



Hard Decisions, Needed Leadership

Introduction

This report seeks to identify savings to help close a looming \$1 billion to \$1.5 billion gap in the Commonwealth's FY09 budget. As a follow-up to a Pioneer press release outlining \$600 million in immediate cuts, dated October 8, 2008, we have scoured the budget for savings and reforms, with an eye toward actions that can be undertaken immediately. This report identifies \$700 million in budget savings. Moreover, it achieves these savings while adhering to the following premises and sound budgeting principles:

1. *The budget shortfall is going to be at least \$1 billion.* This report identifies \$700 billion in cuts that can be made immediately. It also highlights some longer-range actions that can help balance future budgets.

2. *Do not use rainy day funds yet—this is not simply a budget gap.* It is a budget “gulf.” The budget deficit is a gulf, a divide that has both temporary and structural components. The recession could last a longer time than recent other examples of economic downturns. Concrete and meaningful cuts that reorient the budget are needed, and fast.

3. *Don't raise taxes (or close more so-called “loopholes”) to bridge the budget gulf.* Raising taxes now, after several years and two administrations of rising fees and penalties on business, is not the right way to move the state forward. This is especially so given the impact of a recession on an already demoralized business community that believes Beacon Hill is anti-business.

4. *Don't just generate one-time income; use this opportunity to refocus government on core services.* The FY08 budget included several savvy provisions that made limited progress in addressing a structural budget deficit. The FY09 budget was not as thoughtful and was instead premised on too many one-time gimmicks. The suggestions in this report are aimed at cutting non-core programs and addressing the budget shortfall head on.

The Shamie Center for Better Government seeks limited, accountable government by promoting competitive delivery of public services, elimination of unnecessary regulation, and a focus on core government functions. Current initiatives promote *reform of how the state builds, manages, repairs and finances its transportation assets as well as public employee benefit reform.*

Hard Decisions, Needed Leadership

5. *Move ahead with reforms that are unlikely to be achieved in good economic times.* Too often, reform is either bought (in good times) or undertaken as a last resort (in bad times). We should not always be governing with our backs against the wall. The reasonable and realistic cuts outlined in this policy brief are designed not just to achieve short-term savings in a difficult economic climate, but also to improve the effectiveness and efficiency of government when good economic times return.

6. *Don't sacrifice reforms that can have long-term impact.* We have preserved almost untouched funding for the Massachusetts Health Care Reform of 2006. While we do take issue with certain aspects of the reform and believe that these can and should be corrected, we also believe that there are many areas of government that should be cut prior to undertaking changes that could undermine care for the poor.

As noted in a previous report, we believe waiting will only extend and deepen the state's financial crisis.

7. *Maintain the safety net in a time of economic turbulence.* We believe that human services and services to those who are most vulnerable can be delivered in ways that are far more effective and cost-efficient. That said, such changes will take time. At this early stage of the fiscal crisis, we have not focused on the Health and Human Services budget. Later in the crisis we may be required to review the HHS budget closely, but we should do our best to leave those cuts for last. These cost savings actions are exclusively from services not related to the poor and vulnerable.

8. *Hold local aid (not just education aid) harmless because the state should focus on reform, not simply pass its budget woes on to cities and towns.* This report does not impact local aid. In fact, it seeks to provide \$250 million of in-kind aid to municipalities through reforms to health care purchasing, the management of local pension funds and eliminating certain state mandates. This report substantially leaves local

aid alone, with the exception of a handful of small programs.

With these premises and principles in mind, our recommendations total \$700 million in immediate cuts. As noted in a previous report, we believe waiting will only extend and deepen the state's financial crisis. The first course of action is to undertake the following mix of emergency actions amounting to \$638.7 million in cuts.

We further believe that line-item cuts in specific offices and agencies are imperative. Cumulatively, they amount to \$87.33 million in FY09 savings. (See Appendix 1)

Emergency Actions: \$638.7 million

Emergency Actions	Budget Savings
Reduce employment to 2004 levels	\$357.50
End corporate welfare	\$45.00
Miscellaneous	\$192.20
Shared services	\$4.00
Total	\$638.70

Cut State Employment Back to 2004 Levels: As we have noted previously, state employment, understood as the number of employees paid for from the state budget, has increased from 62,000-plus to almost 68,000 state employees since 2004. We believe that it is a responsible first step to reduce employment levels back to 2004 levels. Four years of unsustainable budgets—since 2004 state expenditures (including interfund transfers) have grown at a whopping 7.6 percent annual rate—have enabled executive offices to grow the state labor force by 10 percent. Any reduction in employment levels should avoid incurring future costs through early retirement incentives and other cost shifting onto the state's pension burden. This reduction would save the Commonwealth \$357.5 million.

