Agricultural

Renaissance. We have generous donations of \$100,000 from Leigh and Charles Merinoff of Townsend, \$50,000 from WhistlePig and the Progressive Farm Alliance, and \$25,000 from Long Trail. We're honored to have Raj Bhakta from WhistlePig and Dan Fulham from Long Trail with us today. Thank you.

As I travel around Vermont talking to employers their biggest challenge remains finding enough trained and educated workers to help them grow. They know that our success in moving more low-income Vermont kids beyond high school will determine their success.

By expanding the number of kids earning college credit for free while still in high school and becoming the only state to guarantee every three and four-year-old access to high quality pre-k, we have taken Vermont's good education system and made it better.

Kate Lamb is a single mother working in Johnson raising her 4-year-old daughter. Like most working parents, finding quality, affordable child care has been a critical issue. Thanks to our expansion of Pre-K programs across the state, Kate's daycare in Lamoille – Mud City – was able to offer Kate and her daughter exactly what they needed. Thank you Kate for joining us today.

Despite having one of the highest graduation rates in the country, we continue to fall short getting more students the college education that is now a prerequisite to earning a decent wage. We must ensure that Vermont kids who are not born with mountains of opportunity have the same shot at economic prosperity as those who are.

That's why I signed a bill last year to help families start saving for college from the day their children are born. Now we must fund it. My budget will ensure every child born in Vermont will receive a \$250 contribution to get a savings plan started, and for low-income Vermonters we will double that to \$500.

We also need to make it easier for those who are working hard in low-paying jobs to get back to school. I constantly talk to Vermonters who ended their studies in high school, are working numerous jobs to make ends meet, long for a better future and more education, but don't have two pennies to rub together to pay for it. The other night I went to Morrisville and visited the Man Up program at CCV, which offers support and mentoring for young men who are in this exact situation. I met Brandin and Justin Bourdeau. Last year, Brandin was a line cook, and Justin was working at a local grocery store. Through the Man Up program, these two brothers are successfully back on the academic track. Brandin, Justin, and Billi Dunham, the facilitator of this program, are all here today. Stand up and let's recognize them for their good work.

It's our responsibility to offer the same opportunity to every Vermonter, every woman, every man. Today I propose we not just Man Up – let's Step Up for everyone. In partnership with CCV, Vermont State Colleges and UVM my budget will provide \$2 million to launch Step Up, funding a semester of free courses and support services to help first generation and low income students get back to school. GlobalFoundries has agreed to offer mentoring support to Step Up students. Mike Russo and Kimberly

Finnigan from GlobalFoundries are here today— Mike and Kimberly, thank you for investing in our workforce.

We should be so proud that Act 46 is working better than any of us had anticipated. Communities across Vermont are finally having the very difficult but necessary conversation about how we right-size our education enterprise to improve quality and reduce costs. The rigid spending caps that were a small part of that bill have become the enemy of the good. I ask you to work swiftly in the coming weeks to pass either a moratorium or a repeal of this small piece of Act 46 before school boards have to send their budgets to the printers for Town Meeting Day.

The most tropical Christmas in memory reminds us that climate change threatens the Vermont we love, from our ski season to our lakes. That's why we are working so hard to move to green, clean renewable energy that is creating jobs, reducing power rates and putting money in Vermonters pockets while we do it. We're living in a state where Vermonters' electric bills have gone down, not up for three of the last four years.

- When I became Governor, our largest power generator was an aging, leaking nuclear plant. Five years later we've increased by ten times the number of solar panels, and we now have more clean energy jobs per capita than any other state in America. During peak demand, solar power has replaced our nuclear plant as the largest power generator in our state.
- Last year we passed the most ambitious, long-overdue clean water bill in Vermont's history. No one knows better than Vermont's Senator Patrick Leahy and his extraordinary copilot Marcelle that Lake Champlain is a Great Lake, and no one has worked harder to make it greater than the Leahy Team. Patrick and Marcelle are here with us, thank you for all you have done for Vermont and our Lake.

But the clock keeps ticking, we're running out of time, and the urgency for us to take every sensible action against climate change has never been greater. California, under Governor Brown's leadership, recently passed a bill to divest state funds from dirty coal, and explore divesting from Big Oil. Our small state must partner with California, which manages hundreds of billions of dollars of state funds, and divest Vermont of coal. Let's remember Vermont is downwind of the coal fired plants to our West; we're the tailpipe to their dirty energy choices. Their pollution sickens our children, creates acid rain, dumps mercury on our forests and in our lakes and increases greenhouse gas emissions. I ask that you send me a divestiture bill just like California's. While you're doing that, Governor Brown and I will invite other Governors to join us in what should be a national effort.

While we await the California study on oil, Vermont should not wait to rid ourselves of ExxonMobil stock. It has been clearly documented that since the 1980's, ExxonMobil's own scientists have long known about the dangers of global warming, and chose to conceal that from the public. At the same time that they were building their oil rigs taller to account for rising sea levels, they were funding front groups of scientists to deny climate change is real. This is a page right out of Big Tobacco, which for

decades denied the health risks of their product as they were killing people. Owning ExxonMobil stock is not a business Vermont should be in.

