

THE DELUGE

Rain today with highs in the 40s; more rain, heavy at times, tonight.
Forecast, E12

The Providence Journal

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WEDNESDAY
FEBRUARY 6, 2008

50¢
\$2.40 per week by carrier

Builders critical of tax-credit cutback

They say the governor's plan to cap the state's historic tax-credit program could jeopardize more than 130 building projects.

BY STEVE PEOPLES
JOURNAL STATE HOUSE BUREAU

PROVIDENCE — Colin Kane has already spent \$15 million to bring Rumford Chemical Works back to life.

The dilapidated industrial complex that gave the East Providence neighborhood its name is being transformed into a \$40-million development featuring 90 apartments and 70,000 square feet of office space.

But a year after construction began, Kane, the head of the East Providence-based Peregrine Group, fears he may have to abandon the project.

Governor Carcieri's cost-cutting proposal to retroactively cap Rhode Island's popular historic tax-credit program would effectively kill the Rumford development and dozens of other major projects from Providence to Tiverton, according to developers and business leaders who gathered at the State House yesterday to testify before the House Finance Committee.

"Without those tax credits, I default on my mortgage," Kane said. "I shut the project down;

SEE TAX CREDIT, B3

Data shows recession may be under way

A highly regarded economic indicator shows the service sector, long a mainstay of economic growth, declining for the first time in five years.

JOURNAL WIRE REPORTS

NEW YORK — Any hope that the U.S. economy might avert a recession withered yesterday after the nation's service sector — its banks, travel companies, contractors and stores, among others — shrank for the first time in five years.

The scope of the decline appeared to shock investors, many of whom apparently had believed that the Federal Reserve might engineer a way out of the worst economic slowdown since 1991 with its recent series of interest rate cuts.

Stocks tumbled on the news, with the Dow Jones industrial average losing 370 points, its

SEE RECESSION, A5

Judge dismisses felony charges against 'gap kids'

BY EDWARD FITZPATRICK
JOURNAL STAFF WRITER

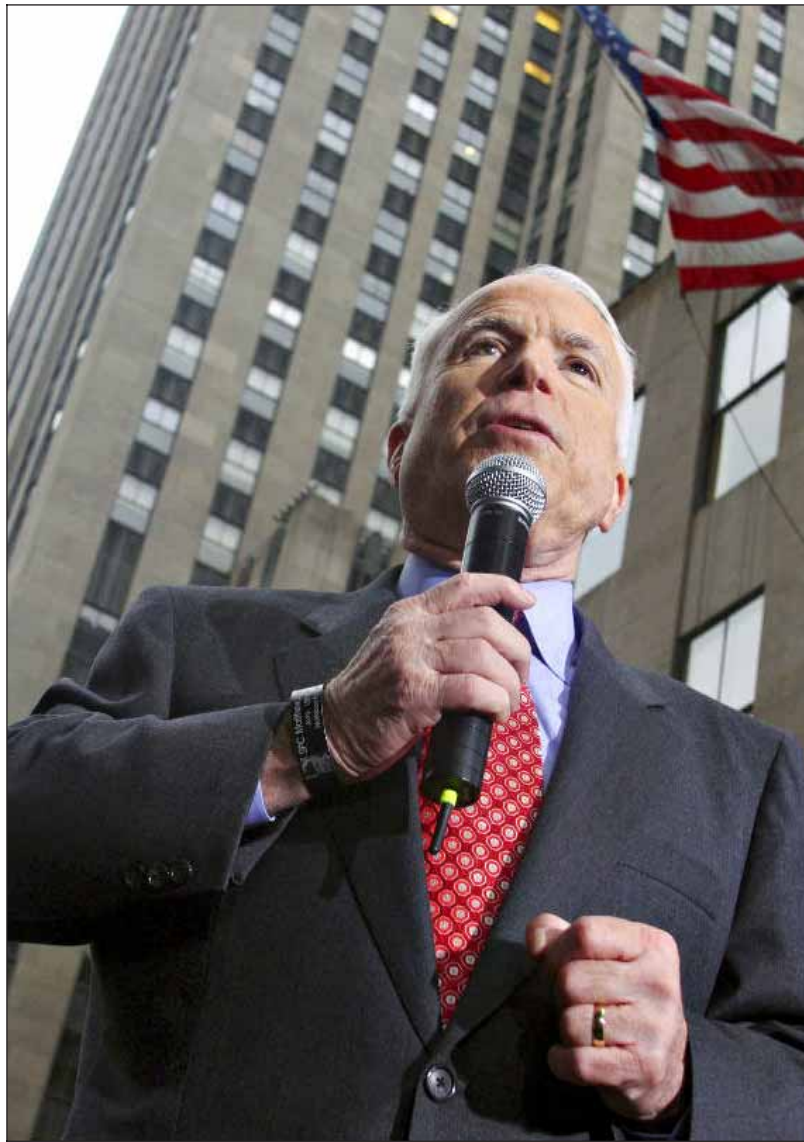
PROVIDENCE — A judge yesterday dismissed felony charges filed against 115 teenagers during the 130 days when the state prosecuted 17-year-olds as adults, but he refused to dismiss the second-degree murder indictment of the state's most high-profile "gap kid," Barrington's Ryan Greenberg.

