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Fall River's lightning rod

Mayor Jasiel Correia should be riding high, but these are trying times



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EDITOR Bruce Mohl
bmohl@massinc.org | 617.224.1705

EXECUTIVE EDITOR Michael Jonas
mjonas@massinc.org | 617.224.1624

SENIOR INVESTIGATIVE REPORTER Jack Sullivan
jsullivan@massinc.org | 617.224.1623

ART DIRECTOR Heather Hartshorn

CONTRIBUTING WRITERS Ted Siefer, Linda Enerson,
Dave Denison, Colman M. Herman, Phil Primack,
Robert David Sullivan

WASHINGTON CORRESPONDENT Shawn Zeller

PUBLISHER Gregory Torres
gtorres@massinc.org | 617.224.1703

SPONSORSHIP, ADVERTISING & CIRCULATION Caroline Palmer
cpalmer@massinc.org | 617.224.1645

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noun. com·mon·wealth. \ˈkā-men-welth \

a nation, state, or other political unit:
such as

a : one founded on law and united
by compact or tacit agreement of
the people for the common good

b : one in which supreme authority
is vested in the people

c : republic

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DATA-DRIVEN INSIGHT

We need your feedback

THIS ISSUE CAME together much like past issues. We came up with our story ideas and reported them out. We recruited freelancers to research and write other stories. And we assigned photographers to take pictures. We spent a lot of time putting the magazine together while continuing to write stories for the *CommonWealth* website, and producing the digital Daily Download, Back Story, and Upload.

I liked how the print magazine turned out. The story on Fall River Mayor Jasiel Correia is a great read. The Conversation with three of the MBTA's younger leaders offers a glimpse inside an organization trying to shake off its stodgy image. Our report on how the benefits of the film tax credit are not distributed equally around the state—and instead flow primarily to Greater Boston—should prompt an interesting public policy debate. And our feature on stormwater pollution, and the fees municipalities are starting to impose to deal with it, offers hints at how cities and towns may deal with climate change and other environmental concerns in the future.

Still, the print magazine is a very heavy lift for a small staff, and sometimes it feels like we're reaching a breaking point. The heavy workload has prompted an internal conversation here about whether we should keep publishing the quarterly print magazine or whether we should focus our time and resources on the magazine website and its popular digital products.

Everyone has an opinion. Some feel the print magazine is a part of *CommonWealth's* brand, and we should keep publishing it to be true to our mission. Some say the print magazine is what is distinctive about *CommonWealth*, and to abandon it would be the equivalent of giving up our soul. Some just like reading a print magazine, and like checking out the cover.

The other point of view is that print publications are slowly dying as news and analysis gravitates online. In

many ways, *CommonWealth* illustrates this trend. The magazine started out more than 20 years ago as a quarterly print publication. But with the growth of the internet we launched a magazine website in 2009 with grants from the Knight and Boston foundations. Since launching the website, MassINC has made sizable, regular investments in *CommonWealth's* digital platforms from our operating budget and attracted a significant and growing following online. Today, most of our readers read us online.

In trying to decide whether to continue publishing the print magazine, two issues are paramount. The first is the opportunity cost of producing the print magazine and what could be done with the staff time devoted to the print publication if it were redeployed online. Basically, we would have more time to do what we do best—report and analyze the news. The second is that the significant financial resources we invest in preparing, printing, and mailing out the magazine would be saved and could be invested in journalists and the website.

Also, we could take the most distinctive and important elements of the print magazine and continue publishing them online. It may make sense to keep up the quarterly schedule, publishing a slimmed-down online magazine every three months featuring a cover, our distinctive in-depth articles, and the Conversation.

These are some of the issues we're struggling with. But we could use your help in making this decision. We know who receives a copy of the print magazine, but we don't know how many actually read it anymore. Which is why I'm inviting you to send your email address to me (at bmohl@massinc.org) so we can include you in an online survey asking your thoughts. Feel free to share your thoughts directly with me if you want. Please help us figure out the right course to take.



BRUCE MOHL

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Inspirational talks are not cheap

Ex-NBA superstar Kareem Abdul-Jabbar gave a speech at Bunker Hill Community College last October — not on how to shoot his patented skyhook, but on the weighty subject of “Islam: Misrepresented, Misunderstood, and Maligned in the United States.”

The speech was part of a series that is designed to serve as inspiration for Bunker Hill students. But the inspiration didn't come cheap. The school paid Abdul-Jabbar a speaker's fee of \$55,000, which is about three times what the college's 12,296 students pay to attend Bunker Hill for a year.

Pam Eddinger, the president of Bunker Hill, says all of the speakers in the series have experienced poverty or faced some sort of cultural challenge, and managed to rise above it. “If I only look at the dollars, it is a huge amount,” she says. “But it is all part of building a community climate that leads to a certain type of community culture.”

The fee paid to Abdul-Jabbar was the highest to any speaker in the series. Some of the better-known speakers have included Tavis Smiley, the former PBS talk-show host (\$30,000); ABC reporter John Quiñones (\$27,500); political activist Angela Davis (\$25,000); actress Marlee Matlin (\$21,000); and Jerry Greenfield, co-founder of Ben and Jerry's (\$15,000).

