|  |  |
| --- | --- |
| State Seal | **Office of** **Representative Hannah E. Kane**Commonwealth of Massachusetts |

*For Immediate Release*

Contact: Erin Ryan, 617-722-2430, Erin.Ryan@mahouse.gov

July 5, 2016

**Representative Kane supports $39.15 billion state budget for Fiscal Year 2017**

**BOSTON –** State Representative Hannah E. Kane (R-Shrewsbury) joined with her colleagues last week to approve a $39.15 billion state budget for the new fiscal year that began on July 1. The spending plan passed the House of Representatives on a vote of 150-3.

The final budget calls for additional spending of nearly $1 billion over Fiscal Year 2016 levels, representing a 2.6% increase. However, the budget also reflects a $413 million reduction in proposed spending due to a projected $750 million revenue shortfall for Fiscal Year 2017 (FY17). As a result, many state agencies will be level-funded at their current spending levels in the new fiscal year.

Despite this reduction, the budget provides for a $116.1 million increase in Chapter 70 education aid, bringing the statewide total to $4.6 billion while providing for a $55 per pupil increase. It also includes $1.02 billion in Unrestricted General Government Aid (UGGA), representing an increase of $42.1 million, or 4.3%, over current funding levels.

“The state is facing many significant financial challenges but despite this the legislature maintains its commitment to funding our cities and towns, and the FY17 budget reflects increases in appropriations for both Chapter 70 and Local Aid, “said Representative Kane. “As both an appointed member of the Shrewsbury Finance Committee and as a member of the House of Representatives I applaud the leadership for recognizing that funding of local aid is a priority and I am very happy to report that even in the face of necessary spending cuts, both Shrewsbury and Westborough will see an increase in state funding assistance this year.”

Representative Kane noted that Shrewsbury is scheduled to receive $19,524,868 in Chapter 70 funding, an increase of $329,230 and Westborough is scheduled to receive $5,881,737 in Chapter 70 funding, an increase of $768,659 over last year. Additional funding in the form of unrestricted aid to help fund a variety of essential municipal services will also be distributed to cities and towns, Shrewsbury will receive $2,678,416 an increase of $110,424 and Westborough will also receive $1,114,216, an increase of $45,936.

In addition to the local aid increases, Representative Kane was the lead sponsor of a successful amendment, co-sponsored by Representative Dykema and Representative Gregoire, to appropriate funds for the 300th Anniversary Celebrations in the Town of Westborough. The Representatives also coordinated with Senator Jaime Eldridge who was able to secure funding for the event in the Senate Budget. As a result of the amendments filed by Representative Kane and the Westborough delegation, the FY17 final conference committee budget included $50,000 for the town of Westborough to be used towards the planning and celebration of the 300th anniversary of the town in 2017.

Additionally, Representative Kane and Senator Moore worked together to advocate for and secure $50,000 in one time funds for the establishment of Clinical Stabilization Services program at Veterans Inc. The program will provide substance use support services to veterans battling with addiction.

The final report of the Conference Committee also included appropriations for Out of District Vocational Pupil Transportation and the Massachusetts Life Sciences Center Investment Fund, both of which were included as a result of amendments filed by Representative Kane during the House budget debate.

Representative Kane’s House amendment to fund Out of District Vocational Pupil Transportation was successful in reintroducing $250,000 to the line-item that had been eliminated from the budget recommendations before the House budget debate began. The Commonwealth mandates that cities and towns provide transportation to students that attend vocational schools out of their home district at no expense to the student. The town of Shrewsbury relies on this account for the partial reimbursement of costs expended on transporting students to Assabet Valley Regional Vocational Technical School. The final amount of funding for this account included in the Conference Committee budget was the House approved appropriation of $250,000.

Additionally, Representative Kane’s amendment to transfer no more than $10 Million of consolidated net surplus budget funds to the Massachusetts Life Sciences Center (MLSC) Investment Fund was adopted during the House budget debate and included as part of the final FY17 Conference Committee report. The Investment Fund administers a range of funding that includes working capital for promising early stage companies, workforce development, and scientific discovery, encouraging the growth of the Life Sciences Industry in Massachusetts.

The budget includes $80.5 million for charter school reimbursements and $61 million for regional school transportation. It also fully funds reimbursements under the Special Education Circuit Breaker program at $277.3 million.

Other funding increases of note contained in the budget include:

* a $27.5 million increase in funding for the Bureau of Substance Abuse Services (BSAS);
* a $33.1 million increase for the Department of Children and Families to support over 600 recent hires, including 281 new hires for Fiscal Year 2017;
* a $43.7 million increase for the Department of Developmental Services, which includes a $6.9 million increase for respite family services to assist an additional 3,000 families; and
* a $1.19 million increase in local Councils on Aging grants, which will provide for an increase in the funding formula to $10 per elder per year.

The budget also funds several substance abuse initiatives, including $3.1 million for Recovery High Schools, $1 million for the Substance Abuse Trust Fund, $1 million for the Attorney General to fund programs targeting opioid abuse, and $3 million for medication assisted therapy in emergency rooms. Overall, the budget provides $139.2 million for opioid abuse funding, representing a $23.6 million increase over current funding levels.

For the second year in a row, the budget does not draw money from the Rainy Day Fund. However, a planned $200 million deposit into the fund will no longer take place, due to an expected drop in capital gains tax revenues.

The budget takes additional steps to address the revenue shortfall, including:

* cutting Medicaid spending by $142 million, in part by reducing caseloads and deferring some payments until Fiscal Year 2018; and
* authorizing the use of “procurement efficiencies” to generate $100 million in additional savings.

The budget also includes language to bring Massachusetts into compliance with the federal REAL ID Act, which requires state driver’s licenses to meet certain minimum mandatory security standards. Massachusetts is currently operating on an extension that is due to expire in October. Without these changes, a Massachusetts driver’s license would no longer be considered an acceptable form of identification for entering a federal building beginning in 2018 or boarding a commercial aircraft beginning in 2020.

The budget proposal, which has also passed the Senate, is now before Governor Charlie Baker for his review. Governor Baker has until July 10 to sign the budget and issue any vetoes.

###