Instead, Superior Court Judge Daniel A. Procaccini held Greenberg's indictment and three other indictments "in abeyance" pending Family Court hearings on whether those teens should be sent back to

SEE GAP KIDS, B3

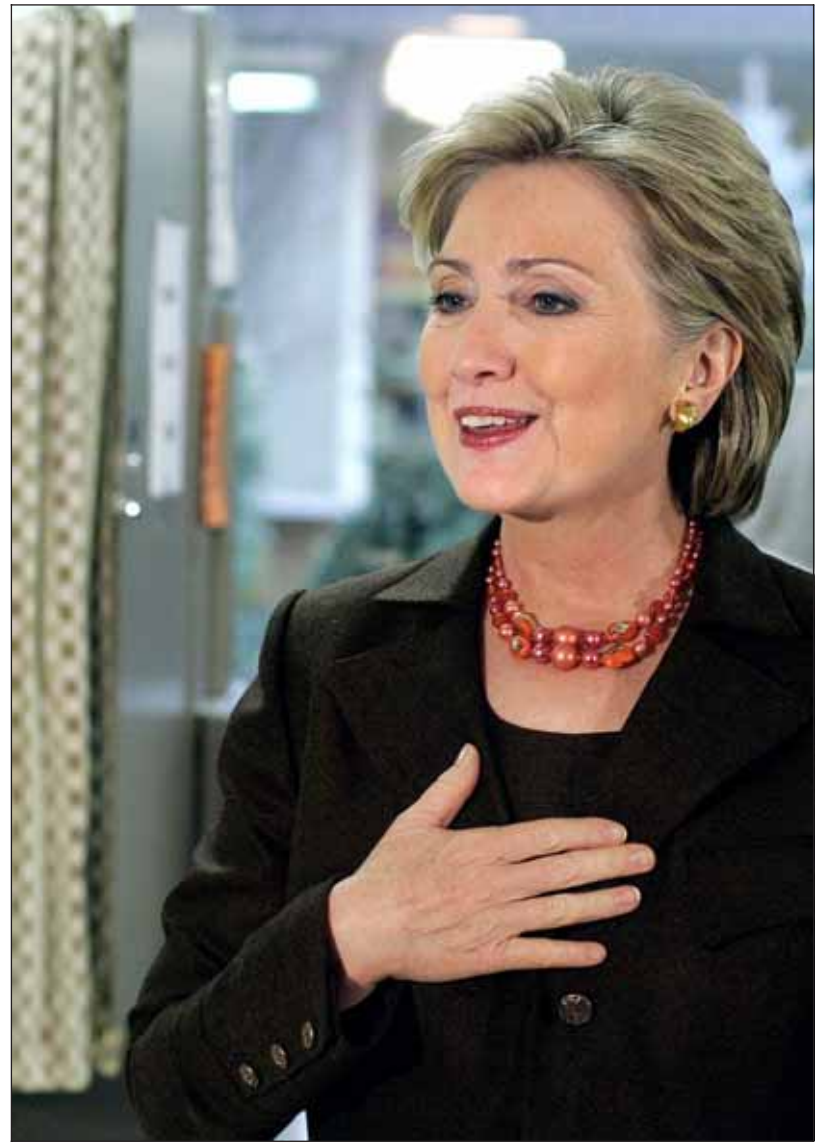
CAMPAIGN 2008: SUPER TUESDAY

McCain wins big in GOP races; Democratic contest tightening



BLOOMBERG NEWS / JIN LEE

Sen. John McCain, R-Ariz., spends yesterday morning campaigning in New York City, before returning to Arizona.