Miscellaneous Sensible Budget Actions: Undertake additional emergency actions suggested by Pioneer Institute to the Governor and to the Legislature in order to close the explosive budget gap for this current fiscal year, amounting to \$192.2 million in savings. (See Appendix 2)

End Corporate Welfare: Refocus state government on its core services and suspend the practice of corporate giveaways. Below is a partial list of these giveaways.

- Earlier this year, the governor and the legislature passed a package of tax credits and other spending to support the biotech industry. (\$25 million)
- In addition, in 2007, the legislature passed and the governor signed legislation creating personal income and corporate income tax credits for the film industry. During a financial crisis, at least 40 percent of the film tax credits, which amount to \$26.2 million for individuals and \$24.2 million for corporations, should be eliminated. (\$20 million)

Overall, a *minimum* of \$45 million could be saved by ending corporate welfare.

End Corporate Giveaways to Select Industries (in millions)	
Biotech	\$25.00
Film Tax credits	\$20.00
Total	\$45.00

Shared Services: Currently, the state has executive offices, with departments under each. The majority of these departments have legal staff that work with, but also duplicate services provided elsewhere in the overall executive office to which they report. Through the adoption of shared services (consolidation of reporting and enhanced coordination of work plans) among legal, press, human resources and IT (and GIS) staff, the state could easily save \$4 million.

Shared Services	Savings
Consolidate all legal staff, financial staff or IT/GIS staff within executive offices (reducing legal staff by 20%) creating a shared services model	\$1.50
Consolidate all policy staff in the executive offices (reducing policy staff by 30%)	\$2.00
Disallow any work on new regulations not sanctioned by the executive office, shifting more staff to field work (compliance, technical support)	\$0.50
Total	\$4.00

The Judiciary: \$38.1 million

The Judiciary has a budget of \$527 million. We believe that a total of \$38.1 million can be saved by undertaking the following actions:

- Reforming case management. (\$20 million)
- Reducing the scope of and revamping the community corrections program to make it more cost-effective. (\$18.1) (See Appendix 3)

The Executive: \$3.6 million

For the executive branch we suggest the following cuts totaling \$3.8 million. We believe that the Commonwealth Corps, the child advocate offices and enhancing the Governor's Washington, DC office are not necessary expenditures, particularly given the Commonwealth's all-Democratic congressional delegation. (See Appendix 4)

The State Auditor & Inspector General: \$1.6 million

Consolidate the Office of the Inspector General into the State Auditor's Office and reduce the budget by half, saving \$1.6 million.

Executive Office Cuts: \$44.03 million

Administration & Finance: \$3.1 million

Within the Executive Office for Administration and Finance, we recommend dismantling the archaic civil service system. Civil service reflects an outdated approach to human resources; what once protected against the politicization of the hiring process has become an ossified system of needless rules that prevents reform and hiring the best-qualified candidates. Not only would ending civil service help improve the quality of the state workforce, it would also allow the state to cut half a million dollars for the civil service commission, and \$1.8 million for other civil service-related activities and programs.

Four years of unsustainable budgets have enabled executive offices to grow the state labor force by 10 percent.

After a year one expenditure of \$1.5 million to put all documents online, and after transferring its historical holdings to the Boston Public Library, we recommend closing the George Fingold Library. Though some are attached to this institution, we believe new technology can help make its resources more easily accessed.

In the area of reserves, we believe there are a number of items that can be cut. The reserve for early education is dwarfed by the Office of Early Education's budget, and it can and should easily fit within that office's existing budget. Set-asides for specific institutions are not sustainable, whether such laudable institutions as the YMCA or state affiliated institutions within the state college or community college system; this is no way to budget for such matters.

