

The State of Local Aid: 2011



Hosted By
Senator Richard T. Moore

April 4, 2011

Lexi Singh Amphitheater
Alternatives
Northbridge, Massachusetts



RICHARD T. MOORE

STATE SENATOR • WORCESTER & NORFOLK



Table of Contents

- I. Agenda
- II. Introduction from Senator Moore
- III. The Massachusetts Budgeting Process
- IV. House II - The Governor's Budget Recommendations
- V. Impact of proposed Federal budget cuts on Massachusetts
 - a. Letter from Senator Moore to Congress regarding FY11
 - b. ARRA total funds awarded to the Worcester & Norfolk district
- VI. Letter from Senator Moore to Federal Emergency Management Agency Administrator Fugate on the Snow Assistance Disaster Program
- VII. Appendices
 - a. State Stabilization Fund
 - b. Government Efficiency proposals
 - c. Educational proposals
 - d. Economic Development proposals
 - e. Letter from Senator Moore to Department of Utilities Chair Berwick
 - f. REPORT "Prolonged budget cuts taking toll on education, local aid"



RICHARD T. MOORE

STATE SENATOR • WORCESTER & NORFOLK



Agenda

- I. Remarks and Welcome from Senator Moore
 - a. State of Local Aid
- II. Remarks from Vice-Chairman Steven A. Baddour, Senate Ways and Means Committee
- III. Open Discussion
- IV. Closing Remarks

Senator Richard T. Moore

State House, Room 111

Boston, MA 02133

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MASSACHUSETTS SENATE
SENATOR RICHARD T. MOORE
STATE HOUSE, BOSTON 02133-1053

April 4, 2011

Dear Colleague:

The image of this great national recession has been abundantly clear: municipalities have scraped to maintain services; vital programs have been reduced or outright eliminated at all levels of government; health care costs continue to rise at alarming rates; and local businesses have struggled to keep their bottom lines in the black, and signs flipped to open. Despite the grim projections that seem to have grown with each passing fiscal year, the numbers reflect a light at the end of the tunnel: Massachusetts is beginning to see signs of economic recovery.

While this information may be promising, I recognize that the reality of the present day may be harsher and less pleasant than what a report offers for the future. Fiscal Year 2012 reflects this sentiment, and will require new and resourceful solutions in constructing the upcoming budget. According to the Massachusetts Taxpayers Foundation, Fiscal Year 2012 tax revenues will grow by \$923 million or 4.7 percent. However, despite almost a billion dollars in revenue growth the Commonwealth faces a shortfall of almost \$2 billion with no federal stimulus dollars on their way and limited state reserves.

This shortfall will require us to continue to reprioritize and reflect on our current and future spending. As we have done in the past, we must maintain and protect our local aid to our towns, school districts and important local and regional services. It is in protecting our communities that I am most proud.

Constructing any budget this year is going to require a combination of sacrifice, creativity, and collaboration. Given that revenues have reduced dramatically over the past several fiscal years, most municipalities have exhausted their ingenuity in finding new ways to balance budgets. Throughout my ongoing district wide *Listening Tour*, the sentiments and concerns are almost identical. Whether they are the concern for municipal health insurance options, seeking concessions from employee groups, finding increasingly limited grant funding, or simply reducing the size of government, nothing has been immune from this recession. Government has become leaner and more efficient as a result, and it is important that even as improved projections become a fiscal reality that we continue to be prudent and critical so as to maintain core services.

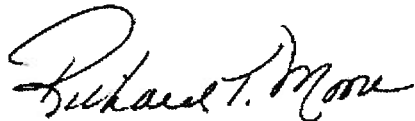
I view this meeting as an opportunity to not only discuss the decisions that we have all made to manage this ongoing crisis, but also to pose questions and discuss solutions about how best to prepare our entire Commonwealth for sound economic recovery. As such, I am especially pleased to be joined by my colleague Senator Steven A. Baddour, our new Vice Chairman of the Senate Committee on Ways and Means.

As former Chairman of the Joint Committee on Transportation, Sen. Baddour focused his efforts on reforming the state's transportation hierarchy. By eliminating the Massachusetts Turnpike Authority, curbing overly generous pension benefits at the MBTA, and using civilian flaggers on roadway construction sites, the

Transportation Reform Act has helped make the repair and construction of our roads, rail systems, and other modes of travel more efficient. I truly enjoy Senator Baddour's excitement and tenacity for all things budget related, and I hope you will have a similar reaction at the end of today's meeting.

I thank you for coming today, and I look forward to continue hearing from you, working with you, and shaping a more prosperous future with you.

Sincerely,

A handwritten signature in black ink that reads "Richard T. Moore". The signature is written in a cursive style with a large, looping initial "R".