Over the last three years, Bunker Hill has spent about \$136,000 a year on various speaker series with similar themes. The average fee of the speakers has been \$16,000 over the last three years.

Students pay nothing to attend the talks.

► COLMAN M. HERMAN

Lottery winners not getting full prize value

► JACK SULLIVAN

THE WINNERS OF two second-chance drawings offered by the Massachusetts Lottery are getting shortchanged, collecting merchandise worth far less than what they were promised.

Second-chance games do what the name implies, give losing instant ticket holders the opportunity to win in a second drawing that offers money prizes as well as “pick your prize” packages worth 35,000 points that can be exchanged in a virtual store for merchandise that is supposed to be worth \$548.

But an analysis of the merchandise that can be purchased with 35,000 points suggests the real value, based on comparison shopping at online retail outlets, is about \$260, less than half of what winners were promised.

A spokesman for the Lottery said the agency contracts with Georgia-based MDI Entertainment, a division of longtime Lottery vendor Scientific Games, to provide a prize package worth \$548 and it is up to MDI to fulfill the claim.

Susan Cartwright, vice president for corporate communications at Scientific Games, says in a statement that the prize value doesn't add up to \$548 because of costs the company incurs and because the estimated value is based on the manufacturers' recommended price.

“The value of the items in the online prize store is based on the manufacturers' suggested retail price plus the cost of shipping and handling, along with significant value-added services such as prize fulfillment, web-site services, promotional support, licensing fees, customer service, and inventory management, including the management of all prize points,” says Cartwright.

Lottery spokesman Christian Teja says the agency will investigate. “The Lottery doesn't purchase individual prize store items,” he says in an email. “Payment for these prizes is invoiced to the Lottery as they are fulfilled by MDI... If MDI is not fulfilling its contractual obligations, the Lottery will address that directly with them.”

The Lottery has paid MDI more than \$3.7 million for 6,788 pick-your-prize packages so far, with another \$5.1 million available for prize claims. All told, there are 16,000 “pick your prize” winners, 8,000 in each game.

The two second-chance drawings are associated with the Monopoly Jackpot and World Poker Tour instant games with five drawings in each game until the tickets are sold out. Most winners receive cash prizes ranging in size from \$100 to \$200,000, but some winners are allotted 35,000 “points” that they can spend in an online prize store. The 1,600 winners in each drawing can select a single prize for all 35,000 points or they can select multiple items that add up to no more than 35,000 points.

Either way, the value of the redeemed merchandise is supposed to come to about \$548 and winners are not told the value of their prize includes management inventory control, marketing, customer service, website design and operation, and other services Cartwright cites.

The items in the online store include a variety of home, sports, jewelry, and entertainment goods, many of which are out-of-date and all of which have a retail value that doesn't come close to what the point allocation infers. The store and the merchandise are, in essence, the virtual equivalent of the old Building 19—good stuff cheap, but mostly overstock and salvage.

For instance, a Cuisinart Convection Microwave Oven & Grill listed for the full 35,000 points has a retail value of between \$175 on Amazon to \$249 at Bed Bath & Beyond. The model being offered at the second-chance prize store was first manufactured in 2003 and many retailers no longer carry it.

A Dewalt 12V Max Li-Ion 4-Tool Combo Kit, also valued at 35,000 points, is available for about \$250 at Amazon, Home Depot, and Lowe's.

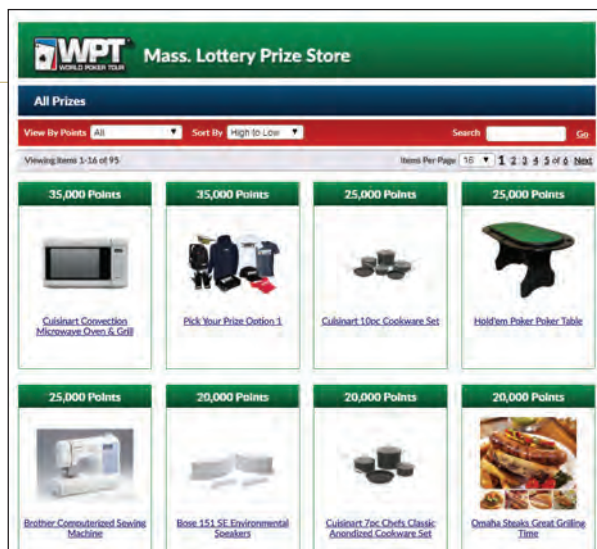
Trying to cobble together a combination of items for 35,000 points yields similar results. A Brother Computerized Project Runway Limited Edition Sewing Machine is valued at 25,000 points, which should prorate to about 70 percent, or \$390 of the \$548 prize. But the machine can be purchased for about \$160 at various outlets, including Walmart.

