
The Rosenberg Report

Vol. XX
September 15, 2003

Hello!

On Thursday, October 16th, at 7 p.m. at the Hillcrest Elementary School in Montague, I will participate in a public forum on state budget issues with State Representative Steve Kulik (D-Worthington). I'd like your help preparing for this forum.

Now that traditional vacation time is over, schools have reopened and many state and local government agencies are back on regular work schedules, the impact of budget cuts is beginning to be felt. I would very much like to hear your questions and comments about the fiscal '04 budget, the upcoming fiscal '05 budget, and any questions you might have about state finances in general. Depending on how many questions I receive, I may not be able to respond to each one, but I will answer a few in next month's edition.

You can submit your question/comment by clicking here tumitch@sprynet.com and typing "Budget Forum" in the subject line.

Preparing the budget is one of the most important things we legislators do. One the main reasons I started this newsletter was to open a dialog with my constituents about budgetary and other state government matters. Feedback from constituents is always important, but it is absolutely critical in times of crisis. Thanks in advance for your help preparing me for the Oct. 16th event. I'm looking forward to your questions and comments, and maybe even talking with you at the Montague forum.

Until then, there's a lot to report. I've filed an economic development package that I'd like to share with you, and there's even a temporary surplus to talk about.

So let's get to it!

Yours,



September Focus

Economic development package

"Remember Western Massachusetts"

I am calling on the Senate to remember the core industries in western Massachusetts when creating an economic development bill to jumpstart the state's economy.

Recently, the Massachusetts House of Representatives approved a \$100 million economic stimulus package that focuses primarily on generating activity in the state's private technology sector, which is concentrated along the Rt. 495 corridor in eastern Massachusetts, and in the state's colleges and universities.

"Focusing on technology is reasonable, because our public and private institutions have clearly been extraordinary leaders in computer technology, biotechnology and robotics. But there are many sectors of the Massachusetts economy, particularly the western Massachusetts economy, that may not benefit from such a narrow look at economic development.

My proposal focuses on the following areas:

Broadband Internet Access -- \$10 million:

Because some areas of the state do not have access to high-speed Internet service, which has stalled economic development in those areas, \$10 million would be appropriated for grants and loans, planning studies and infrastructure to increase broadband Internet access to underserved communities. The program would be overseen by the 12-member Massachusetts Broadband Access Oversight Council within the Massachusetts Technology Collaborative. The Council would include one designee from the following organizations: Franklin-Hampshire Connect, Berkshire Connect, the Massachusetts Association of Regional Planning Agencies, the Massachusetts Municipal Association, the Secretary of Economic Affairs, the Chief of Commonwealth Development, the Chair of the Department of Telecommunications and Energy, and one representative from the telecommunications industry appointed by the Governor.

Downtown Upper Floor Reinvestment Fund -- \$5 million:

\$5 million would be appropriated for the Downtown Upper Floor Reinvestment Fund for grants up to \$300,000, matched by an investment equal to 25 percent of the amount granted, for upper floor rehabilitation projects in downtowns where the cost of building-wide compliance with required building codes and architectural access removal, including the design and construction of elevators, is such that a grant is necessary to make the project economically viable.

This main street, downtown revitalization proposal focuses on upper floor development strategies. It focuses on buildings where the value of rents is insufficient to

support the addition of elevators into the buildings. This program will assist in the removal of blight from upper floors in downtown buildings and increase the volume of rentable commercial, residential and light industrial space in downtown areas where marketplace forces are inadequate to support this development.

Sustainable Business Initiative -- \$2 million/year for five years, minimum 3 full-time staff:

The Sustainable Business Initiative would provide a one-stop-shop for Massachusetts businesses and non-profit organizations to help them realize the economic benefits associated with environmentally preferable business activities. The goal is to support business initiatives and investments that provide the following benefits:

Economic benefits, such as:

- Increased productivity or competitiveness from reduced operating costs or avoided capital costs;
- Increased capacity and revenues;
- Increased employment; and,
- Job retention.

Environmental benefits, such as:

- recycling and waste reduction;
- mitigating climate change;
- promoting environmentally preferable products;
- reducing the use of mercury and toxics;
- sustainable design and construction; and,
- water conservation and quality.

A coordinating council would be established whose members shall include the Office of Commonwealth Development (chair), Executive Office of Environmental Affairs, Department of Environmental Protection, Department of Business and Technology, Operational Services Division, business associations, non-profit organizations from environmental, and economic development and business sectors. The Council shall develop a plan and oversee its implementation. The Council would prepare a plan and develop an implementation strategy to achieve the objective and goals of the Sustainable Business Initiative.

