

Beacon Hill Byline

June 13, 1995

The Budget Beats the Clock

The Massachusetts legislature is breaking new ground in the nation. Last week we passed a budget for the 1996 fiscal year, which begins July 1. It was laid on Gov. Weld's desk June 12, three weeks before the deadline. This accomplishment contrasts sharply with such other states as California, which is still without a budget three months into their fiscal year. Not only are we early, we also have a balanced budget that was adopted with broad bipartisan support.

These are some of our accomplishments.

Education reform, now in its third year, is fully funded at a cost of \$232 million over last year's amount. Public higher education, which has taken massive cuts over the past few years, receives \$22.3 million over last year's budget. We are continuing to invest in our public schools.

Keeping our commitment to increase lottery distributions to cities and towns, we increased local aid from lottery receipts by \$51 million.

We recognized the importance of day care, both for traditional working parents and for welfare recipients who will be joining the work force as part of the new welfare program. Those programs received \$16 million in additional funding.

How did we meet all of these goals in a year in which tax receipts are lagging behind projections? We were helped by a record drop in the welfare caseload. A loss over the past three months of 5,000 recipients frees up millions of dollars for other programs. A drop in the interest rate reduces debt costs, and changes to pension calculations provide additional money for the budget.

There are areas of the budget that have been level funded or reduced. Salary increases for direct care workers and day care providers are two priorities we have not addressed. One budget cut that impacts our county is a reduction to Hampden County's anti-gang task force. Each member wanted additional funding for a specific need, but we maintained the constraint needed for the good of the state.

The legislature has kept most non-financial "outside sections" out of the new budget, although several current issues are addressed. The legislature has attempted to ease the Department of Environmental Protection's Title V regulations, although this program remains a problem for many homeowners. Responding to communities' concerns about the expansion of Keno to convenience stores, we have provided a process for a local voice in licensure.

The bottom line is this: the budget keeps the commitments to local government and provides essential services to the people. It is balanced, adding another year of fiscal strength to the Massachusetts bond rating. In other words, it passes the test of Main Street and the equally tough test of Wall Street.