RICHARD T. MOORE

State Senator

Worcester & Norfolk District

The Budget Process: A Timeline

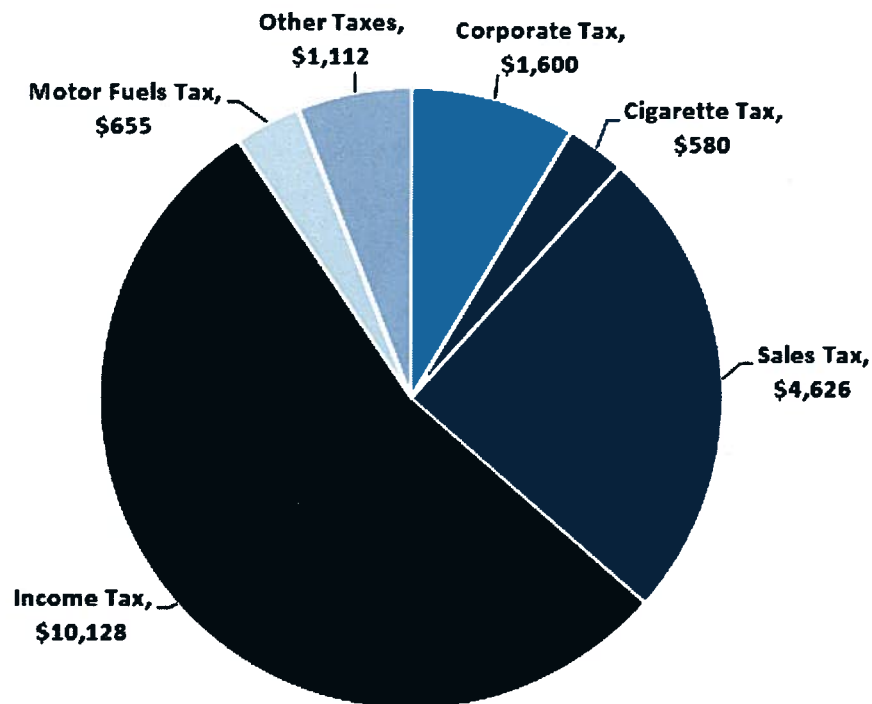
| Legislation & Related Documents | Budget-writing steps |
|--|--|
| Governor's Budget (H. 2) | The budget begins as a bill that the Governor submits in January (or February if at the start of a new term) to the House of Representatives. |
| | |
| House Ways and Means Budget <i>Current Step in the FY2011 Budget</i> | The House Ways and Means Committee reviews this budget and then develops its own recommendation. |
| | |
| House Budget Debate | The full House then debates the bill and adopts and proposed amendments. |
| | |
| House Final Budget | Once debated, amended and voted on by the full House, it becomes the House budget bill. |
| | |
| Senate Ways and Means Budget | At this point, the House passes its bill to the Senate. The Senate Ways & Means Committee reviews that bill and develops its own recommendation. |
| | |
| Senate Budget Debate | The full Senate then debates the bill and adopts any proposed amendments. |
| | |
| Senate Budget | Once debated, amended and voted on, it becomes the Senate's budget bill. |
| | |
| Conference Committee Report | House and Senate leadership then assign members to a joint "conference committee" to negotiate the differences between the House and Senate bills. Once that work is completed, the conference committee returns its bill to the House for a vote. If the House makes any changes to the bill, it must return the bill to the conference committee to be renegotiated. Once approved by the House, the budget passes to the Senate, which then votes its approval. |
| | |
| Governor's Vetoes | From there, the Senate passes the bill to the Governor who has ten days to review and approve it, or make vetoes or reductions. The Governor may approve or veto the entire budget, or may veto or reduce certain line items or sections, but may not add anything. |
| | |
| Veto Overrides | The House and Senate may vote to override the Governor's vetoes. Overrides require a two-thirds majority in each chamber. |
| | |
| Final Budget | The final budget is also known as the General Appropriations Act or "Chapter [#] of the Acts of 2008." |

House I – The Governor’s Recommendations

The Commonwealth is entering the fourth year of a fiscal crisis brought on by the national economic crisis. Because of the severity and the structural budget problems the state has faced since cutting taxes deeply in the late 1990's, the challenge of crafting a budget that meets the core needs of the Commonwealth and its people is enormous. This budget proposal relies primarily on deep budget cuts, on top of \$3 billion in cuts already implemented in prior years, as well as on reform proposals and modest revenue initiatives.

Despite the struggle between maintaining integral services and a necessary reduction in overall spending, economists and independent think tanks like the Massachusetts Budget and Policy Center and the Massachusetts Taxpayer's Foundation have stated the Commonwealth has started to emerge from the depths of the recession, and is on the road to a strong economic recovery.

Massachusetts State Tax Collections in FY2010 (in millions)



Taken from Massachusetts Budget and Policy Center

The Governor's fiscal year 2012 budget, as the administration has stated, "...is guided by an important set of principles. We need to be smarter about the way we fund, or don't fund, government programs." According to the Administration, The tax revenue estimate for fiscal year 2012 is still about \$900 million less than the tax revenue estimate supporting our original fiscal year 2009 budget – and fiscal year 2012 includes about \$1 billion in new tax revenues from the 2009 sales tax increase. We also continue to face increased demand on our safety net programs as many citizens continue to need help.

The budget cuts recommended in the House I include cuts to local aid, public safety, safety net programs, economic development programs, and higher education. The proposal also results in modest cuts in education aid to local districts – mostly because federal support that had been used to protect against cuts in recent years is phasing out. The budget also proposes significant reforms in public safety, health care, and housing policy.

The most significant challenge the Administration faced in developing House I, however, is the loss of \$1.5 billion in federal stimulus funds. For these reasons, fiscal year 2012 is a more challenging budget year than any other.

For FY11 & FY10, many school districts were supplemented with American Recovery and Reinvestment (ARRA) funds that offered temporary support. Unfortunately, ARRA funding is unavailable for this upcoming fiscal year,

leaving less of a cushion for education funding. Chapter 70 is decreased \$81.8 million (2%) from FY11 based on funding received by schools. Although the direct appropriation is increased, it must be viewed in light of federal aid allocated to education aid. It is projected that 73.3% of school districts will receive a Chapter 70 cut between 5 and 7.5% in FY12.

