



[Home Page](#)

[Position Paper](#)

[Mandate Relief Proposals](#)

[Membership](#)

[Meeting Schedule](#)

[Upcoming Events](#)

[Chronicle](#)

[Contacting the Suburban Coalition](#)

[Make a Donation](#)

[Links](#)

[About the Suburban Coalition](#)



Suburban Coalition 2006 Position Paper

Introduction

Current levels of local aid are inadequate and reliance on the regressive property tax is too high. This situation makes housing less affordable, makes planning difficult and requires attempts at passage of Proposition 2 1/2 overrides just to maintain the status quo. At the same time, voters are becoming more resistant to these overrides, thus adding to the financial woes of local government. It is imperative that the governor and the legislature work to restore local aid to cities and towns. Currently, communities must choose between raising property taxes and cutting the most essential services that any level of government provides.

[2006 Position Paper, PDF format \(1.2 MB\)](#)

The entire state benefits from the proper support of all its local communities. **Communities provide the essential services of public safety, pre-K to 12 education and infrastructure** (roads and bridges, municipal and school buildings, sewers, etc.). Healthy cities and towns provide a favorable climate for economic growth in the state. We call upon the state to provide the financial support to local governments that will keep our economy healthy and growing.

Strengthening Public Education Funding

The Chapter 70 formula is long overdue for revision. The current formula simply does not provide a sufficient funding base for many communities to carry out the mandates of Education Reform and No Child Left Behind. This makes it difficult to meet high standards and the broad range of programs necessary to achieve a truly adequate education for our students. To meet this goal the Commonwealth should:

- Immediately undertake a study to determine adequate funding in Massachusetts. Update any foundation formula to include the true cost of a twenty-first century education, incorporating factors such as technology and realistic costs for SPED, which may not be included in the current formula.
- Provide all districts with a minimum “floor” of 30% of foundation budget. Some districts will certainly need more support from the state. However, any

new formula should address equity, so that like districts are treated alike.

- Approve and implement a new formula, incorporating adequacy and equity beginning in FY08.
- Provide a reliable source of funding. The percentage of funding provided by the state should be tied to community needs, not fluctuate based solely on the state's economic conditions.

Special Education Funding

The Circuit Breaker has been an important step in improving funding for Special Education. However, overall funding for Special Education is still not adequate largely because of unrealistically low numbers used in the foundation formula. Local communities continue to bear the burden of funding costly State and Federal Mandates. The Coalition believes that it is necessary to:

- Lower the threshold of the Circuit Breaker to three times the foundation budget.
- Determine private tuition rate increases by January of the prior year and accompany them by increases in state aid. Tuition rate increases should be no greater than percentage increases in local aid.
- Share special education transportation costs between districts and the Commonwealth.
- Provide incentives in the Circuit Breaker for in-district and collaborative placements and for shared transportation among districts.

School Building Assistance Program

A new and largely improved SBA program has been defined and a dedicated revenue source identified. However, many communities have deteriorating, crowded school buildings in need of attention and are currently unable to get on a waiting list for funding. The moratorium on approving new projects makes it difficult, if not impossible, to pass debt exclusions to begin projects. The Suburban Coalition recommends that the MSBA:

- Work quickly to define new standards and regulations and keep communities informed of progress in these areas.
- Determine the order of approval of applications solely on the basis of facility needs once the moratorium is lifted.
- Maintain a project's place on the list and priority for funding after it has been approved.

Funding Local Roads

Funding for local roads is below the \$150 million level of a decade ago. During that time period, the cost of asphalt alone has risen substantially. In addition municipalities spend their own funds on arterials with little left for local roads. With

less money available, the condition of local roads has worsened, leading to higher repair costs. Many communities are experiencing heavy commuter traffic on local roads due to new commuter patterns. The Coalition's recommendations are:

- Restore Chapter 90 funding to \$150 million per year.
- Create a 0% loan program for local road projects.
- Establish a commission to study the change in commuter patterns and develop a plan for public transportation that meets the needs of local communities.
- Restore the Chapter 81 Highway Program to FY00 levels.