On the other hand, the EOAF reserve line item used to increase the overall compensation for human services personnel now earning less than \$40,000 needs to be protected and in fact bolstered even in an economic downturn. Pay for direct care workers should be increased to ensure continuity of care. In

addition, the low wages in this sector may ultimately increase the cost of care. The overall impact of the actions noted below is to add almost \$6 million to the budget. (See Appendix 5)

Energy & Environment: \$8.5 million

Notwithstanding the usual view that environmental agencies need more money, the fact is there is significant room for improvement and efficiencies within the agencies. Beginning with the Office of the Secretary, there are several actions that should be undertaken to achieve \$2.6 million in savings. Specifically, there is serious duplication of policy effort (as noted above, shared services can be provided in areas like IT and legal staff). Rather than having the Secretary's policy staff and separate policy staffs for each of the secretariat's agencies, policy should be consolidated within the Secretary's office, so that the "brains" and strategy setting for the office and its agencies are coordinated. Second, the recycling and related purposes budget of \$2.1 million has long been used to pay for executive office personnel; this practice should be stopped. The Commonwealth should instead adopt a pay-as-you-throw statute, making people responsible for the level of garbage they create. This would require oversight staff within DEP, which we estimate at \$1.2 million. Finally, redemption center subsidies are not necessary, and the environmental police private details budget can be cut in half.

As we have included earmark elimination at the start of this report, we will not include savings on earmarks in our review of the Department of Environmental Protection. It is worth noting, however, the degree to which the department is subject to earmarks. For example, there are \$700,000 of earmarks in the 2200-0100 and 2260-8870 line items alone. Nevertheless, our recommendation for budget savings in the department is limited to the consolidation of its permitting operations from the various regional offices into a central office and outsourcing several of those permitting functions, saving an estimated \$800,000.

It should also be noted that the recommendation above to place all policymakers in the Executive Office would also help lighten the department's budgetary burden.

Our recommendations do not adversely impact hazardous waste cleanup, the various bureaus within the department, etc.

Any reduction in employment levels should avoid incurring future costs through early retirement incentives and other cost shifting onto the state's pension burden.

Notwithstanding the strong recent leadership of the Department of Fish and Game, the relative small size of the agency creates duplication and allows continued friction among various agendas of the environmental secretariat. Conflicting agendas within the secretariat are particularly apparent as regards fish farming, beach re-nourishment, and land protection, but it encompasses many other issues. Moreover, the divisions (Fisheries and Wildlife, and Marine Fisheries) within DFG are strong vehicles for advancing individual agendas. We recommend consolidating the office of the Commissioner with that of the Commissioner of Agricultural Resources to create a single Department of Fisheries, Wildlife and Agriculture. A consolidation will save an estimated \$400,000 because of reduced legal, human resource, and other support staff. In addition, we recommend ending the Riverways Program, but saving only \$150,000 from this action. Instead of agency personnel, the remaining \$500,000 could be granted to watershed associations across the state from the Secretary's already existing grantmaking operations, provided that clear goals and accountability are in place for the grantee organizations. Finally, in a time of fiscal restraint, it does not make sense to spend the Commonwealth's revenues on advancing recreational fishing, with the exception of routine stocking of fishing areas.

The consolidation of DFG and DAR will also result in an estimated \$400,000 savings for DAR. We also recommend that the Agricultural Innovation Center can be eliminated, as the business of farming is probably best left in the hands of farmers.

A wide array of the department's programs have not been touched, including other farm support programs, pesticide-related activities and the emergency food assistance program.

The Department of Conservation and Recreation is most harmed by the Legislature's penchant for stuffing it with earmarks. A quick review of line items 2800-0100, -0101, -0500, -0700, -9004 and 2810-0100 shows \$4.7 million in earmarks. This practice continues notwithstanding the agency's well-understood need for stronger management and the adoption of business practices, such as managing its resources and facilities on the basis of life-cycle analyses and solid project management. In a time of fiscal difficulty, it may be important to provide quality facilities for youth and other users. That said, it is not a high priority for the department to provide funding for a youth all-star band or even peer-led youth recreation and interpretive programs (see line item 2810-0200). Moreover, earmarking money for these purposes undermines the agency's ability to manage itself. Though these savings are already included above in the Miscellaneous Sensible Budget Actions section, under Earmarks, it is worth reiterating our point regarding earmarks.

