

LT. GOVERNOR MURRAY TESTIFIES IN SUPPORT OF MUNICIPAL PARTNERSHIP LEGISLATION

Calls for more tools, greater flexibility to help cities and towns cut costs, weather downturn

 BOSTON- Tuesday, May 12, 2009 - Lieutenant Governor Timothy P. Murray today testified in support of the Patrick-Murray Administration's Municipal Partnership Act II, telling members of the Joint Committee on Municipalities and Regional Government the legislation contains tools cities and towns need to better manage limited resources and prepare for economic recovery. The Lieutenant Governor offered his comments to legislators during a public hearing at the State House.

"Communities are struggling to stay afloat during this unprecedented fiscal downturn," said Lieutenant Governor Murray. "Unfortunately, due to declining revenues, the Commonwealth just doesn't have the fiscal resources cities and towns need to weather this storm. But the Governor and I do believe we have the ability to give our municipal partners the tools they need to respond to the present fiscal crisis and beyond by managing limited resources more efficiently."

The Lieutenant Governor highlighted the following cost-saving measures included in the legislation:

- **Health Care:** Enabling municipal officials to control their employee health care costs by easing the requirements for entry into the Group Insurance Commission and holding cities and towns accountable for providing cost-efficient health care;
- **Retirees:** Requiring each community to move their municipal retirees to Medicare coverage and provide them with some pension funding relief within fiscally responsible parameters;
- **Regionalization:** Provisions encourage and facilitate regionalization of municipal services and other reforms around procurement and contract advertising to save time and money;
- **Increased Flexibility:** Reducing need for special legislative exemptions by giving municipalities more legal flexibility in areas such as setting permissible number of alcoholic beverage licenses, waiving the maximum age of police officers and firefighters, and fixing inadvertent procedural mistakes in calling town elections and meetings.

Governor Patrick filed the Municipal Partnership Act II legislation on January 28, 2009. Taken together with the Administration's Emergency Recovery Bill - which proposed a one penny statewide increase in the meals and hotel tax to be redistributed proportionally to all cities and towns, an additional one penny at local option, and the elimination of the telecommunications property tax exemption - the Lieutenant Governor noted the Partnership Act will help cities and towns weather the present fiscal downturn, save

hundreds of millions of dollars over time, and take significant pressure off property taxes now and in the future.

"Without these measures, the impact of potential cuts both this year and next will be far worse," said Lieutenant Governor Murray. "I look forward to continuing to work with our partners in the Legislature to quickly deliver the tools and relief our cities and towns need now more than ever."