The plan shall identify:

- Barriers faced by businesses attempting to establish or expand on sustainable business initiatives;
- Strategies, programs, services, tools and resources to address these barriers;
- Existing public and private sector programs and other resources; and,
- Gaps in the infrastructure that the Commonwealth should address.

The plan shall also make recommendations regarding the infrastructure of sustainable business programs, services, tools and resources:

- Prioritizing the sustainability issues and focusing the services to have the greatest environmental and economic impact possible

- The coordination, integration and streamlining of the existing economic development and environmental infrastructure;
 - Changes to existing infrastructure;
 - The establishment of new programs, services, tools and resources;
 - The budget required to achieve the objective and goals;
 - The appropriate agency to host the program and any staffing additions required.
- The plan shall recommend the development, implementation and promotion of the revised infrastructure.

Based on the plan, the infrastructure offered by the Sustainable Business Initiative can include the following:

1. Technical Assistance:
 - Information: Providing market players with information, e.g., market assessments and related data, sustainable business directories, technical information and assistance, opportunity analysis; training in marketing and selling, procurement; siting of facilities; and, referrals to appropriate resources such as state and local economic developers and environmental agencies.
 - Facilitation: Bringing market players together, e.g., through stakeholder forums and workshops linking of specific suppliers and end users, materials exchanges to realize efficiencies, share information and transfer technology.
1. Financial Assistance:
 - Provide access to existing public and private financial support.
 - Provide grants for capital equipment, pilot and demonstration projects, and product testing and development.
 - Provide loans, loan guarantees, and price risk hedging mechanisms.
 - Propose tax incentives to encourage certain types of behavior.
3. Research and Development Assistance:
 - Provide product development and testing grants and referrals to researchers and research institutions.
4. Other services, programs, tools and resources that would help achieve the objective and goals of the Sustainable Business Initiative.

Support through this program shall be offered to projects that:

- The economic benefits derive directly from the environmental improvement;
- The environmental improvement occurs at the site where the investment is made;
- The economic and environmental benefits are easily identified and measured;
- The benefits are consistent with the goals and objectives of the Program and the priorities shall be established by the Coordinating Council;
- The project has the potential for replication elsewhere in the state; and,
- The benefits of projects should be realized within two to three years.

Circuit Rider Program -- \$400,000:

\$400,000 would be set aside for an economic development circuit rider program to be established within the Department of Housing and Community Development to make grants to support regional economic development circuit riders to provide feasibility analysis, engineering, design and other technical assistance to local economic development projects in a regional area.

This investment is necessary because many communities do not have the money for staff to assist with economic development projects. Others have planning staffs, but with no expertise in economic development. A pilot program in Franklin County, run by the Department of Housing and Community Development and MassDevelopment, has demonstrated the value of creating circuit riders capable of intervening at appropriate times for a range of economic development opportunities across the county. This has resulted in moving projects forward that might otherwise stall, and possibly collapse. This kind of assistance is particularly important outside of the metropolitan Boston area where regions and communities feel they are left behind when there is economic progress in the Commonwealth. This lack of access is especially true now that the number of state employees doing this work has been reduced due to budget cuts.

Food and Farmland Protection Act:

The Food and Farmland Protection Act was recently filed by a group of rural, urban and suburban legislators to ensure the continued viability of fresh local food and the stewardship of 570,000 acres of open space. The bill is supported by a unique coalition of farm groups, environmental groups, and state agencies. Supporters include American Farmland Trust, Berkshire Grown, Cape Cod Cranberry Grower's Association, Community Involved in Sustaining Agriculture (Pioneer Valley), Massachusetts Audubon, Massachusetts Department of Food and Agriculture, Massachusetts Executive Office of Environmental Affairs, the Massachusetts Farm Bureau, Southeastern Massachusetts Agriculture Partnership, and the Trustees of Reservations. The Massachusetts Food and Farmland Protection Act would help keep land and people in farming by:

- Improving market connections between farmers and consumers;
- Helping farmers succeed in the marketplace (rather than through reliance on subsidies such as those the federal government provides in other regions), and;
- Providing incentives to preserve farmland for future generations.

The bill's provisions promote Massachusetts-grown agricultural products and the farms and farmers that produce them. One provision establishes a preference for Massachusetts-grown food in state procurement, and at local option, in local procurement, and would streamline the procurement process. A "truth in labeling" provision would require that when food is labeled or advertised as "local" or "native", the state of origin be identified. Other provisions include a loan program, targeted regulatory relief, and improvements to the existing Massachusetts Agricultural Preservation Restriction Program (APR).

