

The Commonwealth of Massachus::tts House of Representatives Itale House, Boston 02133-1054

TODD M. SMOLA REPRESENTATIVE **1ST HAMPDEN DISTRICT**

BRIMFIELD • HOLLAND • PALMER STURBRIDGE • WALES • WARE • WARREN

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Representative Smola supports passage of \$46.2 billion state budget for Fiscal Year 2021

BOSTON - Representative Todd M. Smola (R-Warren, Ranking Member, Committee on Ways & Means) recently supported a \$46.2 billion state budget for Fiscal Year 2021 (FY21) that increases local aid for cities and towns and commits additional spending to fund a variety of COVID-19 relief initiatives across Massachusetts.

The budget, which represents a compromise negotiated by a six-member House and Senate conference committee, was enacted by the House on a vote of 147-11on December 4, less than 24 hours after the 396-page document was filed. The budget covers state spending through June 30, 2021, and comes five months after the Legislature passed the first of three interim budgets for the fiscal year that began on July 1.

Representative Smola said he had a number of concerns about how the budget process unfolded, but felt it was important to pass the bill to ensure that municipalities, families and businesses can access needed resources during the ongoing COVID-19 global pandemic.

"I still have many concerns about the process and the abbreviated time frame members were given to review the budget," he said. "However, I voted yes because I believe that, during this pandemic, it is more important than ever to work cooperatively to do the people's business. That being said, I would urge the Governor and his Administration to use the full 10 days allotted them by the Constitution to carefully review this package. While it contains several important components, it also includes some troubling pieces that should either be sent back with amendments or vetoed outright."

The FY21budgetprovides cities and towns with \$5.28 billion in Chapter 70 education aid, an increase of \$107.6 million, along with \$1.129 billion in Unrestricted General Government Assistance (UGGA) to support essential municipal services. The budget also contains additional education support by funding the Special Education Circuit Breaker at \$345 million, charter school reimbursements for sending districts at \$117 million, regional school transportation at \$82 million, and homeless student transportation at \$13 million.

Representative Smola noted that under the FY21 budget, Brimfield will receive \$1,365,006 in Chapter 70 education aid and \$414,004 in unrestricted state aid; Holland will receive \$933,678 in Chapter 70 education aid and \$214,328 in unrestricted state aid; Palmer will receive \$10,915,640 in Chapter 70 education aid and \$2,129,586 in unrestricted state aid; Sturbridge will receive \$3,846,634 in Chapter 70 education aid and \$822,696 in unrestricted state aid; Wales will receive \$1,000,730 in Chapter 70 education aid and \$250,815 in unrestricted state aid; Ware will receive \$10,591,234 in Chapter 70 education aid and \$1,833,298 in unrestricted state aid; and Warren will receive \$960,737 in unrestricted state aid.

To help address some of the housing challenges posed by the pandemic, the budget includes language requiring the courts to grant a continuance to tenants facing eviction for non-payment of rent due to financial hardship from the COVID-19 emergency if the tenant has an active rental assistance application pending with the state. It also commits \$50 million to the Residential Assistance for Families in Transition (RAFT) program, and provides \$125 million for the Massachusetts Rental Voucher Program (MRVP).

The FY21 budget also provides funding to address some of the food insecurity issues that have been exacerbated by the pandemic, including \$30.4 million for emergency food assistance and \$13 million for the Healthy Incentives Program. Representative Smola noted that the hunger rate in Massachusetts has increased by 59% since 2018, with 1 in 5 children now living in a food-insecure household, according to an October 2020 report by Feeding America.

The budget also provides \$46 million in grant funding to assist small businesses that have been negatively impacted by the pandemic, including \$17.5 million to help businesses with 50 or fewer employees meet their payroll, rent and utility costs. An additional \$3.85 million will be made available for small business technical assistance and grants that focus on the needs of women-owned and minority businesses.

Other budget highlights include:

- \$169 million for the Bureau of Substance Addiction Services;
- \$50.3 million for domestic violence and sexual assault prevention and survivor services;
- \$17.5million in grants for local Councils on Aging;
- the creation of an Early Education and Care Public-Private Trust Fund;
- \$15 million in Head Start grants;
- \$120 million in higher education scholarships; and
- \$307 million for guardianship, foster care, adoption, family preservation and kinship services provided by the Department of Children and Families

Representative Smola said the FY21 budget does not include any new, broad-based taxes. Instead, it relies on several one-time revenue sources, including a \$1.7 billion drawdown from

the state's Stabilization Fund, and an accelerated sales tax payment schedule for businesses collecting more than \$150,000 in sales, meals or occupancy taxes, which will provide an additional \$267 million in one-time revenues.

The FY21 budget, which has also been approved by the Senate, now moves to Governor Charlie Baker's desk for his review. The Governor has the power to issue line item vetoes and can also return portions of the budget to the Legislature with proposed amendments.

For additional information please contact Representative Smola at <u>Todd.Smola@mahouse.gov</u> or (617)722-2100.

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