

Beacon Hill Byline by Mary Rogeness

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Another Massachusetts budget beats the deadline

Our legislature has now developed such a reputation for timely passage of the budget that we have become a bit complacent. This year, in spite of early action by both the house and the senate, we just made it under the deadline of June 30. In fact, we were so close to the end of the fiscal year that we had to authorize a two-week budget to tide the state over until the new budget was signed by Governor Weld. At any rate, the budget is now in place.

As usual, the legislative conference committee has approved a document somewhat different from that approved by either branch of the legislature. Here are some highlights of that compromise budget.

The first winners are the taxpayers with three targeted tax cuts. Massachusetts has long provided a \$600 income tax exemption for families with young children. This year that exemption will rise to \$1000 for a single child, \$1200 for families with more children. The exemption applies to children under 12 years of age and updates the \$600 amount that had been unchanged for a generation.

We also approved an earned income tax credit that follows guidelines for the existing federal credit. It is calculated to equal 10 percent of the federal credit. The third tax cut will not have much impact on Longmeadow, but it provides substantial relief to homeowners faced with replacing failed septic systems. A credit of up to \$6000 can be claimed over a four year period to help meet the costs of their design and construction.

Second winners are municipalities. They will see the gains in school funding and increased lottery receipts as the budget continues education reform and a five year plan to increase the distribution of lottery money to cities and towns. Because Longmeadow funds its schools above the state required "foundation" level, we do not gain substantial with educational funding, but the lottery increase is very helpful to the town.

Other aspects of state government that are addressed in the budget are higher education with a 6.5 percent increase, direct care workers in human services with a \$15 million appropriation for salaries, and child care for low income workers with both additional funding and additional administrative support. The legislature also authorized an appropriation to fill the gap for legal immigrants who will lose benefits from the federal government.

One reason so many needs could be addressed is the strong economy that has resulted in tax receipts much higher than predicted. That strong balance sheet enabled us to reschedule the unfunded pension liability, a step that will pay long term dividends to future generations. We often hear of politicians mortgaging our children's future, so that action deserves our notice.

There are always other needs that are unmet. I have already had several brought to my attention and I will get to work on them. Nevertheless, the fact that the budget was approved by a vote of 155 to 1 in a philosophically and politically diverse legislature indicates that it will provide for our citizens, our towns and our state over the coming year.