
The Rosenberg Report

Vol. XVII
June 4, 2003

Hello!

The House and Senate have finished their respective versions of the state's fiscal '04 budget and now the matter is in the hands of the six-member conference committee. There is a consensus among legislative leaders that this year's budget, unlike the budget's of recent years, will be delivered to the governor in a more timely fashion. Fiscal year '04 begins July 1st.

Neither the House nor Senate budgets contain new taxes, but there are significant differences between the two plans that must be worked out in conference. One difference concerns the Prescription Advantage Program for senior citizens and low-income disabled residents. The Senate budget includes \$96 million for this program, which would preserve these services. The Senate budget also restores 36,000 working families to the Medicaid rolls.

Here are the links to the governor's budget, the House budget and the Senate's version. As I have said before, preparing the budget is the most important thing the Legislature does, and this year is no exception. The conference committee is charged with taking the House and Senate versions of the budget and coming up with one spending plan, a plan that we hope will help take us out of this fiscal crisis. The conference committee members have their work cut out for them. I hope that all of you will join me in wishing them well as they tackle this most challenging budget.

House budget

<http://www.state.ma.us/legis/04budget/house/04budgetinfo.htm>

Governor's budget

<http://www.mass.gov/budget/>

Senate budget

<http://www.state.ma.us/legis/04budget/senate/swm.htm>

Senate amendments

<http://www.state.ma.us/legis/04budget/senate/fy04amend.htm>

Yours,



June Focus

Senate budget

Here is a recap of some of the actions taken by the Senate in its fiscal '04 budget that might be of particular interest to folks in western Massachusetts. Needless to say, there are many things I could include in this summary, but there is not enough space to do so.

Clean Elections

The Senate voted to repeal the Clean Elections law. I voted to uphold the law. A year ago I said that I would uphold the law and all of my votes have been consistent with that conviction. I was open with my colleagues and constituents, telling them that I would not support an amendment to repeal the law. And I did not.

Early retirement/UMass contracts

The Senate approved an early retirement plan for all Group One state employees. The plan would allow all eligible employees to add five years to their years of service or five years to their age. I successfully added two amendments to this plan. One allows all federally or grant funded employees at the state's colleges and universities to take advantage of the plan. The other allows eligible UMass employees, who have still not received their fairly negotiated pay increases, to count what their salaries would have been had the contracts been funded as their highest salaries.

Regional school transportation

I joined Senators Stephen Brewer (D-Barre) and Andrea Nuciforo (D-Pittsfield) in sponsoring a successful amendment to add \$2.5 million to this account, for a total of \$32.5million. This is roughly \$6 million more than the House.

Charter school moratorium

The Senate approved a three-year moratorium on charter schools. I want to make clear that this vote was not about the merits of charter schools. It was strictly about the funding formula, a formula that the majority of Senators, myself included, believe is simply not fair. Massachusetts is the only state in the nation with this sort of funding formula for charter schools, and although I am doubtful that this moratorium will make it to the governor's desk, I am hopeful that the Senate's action will send a message to all parties in the charter school debate that the time has come for constructive discussion about how charter schools are to be funded.

I also want to make clear that all charter schools that have had their enrollment increases already approved, such as the Pioneer Valley Performing Arts School, and those that are

slated to open this fall, including the new charter school in Greenfield, are not affected by the moratorium.

Higher education reorganization and funding

I co-chaired a working group on higher education reorganization with Senator Joan Menard (D-Somerset) and our decision was to fine-tune the existing structure – which was put in place about 10 years ago, largely under the leadership of the Senate-- and strengthen accountability without interfering with the daily operation of the campuses. Another notable change concerns an amendment I filed, which was subsequently approved, that for the first time says in Massachusetts law that the Amherst campus is the flagship campus of the University of Massachusetts.

Regarding higher education funding, the Senate budget cuts higher education 12 percent across the board. The House budget cuts UMass by 18.3 percent and the state colleges and community colleges by 15 percent. Also, the House budget cuts the UMass president's office by \$1 million. But the Senate budget requires that the UMass president's office be cut by the same percentage as the campuses. Another successful amendment I offered requires the Board of Trustees to file a separate budget for the president's office that details its spending proposals and the revenue sources for financing those proposals. This would be the first time in more than a decade that the UMass president's office would have to file budgets for itself, which restores transparency.

Noteworthy

Responsible Reforms

Since taking office, Governor Romney and his administration has called upon state government to reform itself as the best way to meet the fiscal '04 budget shortfall. The Senate did not shirk from this challenge, and has, in fact, embraced the spirit of reform. As Senate President Robert Travaglini (D-East Boston) has said, there are no sacred cows in this budget; the status quo is not an option. Below are a few of the major reform proposals put forward today by the Senate Ways and Means Committee. All of these measures are designed to continue delivering many of state government's core services.

