STATE TURNING TO FEE HIKES TO BOOST COMMUNITY PARTNERSHIPS

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STATE HOUSE, BOSTON, MAY 21, 2019....As it kicked off its budget deliberations Tuesday, the Senate followed the House's lead and voted to raise the fees that are used to fund the popular Community Preservation Act in hopes of making what is supposed to be a state-local partnership more equitable.

The Senate voted 38-2 to increase the recording fees that feed the CPA Trust Fund from $20 to $50 for most documents and from $10 to $25 for municipal lien certificates, a change that the Community Preservation Coalition estimates will provide the trust fund with an infusion of $36 million in new money each year. The House did the same in its budget last month.

"We were fortunate to see the House adopted the $50 increase in their FY20 budget they just passed. Now it's incumbent on us to do the same thing, so there won't be any worry in a conference committee," Sen. Cindy Creem, who sponsored the amendment, said.

The idea of the Community Preservation Act was for the state to match 100 percent of what each participating municipality raised through its own property tax surcharge to preserve open space, renovate historic buildings and parks and to build new playgrounds and athletic fields.

But as more communities adopt the CPA, each town's share of the pie has become smaller. The fee structure -- state matching funds are derived from a $20 fee assessed on certain real estate transactions through registries of deeds -- and match rate formula have not been changed since the CPA went into law in 2000.

"The important promise we made in 1999 was that the state matching funds would be there to assist in these locally-determined projects," Creem said. "Now, unfortunately, we are close to an 11 percent match, which is not much of a match at all but a very small contribution."

During last year's gubernatorial campaign, Gov. Charlie Baker indicated that he would support an increase in the registry of deeds fees that seed the CPA Trust Fund.

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