



The Commonwealth of Massachusetts
House of Representatives
State House, Boston 02133-1054

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FOR IMMEDIATE RELEASE
July 5, 2016

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Representative Smola supports \$39.15 billion state budget for Fiscal Year 2017

BOSTON – Representative Todd M. Smola (R-Warren, Ranking Member, Committee on Ways & Means), joined with his colleagues this week to approve a \$39.15 billion state budget for the new fiscal year that begins on July 1. The spending plan passed the House of Representatives on a vote of 150-3.

The final budget calls for additional spending of nearly \$1 billion over Fiscal Year 2016 levels, representing a 2.6% increase. However, the budget also reflects a \$413 million reduction in proposed spending due to a projected \$750 million revenue shortfall for Fiscal Year 2017. As a result, many state agencies will be level-funded at their current spending levels in the new fiscal year.

"This budget reflects the cooperative effort of the legislature and the administration to complete our task on time," said Representative Smola. "We have produced a balanced budget that preserves the most important programs for our communities and the people of the commonwealth. As we move into a new fiscal year we will continue to keep a careful watch on our financial stability in order to make sound decisions for the future."

Despite this reduction, the budget provides for a \$116.1 million increase in Chapter 70 education aid, bringing the statewide total to \$4.6 billion while providing for a \$55 per pupil increase. It also includes \$1.02 billion in Unrestricted General Government Aid (UGGA), representing an increase of \$42.1 million, or 4.3%, over current funding levels.

"The state is facing many significant financial challenges, but this budget ensures that local aid remains a priority," said Representative Smola. "I'm very happy to report that

the communities of the First Hampden District will see an increase in state funding assistance this year.”

- Representative Smola noted that Brimfield is scheduled to receive \$1,223,352 in Chapter 70 funding, an increase of \$14,080 over last year. The town will also receive \$374,868, an increase of \$15,455 in unrestricted aid to help fund a variety of essential municipal services.
- Holland is scheduled to receive \$919,098 in Chapter 70 funding, an increase of \$7,975 over last year. The town will also receive \$194,067, an increase of \$8,001 in unrestricted aid.
- Palmer is scheduled to receive \$10,784,150 in Chapter 70 funding, an increase of \$82,170 over last year. The town will also receive \$1,928,274, an increase of \$79,497 in unrestricted aid.
- Sturbridge is scheduled to receive \$3,769,084 in Chapter 70 funding, an increase of \$268,743 over last year. The town will also receive \$744,926, an increase of \$30,711 in unrestricted aid.
- Wales is scheduled to receive \$938,888 in Chapter 70 funding, an increase of \$132,613 over last year. The town will also receive \$227,105, an increase of \$9,363 in unrestricted aid.
- Ware is scheduled to receive \$9,369,357 in Chapter 70 funding, an increase of \$498,059 over last year. The town will also receive \$1,659,994, an increase of \$68,437 in unrestricted aid.
- Warren is scheduled to receive \$869,917 in unrestricted aid, an increase of \$35,864 over last year.

In addition to the local aid increase, Representative Smola was able to successfully secure \$50,000 in the budget for Old Sturbridge Village; \$10,000 for costs associated with the three-hundredth anniversary celebration in the Town of Palmer; and \$50,000 for the establishment of a regional adult learning center by the Quaboag Valley Community Development Corporation.

The budget includes \$80.5 million for charter school reimbursements and \$61 million for regional school transportation. It also fully funds reimbursements under the Special Education Circuit Breaker program at \$277.3 million.

Other funding increases of note contained in the budget include:

- a \$27.5 million increase in funding for the Bureau of Substance Abuse Services (BSAS);

- a \$33.1 million increase for the Department of Children and Families to support over 600 recent hires, including 281 new hires for Fiscal Year 2017;
- a \$43.7 million increase for the Department of Developmental Services, which includes a \$6.9 million increase for respite family services to assist an additional 3,000 families; and
- a \$1.19 million increase in local Councils on Aging grants, which will provide for an increase in the funding formula to \$10 per elder per year.

The budget also funds several substance abuse initiatives, including \$3.1 million for Recovery High Schools, \$1 million for the Substance Abuse Trust Fund, \$1 million for the Attorney General to fund programs targeting opioid abuse, and \$3 million for medication assisted therapy in emergency rooms. Overall, the budget provides \$139.2 million for opioid abuse funding, representing a \$23.6 million increase over current funding levels.

For the second year in a row, the budget does not draw money from the Rainy Day Fund. However, a planned \$200 million deposit into the fund will no longer take place, due to an expected drop in capital gains tax revenues.

The budget takes additional steps to address the revenue shortfall, including:

- cutting Medicaid spending by \$142 million, in part by reducing caseloads and deferring some payments until Fiscal Year 2018; and
- authorizing the use of “procurement efficiencies” to generate \$100 million in additional savings.

The budget also includes language to bring Massachusetts into compliance with the federal REAL ID Act, which requires state driver’s licenses to meet certain minimum mandatory security standards. Massachusetts is currently operating on an extension that is due to expire in October. Without these changes, a Massachusetts driver’s license would no longer be considered an acceptable form of identification for entering a federal building beginning in 2018 or boarding a commercial aircraft beginning in 2020.

The budget proposal, which has also passed the Senate, is now before Governor Charlie Baker for his review. Governor Baker has until July 10 to sign the budget and issue any vetoes. For additional information please contact Representative Smola at Todd.Smola@mahouse.gov or (617)722-2100.

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