Prescription advantage/bulk purchasing – The Senate is proposing to restore the Prescription Advantage program for seniors and low-income people with disabilities, to create a public bulk-purchasing drug program. The Senate budget allocates \$96 million to finance the program, but also calls for such reforms as increasing co-payments and limiting the program's open enrollment period.

The Senate's bulk-purchasing drug program initiative calls for the state to use its purchasing power to leverage the price of prescriptions with drug companies. The Senate initiative creates a public pharmacy benefits manager – called a PBM – that will result in deep discounts off the average wholesale price for prescriptions, saving taxpayers at least \$8 million in its first year with greater savings projected in future years.

Courts and government lawyer hiring practices – The Senate is proposing a plan to save up to \$9 million that state government agencies spend on private, outside lawyers by instituting the following changes:

- 1) Require all agency hiring of outside lawyers to be approved in advance by the governor's chief legal counsel;
- 2) Require competitive public bidding for agency hiring of outside lawyers;
- 3) Require the Secretary of Administration and Finance to issue detailed reports twice a year on all government contracts with private lawyers.

With these proposals, the Senate is signaling its desire to give the Romney administration the appropriate tools to reform this area of state government, one of the first he identified as being rife with inefficiency.

The Senate is also proposing a number of reforms for the Massachusetts judicial system, which reflect recommendations by the Monan Committee, a group of experienced management professionals and attorneys who recently reviewed the operation of the courts. The Senate's initiative consists of three major reforms:

- 1) Replace the Trial Court's position of Chief Justice for Administration and Management with a professional Chief Administrator who will oversee a single administrative office for the Courts. This Chief Administrator will report to the Judicial Council, which consists of the chief judges of all the court departments.
- 2) Establish a Court Reform Advisory Board consisting of lawyers, business experts and experts in public administration to provide advice and support for administrative and management reform;
- 3) Reform Superior Court judge rotation to longer, one-year rotation cycles, rather than the current inefficient system of monthly judge rotation between courts.

Health and Human Services – This Senate initiative carries out a long-standing Senate commitment to improve the delivery of Health and Human Services. It streamlines bureaucracy, improves service delivery and increases access for the more than one million children, adults and families who look to state government for these essential services.

The Senate reform arranges the current 15 agencies into five service categories, which will share a common charge—"one stop shopping for families and individuals." These include:

- Office for Children, Youth and Families
- Office of Health Services
- Office of Disabilities and Community Services
- Office of Elder Services
- Veterans Services

The current system is fragmented and results in agencies competing for resources and questioning who is responsible for certain clients. The Senate's model, as constructed by Senate Ways and Means Chairwoman Therese Murray (D-Plymouth), spotlights the client and allows more coordinated management of their cases. Agencies will open lines of communication, seek partnerships, leverage new dollars and maximize federal reimbursement for costs. The amount of red tape a client faces will also be minimized.

The new HHS offices will maintain their own accounts and target missions, but will operate with a shared vision for serving clients quicker and more efficiently. This initiative is an example of a cooperative spirit between the Senate and the Romney administration on this matter. Senators and members of the administration were in active negotiation prior to the release of his package and continued until the Senate's package was unveiled. These plans are very close, although not identical.

Public safety – The Senate Public Safety initiative would reorganize and expand DNA testing, autopsies and other forensic services utilized by District Attorneys in criminal prosecutions. These tests are currently conducted by numerous public and private labs, both in the Commonwealth and out-of-state.

The Senate plan calls for the creation of a new independent agency, the Department of Forensic Sciences, to coordinate and maximize the delivery of forensic services by the Chief Medical Examiner, the State Police Crime Lab, the Department of Health Crime Lab, the UMass Toxicology Lab and other labs. Such an agency would be more accountable and efficient by setting up integrated units and reducing duplicate functions.

In an independent needs assessment report conducted last year, the National Forensic Science Technology Center found that Massachusetts forensic sciences suffer a critical lack of resources because crime labs are so disconnected. The Center concluded the gravest shortfall was in the rising demand for DNA analysis and called for the immediate doubling of resources. Here's why:

- * The State Police Lab can handle only 20 percent of criminal cases requiring DNA analysis. (State Police Lab-February 2003 figures)
- * The lack of capacity in DNA testing hinders investigators' ability to solve crimes with "cold hits" by comparing crime scene evidence with samples of suspects in the National DNA Convicted Offender Database and other databases.

