



# Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES  
STATE HOUSE, BOSTON, MA 02133-1054

**REPRESENTATIVE  
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21<sup>ST</sup> MIDDLESEX DISTRICT  
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STATE HOUSE, ROOM 243

CHAIRMAN

Committee on Ways and Means

## Memorandum

TO: Democratic Caucus  
FROM: Charles Murphy  
DATE: March 11, 2010  
RE: Caucus Follow-Up

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In response to some of the inquiries raised during Tuesday's Democratic Caucus, I have compiled the following information, which I hope will prove useful as you prepare for our upcoming budget debate and also when you are out and about in your district talking to constituents.

### **JOB REDUCTIONS**

In its most basic form, this recession can be measured in the reduction by the state's budgeted workforce. On January 20, 2007, a year before the beginning of the current recession, the state was on record employing 69,586 full-time operating budget employees. Three years later, on February 27, 2010, the state was on record employing 67,360, for a net reduction of 2,226. That number could be even greater if one were to exclude hires specifically tied to federal ARRA monies (e.g. Department of Transitional Assistance hired 86 people with ARRA funds to help manage increased caseloads).

Of those 2,226 reduced positions, 1,740 came from the Executive Office of Health and Human Services, employees who are on the frontline of service delivery in the commonwealth.

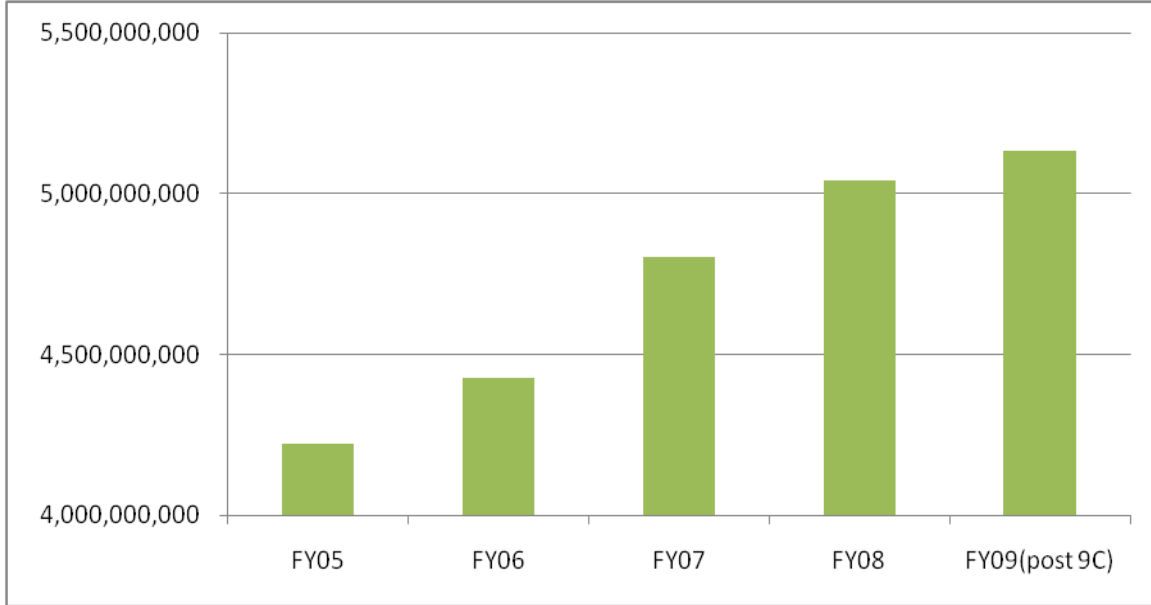
### **PROGRAM ELIMINATIONS**

In addition to reductions in full-time employee staffing, this recession also forced programmatic cuts in all areas of the budget. I have compiled for your review a sample of programs eliminated between FY08 and FY10:

