STATE OF THE STATE ADDRESS January 12, 2021

My fellow New Jerseyans.

I don't need to tell you these are different times. So, this is a different kind of speech.

Instead of delivering this address in a crowded state house, I'm standing in an empty theater.

Yet for all the changes, the most important things remain constant. Our values. Our priorities. Our vision. And that we are all New Jerseyans.

The stories we just heard have echoed across our state for the better part of the past year. They are stories that show our grit and reveal our heart. They echo the pain of 2020 and they preview the hope of 2021.

They are tied with a common thread -- that we are all in this together.

Most of all, these New Jerseyans reflect the state of our state. Although wounded deeply, we enter 2021 tougher than ever, wiser than before, and ready to move forward together.

We have lived this truth together – that New Jersey was one of the first and hardest-hit states. That our communities of color have been disproportionately impacted. And that we are currently battling a second wave which is just as brutal as the first.

Every single day, as we have for nearly a year, we face this challenge head-on.

Every single day we wrestle with the tough, yet necessary, decisions, and we know there are more to come -- the right decisions for the long-term public health and vitality of our families.

We weigh every pro and con to ensure that every decision is not only effective, but equitable.

And in typical jersey style, we are leveling with each other and making sure that no one is left behind. We are facing this pandemic not with a dismissive wave or partisan pandering, but with a full-scale counterattack.

We are making the fight against COVID-19 one that engages every New Jerseyan.

Three years ago, I took office with a pledge to rebuild New Jersey from the middle out and from the bottom up -- to change the way Trenton works not simply for the sake of change but for the sake of people -- to put working and middle-class families first.

That mission is now even more urgent.

Over these three years, we have laid a foundation to support a stronger and fairer New Jersey that works for every family.

These were the right things to do before the pandemic, and they turned out to be some of the best decisions to get us through the pandemic ...

Raising the minimum wage, passing earned sick leave, and expanding paid family and medical leave ...

Making those at the very top pay their fair share with a millionaire's tax, while, at the same time, cutting taxes for working families -- with either a larger earned income tax credit or a direct rebate, or both ...

Protecting health care from attacks from Washington and reducing premiums for hundreds of thousands of New Jerseyans ...

Expanding pre-k education, making record investments In public education -- while also stabilizing property taxes -- making community college tuition-free for thousands of New Jerseyans, and expanding job training programs.

These are real accomplishments that helped people across our state.

We made these strides by working with the people of New Jersey and with my partners in the legislature -- especially Senate President Steve Sweeney and Speaker of the General Assembly Craig Coughlin, and colleagues on both sides of the aisle.

Together, we will continue moving forward, grounded in our shared everyday reality yet propelled by our optimism about tomorrow.

We all sense the promise that comes from the arrival of approved, safe, and effective COVID-19 vaccines.

Through the tremendous work of Health Commissioner Judy Persichilli and her team of medical and scientific experts, and despite many obstacles, we have in place a plan to vaccinate every willing New Jersey adult resident -- and hundreds of thousands have already rolled up their sleeves.

Six vaccine mega-sites are opening across the state, and vaccinations will be available in hundreds more places statewide. We have already streamlined the vaccination process to enhance efficiency and ensure that if you choose to receive your first vaccine dose, you'll get the proper follow-up shot.

I hope you'll take a moment to visit <u>COVID19.nj.gov/ vaccine</u> to learn about the safety and effectiveness of the vaccines available to us. And, you can pre-register for your own vaccination.

And, as our statewide vaccination program continues to grow, we will begin to see the light on the horizon get a little brighter.

Be assured, we will get back to being able to gather and celebrate with our families and friends. We will be able to see all our children back in the schools they love. We will see our economy recover and flourish.

You've heard me say that public health creates economic health. Our commitment to this ideal is unwavering.

The pandemic has slammed small businesses across America, so, our economic focus has been squarely where it should be -- on helping our hard-hit small businesses and encouraging new ones to grow.

