



STATE HOUSE NEWS SERVICE

Budget Holdup Blocking \$20 Mil CPA Fund Distribution

Colin A. Young | 11/13/19 7:30 PM

Cities and towns across Massachusetts are about to feel a real consequence of the Legislature's inability to close the books on the fiscal year that ended in June. On Friday, the Department of Revenue is due to make its annual distribution of matching funds to cities and towns that raise revenue through the Community Preservation Act but an extra \$20 million that the Legislature directed to the CPA Trust Fund won't be part of the payout. When it passed a compromise fiscal 2020 budget in July, the Legislature included a provision directing the state comptroller to transfer \$20 million from the fiscal 2019 surplus to the CPA Trust Fund as a way to bridge the gap until new, higher fees funding the CPA Trust Fund kick in next year. But because the House and Senate have not been able to resolve their differences on a supplemental budget that would allow the comptroller to finalize surplus transfers, that \$20 million has not yet been deposited into the trust and CPA communities will instead receive a state match of just 11 percent of what they raised in property tax surcharges. Instead, DOR said its Division of Local Services will process the state match based on the money currently available in the trust fund on Friday. Whenever the surplus funds become available and are transferred into the CPA Trust Fund, DOR plans to recalculate the state match and provide cities and towns with a second slice of the pie, the department said. The more-than-\$700 million supplemental budget bill has been hung up between the House and Senate for weeks and neither side has shed insight on the holdups or when a final bill might emerge. Whenever it does get done, this year's close-out bill will be finalized later than any year since at least 1995.

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