There is no one who has done more to promote divestiture than Vermont's own Bill McKibben. I'm honored to have Bill here today.

Since I took office we've helped thousands and thousands of Vermont families, farms and businesses set-up small-scale methane digesters, solar, wind and hydro. We can't stop there; We need more smartly-sited renewables to power Vermont. We're learning as we go. Last year we gave local communities more say in the Public Service Board process. I believe we should continue to build renewables on a Vermont scale, rejecting mega solar projects that gobble up hundreds of acres and require Vermonters to pay for costly grid upgrades. We must also reject anti-renewable extremists who would shut down renewables through moratoriums and other job-killing tactics. Instead let's give an economic advantage for locating solar on rooftops, brownfields, landfills, and other already developed lands where we currently have transmission capacity. Homegrown, not corporate grown, is Vermont's energy future.

It was a lonely place when Vermont had the courage to acknowledge the terrible disease of opiate addiction that was threatening our quality of life and killing too many of our neighbors.

Today, there can't be a state in the Union that has not joined us. Our innovation over the past two years is getting results:

- 65 percent more Vermonters are getting treatment;
- We are moving addicts into recovery instead of jail;
- By getting rescue kits to anyone who will take them we have prevented hundreds of overdose deaths;
- Most importantly, we've removed the stigma that discriminates against our friends and family members struggling so hard against this terrible disease.

Recently I met Meghan Clodgo and Chelsea Mitchell, two young moms who are beating addiction to build a better future for their children. Chelsea became addicted, homeless and alone and her daughter was taken from her. Success meant fighting relapse with all her might, falling and crawling back up again. Megan had a college degree, worked in early childhood education, and began using opiates as an adult, an example of how easily things can get out of hand and how quickly someone can fall into the pit of addiction. With the help of our hub and spoke treatment system and the Lund Center Chelsea and Meghan are doing the hard work to recover. Meghan and Chelsea are here today. Thank you for your strength.

I said two years ago that opiate addiction is the one thing that could destroy Vermont as we know it. Today, we live almost daily with drug related violence. Whether it is dealers getting shot on Church Street or people burning to death after being doused with gasoline, the horrors seem unimaginable.

We live with despair, crime, death, and small children neglected by the people who are supposed to love them the most. So much of this burden lands on the shoulders of our state's social workers, who spend every day making difficult choices to protect and give hope to heroin's most innocent victims, our most vulnerable children. We will forever honor one of our very best: Lara Sobel, whose love and compassion for every child, every family, every Vermonter she touched shall be forever etched in our memory. Indeed, Lara's commitment, her daughters, her husband, her family, give us the faith in our common humanity to keep pressing on, to continue our search for a smarter approach, as folks continue to become addicted faster than we can treat them. We're honored to be joined today by Lara's two daughters, Julia and Elahna, and her husband Tim. Thank you for being here. We will never forget your mom.

To continue Lara's legacy, let's give her colleagues the support they need to do their job by approving my request to fund 35 new positions at the Department of Children and Families and help me take measures to ensure their safety in the workplace.

We also need to take two additional actions to deal with our addiction crisis.

- First, in order to meet our goal of getting rid of waiting lists we must continue to expand treatment.
 - In Franklin County, where approximately 250 people travel to other Hubs for treatment, my Health Department is working with the Northwestern Medical Center to expand treatment options closer to home. In addition, we are also working with the hospital to increase access to Vivitrol, a drug that blocks the effects of opiates for a full month to help addicts stay clean.
 - In Burlington, Health Commissioner Harry Chen is working with Mayor Weinberger, the UVM Medical Center, recovery providers, law enforcement, and community leaders to prevent addiction, reduce drug-related crime, and expand treatment options.
 - Across the state, the Department of Children and Families is sending drug screeners out with social workers into homes where substance abuse is a contributor to children who are abused or neglected.
 - Statewide, parents with young children in the DCF system will be moved to the front of the line for treatment until waiting lists are gone.
- Second, let's go after the source that led us into this mess in the first place. It's difficult for me to find words that adequately express my frustrations but I can find the three letters that are at the root of the problem: F.D.A. In the 1990s, the F.D.A. approved OxyContin, which lit the match that ignited America's opiate and heroin addiction crisis. In 2010, we prescribed enough OxyContin to keep every adult in America high for an entire month; by 2012 we issued enough prescriptions to give every American adult their own personal bottle of pills. On television, Americans now see commercials for drugs whose sole purpose is to help relieve side effects from taking opiates – in other words there are now F.D.A. approved drugs to help you take more F.D.A. approved opiates. A few years ago, the F.D.A. approved Zohydro, which is OxyContin on steroids, against the recommendation of their own advisory committee. Just a few months ago, the F.D.A. approved OxyContin for kids. You can't make this stuff up. The \$11 billion-dollar a

year opiate industry in America knows no shame. Compassionate pain management has been transformed by big PHRMA into drug promotion and profit. Until America is willing to have an honest conversation about the way we are dealing with pain our challenges will continue. In light of this, I am implementing the following:

- First, we are putting an end to the system where doctors, dentists, and health care providers send patients home with 80 or 90 pills in their pocket. I am proposing a new system, where a maximum of 10 pills will be the limit for minor procedures. We're also looking at reasonable limits for more major procedures that provide pain relief without filling up our medicine cabinets with unused opiates. That's just Vermont common sense.
- Second, we are partnering with pharmacies and local communities to expand drug take back programs, to get rid of Vermont's Most Dangerous Leftovers.
- Third, we are partnering with neighboring states to upgrade the Prescription Monitoring System to prevent addicts from crossing state borders to go pill shopping.

