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HOUSE ANNOUNCES MAJOR REFORMS FOR SCHOOL BUILDING ASSISTANCE

BOSTON: State Representative Bill Straus (D-Mattapoisett) today announced passage of a House bill which restores the School Building Assistance Program with secure, reliable funding for this program for many years.

The restructuring of the program allows for complete funding in 3 ½ years of the 420 school projects currently on the waiting list throughout the state. Also, the Legislature will maintain its commitment to fund wait list projects at existing reimbursement rates and will provide funding for new projects not yet on the waiting list beginning in Fiscal Year 2008 and continuously thereafter. This expedited schedule of reaching existing projects, such as those in Mattapoisett and the Old Rochester Regional District is in contrast, to Mitt Romney's plan which would have funded the waiting list in 5 years without providing any new funding stream.

"I am pleased to support this bill today because it reaffirms the Legislature's strong commitment to fund pending school construction projects at existing reimbursements rates, alleviating some of the financial concerns of cities and towns," stated Representative Straus.

Funding of the new school construction program will be accomplished through a gradually phased in funding plan which dedicates a penny of the existing state sales to the School Building Assistance Trust. This Trust will serve as an independent financing authority for the state's portion of school building projects and will provide communities with cash for the state's share of reimbursable school construction costs -- alleviating the need for the entire project to be financed at the local level. In the future, communities will finance only their own portion of these projects.

"One of the most exciting features of this proposal is that, in the long run, the trust will be able to shift school funding from dangerous long term borrowing to a more responsible 'pay as you go' system; this will create a more sustainable school funding model for decades to come" said Bill Straus.

"The House adopted a more fiscally responsible approach on school construction. Unlike the Romney approach, which had proposed issuing 40 year bonds costing the

Commonwealth \$2.5 billion in increased interest costs, the proposal crafted by the legislature and Treasurer devotes more resources to clearing the wait list now so that the program is sustainable in the long term,” continued Rep. Straus.

“This plan represents a multi-billion-dollar reform of the program, and is the most sweeping change made since the inception of the program in 1948,” Rep. Straus concluded. “I am proud to have worked with my colleagues in the House and Senate, and with the Treasurer, to craft this reform package, which guarantees funding for the schools in my district which need this funding desperately, and ensures that this vital program will continue for many years.”

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