Regional Tourism Facilities:

As part of previous legislation relating to Fenway Park in 2000, a regional facilities program was established to help renovate, repair and create cultural venues, recognizing the role that these institutions play in the economy of the Commonwealth, particularly in tourism. The program was amended later in 2000 in order to more clearly spell out the role and financing of the program. A couple of technical problems remained as the program was about to be launched that stalled implementation. This coincided with the beginning of the fiscal crisis, so no significant attempt was made to correct the existing problems. Rosenberg is proposing that the problems be fixed now so that the program is ready to run when the economy rebounds.

Combined Reporting:

If more revenue is needed to broaden the economic development package, my Combined Reporting bill would generate at least \$50 million a year by closing a tax loophole that enables some Massachusetts corporations to escape the state's corporate excise tax.

The bill, filed earlier this year, is co-sponsored by State Representative Paul Demakis (D-Back Bay). Under combined reporting, all entities subject to the corporate excise tax in Massachusetts would be required to report on their tax returns all of the profits realized by all of their related subsidiaries in the United States regardless of where those subsidiaries are located and regardless of where their accountants deem those profits to be earned. Sixteen other states require combined reporting.

Our economy is more than technology. Western Massachusetts is also farms and tourism and small businesses and downtowns – all of which contribute greatly to our social and financial well being. Western Massachusetts cannot be left behind when the state rebounds.

Surplus/August revenues

Yes, the state has a surplus, a temporary one at any rate, but it is definitely not a surprise to the Legislature, as some media reports would have you believe. Here's how it came about.

As we approached the end of fiscal year '03 we had approximately \$365 million in the Stabilization Fund. Early this past spring, the federal government sent the state some long-promised relief -- Massachusetts got about \$550 million -- to help with health care costs and the costs of homeland security. As we closed the books on fiscal year '03, the state had a modest surplus -- approximately \$130 million -- which was added to the Stabilization Fund. That brings the total to a little more than a billion dollars. In addition, there is \$400-\$500 million left in the tobacco settlement reserve fund to the surplus, which would give us about \$1.4-\$1.5 billion in the bank right now.

So what's wrong with spending it all to restore the huge cuts that almost every area of state government has had to endure?

It's all one-time money. Once it's spent, it's gone, and the structural deficit will grow by the amount we spend. The projected deficit for fiscal year '05 is already \$1.5-\$2.5 billion. Spending the current surplus now would just add to this structural deficit, forcing even larger cuts in the fiscal '05 budget.

If you're wondering why we still have structural deficits, it's largely because of health care costs. In this year's budget, \$7.5 billion -- about a third of the entire budget -- is spent on health care. With medical inflation currently running about 10-15 percent per year, the state

must spend \$750 million-\$1 billion next year just to maintain the same level of service. When you consider inflation on the non-health care portion of the budget, contractual obligations the state has for increases in rent, and collective bargaining agreements (funded and unfunded), pensions and capital obligations, it's all too easy to arrive at a \$2 billion structural deficit.

There is some good news though. In mid-August, officials at the Department of Revenue revised upward the revenue collections for July, meaning that the state collected \$60 million more this July than the previous year. And then in early-September, DOR officials announced that August collections were up \$27million over last year. The last four months have shown positive revenue growth, and that hasn't happened in more than two years. We are two months into fiscal'04, and state tax collections are running \$108 million above the budget benchmarks the Romney administration and the Legislature agreed to earlier in the year. So, we're headed in the right direction . . . slowly, but surely.

Noteworthy

Courthouse projects

I am continuing to call on the Senate Committee on Ways and Means and other government officials to create a courthouse construction bond and to include in it full funding for the Belchertown Courthouse project and the Franklin County Courthouse project and for money to cover the costs of relocating the Franklin County Council of Governments (COG)

The Belchertown project, in addition to providing necessary services for one of the fastest growing areas of western Massachusetts, is a key component of the redevelopment of the Belchertown State School property. It was earmarked in a previous courthouse construction bond in the mid-90s. A new Franklin County Courthouse was also earmarked in the last courthouse bond, and when county government was abolished in the mid-90s, the Franklin COG was authorized to remain in the existing courthouse with the understanding that its space would eventually be taken by the courts. The intent of the new bond that I'm calling for would be to cover many of the projects left over from the previous bond when it ran out of money.

The residents of these communities have been waiting years for these projects and I am letting my colleagues know that it's time for the state to come through.

Senate's budget

The Senate's own internal \$2 million budget deficit has forced me to layoff another long-time staff member, this time a full-time employee in my Boston office. Earlier, I had to layoff apart-time member of my district office staff, who had been with me almost six years. This is in addition to the full-time Boston staffer who left last year and was never replaced. Like everybody else who has been forced to let quality people go, I am hopeful that this will be the end of it. I now have six full-time aides, three in each office. This is a trying time for everyone who is employed by the state or relies on state agencies for essential services. I am

working to preserve, as best I can, the quality of service that my district and Boston offices provide.