For the remainder of the 10,000 points, the options include items such as a Black & Decker Flex Cordless Canister Vac (\$40-\$70); a Major League Baseball Leather Laptop Backpack (\$50-\$62); or WPT 500 Chip Count & KEM Card Set (\$90 only at the World Poker Tour website). Winners could also select several smaller items worth 5,000 points each that retail for less than \$30 for a total package of under \$240.

Of the more than 90 items available at the online store, most of which are available to winners of both games, the best chance at value comes with using 20,000 points on the Bose 151 SE Environment Outdoor Speakers, which retail at about \$278. The winner can then spend the remaining 15,000 points on Margaritaville Black Sand Headphones that cost about \$100, for a total prize package of \$378, which is still \$170 shy of the claimed value.

Most winners contacted by *CommonWealth* declined to comment, or chose to remain anonymous, though many admitted to being disappointed with the Lottery and the prizes. Ray Nicholas of Greenfield said he and his wife have won several times in previous second-chance drawings and said they were "disappointed" in the merchandise after comparing the cost of the items to what they could purchase online or at a retail store for much less money.

"It's not quite right," said Nicholas, a retired IT employee



of the Franklin County Sheriff Department. "I guess if you win something and didn't cost you anything more, people don't squawk about it but it's false advertising. That's not right. We're not happy we don't get the advertised value."

One MetroWest man, whose wife won two prizes in the most recent World Poker drawing, said he has won second chance prizes in other games in the past. In one game, he said, he won a ring the Lottery said was valued at \$400.

"I brought it to a jeweler and I couldn't get three bucks for it," groused the man, who did not want to be named. "It's a scam. They should give you cash even if it's less. I would gladly take a \$300 [payout] for it instead of 500 bucks in junk."

Not everyone is disappointed with the haul or focused on the value, though. Gary Anderson of South Dennis got three items with his prize package, including a box of meats from Omaha Steaks which made for a good cook-out. He said he knows the total of the items didn't add up to \$548—a *CommonWealth* calculation pegged it at about \$265—but he and his family got pleasure out of what they received because he didn't expect to win anyway.

"I was satisfied with what I got," Anderson said. "It was certainly good enough for me."

Amherst church is now his home

► LINDA ENERSON

ON THE VERGE of being deported last summer, Lucio Perez took sanctuary in the First Congregational Church in Amherst. He hasn't left since.

Perez is one of three people in Massachusetts and 20 nationwide who have sought sanctuary in churches to

avoid being deported. First Church is one of roughly 1,100 churches across the country that offer sanctuary to people facing deportation.

The sanctuary movement hinges on a policy drafted in the Obama administration that recognizes places of worship, hospitals, schools, and courtrooms as “sensitive locations,” and prohibits Immigration and Customs Enforcement (ICE) officials from seeking or detaining people there. All these restrictions could change at any moment.

“It’s not a law, it’s a policy and we’ve already seen erosion of that policy under Trump,” says Myrna Orozco, a



Lucio Perez

spokesperson for Church World Service, an interfaith organization that has spearheaded the sanctuary movement nationwide. In the original policy, Orozco says, courtrooms were considered safe spaces, “Now we’re seeing ICE going into the courts looking for people,” she

says. So far, ICE officials have respected the boundaries of churches, temples, and mosques.

Perez ended up at First Church after walking into his regularly scheduled meeting with immigration officials last summer. He was told to pack up, put his affairs in order, and say goodbye to his family and friends. He was booked on a one-way flight to Guatemala, his home country, in October. He knew that sanctuary was an option through his volunteer work as an advocate for undocumented immigrants, so, on the eve of his scheduled deportation, he moved his belongings into a room at the church.

Though he has been able to stay in the country by living at First Church, his life has been turned upside down. He had to give up his job at a local landscaping company. His wife and three children make several trips up to see him each week, but Perez misses being part of their daily lives. “It would have been ideal to go into sanctuary closer to home, but this church was open to me and I had to make some quick decisions,” he says through an interpreter.

His room in the church is spacious but simply furnished. A bed and desk nestle against the wall on one side of the room. A photo of him standing with US Sen. Edward Markey, who visited him earlier this year, sits on top of a dresser on the other side. A guitar provides a welcome diversion, and an exercise bicycle helps him maintain the fitness he achieved through physical, outdoor work at a landscaping company. Perez has access to the church kitchen, but cooks simple meals in his room. Pantry items line shelves behind a small microwave.

Aside from his family, the only people who have come looking for Perez at First Church have been commu-

nity supporters, journalists, and the occasional politician. Visits are coordinated through the Pioneer Valley Workers Center, the Northampton-based non-profit organization advocating on his behalf. Volunteers drive family members up from Springfield, making as many as 10 trips a week.

Monthly community potluck dinners at the church help lift his spirits. Andrea Schmid, an organizer at the Workers Center, says the events are also intended to build community support for Perez’s cause. “The idea is to show that he is part of our community,” she says. “If he is deported, you’ve taken out someone who is part of this community. It’s a loss for his family and for all of us.”

Perez entered the US illegally 20 years ago. “When I was growing up, we lived in fear,” he says. In addition to gang violence, which was commonplace, Perez says government officials came around in trucks to round up young men, ostensibly for military service. “My father would tell me, ‘Don’t go outside, it’s so dangerous, I don’t want you to get rounded up.’”