Below is a comparison of House 1 numbers to the FY11 budget:

| Town/District | H1 Chapter 70 | FY11 Chapter 70 | \$ Cut | H1 FY12 UGGA | FY11 UGGA | UGGA |
|------------------------|--------------------|--------------------|--------------------|-------------------|---------------------|----------------------|
| Bellingham | 8,028,300 | \$8,480,883 | (452,583) | 1,331,436 | \$1,495,008 | \$9,359,736 |
| Blackstone | 84,251 | \$84,251 | 0 | 1,074,007 | \$1,205,953 | \$1,158,258 |
| Douglas | 8,368,517 | \$8,705,118 | (336,601) | 572,620 | \$642,969 | \$8,941,137 |
| Dudley | 0 | 0 | 0 | 1,401,958 | \$1,574,194 | \$1,401,958 |
| Hopedale | 5,815,295 | \$6,143,124 | (327,829) | 511,659 | \$574,519 | \$6,326,954 |
| Mendon | 24,883 | \$27,220 | (2,337) | 320,659 | \$360,053 | \$345,542 |
| Milford | 16,702,939 | \$15,878,931 | 824,008 | 2,396,675 | \$2,691,116 | \$19,099,614 |
| Millville | 58,499 | \$42,330 | 16,169 | 319,617 | \$358,883 | \$378,116 |
| Northbridge | 14,034,106 | \$14,271,099 | (236,993) | 1,656,314 | \$1,859,798 | \$15,690,420 |
| Oxford | 9,764,153 | \$9,618,608 | 145,545 | 1,613,477 | \$1,811,699 | \$11,377,630 |
| Southbridge | 17,230,163 | 15,992,431 | 1,237,732 | 2,760,518 | \$3,099,657 | \$19,990,681 |
| Sutton | 5,102,475 | 5,390,120 | (287,645) | 612,529 | \$687,780 | \$5,715,004 |
| Uxbridge | 8,948,989 | 9,453,474 | (504,485) | 1,079,683 | \$1,212,326 | \$10,028,672 |
| Webster | 9,554,369 | 10,046,365 | (491,996) | 1,942,812 | \$2,181,494 | \$11,497,181 |
| Blackstone-Millville | 10,511,449 | 11,104,016 | (592,567) | 0 | 0 | \$10,511,449 |
| Blackstone Valley | 7,614,352 | 7,631,018 | (16,666) | 0 | 0 | \$7,614,352 |
| Dudley-Charlton | 23,487,058 | 24,811,105 | (1,324,047) | 0 | 0 | \$23,487,058 |
| Mendon-Upton | 11,857,016 | 12,525,437 | (668,421) | 0 | 0 | \$11,857,016 |
| Southern Worcester | 9,400,370 | 9,511,006 | (110,636) | 0 | 0 | \$9,400,370 |
| DISTRICT TOTALS | 166,587,184 | 169,716,536 | (3,129,352) | 17,593,964 | \$19,755,449 | \$184,181,148 |

* In the coming days, my office will provide with you a more detailed analysis of the House Ways and Means budget proposal. It is my hope that when House Ways & Means figures are released in the coming week – other cheery sheet items such as payment in lieu of taxes, regional school transportation, and local public libraries will sustain funding. As well as, tax abatements for veterans, widows, blind persons and the elderly receive level funding. UGGA represents unrestricted government aid.

Letter to Congress: Do not shift Federal deficit to the states



RICHARD T. MOORE

STATE SENATOR • WORCESTER & NORFOLK



FOR IMMEDIATE RELEASE
February 28, 2011

Contact: Kate Donaghey
(W) 617-722-1420
(C) 508-330-0318

State lawmakers tell Congress not to shift the Federal deficit to states

Sen. Moore leads fight to protect state taxpayers

BOSTON – An influential national organization of state legislators, in a letter to U.S. Senate leaders this week, said that federal budget cutting and deficit reduction efforts must not shift the national financial burden to state governments. State legislators are especially concerned that Congressional debate over the continuing resolution for the current Fiscal '11 budget be resolved quickly to minimize the effects of any cuts that could affect federally funded programs in the states.

Leaders of the bi-partisan National Conference of State Legislatures (NCSL), in letters to Senate Majority Leader Harry Reid (D-NV) and Senate Minority Leader Mitch McConnell (R-KY), urged the Senate to consider NCSL's recommendations and principles as it moves ahead with resolution of the FY 2011 appropriations process.

"States need certainty as to what federal funds to ultimately expect for the current fiscal year as states address continuing fiscal and budget challenges," Massachusetts State Senator Richard T. Moore and Kansas Senate President Steve Morris, said in their letter. Sen. Moore, a Democrat, is President of NCSL and Sen. Morris, a Republican, is President-Elect.

The Moore/Morris letter urged the Senate to complete final action on FY 2011 appropriations as expeditiously as possible. "Reductions to state-federal discretionary programs will create current year shortfalls beyond the \$111 billion in budget gaps state legislators have addressed for FY 2011," the state leaders wrote. "States are currently addressing no less than \$82 billion in FY 2012 budget gaps," Moore and Morris explained.

The state leaders noted that H.R. 1 as passed recently by the House of Representatives reduces state-federal grant funding by approximately 11 percent or \$20 billion. This reduction, if approved, would, they explained, primarily be applied to the last quarter of current state fiscal year FY 2011 and the first quarter of FY 2012. Most states are nearly three-quarters of the way through FY 2011 and several of them are moving toward adjournment and final action on their FY 2012 budgets. Given our time constraints and balanced budget responsibilities,

"We urge you to resolve quickly any differences that may exist between the House and Senate or to otherwise maintain funding for state-federal programs at their FY 2010 levels or levels as approved in the continuing resolution that expires on March 4, 2011," the NCSL letter stated.

“We firmly believe that the federal deficit should not be exported to state and local governments through spending reductions alone that do not produce commensurate savings for states,” Sen. Moore asserted.

Recognizing the importance of resolving the burgeoning federal deficit, the letter from the two state leaders stated, “We fully expect that future cuts to state-federal programs are inevitable. However, they should be accomplished by ensuring that states obtain greater program flexibility, relief from unfunded legislative or regulatory mandates, relief from maintenance of effort requirements and related tools that will allow for more efficient and effective administration of these programs.”

