

New England Updates

Third Quarter 2005

by Ricardo Borgos

Across the Region

New Hampshire ranks first in the nation for measures of child well-being, as indicated in the Kids Count report published by the Annie E. Casey Foundation. The report, released in July, ranks states in 10 categories. Connecticut, Maine, Massachusetts, and Vermont also ranked in the top eleven states. Rhode Island, in the 22nd place, had higher rates than the rest of the region for low birth-weight babies; infant mortality; teen births; teens not attending school and not working; children with no parent in full-time, year-round employment; children in single-parent households; and children living in poverty.

The Current Population Report, released by the U.S. Census Bureau in August, shows that state poverty rates in New England are lower than the national average, with New Hampshire having the lowest percentage of people living in poverty in the nation. The national average for 2003 to 2004 was 12.6 percent. The average for Connecticut was 9.1 percent; Maine, 11.6 percent; Massachusetts, 9.7 percent; New Hampshire, 5.6 percent; Rhode Island, 11.5 percent; and Vermont, 8.2 percent. The Census Bureau report also indicates that the percentage of Americans without health insurance averaged 15.7 percent for the same period, while the percentages for New England states ranged from 10.2 percent in Maine to 11.2 percent in Massachusetts.

New federal credit-reporting legislation that took effect on September 1, 2005, requires each of the three major credit reporting agencies (Equifax, Experian, and TransUnion) to supply consumers with one free credit report per year. Residents can request their reports by going to <https://www.annualcreditreport.com/cra/index.jsp>, by calling (877) 322-8228, or by sending a written request to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281.

State Highlights

CT Connecticut

Governor M. Jodi Rell signed legislation in July allocating \$6.5 million for each of four programs: farmland preservation, open-space acquisition, historic preservation, and affordable housing. The act mandates that \$500,000 of the money earmarked for agriculture must go toward developing markets for farm products, state acquisitions of farmland, and town preservation of land for farming, recreation, or open space.

In July, Connecticut lawmakers asked local governments to refrain from seizing property for private development until the state decides whether it will place limits on eminent domain powers.

Although the U.S. Supreme Court ruled in June that the city of New London could seize homes in Fort Trumbull to build a privately owned hotel and office space, the court also said states are free to limit such powers. The New London agency responsible for developing the Fort Trumbull property has agreed to hold off construction plans until the state makes its ruling.

ME Maine

A community-based coalition, led by the Island Institute, announced in July that it will create a public database of how land is being used along the state's coastline. The survey will provide a baseline assessment of how waterfront uses are changing; it is intended to aid in efforts to protect waterfront access. The study's preliminary findings will be included in a book on waterfront issues that the Institute is publishing this fall.

In September, the U.S. Department of Justice awarded nearly \$3 million in grants to several state agencies. Two grants are related to community and economic development: Volunteers of America in Brunswick received \$99,988 for the investigation, prosecution, and prevention of violent crime and drug offenses in public and low-income housing; the Penquis Community Action Program received \$500,668 for programs that support legal services for victims of violent crimes.

MA Massachusetts

Lieutenant Governor Kerry Healey signed a \$200 million bond bill in July to fund two affordable housing programs in the commonwealth. Over the next five years, the bill will provide \$100 million for the Affordable Housing Trust Fund and \$100 million for the Housing Stabilization Fund. Both programs are managed by the Office for Commonwealth Development, which coordinates capital-spending programs that affect development patterns.

Governor Mitt Romney announced the Green Communities Initiative in July to build affordable housing that adheres to smart growth principles. Several organizations will make available \$209 million worth of incentives to build 1,000 new environmentally friendly homes in Massachusetts. MassHousing will provide approximately \$125 million in mortgage financing. Enterprise Foundation will provide up to \$75 million in private equity to developers from the sale of low-income housing tax credits as well as up to \$500,000 in grants and loans for the predevelopment, acquisition, and construction of projects that meet the "green" building criteria.

In July, MassDevelopment and Cape & Islands Community Development teamed up to offer low-interest loans to the state's shellfish farmers to help them recover from losses associated with the Red Tide epidemic. Shellfish farmers were not eligible for the U.S. Small Business Administration's relief program because they are considered farmers, not shell fishermen.

NH New Hampshire

In July, Governor John Lynch signed into law a bill that, in his words, repeals the "most onerous provisions of SB 110." SB 110 governs health insurance for businesses with 50 or fewer employees. Insurers in the state can no longer set premiums on the basis of a business's location or

the health of its workers. The new law also limits premium increases to no more than 20 percent per year, with exceptions for inflation. At the same time, it requires all companies to contribute to a pool for people with high medical costs.

In August, the board of directors of the New Hampshire Housing Finance Authority approved reserving federal housing tax credits for two housing developments in Laconia and Concord that will add 86 new affordable rental units to the state's supply. The Board also approved permanent financing for the development of a project that will provide 33 senior housing units in the Monadnock area.

RI Rhode Island

Governor Donald L. Carcieri announced in September that he had appointed the first director of adult education for the state, Johan Uvin. The governor also awarded nearly \$4 million in grants to 23 community organizations for the support of basic education and literacy programs for adults. The 23 agencies receiving the grants represent all areas of the state and all aspects of adult education.

In August, the Rhode Island Economic Development Corporation announced it had earmarked \$500,000 for its Micro-Business Emerging Growth Fund, a pilot program intended to aid small businesses with growth-related costs. Through the micro-business fund, businesses will be eligible for fixed-rate loans ranging from \$5,000 to \$50,000, with terms lasting up to five years.

A study released in September by the Poverty Institute at Rhode Island College says that the wage gap in the state is growing because of stagnant wages and rising housing costs. According to the Institute, wages for workers in the top income bracket have grown 46 percent since 1979. Workers in the bottom income bracket saw their wages increase only 2 percent. The study adds that Rhode Island is the only New England state with no increase in its real median wage from 2000 to 2004, yet home prices nearly doubled in that time. The Institute also points out that the state leads the region in child poverty and is second only to Maine in its percentage of poor working families.

VT Vermont

Governor Jim Douglas signed a pair of bills in June dealing with agricultural issues. The Agricultural Economic Development bill gives the Vermont Agency of Agriculture, Food & Markets the tools to study and develop technology-based agricultural alternatives for Vermont's dairy industry, livestock farms, and other agricultural sectors. The Water Quality Act makes several key additions to Vermont's 2004 Medium Farm Operations (MFO) law. Among the most critical changes is the addition of groundwater to the list of protected waters. The law also implements several funding sources to help farms comply with MFO provisions and "accepted agricultural practices."

In July, Governor Jim Douglas announced nearly \$1.3 million in Vermont Community Development Program grants. The grants are expected to leverage \$19 million more in resources and to benefit communities across the state. Previous grants leveraged investments through activities such as job creation, housing rehabilitation, and the creation of day-care centers.

Federal officials from the U.S. Department of Housing and Urban Development (HUD) said they came away from their September review of the Winooski Downtown Redevelopment Project impressed with the state administration's oversight of its largest-ever downtown revitalization effort. Taylor Caswell, HUD's New England regional director said, "It is especially impressive because at the time of approval, the city had no capacity to manage such a large and complex project." The federal officials have asked if Governor Douglas' team would provide guidance to other states on how to implement similar procedures.

Sources

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