I ask for your support in these actions.

We also must continue the good progress we've made reforming our criminal justice system.

It shouldn't surprise anyone that when we take away people's driver's license for non-driver related offenses like underage tobacco purchases, that we end up with four times as many Vermonters with suspended driver's licenses than we have enrolled in our State College System. I want to recognize our innovative State's Attorney T.J. Donovan, who worked with us to create two driver restoration days in Chittenden and Windsor Counties. Thank you for being here T.J.

The stories that T.J. and I heard from lower income Vermonters standing in line for redemption made me ask: Why are we creating a permanent economic disability and making it so difficult for people who want to improve their lives? I ask you to make Driver Restoration Days unnecessary by passing legislation that ensures non-traffic related offenses don't lead to Vermonters losing their ability to get to work or drop their kids at school.

The outdated War on Drugs has also failed, and there is no greater example than our nation's marijuana laws. That's why Vermont took steps to change our criminal penalties and to institute a well-regulated medical marijuana system that now serves 2,400 Vermonters. This careful approach shows that we know how to regulate marijuana thoughtfully and cautiously, avoiding the pitfalls that have caused other states to stumble where Vermont succeeded.

But the black market of drug dealers selling marijuana for recreational use is alive and well, serving over 80,000 Vermonters who reported using marijuana last year. These illegal dealers couldn't care less how young their customers are or what's in the product they sell, or what illegal drugs you buy from their stash, much less whether they pay taxes on their earnings. That's why I will work with you to craft the right bill that thoughtfully and carefully eliminates the era of prohibition that is currently failing us so miserably.

To do it right, we must do it deliberately, cautiously, step by step, and not all in one leap as we legislate the lessons learned from the states that went before us. I will insist on five things before I'll sign a bill.

- First, a legal market must keep marijuana and other drugs out of the hands of underage kids. The current system doesn't. Our new system must.
- Second, the tax imposed must be low enough to wipe out the black market and get rid of the illegal drug dealers.
- Third, revenue from legalization must be used to expand addiction prevention programs.
- Fourth, we must strengthen law enforcement's capacity to improve our response to impaired drivers under the influence of Marijuana who are already on Vermont's roads.
- Fifth, take a hard lesson learned from other states and ban the sale of edibles until other states figure out how to do it right.

I understand that the Senate will go first and I look forward to working with Senate Pro Tem John Campbell, Senate Leadership, Senator Sears, and the Senate Judiciary Committee to construct a sensible, cautious bill. We have a history of tackling difficult issues with respect and care, the Vermont way. I believe we have the capacity to take this next step and get marijuana legalization done right.

Conclusion

As we begin a new year, and start a new legislative session, we commit ourselves anew to the work ahead.

I know there are those critics who perpetually see the cup, Vermont's cup, as half empty.

While some pessimists talk down our economy, Vermonters know we continue to make progress growing jobs and attracting businesses because of our unique quality of life, our tight-knit communities, and our dedicated workforce.

While some cynics call endlessly for Vermont to join the race to the bottom taking place in some states, I believe we should continue our commitments to clean jobs, clean water, clean energy, and a quality educational system.

Our cup is not half empty; it is overflowing with the most hard-working, most resilient, most rugged and innovative people in America. Together we aspire rightfully to a brighter future, and Vermonters deserve leadership that is forward-looking and unafraid.

While some want Vermont to join the majority of governors in the nation in closing its borders to the Syrian refugees fleeing violence and death, I believe Vermont must not abandon its long heritage of being a welcoming state to those who are escaping unimaginable horror to seek a better life. How many among us can claim that in our own family's arrival to America, fleeing famine, religious oppression, dictatorship or war was not the motivation to come here? Vermonters have a long and proud tradition of rejecting racism, bigotry, bullying, intolerance and fear. When McCarthyism reared its ugly head in

America, Senator Aiken cautioned against his own Republican party that sought “victory through the selfish political exploitation of fear, bigotry, ignorance and intolerance.” More than half a century later, the same un-American spirit dominates our political dialogue.

We are blessed to live in a state where so many reject fear and hatred and I pledge to continue to work together with President Obama, our refugee resettlement community, clergy, volunteers, and our mayors to make our state a beacon of hope and hospitality to Muslims, to our Syrian brothers and sisters, and to all who seek to build a better life right here in Vermont.

I love being Governor, and I am so grateful for the privilege of serving you. Those of us entrusted by the people of Vermont to affect positive change have the unique opportunity every day of putting words into action.

Our time is now to make a difference in the lives of Vermonters.

Let’s begin again, and let’s get to work.

Thank you.