We recommend additional DCR savings be achieved by finally giving MassHighway maintenance and snow removal responsibility for parkways, boulevards, roadways, and bridges. A significant amount of the 2820-0100 and -2000 line items in the DCR budget would have to be transferred to EOT/MassHighway, though DCR would retain goal-setting and evaluation to ensure that the agency's environmental principles are achieved. Savings on the order of \$2 million dollar are likely from efficiencies gained. Improved service is an additional benefit. (See Appendix 6)

Early Education & Care: \$12.1 million

We are suggesting minor cuts to Early Education. We have left accreditation, regional coordination, the Children's Trust Fund, financial assistance, grants to head start, professional development, and much more intact. Our single recommendation is to eliminate funding for the Universal Pre-Kindergarten Program. We believe that this program is over-reaching in the current environment and that EEC should focus on incremental growth based on need.

It is worth noting that we have left untouched \$585.1 million in programs at EEC, including grants to early education providers for accreditation, local and regional administration and coordination, administration of the Children's Trust Fund, family stabilization-related education and care, financial assistance for families in or moving from transitional programs, income-eligible early education programs, head start, professional development, mental health consultations, and neo- and post-natal parenting education.

Education: \$12.08 million

The Executive Office: \$930,000

The cuts we recommend to the Executive Office of Education do not touch Chapter 70. They prioritize the many programs (perhaps too many programs) of the Executive Office of Education. We recommend the following cuts:

Eliminate the Office of the Secretary of Education. The Secretary of Education is a duplicative position and the cost of staffing this position was until 2007 unnecessary for great progress in our schools. It is all the more unnecessary now in a time of fiscal restraint, when more money belongs in our schools, not in central government offices. (\$932,092)

Department of Elementary & Secondary Education: \$11.15 million

This action should be taken with the goal of routinizing

and simplifying compliance through online tools, refocusing staff on policy, evaluation and technical support to districts. (\$3,356,009)

Additional savings can be achieved by:

- Eliminating the small program to help retain teachers, principals and superintendents. It is too small to have needed impact. (\$595,881)

Even as we seek to hold local aid harmless through this initial phase of cuts, we believe that the state should seek to shore up municipal finances through reform.

- Eliminating the small (\$19,076) line item for reimbursements to towns and cities for student admissions to a regional school district.
- Eliminating the very small grant program (\$400,000) assisting schools to lower class sizes.
- Eliminating teacher preparation funding (\$2,032,758) because it is too small to have real impact.
- Eliminating grants to Citizens Schools after school programs (\$550,000).
- Eliminating grants/subsidies for after-school and out-of-school programs (\$5,500,000).
- Eliminating the alternative education grant program (\$1,195,840).
- Eliminating the grant program for gifted and talented students, because it is too small for the level of impact needed (\$765,000).

The cuts we are suggesting are minimal and do not touch METCO, the BayState Reading Institute, certificates of occupational proficiency, matching grants for school-to-work programs, school-to-career connecting activities, English language acquisition professional development, institutional school expenses, kindergarten development grants, the John Silber early literacy program, Reading Recovery, adult basic education services, reimbursements to

regional school districts for student transportation, reimbursement to localities and districts for the transportation of nonresident students, the emergency food program, reimbursements for partial assistance in the furnishing of lunch to students, the school breakfast program, Chapter 70 and 76 school aid, a reserve to assist (regional, distressed and military reservation) schools, the education technology program, student and school assessment (MCAS), student remediation grants, targeted intervention to schools and districts at risk of underperforming, concurrent enrollment programs for students with disabilities, the school of excellence program at Worcester Polytechnic Institute, the Benjamin Franklin Institute of Technology, Youth-Build programs, the Massachusetts Service Alliance, teacher content training in math and science, and the Bullying Prevention Program.

Furthermore, it is worth noting that we are recommending an increase in line item 7061-9411 for the creation of leadership academies for superintendents and principals by \$3.5 million. This is a program that is in the spirit of giving district schools the flexibility currently provided to charter schools. Though the Governor reduced this line item in his budget from \$2.5 million to \$1 million, we believe that it is crucial to education reform and giving district schools the ability to compete with charters and pilots, and also with an eye to ensuring that the reforms included in the Education Reform Act of 1993 begin to move again. (See Appendix 7)

Planning for Year 2 Savings

In addition to the current fiscal year savings outlined above, we also believe, as the current fiscal crisis is likely to have an impact on state revenue beyond the current fiscal year, that the Commonwealth needs to start planning for FY 2010 and outline potential longer-term savings that can be achieved by reforming the way the Commonwealth does business.