There is no evidence in H.R. 1 of shared intergovernmental savings as passed by the House of Representatives. On the other hand, reductions to programs that have enduring unfunded federal mandates like the No Child Left Behind Act would leave states with less funds and the same unfunded mandates.

The National Conference of State Legislatures, according to Sens. Moore and Morris, is fully-prepared to collaborate with Congress to strengthen the nation’s fiscal standing.

“Our NCSL policies state, all discretionary spending, entitlement and revenue-related programs should be on the table. We agree that proportionate reductions in spending for state-federal programs is in order and that we should work together to produce savings that create efficiencies at all levels of government. NCSL is not seeking any one-time assistance or related help from the federal treasury. Rather, we understand that federal fiscal stability is key for economic recovery and long-term growth,” they added.

###

Worcester & Norfolk District ARRA



AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009



TOTAL FUNDS AWARDED*

| <i>TOWN</i> | <i>Energy & Environment</i> | <i>Education</i> | <i>Housing</i> | <i>Public Safety & Homeland Security</i> | <i>Safety Net Programs</i> | <i>Transportation</i> | <i>TOWN TOTAL</i> |
|------------------------|---------------------------------|------------------|----------------|--|----------------------------|-----------------------|-------------------|
| <i>Bellingham</i> | \$135,676 | \$2,232,499 | | | \$5,249,134 | \$9,871,571 | \$17,488,880 |
| <i>Blackstone</i> | | \$2,261,417 | | | \$3,528,773 | | \$5,790,190 |
| <i>Douglas</i> | | \$2,398,870 | | | \$2,664,096 | | \$5,062,966 |
| <i>Dudley</i> | | \$5,318,124 | | \$41,914 | \$4,346,790 | | \$9,706,828 |
| <i>Hopedale</i> | | \$981,233 | | | \$32,383,986 | | \$33,365,219 |
| <i>Mendon</i> | | \$3,044,449 | | | \$2,314,182 | | \$5,358,631 |
| <i>Milford</i> | | \$7,039,622 | | \$111,235 | \$5,226,660 | | \$12,377,517 |
| <i>Millville</i> | | | | \$55,692 | \$3,495,189 | | \$3,550,881 |
| <i>Northbridge</i> | | \$3,552,129 | \$674,960 | | \$4,377,781 | | \$8,604,870 |
| <i>Oxford</i> | | \$2,176,888 | | | \$5,285,035 | | \$7,461,923 |
| <i>Southbridge</i> | | \$3,096,759 | | \$55,000 | \$14,645,826 | \$2,000,290 | \$19,797,875 |
| <i>Sutton</i> | \$150,000 | \$1,188,965 | | | \$2,038,453 | \$9,122,437 | \$12,499,855 |
| <i>Uxbridge</i> | \$155,385 | \$1,838,885 | | | \$5,038,445 | | \$7,032,715 |
| <i>Webster</i> | | \$3,392,118 | | | \$11,145,286 | | \$14,537,404 |
| <i>DISTRICT TOTAL</i> | \$441,061 | \$38,521,958 | \$674,960 | \$263,841 | \$101,739,636 | \$20,994,298 | \$162,635,754 |
| <i>STATEWIDE TOTAL</i> | \$244,829,482 | \$2,011,276,970 | \$225,935,993 | \$42,635,433 | \$4,275,843,630 | \$396,729,272 | |

*Current as of April 1, 2011

Source: www.mass.gov/recovery

Letter to FEMA on Snow Assistance Disaster Program



COMMONWEALTH OF MASSACHUSETTS
THE GENERAL COURT
STATE HOUSE, BOSTON 02133-1053

March 22, 2011

Mr. William Craig Fugate
Administrator
Federal Emergency Management Agency
U.S. Department of Homeland Security
500 C Street SW
Washington, D.C. 20472

Dear Administrator Fugate:

Recently, it was brought to our attention that Governor Deval Patrick's request for federal emergency assistance through the Snow Assistance Disaster Program was denied for Worcester County due to the region's failure to meet record or near-record snowfall totals during the severe Nor'easter of January 12, 2011. In light of this, we are writing to express our deep concern with this outcome and would respectfully request reconsideration of Worcester County for federal snow and ice assistance, and any other available aid, to mitigate the cost imposed on municipalities as a result of the of this winter's unique storm impact.

As you know, this past winter, the Commonwealth of Massachusetts received, in aggregate, an unprecedented amount of snow and ice accumulation. On January 12th alone, according to National Weather Service data, Worcester County was within 10 percent of near record accumulation totals from the amounts received during any other winter event on record. Comparatively speaking, the accumulation of snow received was in excess of Suffolk and Norfolk Counties, both of which were approved for federal assistance for storm-related costs.

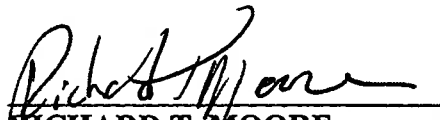
The combination of this and other severe winter storms forced cities and towns across Worcester County to engage in accelerated snow and ice removal operations, more frequently than during the average winter. Furthermore, many municipal roads and facilities were severely damaged due to stressed roofs and strained roads. As a result, municipalities assumed the high costs of capital repair combined with the already-high snow and ice removal costs.


Presented with these unanticipated liabilities, in addition to already strained budgets associated with the staggering economy, municipalities across Worcester County now face serious fiscal constraints. The Massachusetts Emergency Management Agency does not possess any

discretionary funding to assist in relieving this economic burden. Consequently, emergency assistance through the Snow Assistance Disaster Program is vital in assisting cities and towns to cope with this before serious cuts are made.

