



Suburban Coalition  
P.O. Box 103  
Concord, MA 01742

10/20/08  
9

Account Information:

Membership Dues:

Invoice Number: 20091

FY 2009 Membership: \$250.00

Invoice Date: 9/23/08

Total Balance: 250.00

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*Payment Coupon: Please detach and return with payment. Thank you.*

1 year Membership: \$250.00

Amount Enclosed:

*Please provide us with the following information:*

Town

Board Type  Board of Selectmen  School Committee  Finance Committee

Contact Name

Mailing Address

Phone Number

E-Mail Address

*Please send payment to:*

**Suburban Coalition**  
**P.O. Box 103**  
**Concord, MA 01742**



***Thank you for your membership!***

The Suburban Coalition provides a great opportunity to:

- Advocate for your community and the needs of your townspeople.
- Share your opinions and concerns with elected officials and their aides from all across the state.
- Network with the opinion leaders and policy shapers from other communities.
- Make sure you have the most accurate and up-to-date information on the issues that concern you the most.

***We are on the web: [www.suburbancoalition.org](http://www.suburbancoalition.org)***



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**Suburban Coalition**

P.O. Box 103  
Concord, MA 01742  
suburbancoalition.org

Dear Local Board:

The Suburban Coalition has had a consistent mission throughout its twenty-five year history: to strengthen the voice of our member communities at the state level. Working together, we are more effective in addressing issues that face our communities and in creating a partnership between our communities and the Commonwealth.

In these very difficult fiscal times, it is critical that Beacon Hill understands the challenges our communities face in providing the essential services of public safety, education and infrastructure maintenance to our citizens.

Through our annual Legislative Breakfast, meetings with state officials, participation in various forums and speaking with the media, the Suburban Coalition works to bring this message to the Statehouse. We continue to address such issues as the over-reliance on the property tax, adequate and equitable state funding for education and sufficient funding for public safety and infrastructure maintenance.

Throughout the year, the Suburban Coalition will continue its advocacy on behalf of our members and will continue to provide information to members that will assist them in their own advocacy efforts.

Please review the enclosed 2008 Position Paper. We believe you will find that our issues reflect many of those you face in your community. We would encourage you to join the Suburban Coalition. Dues are \$250 yearly and the invoice is enclosed.

We would welcome your board's participation in our efforts. With a larger membership, we can become a stronger, more persuasive voice. We invite you to join the Suburban Coalition for Fiscal 2009 and work with us to advocate for your community.

For more information about the Coalition please visit us at [suburbancoalition.org](http://suburbancoalition.org). For specific questions, please contact [dorothyprasser@suburbancoalition.org](mailto:dorothyprasser@suburbancoalition.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Dorothy Presser", with a long horizontal flourish extending to the right.

Dorothy Presser  
President



# Suburban Coalition

## *2008 Position Paper*

### Introduction

Growth in the Massachusetts economy is inexorably linked to the strength of local communities. In recent years, however, our communities have been facing some daunting fiscal challenges. Decreases in local aid combined with rising costs have driven property taxes higher. Between Fiscal Year 2002 and Fiscal Year 2008, net state aid for Suburban Coalition member communities decreased by an average of 6 percent. Property tax for these communities increased, on average, 41 percent over this same period.<sup>1</sup>

"Taxachusetts," however, no longer exists. In the past three decades, state and local taxes, fees and charges in Massachusetts have declined as a percentage of personal income by nearly 25 percent, the largest decrease in the nation. While local taxes are high, Massachusetts ranks forty-third out of the fifty states when state and local taxes, fees and charges are measured as a percent of median family income.<sup>2</sup> Over the past fifteen years, state tax cuts have reduced available funds at the state level by over three billion dollars annually.<sup>3</sup> Clearly, one consequence of tax cuts at the state level has been an over-reliance on the regressive property tax at the local level. The result is that hard-earned gains in education, public safety and infrastructure maintenance are in jeopardy.

The Suburban Coalition believes that the Governor and Legislature should identify new revenue sources. Further, through a combination of increased aid to municipalities and legislative action, the Commonwealth can help ensure that our economy and our communities will have the tools and resources to thrive.

## Summary of 2008 Legislative Priorities

**Revenue Growth:** Explore and evaluate new revenue sources to provide relief from a growing reliance on the property tax.

**Municipal Health Insurance (General Insurance Commission):** Lower the requirement of 70 percent union agreement to 51 percent union agreement in order for municipalities to participate in the state health care pool. Allow municipalities the option to compensate individual employees who would experience undue financial hardship if the change is made.

**Education Funding:** Continue the commitment to provide every school district with a minimum funding level of 17.5 percent of the foundation budget by Fiscal Year 2011. After this level is reached, the state needs to aim for a new level of providing 30 percent of foundation budget.