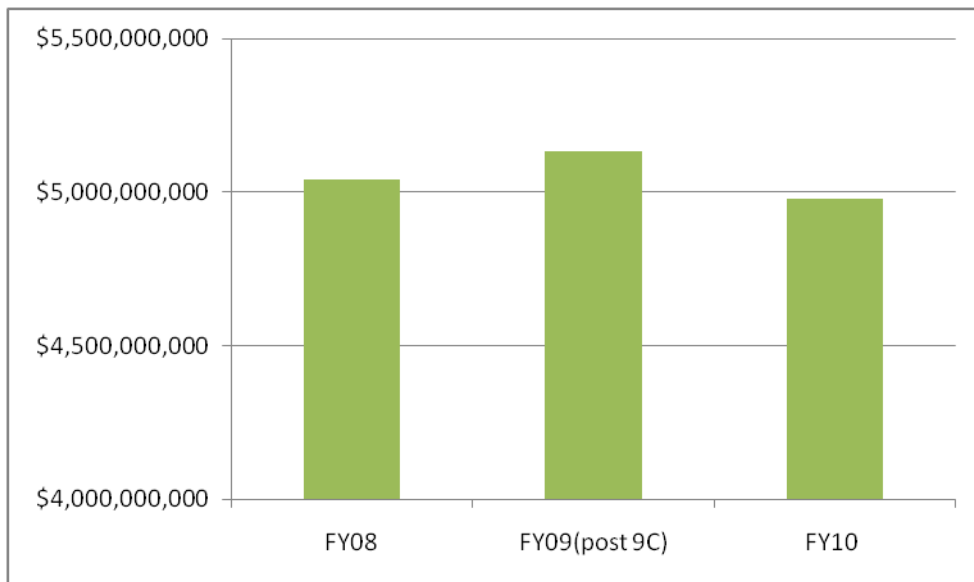
|   |  |
|---|--|
| Community Policing Grants                     | Long-term Career Ladder Program          |
| Agricultural Innovation Center                | Nurses' Aide Scholarships                |
| Alternative Dispute Resolution Services (ADR) | Physician Profile RR                     |
| Court Appointed Special Advocate (CASA)       | Certified Nurses' Aid Scholarships       |
| Children and Parents Program                  | Geriatric Mental Health Services Program |
| Changing Lives Through Literature Program     | Ferguson Industries for the Blind        |
| MHFA 13A Interest Subsidies                   |  |

## LOCAL AID

The graph below details Section 3 local aid payments (Chapter 70, Lottery, and Additional Assistance) in the years leading up to the start of the current economic recession. The total local aid increase over this period was 22%.



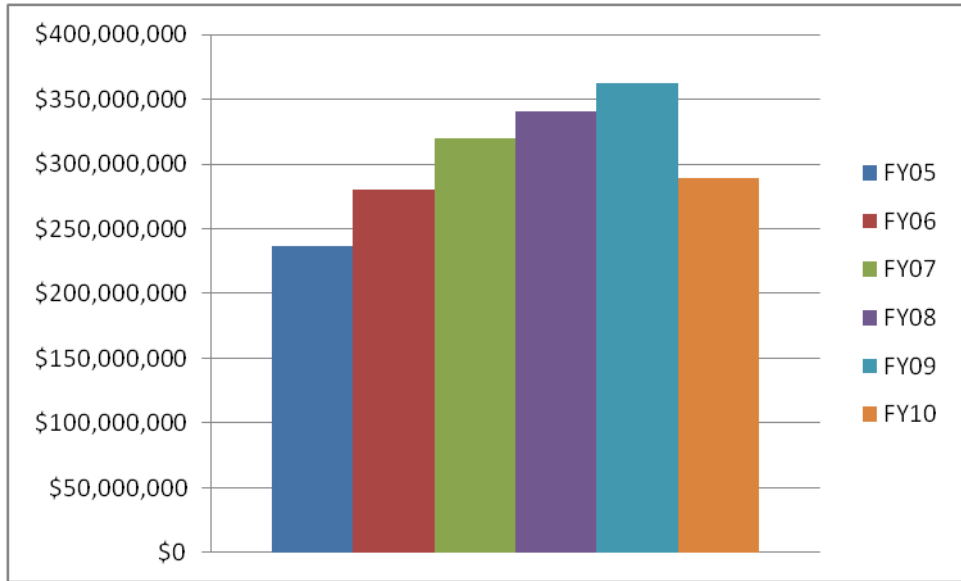
Since FY08, Section 3 local aid is down 1%.