Roundup

State grants

There were a whole lot of grants (almost \$300,000 worth!) this month from the Massachusetts Cultural Council.

Franklin County

1974 Meetinghouse, Inc. (New Salem)	--	\$2,810
Arena Civic Theater (Greenfield)	--	\$1,500
Artspace Community Arts Center (Greenfield)	--	\$1,500
Association for Gravestone Studies (Greenfield)	--	\$3,780
Franklin Community Action Corp. (Greenfield)	--	\$11,000
Gill-Montague Regional School District	--	\$23,351
Historic Deerfield	--	\$29,700
The Literacy Project (Greenfield)	--	\$1,500
Mohawk Trail Concerts (Shelburne Falls)	--	\$4,330
Mohawk Trail Regional School District	--	\$19,766
Pioneer Valley Symphony (Greenfield)	--	\$5,660
Pocumtuck Valley Memorial Association (Deerfield)	--	\$7,850

Hampshire County

Amherst Community TV	--	\$1,500
Amherst Leisure Services	--	\$1,500
Amherst Writers and Artists Institute	--	\$6,900
Arcadia Players Baroque Orchestra (Northampton)	--	\$1,570
Arts Extension Institute (Amherst)	--	\$4,120
Available Potential Enterprises (Northampton)	--	\$2,960
Chrysalis Theater (Florence)	--	\$3,840
Commonwealth Opera (Florence)	--	\$3,500
Contact Collaborations (Northampton)	--	\$3,590
Cultural Images Group, Inc. (Northampton)	--	\$2,000
The Dickinson Homestead (Amherst)	--	\$2,010
Family Diversity Projects Inc. (Amherst)	--	\$3,690
The Fund for Women Artists (Florence)	--	\$4,760
Hampshire Choral Society (Amherst)	--	\$1,500
Hitchcock Center for the Environment (Amherst)	--	\$5,310
KO Theater Works Inc. (Pelham)	--	\$1,500
Mass. Intl. Festival of the Arts (Northampton)	--	\$4,990
The Massachusetts Review (UMass-Amherst)	--	\$3,300
Mount Holyoke College Art Museum (South Hadley)	--	\$3,240
Musicorda Inc. (South Hadley)	--	\$7,600
New Century Theater (Northampton)	--	\$1,500

New World Theater (UMass-Amherst)	--	\$5,700
Northampton Center for the Arts	--	\$2,580
Northampton Community Music Center Inc.	--	\$4,640
Northampton Cultural Council	-	\$8,270
Pioneer Valley Ballet Guild Inc. (Northampton)	--	\$3,340
Smith College Museum of Art (Northampton)	--	\$5,700
UMass-Amherst Fine Arts Center Multicultural	--	\$5,700
Wendy Woodson and Present Company Inc.	--	\$1,500
Young at Heart Chorus (Northampton)	--	\$4,030

Total: \$226,847

Local Cultural Council Grants

Amherst	--	\$14,070
Belchertown	--	\$2,690
Bernardston	--	\$2,000
Buckland	--	\$2,000
Colrain	--	\$2,000
Deerfield	--	\$2,000
Erving	--	\$2,000
Gill	--	\$2,000
Greenfield	--	\$5,430
Hadley	--	\$2,000
Hatfield	--	\$2,000
Leverett	--	\$2,000
Leyden	--	\$2,000
Montague	--	\$2,140
New Salem	--	\$2,000
Northampton	--	\$7,070
Northfield	--	\$2,000
Pelham	--	\$2,000
Shelburne	--	\$2,000
Shutesbury	--	\$2,000
South Hadley	--	\$4,470
Sunderland	--	\$2,000
Wendell	--	\$2,000
Whately	--	\$2,000

Total: \$71,870

Grand total: \$298,717

Office hours

Here is my schedule for office hours for the rest of this year. I hope you'll be able to stop by sometime. No appointments are necessary, but if you need more information, contact Tom in my district office, 587-6289.

Friday, Sept. 19 -- South Hadley, Selectmen's Meeting Room, Town Hall, 10:30-11:30 a.m.
Friday, Sept. 26 -- Belchertown Senior Center, 2-3 p.m.

Friday, Oct. 3 -- Northampton City Council Chambers, 11 a.m.-Noon.
Friday, Oct. 10 -- Amherst Police Station Community Room, 10-11 a.m.
Friday, Oct. 17 -- Montague, Selectmen's Meeting Room, Town Hall, 10-11 a.m.

