

Beacon Hill Byline by Mary Rogeness

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The End of the Beginning

Anyone working in the State House these past weeks feels like we have arrived at the end of the session. We had the midnight sessions and back room negotiations that are the hallmark of the last days. In reality, however, our status could more accurately be described as the end of the beginning.

The budget crisis of FY 2003 is over; the spending document for FY 2004 is finally complete; and the first year of the legislative session is history. Before moving on to face the difficult decisions that lie ahead, let's pause to evaluate this year's actions as condensed into last week of the legislative session.

Three major issues were unresolved as the week began: budget shortfalls, economic stimulus, and unemployment insurance rates for 2004. By week's end, each was addressed with some degree of success.

Taking the budget issue first, the state budget needed additional money for human service programs. The governor first requested the supplemental appropriation last July. This week's supplemental budget funded those needs and many others. By the time the odds and ends were added up, the budget exceeded \$100 million. As its most important addition, the budget funded UMass labor contracts. Teachers and other employees of the university system have waited more than two years for the approval that was given unanimously by both branches.

Unemployment insurance came next, a critical issue for anyone in the state who has employees. Had the legislature failed to act by the end of the year, assessments on employers would have risen by more than \$600 million next year so legislative action was an emergency. The senate passed a bill that claims to raise costs by only \$450 million, though Governor Romney believes its cost will be close to the \$600 million default amount. I debated against the bill and offered lower cost alternatives, but the membership passed it as presented. I hope the higher price will not cost too many jobs when employers are forced to pay their assessments.

Economic stimulus was our third activity, an endeavor that seemed paltry after the massive increase imposed through unemployment insurance. A bill consolidating disparate offerings from the house and senate was finally approved the last night of the session, a \$100 million package designed to promote economic activity. It contains a permanent investment tax credit and other incentives for business activity, but the most surprising "incentive" is a provision to allow the sale of alcoholic beverages on Sundays. That section came from the senate version of the bill, and it allows municipalities to ban Sunday sales, but if local action is not taken, the sales will be allowed.

Those are the actions that wrap up the legislative year. All legislation is subject to veto by Governor Romney, who has line item veto authority. By the rules of the legislature, the right to override budgetary vetoes would cease at the end of December, but a last action of both the house and senate suspended that rule. Any vetoes will be subject to legislative override.

Tune in next year for the January report on State House activity.