



SMART GROWTH AND REGIONAL COLLABORATION

FACT SHEET: AN ACT TO SUSTAIN COMMUNITY PRESERVATION REVENUE

Senator Cynthia Stone Creem (S.1504), Representative Stephen Kulik and Representative Kevin Honan (H.2615)

PURPOSE OF THIS BILL

Under the Community Preservation Act, following the approval of a local ballot initiative, communities impose a 1% to 3% surcharge on property tax bills to fund projects in the areas of historic preservation, open space, recreation and affordable housing. The communities receive a matching contribution from the Commonwealth's CPA trust fund based on the amount of funds raised locally. To fund the CPA trust fund, Massachusetts imposes a \$20 Registry of Deeds filing fee. As the popularity of the CPA grows, the matching contribution decreases. From 2002-2007, communities received 100% matching funds from the CPA trust. This year, the match is under 21%, which is lowest since the program's inception. The trust fund matching rate is likely to fall even more dramatically with the addition of Boston, Springfield, Pittsfield, and eight other municipalities who voted to pass this ballot initiative last year.

WHAT THIS LEGISLATION DOES

- This legislation proposes a one-time fee adjustment so that the annual revenue in the trust fund will support at least a 50% match for CPA communities
- The Department of Revenue is charged with calculating what the fee would need to be to ensure the 50% match.

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