At 17, Perez made his way to the US border and hired a “coyote” to help him cross into Arizona. After being robbed and assaulted several times on his journey, Perez made his way to Delaware where his sister lives. His wife, who he married in Guatemala, followed him a few years later. Eventually, they moved to Springfield and started a family. He had hoped to reconnect with his father as well, but local hoodlums, who knew he had a son sending him money from America, robbed and beat him. After years of suffering and disability, his father passed away before Perez saw him again.

Rose Bookbinder, who directs the Workers Center, says the group is trying to raise the profile of Perez’s case in order to influence officials to grant him a “stay of removal,” with the rationale that he is raising a family in Massachusetts and has been a productive member of society here. Bookbinder says the center has reached out to Markey, Sen. Elizabeth Warren, and Rep. James McGovern for help.

Orozco says that the sanctuary movement has burgeoned over the past year to shelter people like Perez who may be forced to return to countries where their welfare is in danger. The number of churches, temples, and mosques stepping forward as sanctuaries has nearly tripled since Trump’s inauguration. Despite thousands of deportations, however, few people have opted for the isolation and confinement of living in a church.

The sudden loss of Perez’s income has been problematic for his family. He keeps in contact with his employer by phone and hopes to return to the job if he is allowed to stay in the country. In the meantime, church and community supporters cover his expenses. Any additional money

**‘IT’S
NOT A
LAW.’**

raised is given to his wife and children. The Workers Center organizes a Spanish class that Perez teaches in the church as an alternative income source, but so far that hasn't supplanted what he earned as a landscaper.

While he waits for news about his case, Perez looks forward to visits from his family and works with organizers from the Workers Center to publicize his plight. "I am working not just for myself, but for other people in similar situations," he says.

Lawmakers refuse to release records

► COLMAN M. HERMAN

THE LEGISLATURE, THE governor, and the judiciary are all exempt in one way or another from the state's Public Records Law, but the governor and the judiciary sometimes voluntarily comply with requests for information. By contrast, lawmakers take the view that their records are

off-limits to the public.

CommonWealth tested the willingness of officials from these three branches of government to voluntarily release information by asking for various records. Gov. Charlie Baker refused to provide the information, although he has honored requests in the past. Members of the judicial branch did provide the information requested, while insisting they were not required to do so.

Eight of Beacon Hill's most powerful lawmakers, including House Speaker Robert DeLeo and Senate President Harriette Chandler, refused to provide any of the requested records. DeLeo's office gave no reason for his refusal. Senate counsel Jennifer Grace Miller, responding on behalf of Chandler, said the records were not subject to the Public Records Law. Reminded that Chandler could still voluntarily release the documents, Miller said: "That's true, but we will not be providing them."

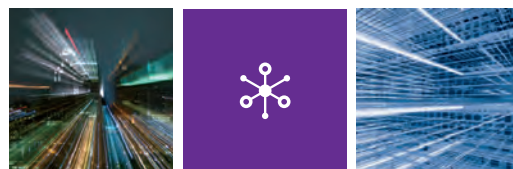
DeLeo and Chandler, along with House majority and minority leaders Ronald Mariano and Bradley Jones, Senate majority and minority leaders Cynthia Creem and Bruce Tarr, and House and Senate ways and means committee chairs Jeffrey Sanchez and Karen Spilka, were all asked for copies of their 2017 calendar and visitors log.

Two other Beacon Hill officials declined when asked

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for contracts lawmakers negotiated with private parties. Sen. Michael Rodrigues, the chair of the Senate Committee on Ethics, declined to provide a copy of the contract his committee signed with the Boston law firm of Hogan Lovells to investigate the conduct of former Senate president Stanley Rosenberg.

Likewise, James Kennedy, the House's chief legal counsel, declined to produce a copy of the contract the House negotiated with former attorney general Martha Coakley to assist in conducting an internal review of sexual harassment in the House.

Ralph Gants, the chief justice of the Supreme Judicial Court, was asked for copies of his calendar and his visitors log for 2017. Gants provided his public calendar, but said through his spokeswoman that he does not maintain a private calendar for meetings or a visitors log.

Commissioner of Probation Edward Dolan, Jury Commissioner Pamela Wood, and Court Administrator Jonathan Williams were asked for their expense records for a recent one-year period. They all provided the records, but their lawyers noted they were not required to do so.

Baker was asked for his expense records and his visitors log. Cathy Judd-Stein, his deputy chief legal counsel, refused to provide the expense records and said Baker

does not maintain a visitors log. She noted the governor responds to public records requests on a case-by-case basis, and has supplied public records in the past.

The Legislature passed and the governor signed a new public records law that went into effect in January 2017. It called for the creation of a special commission to recommend to the Legislature whether lawmakers, the judiciary, and the governor's office should be brought under the law's jurisdiction. The group has done little since it was formed over a year ago, meeting only once and missing the December 30, 2017, deadline for submitting a report.

