

**FISCAL POLICY UPDATE READING COMMITTEE**  
**Report on Consensus**

<i>Consensus Question</i>	<i>LWVM Consensus Results</i>	<i>New/Changed Positions in "Where We Stand"</i>
<p>1. What principles should govern the fiscal relationship between the state and local governments?</p>	<p><b><i>Leagues <u>supported all the proposed principles:</u></i></b></p> <ul style="list-style-type: none"> <li>• The Massachusetts LWV believes that the <u>state budget</u> and the <u>state budget process</u> should incorporate the principle of <b><i>transparency</i></b>.</li> <li>• The Massachusetts LWV believes that the fiscal relationship between the state and local government should incorporate the principles of <b><i>timeliness, equitability, dependability, flexibility in local spending, flexibility in local revenue-raising</i></b>.</li> </ul>	<p><b><i>New Section of Fiscal Policy:</i></b></p> <p><b>"The Fiscal Relationship between the State and Local governments (2008)</b></p> <p>1. The Massachusetts LWV believes that the Fiscal Relationship between the state and local government should incorporate and balance the following principles:</p> <ul style="list-style-type: none"> <li>a) <b><i>Equitability</i></b> The Massachusetts LWV currently has positions that support the distribution of state funds in a manner that helps to equalize the resources of different municipalities. The equitability principle reinforces this position and its importance was affirmed (2008).</li> <li>b) <b><i>Flexibility in local spending</i></b> Many municipal spending decisions are controlled either by state mandates or through laws that restrict municipal spending choices. This principle would support allowing municipalities to have more control over local spending decisions, in light of the lack of equitability in state revenue distribution.</li> <li>c) <b><i>Flexibility in local revenue-raising</i></b> Currently Massachusetts municipalities have very few options for raising revenue locally. This principle would support allowing municipalities more flexibility in raising revenue, in light of the lack of equitability in state revenue distribution.</li> <li>d) <b><i>Dependability</i></b> A dependable budget relationship between the state and municipalities would ensure that state aid to municipalities is consistent and predictable year to year. On balance, dependability is of lesser importance than the other principles." <p><b><i>Addition Under State Budgetary Procedures</i></b></p> <p>"The League supports: ...</p> <ul style="list-style-type: none"> <li>• Transparency* in the state budget and the budget process (2008).</li> <li>• Timeliness** in the fiscal relationship between the state and municipalities.</li> </ul> <p>*A transparent state budget would be clearly written, unambiguous and understandable for the general public. In addition, a transparent budget process would allow the general public to see how the budget is created. ** For example, timeliness would encourage the state to provide firm information on state aid to municipalities earlier in the budget cycle."</p> </li></ul>

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<p>2. The League of Women Voters of Massachusetts currently has a position <b><u>opposing</u></b> the adoption of new, local non-property taxes by either statewide mandate or local option.</p> <p>a. Should the League of Voters of Massachusetts ELIMINATE this position opposing the adoption of new, local non-property taxes by statewide mandate or local option?</p>	<p><i>2a. Consensus was to <b><u>drop</u></b> the League position <b><u>opposing</u></b> new non-property taxes by local option or state mandate from the positions. However, this consensus to remove League opposition does not mean automatic support for any local option or statewide mandate that comes forward. Any proposal should be reviewed by the League in light of the principles that govern the state-local relationship.</i></p>	<p><i>Addition Under Tax structure...</i></p> <p>“The Leagues’ opposition to “new local non-property taxes by state wide mandate or local option (1993) was eliminated (2008). Proposals for new local non property taxes by state wide mandate or local option will be evaluated based on principles” in Fiscal Relationship section.</p>
<p>b. If yes, should the League of Women Voters of Massachusetts SUPPORT the adoption of new, local non-property taxes by statewide mandate or local option?</p>	<p><i>2b <b><u>There was no consensus</u></b> on League supporting new non-property taxes by local option or state mandate Any proposal for new non-property taxes by local option or state mandate should be reviewed by the League in light of the principles that govern the state-local relationship.</i></p>	

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<b>Consensus Question</b>	<b>LWVM Consensus Result</b> (Reading Committee Report on Consensus 10-8-08)	<b>New/Changed Positions in "Where We Stand"</b>
<p>3. Should the League of Women Voters of Massachusetts support changes in state laws to ease the financial burden on municipalities in the following areas?</p> <p style="padding-left: 40px;">a. Municipal Employee Health Insurance</p> <p style="padding-left: 40px;">b. Municipal Employee Pensions</p>	<p><i>3a.,b. The consensus was that League of Women Voters of Massachusetts <u>supports changes in state laws to ease the financial burden on municipalities in the areas of municipal employee health insurance and pensions.</u></i></p> <p>It was noted these are budget breakers. This position allows us to examine any proposals, and use cost to municipalities as a way to evaluate, along with the principles and other positions on health care. This new position would be included under a new section "fiscal relationship between state and municipalities".</p>	<p><b><i>Included in New Section of Fiscal Policy Positions:</i></b></p> <p><b>"The Fiscal Relationship between the State and Local governments (2008)..."</b></p> <p>2. "The League of Women Voters of Massachusetts supports changes in state laws to ease the financial burden on municipalities in the areas of:</p> <p style="padding-left: 40px;">a. Municipal employee health insurance</p> <p style="padding-left: 40px;">b. Municipal employee pensions"</p>

The Reading Committee Report was accepted at the October 8, 2008 LWVM Board meeting. The new positions will be integrated into the online "Where We Stand" and are now available for League action.



## **FISCAL POLICY UPDATE READING COMMITTEE**

### **Report on Consensus**

**The FPU Reading Committee was composed of the following members:** Zaxaro Bennett (Marblehead), Ernie Dieterich (Winchester), Mary Frantz (Chelmsford), Kathy Leonardson (Marblehead), June Michaels (Cape Ann), Marilyn Peterson (Acton) and Judy Robbins (Attleboro)

**The Fiscal Policy Update Committee was composed of the following members:**

*Zaxaro Bennett Marblehead, Co-Chair Kathy Leonardson Marblehead, Co-Chair Ernest Dieterich Winchester, Secretary; Mary Ann Ashton Acton, Cynthia Brubaker Amherst, Mary Frantz Chelmsford, Louise Haldeman Concord, Merle Hyman Swampscott, Paulina Knibbe, Acton Area, Ruth Kohls Acton Area, June Michaels Cape Ann, Setha Olson Lexington, Judy Robbins Attleboro, Shelley Sackett Swampscott, Anne Schmalz Boston, Susan Sekuler Concord-Carlisle*

**Advisors / Resources to FPU Committee:** Lynn Cohen *Westford*, Judy Deutsch *Sudbury*, Debbie Ecker *Chatham*, Nancy Tavernier *Acton*, Mary Adelstein *Newton*, *editor*.

*The Fiscal Policy Update Committee acknowledges and thanks the 20 Leagues who participated in the local studies of their own or neighboring communities, the 22 Leagues who held consensus meetings and the support of the LWVM leadership throughout this 3-year endeavor. We also applaud the unflagging dedication of our own members who never doubted we would succeed.*

**- Kathy Leonardson and Zaxaro Bennett, FPU Co-Chairs 2005-2008**