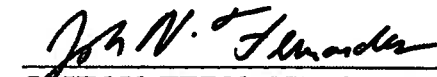
Cognizant of the unprecedented nature of the winter weather experienced in Worcester County, juxtaposed with the already existing economic burden placed on municipalities, we would respectfully request your assistance in reassessing its eligibility for federal Snow and Ice Removal Emergency Assistance, or any related emergency funding, associated with the Nor'easter of January 12th.


Respectfully,

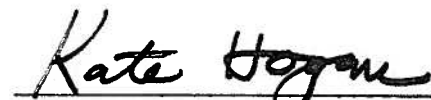

RICHARD T. MOORE
State Senator
Worcester & Norfolk District

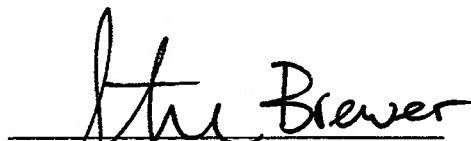

JOHN J. BINIVENDA
State Representative
17th Worcester District



JENNIFER L. FLANAGAN
State Senator
Worcester & Middlesex District



JOHN V. FERNANDES
State Representative
10th Worcester District



HARRIETTE L. CHANDLER
State Senator
1st Worcester District

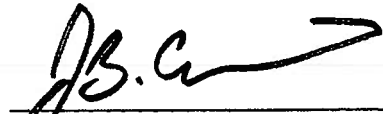

KATE HOGAN
State Representative
3rd Middlesex District

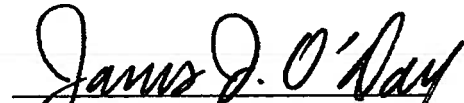

STEPHEN M. BREWER
State Senator
Worcester, Hampden, Hampshire
& Franklin District



STEVEN L. LEVY
State Representative
4th Middlesex District

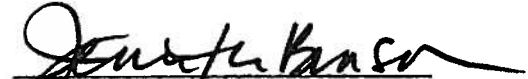

MICHAEL O. MOORE
State Senator
2nd Worcester District

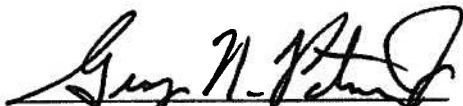

JOHN P. FRESOLO
State Representative
16th Worcester District

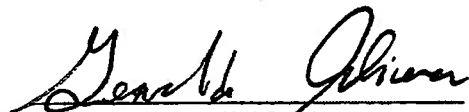

JAMES B. ELDRIDGE
State Senator
Middlesex & Worcester District



JAMES J. O'DAY
State Representative
14th Worcester District



CAROLYN C. DYKEMA
State Representative
8th Middlesex District



JENNIFER L. BENSON
State Representative
37th Middlesex District



GEORGE N. PETERSON, JR.
State Representative
9th Worcester District

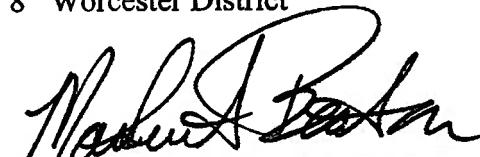

GERALDO ALICEA
State Representative
6th Worcester District



TODD M. SMOLA
State Representative
1st Hampden District

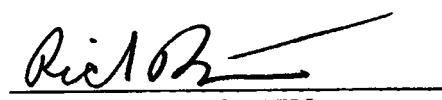

VINCENT A. PEDONE
State Representative
15th Worcester District



KEVIN J. KUROS
State Representative
8th Worcester District

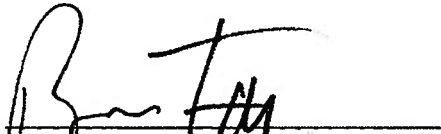

DENISE ANDREWS
State Representative
2nd Franklin District


MATTHEW A. BEATON
State Representative
11th Worcester District


KIMBERLY N. FERGUSON
State Representative
1st Worcester District


RICHARD BASTIEN
State Representative
2nd Worcester District


STEPHEN L. DINATALE
State Representative
3rd Worcester District



RYAN C. FATTMAN
State Representative
18th Worcester District

CC: Senator John F. Kerry
Senator Scott P. Brown
Congressman Richard E. Neal
Congressman James P. McGovern
Secretary Mary Elizabeth Heffernan, Executive Office of Public Safety and Security
Undersecretary Kurt N. Schwartz, Acting Director of MEMA

Appendices

Appendices

I. State Stabilization Fund

What is the Rainy Day Fund?

