

**Community Preservation Coalition  
Testimony in Support of H.2587 / S.1459**

Submitted By:  
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Executive Director

Good morning. I'm Stuart Saginor, Executive Director of the Community Preservation Coalition. Our membership is comprised of a majority of the 158 CPA municipalities, as well as seven statewide non-profit organizations.

As you'll soon hear from our panelists, the Community Preservation Act has been a huge success. You can see that success on this map showing that 45% of the Commonwealth's communities have adopted CPA. And you can also see it in 7,500 approved CPA projects, more than 125 letters of support from communities and organizations across the state, and the list of 88 legislators who have co-sponsored this bill.

But for all its success, CPA does have an immediate and critical challenge, and the legislation before you today, "*An Act to Sustain Community Preservation Revenue,*" contains the solution.

As you may know, the main engine that drives the success of CPA is the promise of state matching funds for municipalities from the CPA Trust Fund. The trust fund derives its revenue from fees collected at the Registries of Deeds statewide, and each community receives a distribution from the fund equal to a percentage of what they raise locally. Unfortunately, that distribution has declined from a 100% base match during the first six years of CPA to a projected 18% this year, a record low, and it will almost certainly continue to drop.

One cause of the decline is the reduced level of real estate transactions. But a far bigger factor is CPA's growth. The trust fund distributed funding to only 34 communities in the first year of CPA, but now there are 158 cities and towns splitting the pie. This chart shows, in blue, the annual CPA funding provided by local communities – now over \$100 million dollars per year - versus the declining state portion coming from the registry of deeds fees, shown in red. As you can see from the large gap, the program is no longer a balanced state and local partnership.

The current \$20 CPA fee collected on filings at the Registry of Deeds has never changed, so we've already lost a decade and a half to inflation. This legislation proposes a one-time fee adjustment so that annual revenue in the Trust Fund will support a minimum 50% match for CPA communities. In no event would the fee rise above \$50. This increase will restore the state-local partnership that has been the hallmark of CPA, and once again make the program self-sufficient, as the legislature designed it to be.

It's not exaggerating to say that the future of CPA hinges on this legislation. As the match has dropped, we have seen a corresponding decrease in interest among the 193 communities that have not adopted CPA, and existing communities are increasingly asking if the program still makes sense, given such a low state contribution.

While adjusting fees always deserves careful consideration, the CPA program has a proven track record of using these funds to successfully drive economic activity, create jobs and preserve our Commonwealth's most treasured assets. We hope you'll issue a favorable report.