

Beacon Hill Byline by Mary Rogeness

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## **State of the State, Part 2**

Last week the Byline talked about Speaker Tom Finneran's speech outlining his priorities for Massachusetts, the first event of the legislative session. I called it State of the State, Part I. As promised, I will today write about the official State of the State address as given by the governor a week later.

The governor arrived with much ceremony for his traditional address to the legislature. Ushered to the podium to a standing ovation from the packed chamber, Governor Weld was in rare form, beginning with the announcement that "The state of the State is GOOD!" The deficit is down and the budget balanced. Unemployment is the lowest of any comparable state. And these accomplishments have occurred at the same time that 15 tax cuts valued at one billion dollars a year have been enacted. Then he proposed new initiatives and more tax cuts for the coming years.

Beginning with programs, Governor Weld proposed new funding for early childhood education and full funding of the state's education reform law. On the subject of education, he also issued these challenges to our public school system. He requested authorization to triple the number of charter schools and implementation of standards and a system of audits to assess school districts. An old government professor of mine often said, "When the government gives money it takes away autonomy," and Governor Weld's speech exemplifies that maxim. Massachusetts has

spent a billion dollars on the state's schools, and the governor is now asking the schools to justify their use of that money.

Moving on to the subject of taxes. He proposed several methods to strengthen the economy by reducing the burdens on businesses. He would cut telecommunications taxes, tax on the state's life insurance companies and make the investment tax a permanent feature. He also advocates the phased reduction of the tax on investment income until all income is taxed at a uniform rate. Massachusetts is the only state to impose a higher tax on investments, and a reduction will be of particular benefit to retirees who depend on pension and investment income.

One item that was missing from the speech has drawn an unusual response from some media pundits. Last year the Weld administration proposed extensive reforms, reductions and efficiencies to our governmental apparatus. The legislature, opposed most of the initiatives as did the mainstream media in Boston. With an increased majority of legislators lined up against his reforms, the governor has chosen to give up on most of them. Instead of applauding that decision, the press is now criticizing his lack of perseverance.

Now we have heard from both the speaker and the governor. Both men looked back with pride on the recovery of the past six years. Both men were essential participants in that recovery. And both men appear prepared to work together to build on the successes of that partnership to lead Massachusetts into the twenty-first century.