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VALLEE DELIVERS RECORD AMOUNT OF LOCAL AID TO DISTRICT

Local Aid Resolution Brings More than \$12M Increase to Franklin and Medway

BOSTON, Mass.—State Representative James E. Vallee (*D- Franklin*), Assistant Vice-Chairman of the Committee on Ways and Means, joined his colleagues in the House of Representatives to pass an early local aid resolution that will increase state aid to cities and towns in the FY09 budget by \$223 million. The resolution was agreed to by House and Senate budget writers and is expected to be debated in the Senate soon.

The resolution provides an increase in local aid representing a 4.43 percent hike over last year and includes the three major categories of local aid – Chapter 70 funding for public schools, lottery aid and additional assistance. Passage of a local aid resolution nearly four months before the start of the fiscal year will help Franklin and Medway craft their municipal budgets with greater confidence and accuracy. It guarantees that Franklin will receive \$28,726,706 in Chapter 70 educational aid and \$3,075,295 in Lottery Distribution for a total of nearly \$32 million for Fiscal Year 2009. Medway’s local aid totals an unprecedented \$10,748,846 under the resolution.

“Passage of this resolution nearly two months before we even debate the budget is a clear sign that the House has put addressing the needs of cities and towns high on the agenda,” said Vallee. “Despite a tough fiscal climate our support for local aid remains and we have provided a sustainable increase at a time when many other parts of the budget may see reductions.”

The resolution guarantees cities and towns will receive \$935 million in unrestricted local aid, \$811 million of which is generated by the Massachusetts Lottery and \$124 million of which is allocated from the Commonwealth’s General Fund. Since the Lottery was “uncapped” by the Legislature in Fiscal Year 2007, all revenue other than prize money and a small amount for administration goes to municipalities.

In FY09, however, only \$811 million is projected to be generated—\$124 million less than was allocated last year. The Legislature’s budget will ensure the additional \$124 million is distributed and that cities and towns are held harmless to last year’s allotment.

The local aid resolution also maintains a commitment made by the Legislature three years ago by increasing Chapter 70 allocations by \$223 million to \$3.95 billion. The increase comes as part of a five year plan to move individual school districts toward their target-aid contribution level. Under the Legislature’s plan, each school district would see an increase in Chapter 70 funding over last year.

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