Supplementing the above monies, some cities and towns received other federal funds, as part of ARRA. In total, communities in Massachusetts received \$281M in IDEA funds and \$155M in Title 1 funds.

## NON-SECTION 3 LOCAL AID

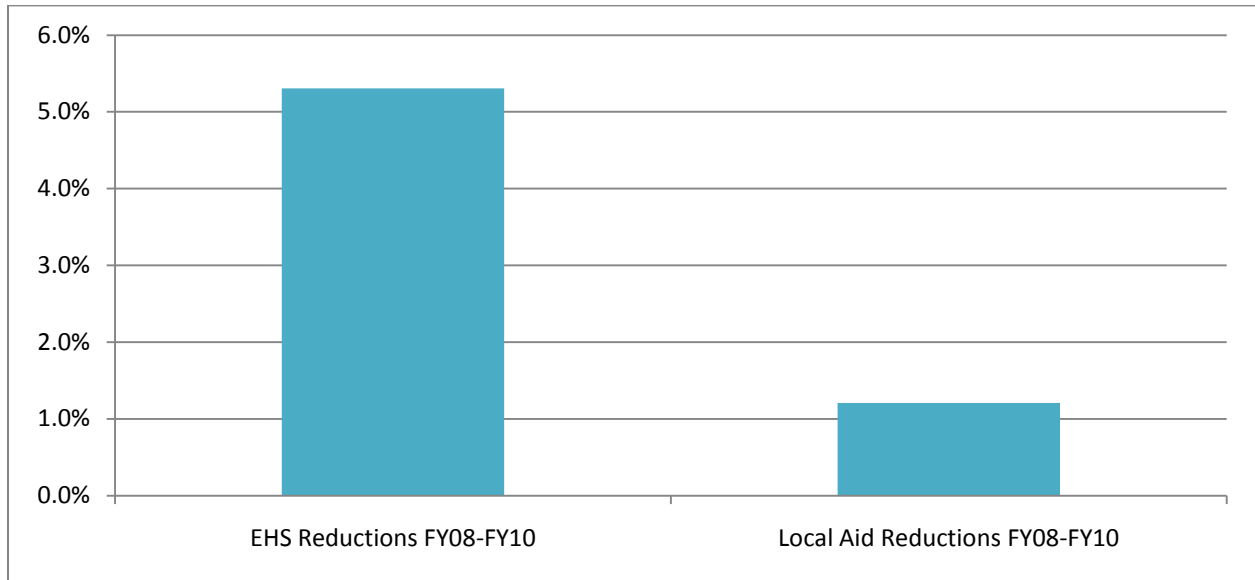
In addition to Chapter 70 and unrestricted local aid, the state also directs millions of dollars a year to local communities in the form of cherry sheet funds (state owned land, regional public libraries, veterans benefits, etc.). The graph below depicts the level of funding of cherry sheet monies between FY05 and FY10.



## HUMAN SERVICES AND LOCAL AID

Although Medicaid spending is federally mandated, the legislature has worked to contain the rising cost of healthcare. Health and human service programs have received a number of reductions over the last 3 fiscal years.

The graph below compares the relative cuts that the Executive Office of Health and Human and Section 3 Local Aid have received since FY08.



## OVERALL COMPARISON

The chart below details the percentage reduction for each budget area between FY08 and FY10.