We have been consistent in our decisions, and have protected businesses -- especially restaurants -- from the revolving door of openings and closings that have occurred across America.

Through the New Jersey Economic Development Authority, nearly 55,000 small businesses -- by the way, many of them owned by women, people of color, and veterans -- have received a truly lifesaving grant or a loan, and some of our nascent startups have received guarantees for vital new capital.

These proactive steps have allowed businesses to keep employees on the payroll and to pay their bills. Their determination, creativity, and plain old hard work -- and that of the people who work with them -- has been extraordinary and inspiring.

Our small business community is the backbone not only of our local economies, but of our state's economy. These are the shops and restaurants that turn a town into a community.

This is why I am so excited about the prospects for the new business and job-creating recovery plan I signed five days ago -- a package which I was proud to work on alongside numerous lawmakers, progressive advocates, private sector leaders, union leaders, tech entrepreneurs, and small business owners.

Long before I became Governor, I called for sweeping and fundamental reforms to our incentives system. The old ways worked for too few and left too many behind.

So we set out to create a new system that is transparent and fair, which focuses not on huge corporations, but on job-creating small businesses and innovative startups.

A system that, most of all, promotes good-paying, future-focused jobs. A system that has sensible caps in spending and an inspector general to safeguard every penny of taxpayer money.

We set out to lift up the New Jersey-based innovative companies of tomorrow through a venture fund encouraging public-private investments. There is no other fund like this in America.

We set out to turn brownfields and other long-neglected areas into new, walkable, and inviting communities.

We set out to ensure workforce and affordable housing options, and to eliminate food deserts.

We set out to create the state's first historic preservation tax credit, so our future can be built by repurposing the buildings that made us an economic power in the first place.

And we set out to ensure our incentives come with strong protections for our union workers.

Everything i just mentioned -- everything we initially set out to do -- is now reflected in our groundbreaking new incentives program.

This is what change looks like. This is what putting people ahead of the powerful looks like. This is what focusing on Main Street looks like. This is what protecting today and planning for tomorrow looks like.

The current economic emergency is something we haven't faced since the great depression, 90 years ago, and the old ways of doing business weren't going to build us back stronger or more resilient.

New Jersey now has a new model that sets the standard for inclusive and statewide economic growth and job creation -- growth powered by women, minority, and veteran-owned small businesses, by innovative entrepreneurs, and by those whose vision for the future preserves our history.

And, as New Jersey starts getting back to work, commuters will find that NJ Transit is safer and more accountable.

We proved the naysayers wrong by beating the deadline for federally mandated train-safety technology -- completing eleven years' worth of work in less than three.

As a new portal bridge rises along the Northeast Corridor, they'll see our efforts to eliminate one of its most-frustrating choke points. This new commuter-rail bridge will not only improve the commutes for hundreds of thousands of New Jerseyans, but it will also stimulate local economies and provide thousands of new union jobs.

Commuters will also see our efforts in the hiring and training of multiple classes of the new rail engineers we need to ensure on-time operations. We inherited a system with depleted ranks and, to date, we have added 94 new engineers with another 82 in training.

And, when President-elect Joe Biden takes office next week, we're going to begin working alongside him and his team to see the full gateway program fulfilled -- including the new tunnels under the Hudson River.

We are leaving for the next generation a rail system wholly different than the one we inherited. We are making historic investments in our roads and bridges. We are reimagining our airports and seaports.

Put together, we are embarking on the largest infrastructure investment program in the history of our state. These transformative investments will reap tremendous returns for our economy, create good-paying New Jersey jobs, and attract new and innovative companies to the state that want a world-class infrastructure system.

And to ensure these infrastructure investments live up to their promises, we're demanding new levels of transparency and accountability.

This commitment to transparency and honesty must be a standard we set across the whole of government. Just as we can't go back to economic policies that put the wealthy and the well-connected first, we can't lean on the broken politics that puts special interests first.

Last year, I was proud to propose the first comprehensive set of ethics reforms in a decade, with bipartisan support, and I remain committed to them. New Jerseyans need to know -- not just believe -- that their government has their backs.