II. Government Efficiency Proposals

Senator Moore's Solutions for Cost-Effectiveness, Openness in Government

III. Educational Proposals

Senator Moore's Legislative Priorities for Investing in Our Future

IV. Economic Development Proposals

Senator Moore's legislation to Put People Back To Work

V. Letter from Senator Moore to Department of Utilities Chair Berwick

VI. "Report: Prolonged Budget Cuts Taking Toll on Education, Local Aid"

State House News – April 3, 2011

State Stabilization Fund

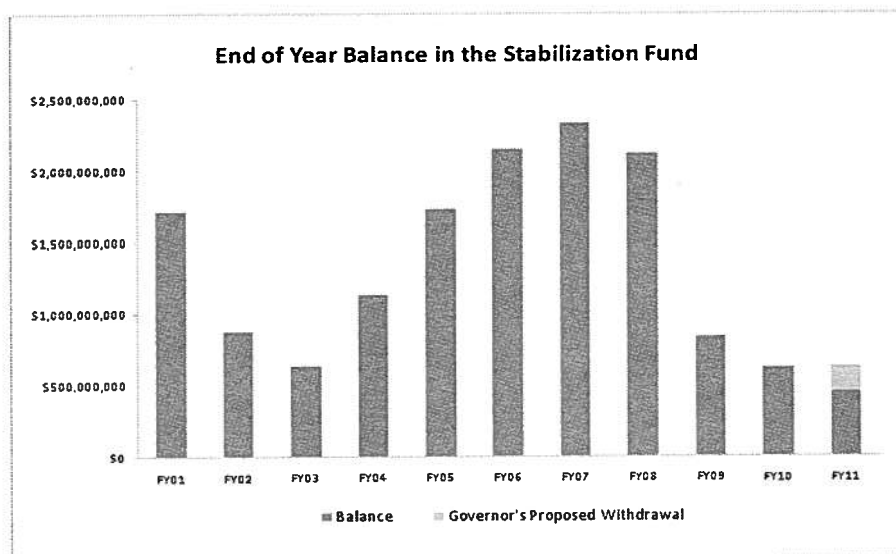
Unfortunately, Massachusetts is not like the federal government whereby the state can budget through deficit funding. Instead, the Massachusetts constitution requires the Governor to sign a balanced budget—ensuring fiscal responsibility, but sometimes necessitating difficult decisions in regard to funding programs and services. One of our resources in balancing the budget has been our stabilization fund—better known as the “rainy day fund.”

What is the rainy day fund?

The fund was created so that even in difficult economic times, the state can use this “savings account” to help pay for health care, education, public safety, and other priorities funded by the state budget. To do this, the state needs to put enough money in the fund during good times, so that it has a large enough balance to protect needed services in bad times.

With the start of the current recession in FY 2008, the Rainy Day Fund has once again helped balance the state’s budget: \$315 million taken out in FY 2008, \$1.39 billion taken out in FY 2009 and \$235 million taken out so far in FY 2010. The Governor, in his Fiscal Year 2012 proposal, balances the budget in part by withdrawing \$220 million from the Rainy Day Fund.

The Governor’s budget proposes using a portion of the revenues raised through the capital gains tax to replenish the Rainy Day Fund. Since capital gains taxes can vary widely from year to year, they are a relatively unreliable source of revenue to pay for ongoing state programs. In order to protect against the structural budget problems that come from making annual budget decisions dependent on capital gains taxes, the Governor proposes capping the amount of this tax that can be used for the budget at \$1 billion. He also proposes depositing 95 percent of the remainder of capital gains taxes into the Rainy Day Fund. This means that in years when tax revenues are high, the capital gains tax revenues deposited into the Rainy Day Fund would create a reserve that could then be drawn on when the economy turns down.



- GOVERNMENT EFFICIENCY — MAKING GOVERNMENT WORK BETTER

S1600 - An Act Establishing the Sunset Review Commission

Following successful models implemented in the States of Florida and Texas, this legislation would create a Massachusetts Sunset Review Commission, entrusted with identifying and eliminating waste and duplication in state government agencies and authorities by “sunsetting” these entities. The Commission will be comprised of not only legislators, but citizens and business leaders alike, and will review every agency in a 6 year cycle based on issue or service area.

The Sunset Commission shall assign sunset dates for agencies it reviews: essentially, a deadline for termination. Upon its recommendations—which will be submitted in a report to the Legislature—the Commission will notify the head of the agency/authority, and follow up by submitting legislation to the Legislature to implement the abolition schedule. Before abolishment of an entity, the Commission will be required to review all annual reports filed by the agency, consult the Legislature’s House and Senate Committees on Post Audit & Oversight, as well as the State Auditor, Inspector General and the State Comptroller.

The criteria for recommended abolitions by the Commission shall fall within consideration of the efficiency and effectiveness of a particular agency; the success of an agency’s mission or goals; the general need of the agency; the extent to which an agency’s jurisdiction may overlap another, thereby indicating the need for consolidation of an agency; the promptness and effectiveness of an agency’s response to any complaints it receives; the agency’s consideration of state and federal laws, and their compliance with lawful operation; and the extent to which an agency complies with ethics, conflict of interests, and requests for public access.

S1599 - An Act Establishing the Commission on Government Accountability Economy and Efficiency

This legislation creates a commission that is entrusted with investigating methods to improve the accountability, economy and efficiency of the government of the Commonwealth. The commission shall make formal recommendations to the Governor and the Legislature—that are not limited to—adopting methods to reduce expenditures to the lowest amount possible for efficient performances of state services and programs; eliminate duplication and overlapping services; consolidate services and activities of a similar nature; abolish services unnecessary to state business; eliminate unnecessary departments and agencies and transfer power to another agency; redefine rules and responsibilities for state or local officers; reorganize recruitment and retention practices for public employees; analyze and evaluate all state and local contracts with private vendors to confirm practical practices; and review state requirements for contracting goods and services for the most qualified vendor.

S1604 - An Act to Eliminate Waste and Improve Public Oversight of State Agencies

Currently, state agencies and authorities that are required to submit an annual report do so in a hard copy, paper format, that can waste tens of thousands of taxpayers’ dollars. While many of these reports are essential markers of an agencies’ performance and research, hard copies of these documents are rarely seen by the public and are stored away. This legislation addresses this source of waste by requiring any state agency or authorities’ annual report to be filed online. This will not only save money spent in printing, but will enhance access to the reports for the general public.

S1871- An Act to Provide for Efficient Use of Leased or Rented Property and Prevent Waste in Use of Leased or Rented Facilities

In a report last year from the WBZ-I Team, the state's lease on an unused parking lot for state employees was highlighted: approximately \$30,000,000 has been wasted on the leased lot, which is seldom used. This legislation requires a thorough assessment of any state-leased properties and provides for a clause that would allow the Commonwealth to terminate its lease with a property owner, in the event its function serves no purpose and is taking away from taxpayers' money.

