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REMARKS OF TREASURER DEBORAH B. GOLDBERG

Plymouth Area Chamber of Commerce

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Acknowledgements

Thank you Kevin for that kind introduction. It's great to be back here on the South Shore and with all of you here today. I know this will be the first of many conversations we will share in the years ahead.

I want to congratulate my good friend, former Senate President Therese Murray on her award. Terry has delivered impressive results, not just for the residents of her district, but for the people of Massachusetts – from health care reform to children and family issues to small business growth and job creation that focuses on the unique needs of our regional economies. We are all grateful for her service to our state.

Personal Introduction and Family Story

Some of you might have heard me tell this story before – but many years ago, my mother's great grandmother opened a little grocery store in the North End of Boston. Our family opened additional stores and eventually grew into a \$1.2 billion New York Stock Exchange (NYSE) company with 50,000 plus employees called Stop and Shop. As a former Chair of the Brookline Board of Selectmen, I also have a strong appreciation for the complexity of issues facing local communities and small businesses – and the need for there to be a dynamic partnership with state government. It's these experiences, coupled with the family values instilled in me at an early age, that I bring to the Treasurer's office.

Right here in Massachusetts, our economic prospects continue to be on the rise. Yesterday, it was reported that our state posted the strongest year for job growth since 2000. Consumer spending and wages are up. Colleges are training students for the jobs of tomorrow. And people are moving into our state faster than anywhere else in the region.

None of this is by chance.

Thanks to a sound strategy, our economy continues to outperform most other states in the country.

When we all were faced with the economic downturn in 2007, 8 and 9 – when some states were incapable of responding responsibly, many cutting budgets unwisely – we here in Massachusetts chose to invest in our people and in our state.

We built some of the finest public schools in America and our innovation economy became the envy of many in life sciences, biotech and clean energy. In clean energy alone, we have seen double-digit job growth for the third year in a row!

All of this has happened, because here in Massachusetts we chose to shape our own economic future, not sit around and wait for it!

Facing tough economic times, we chose to invest in the ingenuity of our people.

And we employed responsible fiscal management to achieve the highest bond rating in our history!

Yet, as proud as I am of our progress, I know we cannot be complacent. We must deliver continuous innovation and creativity, consistent transparency and even more responsible fiscal management from state government.

Rating agencies look to see how states handle challenging times. Therefore this current budget deficit presents an opportunity to both reaffirm and establish critical fiscal policies. I share Governor Baker's commitment to fiscal responsibility and look forward to working with the Administration and the Legislature, in a dynamic partnership, to increase our rainy day fund significantly over the next four years. Rating agencies and investors alike consistently point to our reserves as a source of fiscal strength, and building those reserves will be essential as we strive toward achieving an even higher bond rating.

We should also consider creating new tools that will:

- Provide independent, non-partisan analysis of how potential legislation will affect state spending.
- Produce multi-year budget forecasts to project revenue and spending beyond a single year.
- Plan and anticipate the challenges of tomorrow based upon multiple economic scenarios.

Sound planning is critical in order to invest in our schools, our people and our infrastructure – the building blocks of long-term, sustainable economic growth.

Municipalities

As someone who served on the local level as a Selectman, I know how important it is for state services to be responsive to local needs. We will take a customer service approach to cities and towns. We will streamline and coordinate services and operations that support our municipalities in order that they can achieve their educational, economic and fiscal goals.

Whether building a new Plymouth South High School in partnership with the MSBA –

Or helping small business owners get loans from Eastern Bank and Rockland Trust through our Small Business Banking Partnership –

As your Treasurer, I work for the people and that means the people in every community – not just in Greater Boston!

Innovative Technology Agenda

As the world is adapting to the innovative technology of the 21st century, government cannot lag behind.

Whether it comes to questions about personal finances or our state budget – you deserve straightforward, easy to find answers. And we will use modern, state-of-the-art technology to make that happen. For example, at the Lottery, which is facing an increasingly competitive marketplace, I am excited to announce that in the coming week, we will be putting out to bid the replacement of its outdated and inefficient operating system and terminal hardware. This is a major IT infrastructure upgrade that is long overdue!

You know those big terminals, the blue boxes that print the tickets you see everywhere – they are almost two decades old! They are going! This new system will increase our capacity to be innovative and savvy.

Economic Empowerment

Today in Massachusetts, I also remain deeply aware that too many families are faced with the reality of a tough economy.

Government alone cannot address every problem in our society, nor should it. If income inequality is our critical challenge, then empowerment must be our shared solution. And so we must do more to give people the financial skills they need to get ahead. As treasurer, I will urge the business community to join us in this fight and I am confident that you will!

At Treasury, I'm launching a new Office of Economic Empowerment. Directed by a deputy treasurer, the office will oversee a broad range of initiatives to enhance economic stability and economic security.

First, we will build a robust, statewide financial literacy program, providing everyone from children to seniors with the tools they need to make informed financial decisions.

Working with schools, teachers and communities, we will enhance basic mathematics instruction, leading to greater understanding of financial issues.

We will provide high school students with the skills to budget their money and track their spending, and help seniors avoid the dangerous fraudulent financial schemes that threaten to destroy their retirement savings.

Second, we will develop innovative solutions to make college more affordable and alleviate the rising burden of student debt.

By expanding dual enrollment programs that allow high school students to take college-level courses –

By increasing tuition and loan-repayment scholarships in STEM-related fields –

And by creating a new college savings plan for the kids who need it most, we will work with kindergartners and their parents to save years ahead of time.

These policies are critical to training our students for the jobs of a 21st century innovation economy. In order to close the skills gap, not only do we need to make higher education more affordable, but we also need to better align the needs of employers with what educators teach in the classroom. Together, we will advance public-private partnerships in pursuit of our shared agenda for economic growth.

Third, wage equality. Today, women in Massachusetts earn just 82 cents on the dollar. African-American women – 61. And Latina women – 50.

Pay equity is not a partisan issue, nor solely a women's issue. It is a family issue! And it affects the economic health and well-being of our entire state!

Human Resources at Treasury will build upon Treasurer Grossman's initiatives and lead the Commonwealth by putting a clear, unambiguous focus on pay equity in every hiring decision and salary offer and continue to hire a diverse workforce.

By auditing our pay structure, we will show how it's done. We will also partner with employers, including many of you here today to provide you with the tools and resources you need to achieve pay equity. And we will teach employees how to understand and achieve pay equity, empowering them to help break down cultural and institutionalized barriers for themselves.

Conclusion

Since its founding, Massachusetts has been home to an innovative and entrepreneurial spirit. That spirit was alive and well in a little family grocery store in the North End of Boston in 1892

and continues to flourish right here today – fueled by a range of industries from tourism to technology.

As treasurer, I will work with all of you to continue building accountability, transparency and trust. And as we continue to make smart investments in infrastructure, transportation and education, we will create more jobs, produce a workforce to fill them, allow businesses to grow and improve the quality of life for everyone in Massachusetts.

Thank you, and I would be happy to take your questions.