An attempt by the Lawyers' Committee for Civil Rights and Economic Justice pushed a case to the Supreme Judicial Court in a bid to clarify whether the administrative components of the court are subject to the Public Records Law. That effort was derailed when the Trial Court voluntarily agreed to provide information on hiring.

Justin Silverman, executive director of the New England First Amendment Coalition, said the reach of the Public Records Law should be expanded to all parts of state government. "When it comes to transparency, we need more than just lip service from our government officials," Silverman says. "We simply can't trust officials to be forthcoming with information on their own."

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MBTA expansion means new maps

► BRUCE MOHL

THE MBTA IS starting to expand again, and that means the maps of the system need to change—which is not as simple as it sounds.

There are more than 500 maps in stations across the system and another 5,000 or so on rail cars and buses. The ones on rail cars and buses are fairly easy to switch out because they are basically stickers that can be applied directly to a wall. But the maps located inside stations take anywhere from a half-hour to an hour to replace because they are locked behind plastic.

Since replacing the station maps is such a time-consuming process, it's difficult to switch out all the maps at once. For the April 21 launch of Silver Line service between South Station and Chelsea, the T is replacing all of the maps in stations along the Silver Line as well as at key intersecting points with the Red and Blue lines.

For the rest of the system, the T is pasting decals showing the new Silver Line route onto the plastic covering the existing maps. The decals are cheap and take minutes to put on, which allows the T to have updated maps at all locations for the launch while allowing the agency to replace the actual maps over several months.

NEW MBTA MAPS

The new Silver Line route is the first time all the maps have been changed on the MBTA system since the Government Center station was rebuilt. The T replaced all the maps on the system in March 2014 when the Government Center station shut down, and it used decals two years later to show the station was open again and fully accessible.

Dominick Tribone, director of customer experience at the T, said the transit agency learned a lesson from the Government Center changeover—that using a decal to highlight an opening is risky because members of the public often pick at decals and take them off. “Learning from that process, we did it in reverse with the Silver Line,” he says.

The decals also came in handy when Wollaston Station on the Braintree branch of the Red Line shut down in January for 20 months of renovations. A sticker was pasted over the plastic coverings of station maps, showing how riders who normally would use Wollaston Station needed to take a shuttle bus to one of the adjacent stations to catch the Red Line. When the work on the station



Top, new MBTA map including Silver Line to Chelsea. Bottom, John Brady, Charlestown sheet metal worker, installing new map.

is completed, the decal can just be pulled off. Of course, bored riders sometimes pull them off as well.

“It’s a very quick job to take a sticker off, and sometimes the public helps with that,” Tribone says.

The new Silver Line 3 bus will run between South Station, Logan Airport, and Chelsea. It will run on a dedicated busway for part of the route. It is the first new transit line on the MBTA system since the Greenbush commuter rail line opened in 2007. The next big change on the system will come in 2022, when the Green Line extension to Somerville and Medford is expected to open. **CW**



Clark seems like she's in a good spot

Her stock will rise if Dems retake the House, and maybe even if they don't

BY SHAWN ZELLER

US REP. KATHERINE Clark appears well positioned politically if the Democrats retake the House of Representatives in November—and even if they don't.

If Democrats win, Clark can take some of the credit and ride the coattails of her patron in the congressional leadership, House Minority Leader Nancy Pelosi. If Democrats come up short and Pelosi is ousted or decides it's time to step aside, the Californian's replacement will almost surely come from the ranks of her deputies, of which Clark is now one.

Clark, who's in just her second full term representing Boston's northern and western suburbs (she succeeded Ed Markey when Markey won John Kerry's old Senate seat in 2013), is already a senior whip, a member of the Democratic Steering and Policy Committee, and co-chair for candidate recruitment of the Democratic Congressional Campaign Committee. In the first role, she lobbies fellow Democrats to vote as Pelosi wishes. In the second, she helps decide committee assignments of rank-and-file members. In the last role she's helping recruit the Democrats' candidates for the midterm elections.

Clark's stock has risen in the House because Pelosi has taken her under her wing, but also because she reflects the ideological and strategic views of the majority of the Democratic caucus. In other words, she's a progressive who sees the Democrats' best chance for success in promoting unabashedly liberal stances. At the same time, she's cognizant of the need to recruit candidates that match the politics of their districts. In some cases, that means moderate Blue Dogs who oppose immigration, gun control, and even abortion rights.

"Our goal is not to have one monolithic caucus, but to elect people with core Democratic values about creating economic opportunity and security for families," Clark says.

It's a notion that doesn't go over well with the Bernie Sanders wing of the party, which believes Democrats can sell progressive politics anywhere in the country. But in the Democratic Party power structure, the Bernie Bros are still on the outside looking in, as was clear last year when Democrats selected former Obama labor secretary Tom Perez as the party's chairman over the Bernie wing's favorite, Rep. Keith Ellison of Minnesota.

Clark is now part of that establishment and will gain if it's restored to power. "Speakers like to reward their allies, and so those close to a speaker-elect or new speaker usually get some benefit," says Matthew Green, a political science professor at the Catholic University of America who's written a book on the House speakership.

