



MSA Legislative Recap September 9, 2022



Legislative Recap

Reflecting on a Seismic Legislative Session

What's on the Horizon

Q&A



FY2023 Budget

\$52.7 billion bill, Signed into Law

- UGGA won increase of 5.4%, \$31.5M more
- Chapter 70 doubling per pupil funding for "minimum aid" districts
- Special Education Circuit Breaker
- Charter School Reimbursements increase to meet state's obligation (years 2&3 of SOA phase in)
- PILOT for State-owned land
- Rural School Aid
- Regional School Transportation (85%)
- Outside Sections



FY2022 Closeout Supplemental Budget

- <u>Proposes</u> spending \$840M of the state's considerable surplus, state tax revenues up 20.5% since last fiscal year
- Sets aside \$2.9B of surplus to address tax refunds from 62F
- Also sets aside \$1.5B of surplus and \$2.2B of state ARPA funds for pending economic development bill
- New spending proposed includes COVID-19 ongoing costs, state IT upgrades, specific supportive housing investments



General Government Bond Bill

\$5 billion bill, Signed into Law, includes:

- √ \$100 million for municipal grants to support a range of local infrastructure improvements and projects
- √ \$84 million to support the Massachusetts State Revolving Fund
- √ \$60 million for the Housing Stabilization Fund
- √ \$50 million for the Cultural Facilities Fund
- √ \$25 million for Housing Choice grants to municipalities
- X \$30M for municipal IT grants to improve access to government meetings NOT included in Governor's final bill



Transportation & Public Works

"Chapter 90-plus"

√ \$200 million + \$150 million for various municipal grants

Winter Recovery Assistance Program (WRAP)

√ \$100 million to repair damage from winter weather

MassTRAC

√ \$11.4 billion for necessary authorizations to leverage federal aid from the Bipartisan Infrastructure Law (BIL) & strategic capital investments in transportation infrastructure.



An Act Driving Offshore Wind and Clean Energy

This law establishes:

- ✓ Demonstration program allowing 10 municipalities to prohibit fossil fuel use in new construction and renovation
- ✓ Offshore wind industry investment program
- ✓ Offshore wind tax incentive program
- ✓ Electric vehicle adoption incentive trust fund and rebate program
- ✓ Deadlines for MBTA bus emissions reductions



Energy & Environment

Still unresolved:

- Public Lands Preservation Act
- Extended producer responsibility bills



Muni/Regional Administration

- Election Reform VOTES Act
- Open Meeting Law Remote Meetings extension
- Cannabis
- MBTA Communities Final Guidelines



Election Reform - VOTES Act

- √ 10-day voter registration
- ✓ Permanent mail-in ballots
- ✓ Expanded voting access for incarcerated individuals

X Same day voter registration



Open Meeting Law - Remote Meetings

✓ New extension - March 31, 2023

X Permanent

X Mandatory for all meetings

X Funding



Cannabis

Community impact fees to end after 8 years

Expanded CCC authority will subject existing HCAs to review

✓ Creation of Cannabis Equity Fund



MBTA Communities Final Guidelines

- Revised community categories: rapid transit, commuter rail, adjacent and adjacent small town
- Adjustments for small/rural towns with no transit stations
- Flexibility for affordability requirements
- Changes to reasonable size criteria with "circuit breakers"
- Tailored district location requirements
- Multifamily Unit Capacity Tool
- * All 175 MBTA communities must achieve interim compliance by: Jan. 31, 2023



Personnel & Labor Relations

- Local Option COLA
 - Improved language moving through Legislative process
- O'Leary case
 - Payment in lieu of vacation leave (aka vacation buyback) as regular compensation
 - SJC decision affirmed, but new law prevents retroactive applicability to employees and retirees
- Unemployment Insurance



Economic Development Bill (FORWARD)

What was on the table?

Utilized state ARPA funding & state surplus funding, and bonding

- \$400 million for **MassWorks** grants for local infrastructure
- \$254 million for Clean Water Trust Fund grants
- \$403.5 million for various housing development grants
- \$100 million in broadband investments
- Municipal finance technical language
- \$500 million in one-time tax rebates
- \$500 million in permanent tax cuts



What is "62F?"

- State law that caps growth in tax collections (M.G.L. Ch. 62F)
- Passed by voters in 1986; cap only exceeded once in 1987
- Limits tax revenue growth to the three-year average growth in state wages and salaries.
- If cap is exceeded, <u>excess revenue is provided as a proportional income tax credit</u> to Massachusetts residents.
- Currently estimated ~\$2.9 billion
- Final figure determined by State Auditor in late September

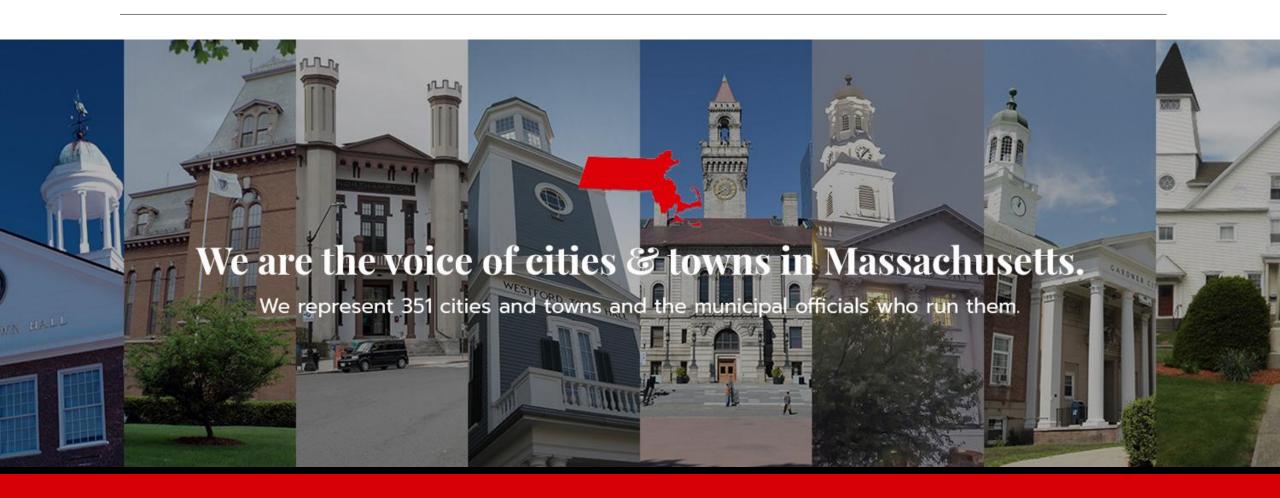


On the Horizon for Fall 2022

- Active Informal Sessions
 - Eco Development Bill (FORWARD)/ Tax package
 - Supplemental Budget(s)



Comments & Questions



Resources & Links

- FY2023 Budget | COLA
- Supplemental Budget
- General Government Bond Bill
- Election Reform VOTES Act
- Remote Meetings | OML
- Cannabis
- Public Health Reform

- MBTA Communities Zoning
- Climate Bill
- PLPA
- Solid Waste / EPR
- Ch. 90 & WRAP
- MassTRAC
- Economic Development | Ch. 62F



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