

Setting the agenda

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PROVIDENCE — In his fifth State of the State address, Governor Carcieri last night painted a picture of a Rhode Island that has “honest, ethical and open” government, is “seen as a center of finance” and also as a “national leader in high-quality, affordable health care.”

As he sees Rhode Island today, the median \$61,000 family income is 11th highest in the nation and the state is making great strides in education, as measured by standardized test scores, especially in urban districts.

On the day before he unveils his budget proposal to lawmakers, Carcieri took the occasion to sketch some of his big-picture ideas, including the creation of a Rhode Island Power Authority to marshal, manage and sell low-cost energy from newly developed sources, such as wind and hydropower, and an \$85-million bond question next year to pay for cleanup efforts in Narragansett Bay — the largest environmental bond in state history.

Carcieri also proposed a \$70-million “highway investment plan” to repair roads and bridges. He did not spell out how he proposes to pay for his proposals. For instance, he said the road and bridge repairs will be completed using “a onetime source of funds that can only be used for capital projects.” But he will have to offer details soon enough: He was scheduled to present his budget to the General Assembly this afternoon.

“Balancing this budget has required sacrifices everywhere,” the governor warned. “We must further reform our entitlements, demand more cost-effective services from our vendors, develop new service models and reduce our personnel costs. In short, we must reduce our spending.”

Last night, however, was not about the budget. The Republican governor got to talk, uninterrupted, about his education agenda. Among his goals: consolidating school purchasing among districts, “a predictable and fair funding formula that is equitable to both urban and suburban communities,” and convincing the Assembly to lift its moratorium on new charter schools. And, Carcieri said, “I would even consider a statewide teacher contract.”

The General Assembly Democratic leaders applauded his focus on “education, education, education.”

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"I think we're sounding the same themes, which is a good thing," House Majority Leader Gordon D. Fox said during the Democratic response to Carcieri's speech.

But, Fox said, "the devil's going to be in the details."

Fox questioned how the state could afford the \$85-million Bay cleanup bond that Carcieri proposed. "Every initiative for bonding is basically putting off to another day the payment for that spending," he said. "Not that the initiatives are not worthwhile. Who does not want a clean Bay? But \$85 million, and how you pay for that over the long-term, is something I think we have to look at."

Kate Brewster, executive director of the Poverty Institute at Rhode Island College, watched the speech from the House gallery.

"This is not a State of the State," Brewster said, "but a state of denial. There was no mention of thousands of working families who are struggling with stagnant wages and skyrocketing costs of living."

On the day before Carcieri unveils his new 2007-'08 budget, Fox also questioned "if the cost and the price of bonding to clean up the Bay comes at a sacrifice ... [to] people who are vulnerable." In his own prepared remarks, he had this warning about the municipal aid prospects: "we will have to ask our school districts to hold their budgets to the current level of funding."

Echoed Senate Majority Leader M. Teresa Paiva Weed, anticipating some of what Carcieri is expected to say today when he unveils his budget proposal: "When we are talking about eliminating health care for children ... we need to recognize that saving pennies in today's budget in the outyears is going to cost us more."

Both were also cool to Carcieri's call for lifting the moratorium on the opening of new publicly financed charter schools for select students.

"What do you do with the other students who may not have the benefit of charter school education? I think you need to have a discussion about the pinpoint strategy versus the broad front and how do we make sure that we raise the boat for all of our children at the same time, as much as we can," Fox said.

In a move that delighted environmental advocates, Carcieri announced that Rhode Island will sign on to the Regional Greenhouse Gas Initiative, a pledge among member states to cut carbon-dioxide emissions by 10 percent by 2019. The pact includes creation of a "cap and trade" system that allows states to charge power plants for emitting carbon dioxide starting in 2009.

Rhode Island participated in crafting the pact, which covers nine states in the Northeast. However, Governor Carcieri declined to sign it last year, citing concerns that it would raise energy prices here. Then-Massachusetts Gov. Mitt

Romney also declined to sign it, but the state's new governor, Deval Patrick, signed the agreement last week, leaving Rhode Island the only holdout.

Carcieri's explanation last night of his change of heart: "While I am still concerned about how this agreement will impact the cost of energy here in Rhode Island, I have been assured that those costs can be offset by credits we will receive from other states."

Already this year, the state Senate had passed a resolution urging Carcieri to sign on, and newly elected Lt. Gov. Elizabeth H. Roberts also issued a statement to that effect. The Rhode Island Public Interest Research Group and its newly formed environmental arm, Environment Rhode Island, have pressed Carcieri to sign it from the beginning.

Environment Rhode Island spokesman Matt Auten hailed the decision as "a huge victory for the environment." He said it would have "national and international significance" because full participation in the agreement would give it more clout as the federal government looks for models to develop its own laws and standards on carbon dioxide emissions.

Education was the primary focus of Carcieri's inaugural address five weeks ago, and he continued that focus last night. "I want Rhode Island to be the Education State," he said.

The governor had promised a focus on education, energy and the environment, and his main announcements came in those areas. Along the way, he proposed creating several altogether new entities. To bolster education in one particular troubled urban district, Carcieri recommended developing an "Urban Academy" at Central Falls High School, through a collaboration with the University of Rhode Island.

The idea came from Central Falls' interim schools superintendent, William Holland, the governor's office said last night.

Holland, who attended the address, said yesterday's release of school standardized test scores held good news for the city's lower grades, but he felt "pretty much compelled to do something" to improve the high school.

Holland and the governor's office said the details of the partnership haven't been nailed down, but it could include URI professors helping to train Central Falls teachers, and URI professors teaching and tutoring Central Falls students. Holland said he also hopes to benefit from URI's fundraising expertise in raising money for the schools' capital needs, such as technology improvements.

The goal, Holland said, would be "building confidence and pride, and giving new status to Central Falls High School."

Holland said he came up with the idea after observing similar partnerships in Worcester and Chelsea, Mass., schools. He said the Board of Trustees that currently runs the school system will probably remain in place, with the

involvement of URI and state education officials. The Board of Regents for Elementary and Secondary Education must still approve the partnership.

The state took over the operation of Central Falls schools in 1991, after the city went bankrupt.

Gary Sasse, head of the Rhode Island Public Expenditure Council, said "the governor laid out an ambitious agenda" and what he was particularly "pleased about was his focus on education.

"But the real issue on education is whether people want to seriously work on developing a predictable aid formula. It's something that I hope can be passed this year. It may be difficult to fund it, but we need to make a down payment on funding schools properly."