

03.28.12 Massachusetts Municipal Association Mayor's Meeting

Governor Deval L. Patrick

MMA Mayor's Meeting – As Delivered

Newton North High School, Newton

Wednesday, March 28, 2012

Good morning. Thank you for inviting me. And thanks for your partnership.

Lieutenant Governor Murray and I travel across the Commonwealth often and we've joined you to celebrate some great progress over the years – groundbreakings, ribbon cuttings, educational advances, innovation celebrations, clean energy investments – we have a lot to be proud of.

Working together we developed new tools to help your communities grow stronger.

We eliminated the tax exemption on telephone poles and wires, generating \$26 million for your communities.

We worked together on the local option to raise local meals and hotel taxes, which has generated \$175 million alone this fiscal year.

We worked together on pension reform that will generate an estimated \$2 billion in savings for cities and towns over the next 30 years.

We're working together on strategies to end urban violence and create peaceful, safe communities, and to invest in local roads, rails, bridges, broadband expansion and public and affordable housing to build and rebuild our infrastructure.

And working together, we supported our public schools, through chapter 70 funding, at the highest levels in the history of the Commonwealth.

Because we have worked together our Commonwealth is strong and getting stronger.

But we have so much more to do and we have great opportunities to do it in many ways because of the fiscal stresses that we are all under. The Commonwealth's budget remains challenging for the remainder of this year and for next year as well. Revenue has continues to recover slowly as more people are getting back to work, which is great news on many, many levels. But we still have unprecedented needs to meet in health care, in emergency housing and other essential services because of the number of people whose lives have been turned upside down by this global economic collapse. I know all of you are feeling this squeeze yourselves in your own cities as well. But it does means that we have to think differently about how we invest in our communities and ask ourselves how we can work together to do business better and smarter.

With the legislature's help, we will continue to make a series of investments in public education and in infrastructure. And, we will together find new ways to save and streamline government services at the municipal level.

First in education. Our fiscal year 2013 budget proposal is for \$4.1 billion for K-12 education, the highest amount, again, in the history of the Commonwealth. With this investment, every school district will reach the so-called "foundation level" and no school district will see a drop in state support next year. And we propose to make an increased level of investment - \$10 million in particular – in programs dedicated to closing the Achievement Gap in our Gateway Cities. We owe it to ourselves to do everything we can to support our next generation.

We will continue to invest in local infrastructure as well. Once again, we propose to commit \$200 million in chapter 90 funds for local roads and bridges as part of a \$3.3 billion annual capital investment program for the coming fiscal year – that's double the level the state invested before we took office. As we look to the future, we can also expect additional local aid commitments from the revenues of expanded gaming.

As we focus on investments, we also focus on savings: finding new ways to save you money and new innovations to streamline municipal government. And I hope we'll offer some ideas in that respect during the conversation.

We've had some tremendous success in lowering the cost of health care – a municipal budget buster – in many, many communities. In the first year of municipal health reform, over 100 municipalities and regional school districts have taken steps to adopt the new reform law or use traditional bargaining to achieve savings on employee health. Since the law was signed, 30 communities have reached agreement through the new reform process. We are on track to far surpass the estimated savings of \$100 million in the first year.

We're looking to you for other savings ideas. Last week, we announced \$4 million in Community Innovation Challenge grants to incentivize and support innovative regionalization and other cost saving initiatives for 138 communities focused on everything from education to public safety, civic engagement to public works.

The communities of Marlborough and North Adams, for example, have joined with 19 other towns to establish a regional public health nurse program. Taunton has joined with southeastern communities to develop an electronic records and permitting system for fire safety permits. And Amesbury, Lowell and Woburn are

working together with two other cities to develop accountability and performance measures to stand as a model for communities all across the Commonwealth. I have proposed an additional \$7 million for CIC programs in the coming budget I hope that I may count on your support for that.

We have been working on a whole host of tools to demonstrate the seriousness of the partnership that we in state government must have with cities and towns. Let's continue to build on that in the 2 ½ fruitful years I have left in this job. It's great to be with you all and I look forward to the conversation.