Friday, Nov. 7 -- Belchertown Senior Center, 1-2 p.m.
Friday, Nov. 14 -- South Hadley, Selectmen's Meeting Room, Town Hall, 10-11 a.m.
Friday, Nov. 21 -- Northampton City Council Chambers, 1-2 p.m.

Friday, Dec. 19 -- Greenfield, Meeting Room, Town Hall, 10-11 a.m.

Legislator's Back-to-School Week

The week of Sept. 15-19 is the "Fifth Annual America's Legislators Back-to-School Week," sponsored by the National Conference of State Legislatures. The idea is for legislators to visit classrooms and talk about representative democracy, describe how laws are made and how those laws might affect their lives, and, basically, to show that legislators are real people. I'm looking forward to visiting the Michael E. Smith Middle School in South Hadley on Friday, Sept. 19th.

Local artists

On August 22nd, I toured Anchor House Artists on Pleasant Street in Northampton. If you've never heard of it, the Anchor House is a gallery featuring works by artists who are battling mental illness. The pieces are wonderful and one of the artists, Genevieve Burnett, a woman living with schizophrenia and an oil painter for 30 years, will exhibit some of her paintings in my State House office in May, 2004.

To find out more about Anchor House Artists, please visit their website.

Anchor House Artists
<http://www.anchorhouseartists.org/>

South Hadley seniors

On Aug. 21st, I attended the South Hadley Council on Aging summer picnic and, much to my happy surprise, the seniors presented me with a plaque for my dedication and advocacy on behalf of South Hadley seniors. Thank you, South Hadley seniors!

Belchertown seniors

On a recent visit to the Belchertown Senior Center, I learned about an interesting program they've started. So here is an article by Helen Manning, activity and volunteer coordinator for the Belchertown Senior Center, that explains the program and tells how other senior centers can get involved.

[Freedom, the Roving Ambassador](#)

by Helen Manning

We are not able to visit each senior center in Massachusetts to meet new people, share ideas and perhaps cultivate the best friendships of our lives. In order to facilitate, "Freedom our Roving Teddy Bear" has volunteered to do it for us. We hope that every Senior Center and even assisted living center in Massachusetts will want to join this program.

During his stay, Freedom is anxious to be part of your Center's daily programs and other activities. He loves meeting people, participating in activities and having his picture taken. He especially likes to be in the newspaper.

Here is how the program works. Freedom will be assigned a block of time to visit your Center. He will arrive in a box with his backpack which has his journal and a new disposable camera. When he arrives, we ask that you call and tell us. While he visits, he should keep his journal and take pictures. After his visit, he can be sent to another assigned facility. We ask that the camera or the pictures be sent back to us along with his journal. (We are going to put a book together for each participant and hope to begin a web site for him also so that you can follow his exploits for the next year.)

If you would like to be part of this fun program, please contact -
Helen Manning, activity and volunteer coordinator
60 State Street
Belchertown, MA 01007
#1-413-323-0420

Stan's favorites

As promised last month, here's a recipe for dill pickles, courtesy of my friends at St. Stan's in South Deerfield.

6 cups water
1 ½ cups white vinegar
¼ cup canning or Kosher salt, plus 2 tablespoons
¼ cup sugar, plus 2 tablespoons

Bring this mixture to a rapid boil and cool

Cut ends off cucumbers, cut in quarters or halves

On bottom of glass jar, or crock, (do not use plastic), put
2 or 3 sprigs of dill
2 cut up garlic cloves
1 medium onion, sliced
1 teaspoon of pickling spice

Place cucumbers up and down in jar (or crock) until bottom is filled. Repeat above procedure -- dill, garlic, onion, spice -- and again place the cucumbers up and down, or lay them flat, then finish off with another layer of dill, garlic, onion and spice.

Pour the cooled liquid over the cucumbers. It's important that the mixture is cool before pouring. Leave on counter for a day and a half, then refrigerate.

Trivia

Now for the answer to last month's question -- What Hadley resident is honored with a statue outside the State House? The answer is: General Joseph Hooker

And our winner is Mary C. from somewhere in cyberspace. We'll send Mary information on who to contact in my Boston office and we'll look forward to seeing Mary at the State House. Congratulations Mary! And thanks to everybody who played along!

Now to this month's question and another chance to win lunch and a State House tour. This question is courtesy of Barry Federman, my part-time staff member of six years who was laid off last month. Thank you, Barry.

Name the last vice presidential candidate from Massachusetts.

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/>

The Rosenberg Report (August, 2003, edition) --
<http://www.stanrosenberg.com/issues/aug2003.html>