



May 31, 2019

The Honorable Michael Rodrigues
Chairman
Senate Committee on Ways and Means
State House, Room 212

The Honorable Aaron Michlewitz
Chairman
House Committee on Ways and Means
State House, Room 243
Boston, MA 02133

Dear Chairman Rodrigues and Chairman Michlewitz:

On behalf of our members and the thousands of low- and moderate-income families they serve, we thank you and your legislative colleagues for your outstanding commitment to affordable housing for all families across the Commonwealth and your strong support to our shared community economic development priorities.

As you and your fellow conferees meet to reconcile key differences in your respective FY2020 budgets, I would like to highlight a few priorities for this year's budget that are very important to MACDC members and which we respectfully request the FY2020 Budget Conference Committee to adopt.

Small Business Technical Assistance (SBTA) program

We urge you to accept the House language to provide funding for the Small Business Technical Assistance (SBTA) program (line item 7002-0040) at \$3 million. Our main FY 2020 budget priority has been to increase funding for the SBTA program (line item 7002-0040), as we have an obligation to support underserved communities as they seek support for building businesses and bringing opportunities to their neighborhoods and towns. As you know, the SBTA program has been successfully serving businesses for over a decade, and the demand for the program has almost tripled since it was launched in 2007. The program has been particularly impactful across the Commonwealth – from the Cape to the Berkshires; from Gateway Cities to rural communities – serving hundreds of local entrepreneurs over the years.

Chapter 206 – Homeownership Education and Foreclosure Prevention Counseling

We urge you to accept the Senate language to increase Chapter 206 funding from the MA Division of Banks (DOB) (line item 7006-0011), to enable nonprofit counseling agencies to provide homebuyer education and foreclosure prevention counseling. We are grateful to Sen. Eldridge for his amendment, which was adopted by the full Senate to increase funding to \$2.805 million. Funding is possible through administrative fees associated with the licensure of loan originators, according to Chapter 255F of the Massachusetts General Laws, under which DOB may use retained revenue to fund this program. Grants are awarded through a competitive application process under criteria determined by DOB. At a time of diminished federal support for such initiatives, the nonprofit counseling agencies assisted with these funds view the funding

from Chapter 206 awards to be essential to creating and preserving sustainable homeownership in the Commonwealth.

Transformative Development (Neighborhood Stabilization Initiative)

MACDC and Mass Inc. have convened a broad cross-section of municipal and non-profit leaders to identify strategies for reclaiming vacant, abandoned, and blighted properties and putting them back to productive use as homeownership opportunities or rental housing. This is a major challenge in many Gateway Cities, rural areas, and smaller cities with weak housing markets. These properties undermine public health and safety, drain resources from the municipal government, and can be detrimental to nearby residents.

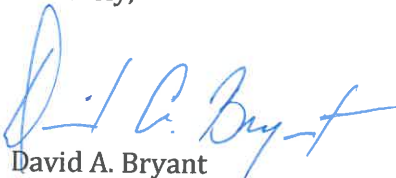
We encourage the conferees to adopt the House language authorizing an appropriation of \$1 million, which would include targeted support for neighborhood stabilization programming and partnerships through Mass Development's TDI program, and to create a capacity-building program that would help local governments and their non-profit partners to implement strategic neighborhood-focused, community revitalization efforts across the state.

Community Preservation Act Trust Fund

We are pleased that both chambers adopted language to increase the deeds recording fees to strengthen the CPA Trust Fund. MACDC has long supported legislation proposed by Sen. Creem, Rep. Ferrante and many of your colleagues, who over several sessions have championed efforts to increase the deeds fee. **We encourage the Conference Committee to adopt the Senate language that will authorize up to \$20 million from the state's budget surplus to be transferred to the CPA Trust Fund to expand the November 2019 distribution.**

We appreciate the support CDCs receive from you and so many of your colleagues in the Legislature and are grateful to all the representatives and senators from across the state who have expressed their strong support for these important programs. Our members work to help prepare families and small businesses to meet economic challenges in every corner of the Commonwealth. The important initiatives we have outlined above are helping families and businesses to succeed, and we respectfully request that the Conference Committee accept these vital line items as components of the FY2020 budget submitted to the Governor.

Sincerely,



David A. Bryant
Director of Advocacy

CC: Hon. Denise Garlick
Hon. Cindy Friedman
Hon. Todd Smola
Hon. Vinny deMacedo