S1605- An Act to Promote Value and Efficiency in the Delivery of State Services

This legislation creates a board within the Executive Office for Administration & Finance that administers a process for receiving suggestions from state employees and retirees for improving state programs and services. The board is comprised of the Commissioner of A&F, or his/her designee; the Comptroller or his/her designee; the Budget Director or his/her designee; a member appointed by the President of the Massachusetts Taxpayers Foundation; a member appointed by the Director of the Beacon Hill Institute; a member appointed by the Director of the Pioneer Institute; a member appointed by the Director of the McCormick Institute of the University of Massachusetts at Boston; and a member appointed by the Executive Director of MassExcellence.

The Board shall receive, solicit and review suggestions made by officers and employees of the Commonwealth regarding the improvement and efficiency of state services or programs, and the Board shall select the proposals that they deem as having the greatest impact on improving government efficiency. The proposals will be submitted online, and the general public will be able to review and select which proposal they find the best. The winner shall be eligible for a prize to be determined by the Board. To provide for the prize, a "public service value and efficiency fund" shall be established, which may consist of funds that are appropriated, or donated by individuals, foundations and businesses. This legislation will promote and encourage public participation in enhancing government efficiency.

S1603– An Act relative to the receipt of state services

This legislation mirrors immigration provisions adopted by the Senate during the FY11 budget debate, and further includes language barring the use of state funds to purchase alcohol and tobacco products. As you may know, the Senate's immigration language precludes employers who hire illegal immigrants from obtaining state contracts, and asks that agencies who grant services do so only after confirming that the recipient is a legal, taxpaying resident. Essentially, this legislation allows legal and lawful residents to enjoy state services, and additionally asks that those seeking public assistance use it for its intended purpose.

**- EDUCATION —
INVESTING IN OUR FUTURE**

S221- An Act providing Chapter 70 accountability for adequate access to school nursing

This legislation provides for greater transparency and accountability in Chapter 70 relative to adequate school nursing. It amends Chapter 70 by including a definition of school nurse professional staff, which is consistent with the mandate for access to registered school nurses found in Chapter 71, Section 53. This mandate has been in place since the 1950's.

Further, the foundation budget calculation included in a newly proposed definition for "foundation school nurse professional staff," would create an opportunity to account for access to school nurses for all student enrollees, and provide additional accounting for students in low income districts.

S223- An Act relative to the competency determination for high school graduation

This legislation, simply put, requires that graduating seniors from our public schools exhibit a competency in United States History. Currently, students must show competency in Math, English Language Arts, and Science. The Board of Elementary & Secondary Education continues to ignore implementing the inclusion of United States History on the state's MCAS test, despite the fact that it was supposed to be a graduation requirement for the class of 2012. We're fortunate to have some of the best and brightest students here in the Commonwealth; students who are competitive not only nationally, but across the world. However, if we're to ask these students to lead innovation for tomorrow, might we expect them to understand our past? Producing bright scholars is paramount to preserving our prosperity, but is unattainable without generating active and engaged citizens who grasp history.

- ECONOMIC DEVELOPMENT — PUTTING PEOPLE BACK TO WORK

S1489- An Act promoting construction growth

This legislation exempts the sales or leasing of construction equipment over \$20,000 from the state's 6.25% sales tax. With a sunset clause setting in after 3 years, the intent is to spark a sector of our economy currently that has been devastated by the recession and is facing some of the highest unemployment rates.

To receive this exemption, the company would have to certify to the Department of Revenue that job creation or retention would result.

S1496- An Act to promote business growth

In an effort to spark job growth locally, through innovation and recruitment, this legislation exempts businesses in their first 5 years from the state's minimum corporate excise tax. Long known to be a center for innovation and originality, the Commonwealth has taken steps to recruit business and retain local ideas and endeavors, and this modest gesture is yet another opportunity to maintain that commitment.

S1495 - An Act to promote business continuity and recovery after a disaster

This legislation was originally filed in direct response to a mill fire in Uxbridge in 2007. The disaster displaced over 60 small businesses and placed considerable financial strain on the business owners and on the town. The legislation evolved from suggestions from owners of these businesses and their municipal leaders. They suggested a number of steps Massachusetts could take to help small businesses recover from a similar debilitating disaster. These suggestions included incentives that would encourage business owners to protect their businesses against possible disasters and tax exemptions that would help businesses more quickly rebuild, rehire their employees, and resume their important role in the Massachusetts economy.

Specifically, the bill encourages small businesses to purchase Business Continuity Insurance by offering them a tax exemption of ½ of the premium cost, creates a sales tax exemption for the office supplies, machinery, vehicles and other equipment that a business must replace as a result of an emergency, allow municipalities to enter into real estate tax abatement agreements with businesses impacted by a natural disaster, and develops an unemployment compensation program for self-employed individuals and small business owners displaced by a disaster or emergency.

S163- An Act to promote economic development in Gateway Towns

As the Commonwealth seeks to capitalize on economic development opportunities across the state, and places particular importance on "Gateway Cities," we must also realize the importance of the smaller communities that have once served as prominent economic drivers, and are poised to do so yet again. In recognition of the opportunity and dire need for economic growth, this legislation establishes "Gateway Municipalities," which includes towns, or groups of towns working cooperatively, with populations greater than 10,000 but less than 35,000. In aligning with the Gateway Cities, the towns must have a household income below the Commonwealth's average and a rate of education attainment of a bachelor's degree or above that is below that state's average. If these criteria are met, they too would enjoy the benefits of not only being recognized for prior contributions to our economy, but exposed to opportunities for additional growth and expansion.

S1046- An Act to promote municipal collaboration and regionalization throughout the Commonwealth

state's average. If these criteria are met, they too would enjoy the benefits of not only being recognized for prior contributions to our economy, but exposed to opportunities for additional growth and expansion.

