

ML Strategies Alert

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## Massachusetts Senate Approves \$32.4 Billion Budget

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The Massachusetts Senate last week approved a \$32.4 billion FY2013 budget. The final vote followed consideration of 694 amendments that covered myriad issues impacting several industries, including health care, energy and environment, transportation, education, and economic development.

In addition to its general spending proposals, the Senate adopted numerous amendments that set its budget apart from the House's plan, which passed in late April, as well as the Governor's. A six-member conference committee will soon be appointed to try to reach agreement on a final budget by the July 1 start of the new fiscal year. For more information about the budget proposals and budget process, see our previous MLS Alert on the subject.

## **Senate Amendment Highlights**

The Senate budget issues that garnered the most attention and debate include the following actions:

- Establishes a commission to develop recommendations for promoting recycling and reducing the generation of solid waste, an amendment that followed spirited debate that contemplated the expansion of the state's bottle redemption law;
- A requirement that employers comply with new verification checks on workers' legal status;
- The imposition of checks on executive compensation at mutual holding companies;
- Rejected attempts to alter the state's so-called Gift Ban Law, a rule that bans pharmaceutical
  and medical device manufacturers from the giving of gifts and other items of value to health
  care providers. The House budget repeals major provisions of that law;
- An initiative that would provide consumers with access to cost-saving prescription discount
  programs when purchasing their prescription drugs. Massachusetts is currently the only state
  in the nation to forbid this practice.
- Allocates \$5M to the Community Preservation Trust Fund, which targets preserving open space and assisting historic rehabilitation projects;
- Increases the number of beds at Taunton Hospital and establishes a plan to study the state's
  mental health system, a move that puts the Senate at odds with Governor Deval Patrick's
  plan to close the hospital; and
- Permits up to seven hotels and 2,500 rooms in the South Boston waterfront district.
- Redefined "conviction" for purposes of drunk driving law to include those who submit to sufficient facts for a guilty finding. Referral to an alcohol or drug treatment program would be considered a first offense in cases of breath test refusal. The amendment was filed in response to the recent ruling of the Supreme Judicial Court that held that "continuance"

without a finding" resolutions in cases against certain defendants accused of operating under the influence are not considered convictions under Melanie's Law and therefore would not trigger increased license revocation penalties for repeat drunk drivers intended under the law.

ML Strategies will continue to monitor the budget process, including the anticipated conference committee, and report on the final FY2013 budget.

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