The Senate initiative expands the State Police Crime Lab's capacity for DNA testing. This investment will save money:

- * In-house testing costs \$540 per sample compared to more than \$1,000 per sample for private-lab testing. The savings could allow District Attorneys to hire more prosecutors and victim advocates.
- * When prosecutors use private labs for DNA testing, they also need to pay expert witness

fees. With in-house testing, crime lab analysts testify without any added cost to the state.

Municipal items

I know a lot of municipal officials receive this newsletter, so below you will find a brief summary of items contained in the \$22.5 billion budget that are of special interest to municipalities.

These numbers represent the Senate's spending priorities only, and will not necessarily be the final appropriation. The full Senate is expected to begin its budget debate May 27th. A House-Senate conference committee will then reconcile any differences between the two branches before sending a final budget to the governor. Fiscal year 2004 begins July 1st.

I hope you find this information helpful.

Local aid/Chapter 70

Both the House and Senate budgets reduce local aid by approximately \$230 million. The House caps its maximum reduction in school aid at 20 percent; the Senate's maximum reduction is 15.5 percent. The House budget includes more money for special education than the Senate, but the Senate dedicates more for class size reduction and MCAS remediation.

* **Payment In Lieu Of Taxes (PILOT) Program:** \$10 million, \$2 million more than the House proposal, for reimbursements to cities and towns hosting state-owned, tax-exempt property.

* **Safe Drinking Water Program:** \$1.5 million. This amount continues the funding for this program, which finances the monitoring of water quality and compliance with the federal Safe Drinking Water Act.

* **Local Housing Authorities:** \$27.6 million, about \$3.5 million more than the House and administration proposals.

Public education

* **School Building Assistance:** \$21.9 million for new construction for fiscal '04. This figure is the same as the House proposal.

* **Universal Breakfast Program:** \$2 million. This is the same as the House proposal.

* **Kindergarten Development Grants:** \$19.5 million for grants to enhance full-day kindergarten programs and to provide support for half-day programs looking to move to full-day.

Criminal justice and public safety

* **Community Policing:** \$20 million for community policing programs designed to boost the number of police officers on neighborhood beats. This is the same as the House proposal.

Roundup

May revenues

According to the Department of Revenue, revenue collections for May totaled \$1.286 billion, an increase of \$203 million or 18.7 percent over last May. Year-to-date revenue collections are at \$13.390 billion, an increase of \$275 million or 2.1 percent over last year. An analysis of the revenue pattern suggests a picture that is rosier than it really is because the May collections were inflated by faster processing of tax returns so that more money was getting into the bank faster than a year ago. Discounting for that, revenues were above projections for May, but very slightly. Not enough to write home about.

Local artists

From now until Sept. 15th, I will have the pleasure of hosting in my State House office a variety of artistic works from students in the AmeriCorps programs in Greenfield and Turners Falls. Approximately 25 students, ranging in age from 2 to 18, will be exhibiting roughly 30 photographs, charcoal drawings, watercolor and acrylic paintings. Included in the exhibit are some charcoal series and a mural with 12 hanging pieces. I am delighted to have these works in my office and if you're in Boston this summer, stop in and take a look.

Trivia

The answer to last month's question -- Name the state flower -- is: the May flower.

Thanks to everybody who played along. And now the winner of the lunch and State House tour, chosen at random from the thousands (just kidding!) of correct answers is Constance S. from somewhere in cyberspace. We'll send Constance information on who to contact in my Boston office and we'll look forward to seeing her at the State House. Congratulations Constance!

Now to this month's question and another chance to win lunch and a State House tour. In 1892, the first successful gasoline powered automobile was perfected by Charles and Frank Duryea. Name the Massachusetts city where the Duryea brothers developed their machine.

Submit your answer to tumitch@sprynet.com and watch this space for the correct answer and the prize winner.

Links

Here are a few links. Until next time, happy surfing!

Click here tumitch@sprynet.com if you want to be removed from our list.

Click here for our on-line feedback form www.stanrosenberg.com/form.html

Forward this link to a friend www.stanrosenberg.com/issues/rosenreportreg.html

Guide to Lawmaking -- <http://www.state.ma.us/legis/lawmkng.htm>

Massachusetts State Government Home Page – <http://mass.gov/>

The Legislature's web page – <http://www.state.ma.us/legis/>

Senate's Bill Text System – <http://www.state.ma.us/legis/billsrch.htm>

Legislative Tracking System – <http://www.state.ma.us/legis/ltsform.htm>

My personal website – <http://www.stanrosenberg.com/>

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<http://www.stanrosenberg.com/issues/may2003.html>