

COUNCIL OF ECONOMIC ADVISORS

PUBLIC SESSION

October 7, 2014

The Council of Economic Advisors (“Council”) met on Tuesday, October 7, 2014, in Public Session, beginning at 1 PM at the offices of the Rhode Island Commerce Corporation, located at 315 Iron Horse Way, Suite 101, Providence, Rhode Island, pursuant to the public notice of meeting, a copy of which is attached hereto as Exhibit A, applicable to Rhode Island law.

The following Council members were present and participated throughout the meeting as indicated: Marcel Valois, Shani Carter, Paul Dion, Edward Garcia, Justine Hastings, Tom Mullaney, Donna Murray, Kelly Ramirez, and Matthew Ulricksen.

Council members absent were: None.

Mr. Valois welcomed the Council and introduced himself as Executive Director of the Rhode Island Commerce Corporation and temporary Chair of the Council of Economic Advisors. He then asked the rest of the Council members to introduce themselves: Shani Carter, Professor of Management at Rhode Island College; Paul Dion, Chief of Revenue Analysis in the Department of Revenue; Edward Garcia, Director of Cranston Public Library; Justine Hastings, Professor of Economics at Brown University and Research Associate at the National Bureau of Economic Research; Tom Mullaney, Acting

Director of the Office of Management and Budget; Donna Murray, Director of Labor Management Information at the Department of Labor and Training; Kelly Ramirez, Chief Executive Officer at Social Enterprise Greenhouse; Matthew Ulricksen, Professor of Political Science and History at Roger Williams University.

Mr. Valois explained that the Council of Economic Advisors was formed at the direction of the General Assembly and represents one piece of a broader economic development restructuring effort. He then referred to a document entitled “Implementation of Rhode Island’s Council of Economic Advisors” that was authored by RIPEC (See Exhibit B) that summarizes the charge of the Council and some suggested approaches the Council may want to consider in carrying out their responsibilities. Mr. Valois summarized the main work items that the Council has been assigned:

- 1. Be a collection point of data and information on the economy of Rhode Island;**
- 2. Advise on economic policy for the Governor, the Executive Office of Commerce, and the State;**
- 3. Prepare economic policy analysis on specific issues such as tax credits, tax expenditures and other related matters;**
- 4. Publish reports and analyses as it sees fit to inform the state of the effect of economic activity and policy;**
- 5. Establish a central repository of economic information in conjunction with the department of administration and the department of revenue and other State department;**
- 6. Prepare an annual report on the economy of Rhode Island; and**

7. Review and advise on the strategic economic development plan for the State of Rhode Island.

Mr. Valois explained to the Council that RIPEC was directly involved in the research and drafting of the restructuring legislation and asked Mr. John Simmons from RIPEC to provide an overview of the process.

Mr. Simmons reported that after reviewing the economic development structure and approach of other states, specifically Massachusetts and Virginia, RIPEC recommended that the role of developing economic plans and strategy be separated from the operational responsibilities of the Commerce Corporation. Mr. Simmons went on to explain that the legislation calls for the creation of (1) an Economic Planning Council, which will be charged to devise a consensus driven four-year plan, approved by the stakeholders and provided to the General Assembly; (2) The Council of Economic Advisors – an entity to collect, analyze and report economic data and activity required to enable smart and evidence-based policy formation in Rhode Island; and (3) The Rhode Island Commerce Corporation (formerly known as the RIEDC), which is the operational unit. There will be a Secretary of Commerce, which will be a Governor-appointed position out of the Governor's office. The Secretary of Commerce would be the main economic development officer for the State, as well as the Executive Director of the RI Commerce Corporation. These three parts are the systemic structure: planning, analyzing and operating, all at the direction of the Governor.

Mr. Valois made reference to a number of planning activities that have

taken place over the past year and circulated copies to the Council. Mr. Valois also distributed data and information currently available from both existing and potential sources. Copies of all these documents are referenced below and made part of these minutes:

- **DRAFT State of Rhode Island Economic Development Plan for Public Review – See Exhibit C**
- **Rhode Island Data Book – See Exhibit D**
- **Moody’s Analytics Data Buffet – See Exhibit E**
- **Actions for Economic Development in Rhode Island – See Exhibit F**

The Council had a broad discussion of their tasks ahead. Some of the main points discussed were:

- **Identifying the Council’s target audience i.e. citizens, policy makers, policy specialists, private sector marketing executives. Knowing who will be accessing the information will provide a better idea on what information needs to be made available.**
- **Establishing a baseline for economic growth that would be considered when doing future policy evaluations.**
- **Identifying confidentiality parameters around access to data that is considered sensitive by either state and/or federal law or regulation.**
- **Importance of dashboard indicators to aggregate important economic data in an informative way that gives a broad audience of Rhode Islanders a snapshot of our overall economy and critical trends that need particular attention.**
- **Identifying a “repository” for the economic data that can assure both the quality and ongoing maintenance of the information flow.**

Providence Plan was suggested as a potential host.

- **Consideration of a Council website to house economic information, dashboards, research findings, blogs and to promote the group's work.**
- **Exploring partnerships with local Colleges and Universities and the potential of having grad student's work on this initiative as an internship/class project.**
- **Establishing what the mission and priorities will be in the initial start-up phase of the effort and consulting with former and current policy and thought leaders on what specific information they would want access to.**

Mr. Valois noted that there is no budget authorized by the General Assembly for the Council of Economic Advisors. Therefore, if outside resources are needed, it should be defined by the Council and conveyed to the General Assembly during the next budget cycle.

It was reported that an attempt will be made to have someone from the Federal Reserve in Boston attend the next meeting and speak on the overall trends in the New England economy.

There being no further business, the meeting was adjourned at 2:40 PM.