Repeal the Pacheco Law: We should maximize the effectiveness of state dollars by repealing the Pacheco Law and re-introducing competition. The law, enacted

in 1993, stopped the state's attempt to achieve faster, better, and cheaper delivery of state services through outsourcing, lease arrangements, and outright privatization. At a time when more citizens are vulnerable and services for the poor are threatened, we cannot justify continuation of this law's politically motivated obstruction. State governments across the country have benefited by combining the savings and enhanced quality that can result from opening public service delivery to competition with robust state oversight. The cost of taking the politically easy road has been high, and as a result, the quality of state services can often be sub-par. Even the most rudimentary review of programs where such actions would make sense demonstrates that reform of the Pacheco Law could easily save the Commonwealth \$45 million. These savings, however, would take time to achieve, as effective implementation in each case requires planning and forethought.

In calculating savings, we have taken the lower end of the spectrum of estimates provided by experts. Savings estimates usually range from 10 to 40 percent; we have kept our savings assumption at a reasonable 20 percent. (See Appendix 8)

We should maximize the effectiveness of state dollars by repealing the Pacheco Law and re-introducing competition.

Buttressing Local Aid

In addition to the emergency and line-item cuts outlined above, there are reforms the state can undertake to provide cities and towns in-kind aid. Currently, the state provides municipalities with \$5 billion in local aid (\$3.3 billion in Chapter 70 and \$1.7 billion in non-education aid). Even as we seek to hold local aid harmless through this initial phase of cuts, we believe that the state should seek to shore up municipal finances through reform. The Commonwealth can in fact decrease the need for additional aid by reducing the impact of state

Hard Decisions, Needed Leadership

mandates on cities and towns, and provide local leaders with an infusion of in-kind money that will allow them to manage more effectively.

For example, the following actions would reduce local aid needs by \$250 million:

- All but four of the over 100 locally managed pension funds in the state underperformed the Pension Retirement Investment Trust (PRIT) in the last decade. By consolidating into PRIT, localities can reduce the amount that they have to contribute to cover their unfunded liabilities.
- The executive authority of a municipality, either the mayor or town manager, should have the right to bring their public employees into the Group Insurance Commission. This would allow municipalities to decide whether inclusion in the GIC would benefit their communities. Pioneer has been supportive of the existing process but recognizes that the fiscal crisis demands decisive action to give public sector managers necessary tools to control costs.
- Other mandates, including the elimination of prevailing wage requirements, could save millions of dollars.

Reduce public employment workforce, specific programs or agencies	
Consolidate the inefficient small, local pension funds. Offer as an in-kind way to increase state aid to localities.	\$160.00
Give authority to the city's chief executive to bring their local employees into the Group Insurance Commission	\$80.00
Other state mandates on localities	\$10.00
Total	\$250.00

Appendix 1

Exec. Office	Area/Agency	Savings (in millions)
	Judiciary	\$38.1
	Executive	\$3.6
	State Auditor & Inspector General (combined)	\$1.6
Administration & Finance	Civil Service and HR Division	\$2.38
	George Fingold Library	\$1.29
	Reserves	\$7.68
Environmental Affairs	Office of the Secretary	\$2.6
	Dept. of Environmental Protection	\$0.8
	Dept. of Fish and Game	\$1.2
	Dept. of Agricultural Resources	\$1.9
	Dept. of Conservation and Recreation	\$2.0
Early Childhood Education		\$12.1
Education	Office of the Secretary	\$0.93
	Dept. of Elementary and Secondary Education	\$11.15
Total		\$87.33

Appendix 2

Miscellaneous Sensible Budget Actions	Savings
(1108-5200 and -5500) Executive Office for Administration and Finance/ Group Insurance Commission. Increase the match paid by state employees participating in the programs of the GIC to more closely match the average paid by citizens across Massachusetts. Employees earning less than \$35,000 would contribute 15 percent; those making \$35,000 to \$50,000 would contribute 20 percent. All others would contribute 25 percent.	\$51.0
Earmarks. There are 829 earmarks in the budget. Some of them are difficult to cut, such as rate adjustments to Medicaid. But removing those earmarks that are inconsistent with the mission and immediate priorities of the relevant agency would result in considerable savings.	\$40.0
Prevailing wage requirements. Eliminate prevailing wage requirements on public construction projects and other state work.	\$30.0
(1231-1000) Environment. Sewer rate payments affect a large number of citizens in the Commonwealth, yet we only subsidize those ratepayers in the MWRA. While it is important to the MWRA communities, it cannot be counted as a priority for all of the citizens of Massachusetts.	\$20.0
Public Safety. The Quinn Bill, which provides incentives to police officers to seek career advancement, should become less of a priority in the current fiscal difficulties we face.	\$50.2
Massachusetts Commission Against Discrimination. Consolidate MCAD into the Attorney General's Office or require Alternative Dispute resolutions.	\$1.0
Total	\$192.2