Encouraging the Development of Affordable Housing

Chapter 40B should articulate more realistic goals. Currently, there is no limit to how much a comprehensive permit can vary from local zoning. Unplanned, high density growth is in nobody's best interest, creates emotional opposition to needed housing and forces unnecessary choices between open space and affordable housing. More financial assistance and fewer punitive measures would bring about more affordable housing and less controversy than the current system is producing. Furthermore, while the Community Preservation Act (CPA) is an admirable attempt to fund more affordable housing, open space and historical preservation, it relies too heavily on the overused property tax. As more communities elect to participate, each community will receive a smaller share of the transfer tax fees. The Coalition suggests the following:

- The state should guarantee 100% CPA matching funds. This can be accomplished by increasing the share from the transfer tax and, if necessary, finding additional sources of funds.
- Offer financial incentives to speed the development of affordable housing.

Reforming Local Tax Policy

Within the constraints of Proposition 2-1/2 and with cutbacks in state aid to local governments, communities are struggling mightily to provide adequate services to their citizens. At risk are the very crucial services provided by local communities; life safety, education and infrastructure maintenance. To assist communities in serving their citizens, the Suburban Coalition recommends the following actions:

- Exempt the Overlay Account from Prop 2-1/2. Since the funds in the account are earmarked for abatements to taxpayers, those funds should not be included under the cap. To avoid abuse of this approach, the exemption should be limited to the amount equal to the previous year's abatements.
- Fast track the restoration of lottery money to its intended use.
- Close the loophole that provides telecommunications companies with a tax advantage on equipment. Ensure that all property of telephone, cable and other telecommunications companies is included on local tax rolls by

approving House Bill H2408.

Providing Mandate Relief

Local communities are now facing some of the most difficult fiscal times ever. Relief could be provided, without additional cost to the state, by taking concise actions that would provide real savings.

Local Fees	The state has set caps on local fees and the caps are extremely outdated. All local fees fixed by legislation should be reviewed by the State to determine if they are sufficient, or determination should be given to local communities. One example is the cap on fire permit fees. This fee is capped at \$10.00. A second example is the Excise Tax demand fee, which is capped at \$5.00.
Timely Budget	When funds are short, municipalities need more time to plan for cuts and to see out cost saving approaches. Budget delays and/or stalemates at the State level make this work even more difficult.
Education Mandates in High Performing Districts	Consider removing some mandates in high performing districts. Schools that are performing well above average need less state oversight and may save significant dollars.
Unfunded Mandates	New mandates should be avoided. At the very least, no new mandates should be exempted from the clause of Proposition 2-1/2 that requires state funding of all new mandates.
Charter Schools	No new charter schools should be funded until the State better evaluates the effectiveness of existing charter schools.
Reports Required by the State	Review and reduce paperwork required of local communities. Considerable time and money are spent in complying with state reporting mechanisms. Many reports may be eliminated, combined or simplified.
Storm Water Management	NPDES storm water management requirements are resulting in considerable costs for most communities. Because of local budgetary shortfalls, many communities are considering delays in proceeding with corrective construction even though they risk noncompliance. Few would deny that the act is important. Yet, with so many demands on local budgets, requirements should allow variances on

regulations or should be partially funded by the state.

Filed Sub-bid Laws

These laws should be repealed. A general contractor should choose and manage subcontractors. Under current requirements, subcontractors bid separately causing poor coordination, schedule delays and difficulty in correcting problems. The end result, of course, is higher costs to complete the project.

Community Preservation Act

The surcharge on all documents charged to municipalities under the Community Preservation Act should be eliminated. The surcharge was meant to raise funds for communities, therefore, the municipalities themselves should be exempt.

Local communities cannot provide the most critical services to their citizens without adequate levels of local aid this year.