Beacon Hill Byline by Mary Rogeness

January 1, 2008

The New (Legislative) Year

New Year's Day has come and gone, so the legislature heads back to work. The Massachusetts legislature is constitutionally required to open its session on the first Wednesday of the year, January 2nd in 2008. Even though we will continue to debate last year's legislative proposals, we must formally re-convene.

While last year the legislature met formally for 11 months, we have only seven months to enact substantive, controversial bills in this second year. We must, according to joint rules, move to informal sessions at the end of July as we enter another election season. Here are my projections of what we are likely (or unlikely) to achieve.

The annual budget will take center stage late this month, when the governor releases his 2009 budget proposal. As we begin the new calendar year of 2008, house budget writers are already at work on the legislature's own budget, which will be debated in late April. That issue consumes a lot of energy as members focus on our special monetary interests.

Taxes hold the spotlight because of the governor's tax proposals from last year. Revenues are forecast to be limited. He wants municipal local option taxes and new business taxes, but the legislature has not acted on either issue. The local option taxes have support from municipal officials, but the legislature is leery of any broad-based tax, especially in an election year. And it seems questionable to increase the tax burden on business when our state is still struggling to grow the economy.

Casinos flash their lights to call for our attention, and the governor's bill proposing three commercial casinos will be an important part of the year's debate. Gov. Patrick may include casino revenues in his budget, which will bring on an early test of where the legislature stands on the issue. Such an aggressive move seems unlikely, partly because any such income will come only in the long term. I believe that casinos will be debated only after the budget is in place.

We are likely to address a life sciences initiative, one of the governor's priorities, early in the session. It comes with a big price tag and the interesting inclusion of tax incentives. I question the combination of new incentives for one industry while we are being asked in another bill to remove different business incentives as "loopholes."

Governor Patrick has introduced or proposed many bond bills, covering transportation, higher education, capital expenditures, broadband and housing, in addition to the Life Sciences proposal. They add up to billions of dollars in future obligations if they are fully authorized.

I take a cautionary approach to bond bills. In past years, the legislature has passed bonds that promise funding beyond the state's ability to pay. They required bonds being authorized and sold, so the simple enactment of a bond accomplished nothing. Press releases went out from legislators taking credit for the park, bridge, or other amenity, though the funds might never be authorized and the project never completed. We have moved away from such exuberance, and I hope we will restrain ourselves when dealing with the billions of dollars in pending bonds.

Some of our work is already underway. The senate has acted on a welfare proposal, and the house passed an energy bill. Each bill needs the approval of the partner branch of the legislature. Other issues will arise as the year progresses.

We have an ambitious set of issues to address, and the last day of July will arrive before we know it. Let's get started!