And while it may seem counterintuitive, Green thinks Clark is likely to rise even if the Democrats lose. "When a party loses seats, especially when it loses more seats than expected, that's a danger zone for a party's incumbent leaders," says Green. "But if a leader steps down or is forced out, it's usually another establishment figure who takes that person's place."

Look no further than the 2015 GOP leadership transition. House conservatives forced out their speaker, Ohio's John Boehner, but the two contenders to replace him didn't come from the insurgent, right-wing Freedom Caucus. Rather, the first choice, Kevin McCarthy of California, was Boehner's No. 2, and when he declined to run for the job, Republicans selected the Ways and Means chairman, who'd been the Republicans' 2012 vice

presidential nominee, Paul Ryan of Wisconsin.

For her part, Clark says party leadership is not her goal. “I have one priority and that is winning back the House,” she says.

Still, having friends in high places can be helpful. Clark last year won a coveted seat on the Appropriations Committee, a position that could grow in importance if Republicans lift their ban on earmarks, the spending line items that benefit individual districts. Clark supports the restoration of earmarks on the grounds that they will ease the appropriations backlog that has contributed to the gridlock at the Capitol. She argues that transparency about who requests earmarks can combat the graft and waste that prompted Republicans to kill them off seven years ago.

According to an analysis by the Campaign Finance Institute, a Washington think tank, Democrats planning to challenge Republican House incumbents in 2018 vastly outnumber Republican challengers. They’ve also seen a great deal of early fundraising success. The figures are reminiscent of past wave elections, like that of 2010, when Republicans saw a surge in candidates, and 2006, when Democrats did, both preceding big election wins. Still, Democrats have a big job ahead this year. They must win 24 Republican-held seats to take the majority.

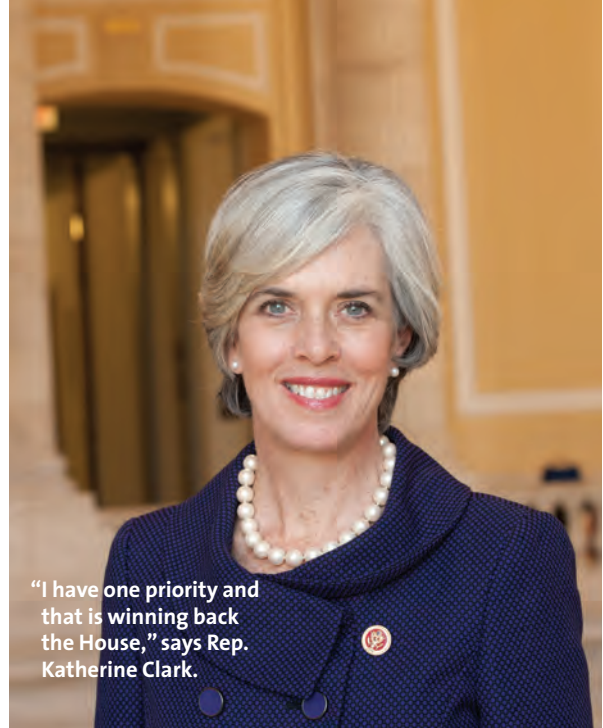
Clark thinks they will get there with candidates like Mikie Sherrill, a former Navy helicopter pilot and federal prosecutor whose strong campaign in New Jersey prompted Rodney Frelinghuysen, the Appropriations Committee chairman, whose family has produced six members of Congress, to announce his retirement in January.

Clark is also high on Abby Finkenauer, an Iowa House representative challenging Rod Blum, a member of the Freedom Caucus who represents a district that twice voted for Barack Obama, and Brendan Kelly, a Navy veteran and Illinois state attorney who’s making opioids an issue in his challenge to incumbent Republican Mike Bost.

Clark’s voting record is solidly left-wing. She sided with fellow Democrats 99.6 percent of the time on House votes that split a majority of Democrats from a majority of Republicans last year, according to an analysis by Washington publisher CQ Roll Call. She was a ring-leader in 2016 when Democrats held a sit-in on the House floor, recruiting civil rights icon John Lewis to the effort, to protest Congress’ lack of action on gun control despite the continuing plague of mass shootings.

Clark has positioned herself in a sweet spot between competing Democratic factions that are separated less by ideology than by strategy.

US Rep. Seth Moulton, who won his seat in a 2014 Democratic primary, defeating incumbent John Tierney, has increasingly challenged Pelosi, first for her support of the House’s seniority system, which assures top committee posts go to older, long-tenured members, and more



recently for her leadership itself.

He says he’d like her to step down whether Democrats win in November or not. He sees Democrats’ best hope in recruiting candidates, and leaders, who are not perceived as career politicians. “It’s time for a new generation to step up,” he says.

His beef isn’t about ideology, but process. “The Democratic Party has historically been terrible at choosing candidates,” he says. “We always seem to pick whoever is next in line rather than inspiring leaders.” Moulton has focused on helping veterans like himself because, in his view, Democrats are too easily caricatured as anti-military. That military background is part of the appeal of fellow veteran Mikie Sherrill in New Jersey as well as Conor Lamb, the ex-Marine strongly backed by Moulton who squeaked to a narrow special election House victory in March in a heavily Republican-leaning Pennsylvania district.