With all the turmoil in Washington, let's set New Jersey as an example for moving forward.

This is how our future will be powered -- by bold ideas, real oversight, and a commitment to the task ahead.

It will also be powered by clean energy, using our natural resources and talent pool to reach our goal of a 100 percent clean energy economy by 2050.

Just this year, we cemented our place as the country's leader in offshore wind, announcing in South Jersey both the New Jersey wind port and a new manufacturing facility at the Paulsboro Marine Terminal. These key first investments in offshore wind manufacturing will bring up to 2,000 good-paying union jobs to our state, along with hundreds of millions of dollars in new investments, and make us the nation's offshore wind-energy leader.

The clean energy economy is a once-in-a-generation opportunity. So, we're bringing together stakeholders to assess our needs and develop a robust and equitable green jobs workforce development strategy.

Our strategy will ensure that these new jobs are developed and designed equitably -- centering labor unions, environmental justice advocates, people of color, and women, so that our green economy is as diverse and dynamic as New Jersey.

And as the first state in the nation to incorporate climate change throughout our k-12 education standards, we're laying the groundwork for tomorrow's workforce.

Now, just as public health creates economic health, an inclusive and equitable economy must mean healthier families and safer communities.

Perhaps one of the best examples of this principle at work is our effort to make our overall healthcare system more transparent, more accessible, and more affordable.

We ended the drama of unexpected costs by prohibiting surprise medical bills.

We created the Office of Health Care Affordability and Transparency to empower consumers. In the midst of the pandemic, we are making sure people are not saddled with unfair expenses for COVID tests, and that they have access to their provider via telemedicine.

We are putting government to work to keep costs in check.

And because we took the initiative to open our new, state-run health care exchange, right now, hundreds of thousands of New Jerseyans are purchasing health care at premiums cheaper than when the affordable care act first came online in 2014.

After years of willful neglect, we are funding women's health care and family-planning services -- and, no matter what happens in Washington, we are working to protect a woman's full reproductive rights as a matter of state law.

At the same time, we also haven't lost sight of the maternal and infant health crisis that threatened the lives of our mothers and babies -- especially mothers and babies of color -- long before the COVID-19 pandemic.

No mother should ever endure the pain of losing her baby and no child should ever feel the deep loss of growing up without a mother. From day one, this belief has driven the First Lady, our administration, and countless stakeholders, to implement immediate solutions.

We are determined to make New Jersey the safest place in the nation to deliver and raise a baby.

And as we're fighting the coronavirus pandemic, we're keeping our focus on fighting the opioid epidemic.

We are working to improve our healthcare system because we know that a healthier New Jersey is a stronger New Jersey.

And a stronger New Jersey is one that ensures and protects justice for all. A fairer New Jersey recognizes the powerful truth of the words Black Lives Matter. We are attacking and ripping up the root causes of centuries of systemic racism.

Given the national moment, we can -- and must -- choose to make our state a model for moving forward. There is no more important step than reforming the way our communities and law enforcement work together. That is why we are implementing the first broad-scale reforms to our state's use-of-force policy in a generation.

We're making our justice system more transparent and fair not just for our sake, but to make New Jersey a national model for positive transformation in policing and ending racial inequities.

I also remain committed to eliminating mandatory minimum sentences for nonviolent drug and property crimes -- these reforms are long-overdue. As the Reverend Dr. Martin Luther King Jr. noted, "Justice delayed is justice denied." We must get this done.

Together, with the Legislature, we are on the verge of passing an innovative and groundbreaking set of laws to reform our historically unjust approach to marijuana and cannabis.

Two months ago, you voted overwhelmingly to legalize adult-use marijuana, and begin the process of ending the racial imbalance that disproportionately penalizes black and brown people arrested for marijuana offenses. We're setting up a cannabis industry that will promote the growth of new small businesses, many of which will be owned by women, minorities, and veterans.