**Chapter 90 Funding:** Provide sufficient Chapter 90 funding to enable adequate current maintenance and to begin reducing the backlog of needed infrastructure repairs.

**Special Education:** Lower the threshold of circuit breaker reimbursement to three times the cost of the foundation budget.

## **Reforming Local Tax Policy and Providing Legislative Relief**

Within the constraints of Proposition 2 1/2 and with few options to raise additional funds, local communities are struggling to provide essential services that citizens rely upon every day: public safety, education and infrastructure maintenance. To assist communities in serving their citizens, the Suburban Coalition recommends the following budget-neutral actions by the Legislature:



- *Lower the requirement of 70 percent union agreement to 51 percent union agreement for participation in the General Insurance Commission (GIC) so that more communities can join. Allow municipalities the option to compensate individual employees who would experience undue financial hardship if the change is made.*
- *Explore and evaluate new revenue sources to provide relief from a growing reliance on the property tax. Take a strong stand against the 2008 ballot initiative to eliminate the state income tax.*
- *Allow municipalities more alternatives to raise revenue, such as a local meals tax and an increase in the hotel tax, as included in the Municipal Partnership Act.*
- *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.*
- *Allow cities and towns to start investing in high yield tools to fund unfunded health insurance liabilities, as they now can for pension funds. Allowing municipalities to invest in higher yield instruments is critical for communities that desire to build reserves to cover these costs and protect their bond ratings. All municipalities must begin reporting this unfunded liability by Fiscal 2010.*
- *Exempt funds in the Overlay Account from Proposition 2 1/2 since those funds are earmarked for abatements to taxpayers. To avoid abuse of this approach, the exemption should be limited to the amount equal to 120 percent of the previous year's abatements. Exempt the excise tax from the constraints of Proposition 2 1/2.*
- *Pass the state budget in a timely manner. Alternatively, pass a Local Aid Resolution by March 15. Municipalities often must finalize their*

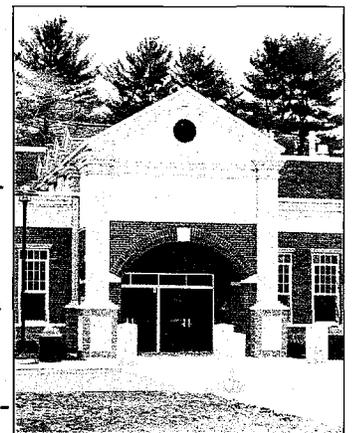
*budget before local aid amounts are set. This lack of certainty disrupts the municipal budget process and impedes the ability to plan well.*

- *Avoid any new unfunded mandates. At the very least, the state should enforce the Proposition 2 1/2 clause that requires state funding of all new mandates.*
- *Streamline reporting required by the state. Local communities spend considerable time and money complying with state reporting mechanisms. The state could eliminate, combine or simplify many reports. For example, high performing school districts should have reduced DOE reporting requirements.*

## **Strengthening Public Education Funding**

Demands and expectations for public education in Massachusetts have never been higher and despite inadequate state funding and increased mandates, communities have responded with positive action to meet the goals of education reform and federal No Child Left Behind legislation. Demands on schools' performance are extensive and expensive, yet the state Chapter 70 funding formula has not been adjusted to recognize new requirements. The Coalition recommends the following actions:

- *Continue the commitment to provide a 17.5 percent minimum floor of foundation funding for education to every school district. We strongly urge legislators to continue this five-year commitment to its completion in Fiscal Year 2011. While some districts will need more support from the state, districts similar in size and needs should receive equivalent amounts of funding on a per-pupil basis. After the 17.5 percent is reached, the state needs to aim for a new level of providing 30 percent of foundation the budget.*
- *Conduct an adequacy study to determine the true cost of providing an education that prepares students for the twenty-first century global economy. Over forty other states have already conducted such studies. Further, the state should assist districts in implementing "best practices" in the areas of educational achievement and fiscal responsibility.*
- *Revise the Chapter 70 formula to reflect the adequacy study results. Actual needs in three important areas: technology, special education, and employee salary and benefits must be fully realized and addressed in any updated formula.*



## **Special Education Funding**

The increased incidence and severity of young children with special needs, especially children diagnosed with a disability on the autism spectrum, requires an even stronger partnership between school districts and state government. Together we need to provide the resources to meet the needs of our most vulnerable children. This includes the costs related to state and federal mandates. To that end, the Coalition recommends the following steps:

- *Lower the threshold of the Circuit Breaker from four times to three times the foundation budget. This will provide incentives for programs closest to a child's home, in-district and collaborative placements.*
- *Provide the necessary software and training to all collaboratives in the state so that the pilot program for Special Education transportation can be implemented statewide.*
- *Approve private tuition rate increases by January of the prior year so districts can accurately budget for these placements. Accompany the increases with increased state aid.*

## **School Building Assistance Program**

The Massachusetts School Building Authority (MSBA) has managed \$11 billion in current projects dating back to 1990 and is ready to begin funding new projects with \$2.5 billion over the next five years. After nearly a four and a half year moratorium, the MSBA has selected eighty-three projects to move forward in the application process.