Moulton says his campaign for change, however, isn’t

Clark’s voting record is solidly left-wing.

about securing a leadership position for himself. “I’m doing it because it’s the right thing, not to advance my own political interests,” he says.

The 2016 leadership election, in which Pelosi beat Ohio Democrat Tim Ryan 134-63 (Moulton voted for Ryan, Clark for Pelosi), revealed significant dissent in the caucus, but also that Pelosi continued to enjoy the support of the vast majority of Democrats.

Whether that support will continue if the Democrats fail to retake the House is unclear. Clark, a Pelosi lieutenant, will benefit if they do. If they don’t, odds are she will still land on her feet as well. **CW**

Amy Blanchette can't make the math work

Going to college while juggling jobs, school, and family is herculean task

BY LINDA ENERSON

AMY BLANCHETTE GRADUATED from community college a few years ago and applied to the University of Massachusetts Dartmouth as the next step in her long-term goal of attaining a master's degree in public policy and ultimately running for public office. Her application was accepted, but when she sat down to do the math, the numbers just didn't add up. Factoring in her financial aid package and projected income at several part-time jobs, she calculated that if she were to enroll, she'd owe \$12,000 to \$13,000 by the time she graduated a few years later with a B.A.

"That just made me really nervous," she says. "I still can't afford to buy a car and I'm working three jobs. I just couldn't take that risk that I could pay off all those loans." Blanchette decided to defer matriculating.

A lifelong Fall River resident, Blanchette is one of many students across the state struggling with the rising cost of public higher education even as the demand for graduates is increasing. Over two-thirds of online job postings require candidates to have a bachelor's or higher-level degree. State researchers are predicting that Massachusetts will face a shortfall of 55,000 to 65,000 college graduates by 2025, just seven years away.

With tuition and fees continuing to climb at the state's public colleges and universities, public higher education is no longer the bargain it once was, and the costs of continuing education past high school are now out of reach for many students. A recent report by the Massachusetts Budget and Policy Center found that as public funding for higher education decreased (by 14 percent since 2001), tuition and fees rose an average \$5,600 at UMass campuses, \$5,400 at other state universities, and \$2,800 at community colleges. State funding for scholarships also decreased by 32 percent over the same period.

Not surprisingly, more students are taking out loans to pay for college and their debt loads

are skyrocketing. For students graduating from a four-year public college or university, debt loads increased by 77 percent, from an average of \$17,000 in 2003 to \$30,000 in 2016, according to the Massachusetts Budget and Policy Center report. Now graduates of state colleges and universities owe nearly as much as private school graduates, who owe on average about \$32,000.

Complicating the rising costs of higher education are the changing needs and demographics of students. Carlos Santiago, the state's commissioner of higher education, says there are increasing numbers of older students who need to work full-time to support themselves and their families. The number of Latino and first-generation college students is also increasing. He says community colleges, in particular, are trying to respond to the more complex needs of these students, offering a wide array of support services. For example, Santiago says that recent policy changes in remedial higher education allow students enrolled in these courses to start earning credits immediately so they don't become discouraged and drop out.

"We have to look beyond the issue of access to college to thinking about how we can help people get through and get out. Graduation is key," says Santiago, adding that producing more graduates is vital to the state's economy. "Industry will go where they find a skilled and talented labor force. If they can't find that here, they will go elsewhere."

"Our state has so many highly educated residents and so many fine four-year institutions, it may be hard for that constituency to understand what the average community college student looks like and what they may have endured before they even got here," says Laurie La Chapelle, an assistant vice president at North Shore Community College. Chapelle says the percentage of admitted students who chose not to attend North Shore Community College over the last few years because of financial barriers or lack of time jumped from 50 percent to



"I'm a mother, I'm low income, I have a disability, and I'm the first person in my family to go to college," says Amy Blanchette.

about 75 percent.

"If you look at the things these students are trying to deal with while going to school, it's pretty shocking," says La Chapelle. "I got a graduate degree while working full-time. But I waited until my kids grew up. I didn't have to raise children and support them and go to school all at the same time."

Blanchette is a non-traditional student. "If you look at what all is in that category, I can check off almost every box, except that I'm not a minority," she says. "I'm a mother, I'm low-income, I have a disability, and I'm the first person in my family to go to college." At 34, she is also much older than students who go to college right out of high school.

College wasn't even on the table when she graduated from high school. At that time, Blanchette's parents were laid-off from Fall River's declining textile mills and the family was destitute. Her father, who, like her, has muscular dystrophy, a degenerative muscle-wasting disease, was too disabled to hold another job. Blanchette worked at several different companies to support her parents and

younger sisters, sleeping only a few hours a night so she could be on time for the next shift.