Appendix 3

JUDICIARY.		Savings
<i>Supreme Judicial Court.</i>		
320-03	Savings based on cost of filings, by implementing staff distribution, case management and other reforms.	\$20.0
0339-1003	For the operation of the trial court office of community corrections, including the costs of personnel; provided, that no funds shall be expended from this item to cover the costs of building leases	\$7.8
0339-1004	For the cost of intensive supervision and community corrections programs.	\$10.3
Total		\$38.1

Appendix 4

EXECUTIVE		Savings
0411-1002	For a contract with the Massachusetts Service Alliance to operate the Commonwealth Corps program	\$3.0
0411-1003	For costs associated with maintaining and enhancing the Commonwealth's Washington, DC office for the purpose of better coordinating awll activities and programs that receive or may potentially receive federal funds or are regulated by federal agencies	\$0.25
0411-1005	For the operation of the office of the child advocate	\$0.3
Total		\$3.55

Appendix 5

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE.		Savings
Civil Service Commission.		
1108-1011	Abolish civil service commission and civil service.	\$0.54
Division of Human Resources.		
	Eliminate civil service.	\$1.73
1750-0111	For the planning and implementation of a civil service continuous testing program and the operation of the bypass appeals process program.	\$0.11
Total		\$2.38
George Fingold Library.		
1120	For the administration of the library.	\$1.27
1120-4006	The George Fingold Library may expend revenues collected up to a maximum of \$20,000 from the fees charged for copying services; provided, that the Library shall submit a report that details revenue collected and expenditures made to the house and senate committees on ways and means on or before January 1, 2009	\$0.02
Total		\$1.29
Reserves.		
1599-0042	For a reserve to improve the quality of the Commonwealth's early education and care system.	\$5.00
1599-0045	For a capital projects reserve; provided, that not less than \$1,000,000 shall be expended to assist the YMCA of Greater Boston on capital projects approved by the board of directors of the YMCA; and provided further, that not less than \$500,000 shall be expended for the United Teen Equality Center in Lowell	\$1.50
1599-2009	For a reserve for Hale Hospital in the city of Haverhill	1.00
1599-3234	For the Commonwealth's South Essex sewerage district debt service assessment	\$0.90
1599-3857	For capital lease payments from the University of Massachusetts to the Massachusetts Development Finance Agency and for annual operations of the advanced technology and manufacturing center in Fall River	\$1.58
1599-6901	For a reserve to adjust the wages, compensation or salary and associated employee-related costs to personnel earning less than \$40,000 in annual compensation who are employed by private human service providers that deliver human and social services under contracts with departments within the executive office of health and human services and the executive office of elder affairs. Increase funding.	-\$5.00
1599-7104	For a reserve for the facilities costs associated with the college of visual and performing arts at the University of Massachusetts at Dartmouth; provided, that funds may be expended for Bristol Community College	\$2.70
Total		\$7.68

Appendix 6

EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS		Savings
<i>Office of the Secretary.</i>		
2000-0100	For the operation of the office of the secretary of energy and environmental affairs.	\$0.60
2010-0100	For recycling and related purposes consistent with the recycling plan of the solid waste master plan which includes municipal equipment.	\$1.21
2010-0200	For redemption centers.	\$0.55
2030-1004	For environmental police private details.	\$0.25
	Total	\$2.61
<i>Department of Environmental Protection.</i>		
2200-0100	For the operation of the department of environmental protection, including the environmental strike force, the office of environmental results and strategic planning, the bureau of resource protection, the Senator William X. Wall experimental station, and a contract with the University of Massachusetts for environmental research.	\$0.80
	Total	\$0.80
<i>Department of Fish and Game.</i>		
2300-0100	For the office of the commissioner. [Consolidate: 50% budget savings]	\$0.40
2300-0101	For a program of riverways protection.	\$0.15
2330-0120	For the division of marine fisheries for a program of enhancement and development of marine recreational fishing and related programs and activities.	\$0.61
	Total	\$1.16
<i>Department of Agricultural Resources.</i>		
	Consolidate the office of the Commissioner with that of DFG.	\$0.40
2511-2000	For the Agricultural Innovation Center.	\$1.50
		\$1.90
<i>Department of Conservation and Recreation.</i>		
2820-0100	For the administration, operation and maintenance of the division of urban parks and recreation, including for the maintenance, operation and related costs of the parkways, boulevards, roadways, bridges and related appurtenances under the care, custody and control of the division, flood control activities of the division.	\$2.00
	Total	\$2.00