This hasn't been an easy fight, nor has it happened as quickly as I would have liked, but we are in a better place, a smarter place, and a more just place than ever before.

We will continue to strengthen New Jersey's position as the best place in America to raise a family and, to do this, we are building a future where housing is more affordable and accessible for everyone.

As the pandemic literally hit people where they live, we instituted strong prohibitions against evictions and utility cutoffs to protect our families. We provided rental assistance to nearly 20,000 individuals and families facing immediate challenges. And I once again urge the

Legislature to send to my desk legislation to give impacted renters up to 30 months to make up for back rent.

We worked with our mortgage lenders to provide sensible and fair forbearance programs for homeowners struggling under the weight of COVID's economic uncertainties. And we will continue to provide assistance to those who face eviction or foreclosure, and support for those who can't make rent or mortgage payments due to COVID.

Yet many of our fellow residents were struggling before COVID, and will continue to struggle without our help.

Through the work of Lieutenant Governor Sheila Oliver, we are taking much-needed steps to expand opportunities for safe and affordable housing. This means making more down payment assistance available to would-be homebuyers, building more affordable housing units, and battling homelessness.

In a time when rights are being rolled back and progress threatened, we're putting the country on notice with the nation's strongest laws for environmental justice, for combatting senseless gun violence, for upholding the rights and dignity of our LGBTQ+ community, and for welcoming our immigrant communities into our inclusive and diverse family.

And we are ensuring these broad and diverse voices are heard and honored.

Across the nation, we have seen multiple attempts by some to diminish our democratic institutions, to try to turn baseless conspiracy theories into the basis for court challenges, and to silence the voices and throw-out the votes of many Americans.

We were all shocked to witness a mob, incited and supported by politicians at the highest levels of government, shamefully try to invalidate the votes of 158 million Americans through insurrection.

The way to combat this contagion in our democracy is to further strengthen that democracy. One way to fight back is to do what I was sent here to do -- give more power back to the people by expanding democracy. We know that our democracy works best when more people -- not fewer -- are given access to the ballot box. And through our efforts -- and those of local and county officials and election workers -- more New Jerseyans cast a ballot in 2020 than in any other year in our state's long history.

Now, it's time to take the next step, and I am already working with the legislature to enact a true, in-person early voting law, among other measures, to further open up our democracy. Regardless of your party affiliation, your vote is your voice and this country is better off when more of us are heard.

These are all important for our shared future, but perhaps nothing will have the long-term impact as upholding New Jersey's reputation for having the best public schools in America.

We know we have room to do better, and to bring more schools, more students, and more communities, under that banner.

Just as the pandemic has been a stress-test on the fabric of our state, nowhere is this more true than within our schools. It has put an enormous strain on students, on parents, and on

educators and school leaders. None of this has been easy. I say that as your Governor and as a parent. And, I also say, thank you for all you are doing.

The digital divide was real long before COVID hit our state. But it became even clearer as the pandemic took hold. In 2021, no child should be denied access to all the educational opportunities of the online world.

An estimated 230,000-plus students -- almost entirely from disadvantaged households -- lacked either the laptops or internet accessibility, or both, for remote learning. So we got to work closing that digital divide, and, today, 95 percent of those students have the tools they need, and we're close to getting the outstanding gap to zero.

I wish I could tell you that no child is falling behind in this disruptive year. But I can't. That is why our focus must turn to ensuring our students have the academic and social-emotional support needed as they rebound from the stresses of the pandemic. We have already begun to direct funding to school districts that need the most help in getting students back on track.

So please know this: We are the number one state for public education precisely because of our strong support for attending to the educational, social, and emotional needs of our entire education community. We won't let our students or our educators down now.

That effort matters today, and it will pay further dividends as we move forward to close the remaining educational gaps among our students, such as by protecting school funding and expanding access to pre-K -- one of the smartest investments we can make.

Since we took office, working with senate President Steve Sweeney and Speaker Craig Coughlin, we have added more than \$750 million in direct classroom funding -- and we protected this investment despite the pandemic's fiscal impacts.

