

The Commonwealth of Massachusetts

MASSACHUSETTS HOUSE OF REPRESENTATIVES STATE HOUSE BOSTON, MA 02133

RE: H1828 An Act regarding revenue sharing with cities and towns

DT: 16 July 2015

Dear Honorable Chairs and Members of the Joint Committee on Municipalities and Regional Government,

Thank you for hearing *H1828*, *An Act regarding revenue sharing with cities and towns* before your committee today. I am a co-sponsor of this bill and a member of this committee.

This bill would create a new way of distributing new local aid funds to cities and towns. Upon passage of this bill, a town or city's' Unrestricted General Government Aid would be frozen and any new increases to municipal aid would be run through a formula. This formula, outlined in this bill, is based on research by the Federal Reserve Bank of Boston and takes into account both a community's ability to generate revenue and the core municipal services that each city or town has to provide. The additional aid would address a community's municipal gap, when the revenue being generated by the community does not match the services they have to provide to their residents. This is a fair formula and would address inequities in the current distribution in Unrestricted General Government Aid.

Thank you for your time and consideration of this bill. I respectfully request that *H1828*, *An Act regarding revenue sharing with cities and towns* be released favorably and expeditiously from your committee.

Sincerely,

Representative Paul Heroux