Appendix 7

EXECUTIVE OFFICE OF EDUCATION.		Savings
<i>Office of the Secretary of Education.</i>		
7009-6379	For the operation of the office of the secretary of education.	\$0.93
<i>Department of Elementary and Secondary Education.</i>		
7010-0005	For the operation of the department of elementary and secondary education. Reduce the personnel of DESE with a focus on routinizing compliance with online tools, and refocusing staff on policy, evaluation, and technical support to districts.	\$3.36
7010-0216	For the teacher, principal, and superintendent retention programs established in sections 19B, 19C, and 19E of chapter 15A of the General Laws. Remove, as the program is too small to have impact.	\$0.60
7052-0006	For grants and reimbursements to cities, towns, regional school districts and counties previously approved by the department of elementary and secondary education under chapter 645 of the acts of 1948 and chapter 70B of the General Laws for payments associated with admission to a regional school district	\$0.19
7061-0222	For grants issued by the department of elementary and secondary education on a competitive basis to school departments for targeted intervention for the purpose of establishing low-class size classrooms in grades K-3, starting in FY09 with kindergarten, to assist the schools in improving their performance and to establish the efficacy of such a program in reducing gaps in achievement between at-risk and other children. Remove as the funding is low and we need to get right what we are doing first.	\$0.40
7061-9411	For the creation of leadership academies for principals and superintendents; with the training focused on expanding and increasing the capacity of the principal or superintendent to be an instructional and educational leader, on effective personnel evaluation, curriculum development, and aligning the district and school curriculum with the Massachusetts curriculum frameworks, school based management skills, and distributed leadership, data analysis skills that enhance the capacity of the principal or superintendent to use student achievement data to drive instructional change, and techniques for developing collaborative relationships with parents and community organizations. Increase funding.	-\$3.50
7061-9604	For teacher preparations; and provided further, that not more than \$70,000 shall be expended for the Sea Education Association programs for teachers	\$2.03
7061-9610	For matching grants of \$1,000 per enrolled child to Citizen Schools afterschool learning programs for middle school children across the commonwealth .	\$0.55
7061-9611	For grants or subsidies for after-school and out-of-school programs.	\$5.55
7061-9614	For the alternative education grant program established pursuant to section 1N of chapter 69 of the General Laws.	\$1.20
7061-9621	For the administration of a grant program for gifted and talented school children.	\$0.77
Total		\$12.08

Appendix 8

Repeal the Pacheco Law: Better service for less		Savings
1102-	EOAF: Division of Capital Asset Management and Maintenance	3.60
1102-	EOAF: Bureau of State Office Buildings	3.30
1201-100	EOAF: Department of Revenue. For the operation of the department of revenue, including tax collection administration and audits of certain foreign corporations.	\$19.00
1201-160	EOAF: For the child support enforcement unit; provided, that the department may allocate funds appropriated herein to the department of state police, the district courts, the probate and family courts, the district attorneys and other state agencies for the performance of certain child support enforcement activities, and that those agencies may expend the funds for the purposes of this item.	\$10.00
1201-164	EOAF: For the child support enforcement division.	\$1.00
1103-	The Operational Services Division.	\$0.80
2820-4420	For the operation and maintenance of the Ponkapoag golf course. Sell asset and zero out budget.	\$1.10
2820-4421	For the operation and maintenance of the Leo J. Martin golf course. Sell asset and zero out budget.	\$1.10
	Put DCR's skating rinks out to long-term lease.	\$2.80
	Public Safety. Privatize most of the activities and inspectional services of the Department of Public Safety, reducing the budget from \$10 million to \$8 million. Specifically, \$1 million would be for oversight staff, and \$7 million for the inspectional contracts and for training local and private building code officials.	\$2.00
Total		\$44.70