The needs of districts with deteriorating and overcrowded schools buildings far exceeds the funding capacity of the MSBA. The Suburban Coalition recommends that the MSBA:

- *Show flexibility regarding the 120 day schedule from MSBA board approval to a local vote. The MSBA must understand that the local debt exclusion process is slow and painstaking.*
- *Finish the development of all application materials. Many communities are currently waiting for application materials to move forward with the process. Develop enrollment projections so that communities can use this data to plan.*
- *Provide better communication through the website regarding specific materials and timelines of which communities need to be aware.*



## **Funding Local Infrastructure**

State funding for local roads and infrastructure has long been inadequate and the costs associated with the repairs, particularly the price of asphalt, have risen substantially. In addition, repairing arterial roads often takes priority, leaving municipalities less for maintenance on local roads and infrastructure. Conditions have worsened and repair costs are soaring at the same time as local roads are experiencing heavy commuter traffic due to new commuter patterns. The Coalition's recommendations are to:

- *Provide sufficient Chapter 90 funding to enable adequate current maintenance and to begin reducing the backlog of road repairs.*
- *Create a no-interest loan program for local road projects.*
- *Restore the Chapter 81 Highway Program.*

## **Encouraging the Development of Affordable Housing**

Increasing the stock of affordable housing throughout Massachusetts is essential to keeping residents in the state. However, Chapter 40B sometimes results in badly planned, high density developments and forces unnecessary choices between open space and affordable housing. Chapter 40R and 40S legislation provides financial assistance and fosters partnerships between officials and developers. This is positive and encouraging. However, more can be done to encourage affordable housing.

The Community Preservation Act (CPA) is an avenue to fund affordable housing, open space and historical preservation. As more communities participate in the CPA, less funding is available from the state for each community. The program simply becomes reliant on property taxes to fund initiatives. To address affordable housing and make these programs more appealing to local communities, the Coalition believes that the state should:

- *Vet the new regulations being prepared by the Department of Housing and Community Development through a representative group of local officials before they are promulgated.*
- *Lower the threshold that allows communities with Production Plans to deny comprehensive permits for twelve months. This threshold should be lowered from three-quarters of one percent to one-half of one percent.*
- *Allow all existing housing that meets rent and income criteria for affordable housing to be included in a municipality's affordable housing stock.*
- *Provide sufficient revenues to guarantee 100 percent CPA matching funds.*

## ABOUT THE SUBURBAN COALITION

The Suburban Coalition was founded in the mid-1980s by local officials to provide input to state officials about local services, state funding and state regulations. By speaking with one voice, these communities can address mutual problems more effectively at the state level. The Coalition is bipartisan and does not support parties or individual candidates.

Over the years, the Coalition has been instrumental in furthering policies that have benefitted local communities and their citizens. The Coalition was actively involved in passage of the senior circuit breaker, giving seniors property tax relief. It was also the first organization to call for a minimum funding floor for Chapter 70, a policy currently being implemented by the legislature.

Each year, the Coalition releases a position paper that summarizes its views. Members also meet with individual legislators, host a Legislative Breakfast at the state house, testify at legislative hearings, participate in forums, and present the Coalition's views to the media. The current officers of the Suburban Coalition are:

**President: Dorothy Presser**

Lynnfield School Committee

DorothyPresser@suburbancoalition.org

**Immediate Past President: Jerry Wasserman**

Needham Board of Selectmen

JerryWasserman@suburbancoalition.org

**Vice-President: Nancy Gallivan**

Walpole School Committee

NancyGallivan@suburbancoalition.org

**Secretary: Susan Welby**

Needham School Committee 1996-2005

SusanWelby@suburbancoalition.org

**Treasurer: Lea Anderson**

Wayland School Building Committee

LeaAnderson@suburbancoalition.org

**Membership: John Desmond**

Walpole School Committee

JohnDesmond@suburbancoalition.org

<sup>1</sup> Massachusetts Department of Revenue Municipal Databank

<sup>2</sup> *Measuring Up: Taxes and Spending in Massachusetts*. Massachusetts Budget and Policy Center, Boston, MA. November 9, 2006.

<www.massbudget.org>

<sup>3</sup> *The Massachusetts Budget Crisis - Sources and Solutions*, Massachusetts Budget and Policy Center, Boston, MA. June 2, 2004.

<www.massbudget.org>



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Visit us on the web at: [www.SuburbanCoalition.org](http://www.SuburbanCoalition.org)

**The Coalition is dedicated to the idea that excellent educational and municipal services and facilities, coupled with sound fiscal management are the right of every citizen in the Commonwealth.**