This has been good news for our educational communities and our property taxpayers.

As we've noted before, the pandemic further exposed every existing fault line in our society. And, nowhere has that been more clear than in the balancing act between work and family.

As COVID-19 raged, we made child care more affordable for countless families -- especially our essential workers who faced the impossible task of serving their community in a time of crisis while caring for their children.

But, in truth, this wasn't a new problem. Working families needed help in covering the costs of child care before the pandemic, and they will continue to need support after. Let's be very clear, even in 2021, these burdens too often fall on women.

When schools and work are both remote, it is women who bear the uneven load of providing child care, continuing to perform in the workplace, and managing immeasurable other demands, both seen and unseen.

I see this tug of war again and again -- mothers struggling to be fully present at work and as parents. This is one fundamental reason why we created our state's child and dependent-care tax credit three years ago.

We cannot afford to miss out on the contributions of half our population. Harnessing the full economic power of all of our people requires providing real affordable options for child care that work for all families.

We remain committed to easing the burden of working parents, especially moms, and creating an even more robust child-care support system.

With more New Jerseyans facing food insecurity because of the pandemic's impacts, we doubled-down on our commitment to the food banks helping families to put food on their tables.

And we continued our commitment to put a college education within reach of all who want it and have made a community-college education tuition-free for students from families with incomes under \$65,000.

There are good options for further education and training beyond traditional college; and we continue creating exciting public-private partnerships to train more people for the jobs of the future -- with a particular emphasis on good-paying union jobs.

At every point in this difficult year -- the grace, ingenuity, and compassion shown by so many have brightened some dark days.

That is the light as we begin this new year -- better days are coming.

In 2020, the pandemic touched every corner of our lives and challenged every state.

Some chose to deny COVID. We chose to fight it. We told the hard truths, made the hard choices, and never played partisan politics with people's lives.

Yet some in New Jersey are suggesting the same old failed policies of decades past. They forget that, after the last economic downturn, the prior administration cut taxes for millionaires, cut vital programs, left middle and working-class residents behind, and, as a result, we had the slowest recovery of any state in the nation.

Our long-standing inequities have never been felt more sharply than during the past ten months.

To blunt them, we must accept the fact that we can't grow and strengthen the middle class by pulling the rug out from under it -- and that we can't cut and slash our way to growth and opportunity.

We're proving that the best way to beat COVID is by leaning in to smart investments and forward-looking, principled ideas. There is no excuse for doing less or leaving more behind.

Everything, together, shows the promise of the new, post-COVID day that is just beginning to dawn. It's a day we will enter not fearing what's next, but knowing where we're heading.

And that direction is forward.

Twelve days ago, we welcomed a new year. But while the calendar has changed, our mission has not.

When I first asked for the privilege to serve as your Governor, I pledged to do what was right not for my next election, but for the next generation.

And that is how we have governed. We are who we said we'd be. We stand with New Jersey's hardworking middle-class families and everyone working to get there.

We haven't sugar-coated our problems and we haven't followed the old Trenton playbook of kicking them down the road for someone else to deal with.

A year ago, we had no idea of what 2020 would throw at us. As the poet Langston Hughes wrote -- and I quote -- "a dream deferred is a dream denied." And for so many, 2020 was a year of deferred dreams.

But we stuck together, even in the darkest of days, as the New Jersey family we are.

Out of shared pain we forged shared purpose.

Because of all we did together, here in New Jersey, 2021 can be the year where dreams are once again possible, and the wind is at our back.

So, when we emerge from the darkness of the pandemic, together, we will be stronger, fairer, and more resilient than before, and we will be prepared to move forward as one state and one family.

After all, this is New Jersey. No state has our character. Our backbone. Our attitude. Our fight.

We've always fought because we've always been the underdog. We've been counted out over and over again. But we've never been bowed, and we've never, ever failed.

May God bless you and your family with a healthy new year.

And may God continue to bless the great State of New Jersey and the United States of America.