AP / STEPHEN CHERNIN

Sen. Hillary Rodham Clinton, D-N.Y., leaves a polling place in Chappaqua, N.Y., yesterday after casting her ballot.

Romney ties hopes to Calif.; Huckabee strong in South

BY MICHAEL COOPER
THE NEW YORK TIMES

Sen. John McCain of Arizona racked up primary victories yesterday in the delegate-rich states of New York, New Jersey and Connecticut, but appeared to find himself locked in a tight battle with Mitt Romney for the biggest prize of all: California.

And highlighting the challenge to the Romney candidacy from the conservative flank, Mike Huckabee, the former Arkansas governor whose campaign had struggled since his victory in the Iowa caucuses last month, performed strongly in the South, winning the primary in his home state of Arkansas and a convention in West Virginia.

As the voters in 21 states made their choices for the Republican presidential nominee, McCain won Illinois and every state in the Northeast except for Massachusetts, where Romney was governor. Many of those states — including New York, New Jersey, Connecticut and Delaware — award all of their delegates to the statewide winner, leaving McCain with a big trove of

SEE GOP, A4

Clinton, Obama trade victories across nation

BY DAN BALZ and ANNE E. KORNBLUT
THE WASHINGTON POST

Senators Hillary Rodham Clinton and Barack Obama duelled across a 22-state landscape yesterday, with each scoring victories in big states and waging too-close-to-call contests in others in their fierce battle for the Democratic presidential nomination.

Obama won victories in his home state of Illinois, Connecticut, Alabama and Georgia, the largest Southern state in play yesterday. But Clinton countered by carrying her New York home base, scoring clean wins in Tennessee, Oklahoma and Arkansas and then picking up New Jersey and Massachusetts, where Obama had the support of the state's three leading elected officials, including Sen. Edward Kennedy and Sen. John Kerry, the 2004 Democratic nominee.

Missouri, another important battleground, appeared more competitive in early voting, and states such as Arizona, Colorado and New Mexico were still to come. California, meanwhile, loomed as the top prize on the biggest primary-caucus

SEE DEMOCRATS, A4

Mass. voters give Romney, Clinton the nod

BY SCOTT MacKAY
JOURNAL STAFF WRITER

FALL RIVER — Democratic presidential voters in Southeastern Massachusetts helped Hillary Rodham Clinton top Illinois Sen. Barack Obama on a day when elderly women voted emphatically for the New York senator. On the Republican side, Mitt Romney, the former Massachusetts governor, finished comfortably ahead of Arizona Sen. John McCain.

At the Tansey School polling place in Fall River's Highlands neighborhood, voter turnout was steady but not big as voters braved a torrential downpour to cast ballots yesterday morning.

After a campaign for the ages, voters appeared to have been well-informed and aware of the messages of their favorite candidates. Massachusetts held an open presidential primary this year, meaning that independent voters — labeled undeclared in local political argot — could cast



Horace Oliveira feeds the voting machine after Vivianne and John Arruda cast their votes in the Massachusetts presidential primary at Somerset Middle School yesterday.

THE PROVIDENCE JOURNAL
FRIEDA SQUIRES

SEE VOTERS, A5

INSIDE TODAY

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MONITORING NURSING HOMES

A federal agency identifies 12 Rhode Island nursing homes as having high rates of bed sores or of using physical restraints excessively, saying these homes will be targeted for improvement over the next three years. B1

AL-QAIDA A THREAT

The director of national intelligence warns that al-Qaida is gaining in strength and steadily improving its abilities to recruit, train and position operatives capable of launching attacks inside the United States. A2

PC BACK ON WINNING TRACK

Providence College uses a balanced scoring attack to snap its 4-game losing streak with a convincing 79-65 win over DePaul. C1

DRESS FOR SUCCESS



Women in positions of authority, from Washington to Wall Street, face fashion scrutiny that's so intense it can border on comical, although it's serious business to the women, their organizations and, it turns out, lots of working women. E6