S1046- An Act to promote municipal collaboration and regionalization throughout the Commonwealth

This legislation encourages municipal collaboration throughout the Commonwealth in several ways. Primarily, it directs Executive agencies and departments to explore grant, loan, and technical assistance programs to seek opportunities for additional collaboration between communities. Additionally, it makes regionalization easier for municipalities by allowing local selectmen, town councils or executives to enter agreements outside of burdensome and time consuming processes. As greater efficiencies are sought at every level of government, regional collaboration appears to be a common sense means to that end.



RICHARD T. MOORE

STATE SENATOR • WORCESTER & NORFOLK



March 22, 2011

Ann G. Berwick, Chair
Massachusetts Department of Public Utilities
One South Station
Boston, MA 02110

Dear Ms. Berwick:

I am writing to request that the Department reconsider its approval of the Cape Wind/National Grid power sales agreement in view of the significantly reduced purchase prices for wind-generated electricity submitted by NSTAR and other utilities.

In so doing, I want to fully support the motion by The Alliance to Protect Nantucket Sound for DPU to reopen the Cape Wind/National Grid case to admit new evidence. That evidence includes filings by the utility NSTAR, which is seeking permission to buy 109 megawatts of land-based wind power for a price estimated at less than 10 cents per kilowatt hour.

In their filing, the NSTAR price compares to the 24 cents per kilowatt hour on average over 15 years that businesses and residents in the National Grid territory will pay for Cape Wind electricity. This new and timely evidence from the NSTAR filings provides invaluable information, data and insight about a number of facts currently in the record, shedding new light on the availability of renewable energy, the timing of such supply, and cost. The Department would be remiss in not admitting the NSTAR filings for further review.

My constituents and businesses who are customers of National Grid face needless increases in their monthly bills because the utility has decided to pay a premium price for electricity from Cape Wind instead of buying much cheaper renewable power available from other sources.

Based on this information, it certainly appears that Cape Wind is an overpriced project that represents one of the largest potential transfers of wealth from productive sectors of the economy to a single private developer. The recent competitive electricity bids provide the good news that Massachusetts can move toward a future of wind and renewable power without bankrupting the rest of the economy resulting in the loss of many Massachusetts jobs. I look forward to receiving your response.

Sincerely,

RICHARD T. MOORE,
State Senator, *Worcester & Norfolk District*

STATE HOUSE NEWS SERVICE

REPORT: PROLONGED BUDGET CUTS TAKING TOLL ON EDUCATION, LOCAL AID

By Michael Norton
STATE HOUSE NEWS SERVICE

APRIL 3, 2011.....After adjusting for inflation, Massachusetts cities and towns are on track next fiscal year to receive nearly 38 percent less in unrestricted local aid from state government than in 2009 and across-the-board cuts and formula changes have also had the effect of reducing K-12 education aid from Beacon Hill, according to a new report.

The Massachusetts Budget and Policy Center report details cuts in programs and services made by state government over the past three years as the Legislature and Gov. Deval Patrick coped with the impact of steep job and tax revenue losses by going heavy on three main strategies: cutting spending and passing efficiency-minded reforms, spending down reserves and one-time federal revenues, and raising taxes.

While an assortment of groups, including major labor unions, are calling for increases in the state income and capital gains taxes, Patrick and legislative leaders so far this year have ruled out tax increases as part of the solution to a fiscal 2012 budget gap of \$1.5 billion to \$2 billion. That gap could be compounded by more than \$1 billion in midyear spending approved over the first nine months of fiscal 2011.

The report documents cuts over the past four years throughout the state budget and notably in the area of education, enumerating spending reductions on special education, school transportation, full-day kindergarten, adult basic education and support for students with low MCAS scores.

State and local officials sounded off in statements accompanying the report.

"Cities and towns around the state are cutting back on important services or deferring investment in schools and libraries, public safety, public works, public health and infrastructure," said Joshua Ostroff, chairman of the Natick Board of Selectmen and president of the Massachusetts Municipal Association. "Along with diligence in cutting waste, reforming pensions and benefits and increasing productivity in every corner of government, we need fairly applied and predictable revenues to support the services and programs that people expect. So we need state leaders to have a serious conversation about how we pay for government in a way that is transparent and sustainable, and does not burden people least able to pay."

Fitchburg Mayor Lisa Wong said communities with a greater reliance on state aid, the major source of local government funding along with property taxes, have been hurt more by local aid cuts.

"I believe this has contributed to the growing gap between rich and poor communities," Wong said. "If we must have cuts, I would like to have a more equitable formula that looks at the impact of cuts on the overall budget."

Lynnfield School Committee member Dorothy Presser, president of the Massachusetts Association of School Committees, said the percentage of low-income students and students with limited English proficiency has increased in Massachusetts.

"These are among the students most in need of small class sizes, robust intervention programs and strong support services to help them achieve," Presser said. "Yet, their districts are laying off teachers, increasing class sizes and curtailing programs critical to their success in order to meet budget numbers."

Compared to inflation-adjusted fiscal 2009 funding levels, Gov. Patrick's fiscal 2012 budget bill, which is under review before the House Ways and Means Committee, represents an 11.5 percent cut to adult basic education, and 15.9 percent for public higher education, according to the report.

Dana Mohler-Faria, President, Bridgewater State University, said that school is "following a path of excellence," but added, "Anemic funding levels and the unpredictability of state support mean that students are bearing an increasingly heavy burden to access the wonderfully transformative opportunities awaiting them."

Revere Public Schools Superintendent Paul Dakin predicted graduation rates will suffer from cuts over the past few years.

"Right now students in grade 10 are benefiting from an 'echo effect' of years when they were in elementary school and we could run support programs for slow readers and students who needed more time to become proficient in mathematics,"

Dakin said. "Cuts have forced the elimination of those support programs for current elementary school students -- thus they will be missing that 'echo foundation' when they are in grade 10."

END