Despite her self reliance, and a burning desire to learn, Blanchette balked at the college application process. She wasn't sure where to begin. Growing up in poverty and surviving a violent marriage had eroded her confidence. She had always done well in school, but college seemed out of reach and unfamiliar. She wasn't sure if she would be successful or even get in. One of her employers nudged her on, driving her in his truck to the Bristol Community College campus and dropping her off.

"I literally walked through those doors three times before I went into the office and filled out an application," she says. She was accepted, and had enough financial aid so she could attend without putting any money down. But her financial aid package fell far short of her living and school expenses.

Blanchette worked a total of 55 hours per week at four part-time jobs to support herself and her son while she took courses. Unable to afford child care, her son often

joined her after school, taking part in a club that met in the cafeteria or hanging out in the faculty lounge while she worked or attended classes.

Despite the grueling schedule, Blanchette says she blossomed in the supportive academic community at Bristol Community College. “I’ve always been involved in my community, but it was crazy. I really jumped right in and got involved with all kinds of things.” Soon, she was president of the student senate. As student ambassador, she led campus tours and spoke at events. She founded a campus-wide group against domestic violence, winning a fellowship and a president’s award for her leadership. While she loved English literature (especially Sylvia Plath), she ultimately focused her academic interests on her passion for addressing the social, economic, and educational inequities she saw around her.

Blanchette became active in Public Higher Education Network of Massachusetts (PHENOM), a non-profit coalition of students and faculty advocating for increased state funding of public higher education. She started speaking at events on campus and around the state about what she refers to as the “3D needs” of today’s students, who wrangle with some of society’s toughest problems, such as homelessness and hunger, as they navigate their coursework.

Eventually, the long hours juggling motherhood, school work, community projects, and employment took a toll on her health. On a school-sponsored trip to Denver, she became ill. Her symptoms worsened, leaving her gasping for breath with the mildest exertion.

She was hospitalized after doctors discovered two blood clots in her lungs. Her months-long recovery kept her from working, which threatened an already-precarious financial situation. Her adviser at school took care of her son while she was in the hospital and lent her money to pay her electric bill. Blanchette struggled to put food on the table. By the time she graduated, her honor roll status, which she had been so proud of, had dissolved. She wonders if she could have gotten a scholarship that would have enabled her to finish her education if she had not gotten sick.

The question echoes in her continued advocacy at PHENOM and at Bristol Community College’s Office of Student Life, where she now works. “There are a lot of people like me who have to work three jobs just to get by, who have to worry about where their food is going to come from, or who is going to watch their kids for an hour or two,” she says. “Maybe their scores could be higher or their homework would be done if they weren’t sitting in classrooms hungry and worried about how to keep the lights on.” **CW**

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Fall River's lightning rod

Mayor Jasiel Correia should be riding high,
but these are trying times

BY TED SIEFER | PHOTOGRAPHS BY MEGHAN MOORE

FALL RIVER MAYOR Jasiel Correia's voice was scratchy and raw. It was March 13, the day after yet another nor'easter, and he had spent a good part of the day, like many a mayor across the state, dealing with snow removal complaints and public safety issues. And then, probably unlike most mayors, he climbed into the cab of a burly Ford 350 truck equipped with a plow and started clearing the streets himself, alongside his public works guys. He was up until 2 a.m.

This is Correia's post-snowstorm routine. If it's a political stunt, it's one that carries genuine risks. "The only thing I'm always worried about is that I'm gonna, God forbid, hit somebody's car. That would just be the worst," he rasped. "You know, 'Mayor hits somebody's vehicle'—that's not a good story."

This is sort of how Correia rolls. His willingness to roll up his sleeves, to eschew the buttoned-up conventions of public office, may help explain how two years ago, at age 23, Correia vaulted himself into the corner

office, becoming the youngest mayor in Fall River history—and possibly the youngest in the country for a city of Fall River's size (about 90,000). Correia handily won reelection last November, beating his opponent by more than 20 points.

There are other reasons that Fall River's famously fickle voters—they were the first, in 2014, to recall a mayor in Massachusetts—might be content keeping Correia around. City finances have stabilized two years running, and the Moody's bond rating agency has removed its negative outlook for the city. In a city where efforts to revive the economy, hobbled since the collapse of the textile industry, have long seemed driven by desperation—there were once plans to put a casino in what was supposed to be a biotechnology park—there are real signs of progress.

Nearly 2,000 people have found work at the Amazon distribution center, a 1.3 million-square-foot facility that opened last year at the complex, now dubbed the



Fall River Mayor Jasiel
Correia: In the hot seat.

From left: downtown Fall River and the Braga Bridge, Government Center, new offices of the Fall River Office of Economic Development, and the mill building where Correia launched his startup, SnoOwl.



SouthCoast Life Science and Technology Park. Most significantly, after decades of discussion and planning, the state finally appears to be moving forward with the South Coast rail extension, connecting Fall River and New Bedford to Boston.

And yet, for all the reasons he should be riding high, for all his outward enthusiasm, these are trying times for Jasiel Correia. He's evicted the city's economic development agency from city hall and sued it for not paying rent, and the agency now seems intent on operating as its own sovereign fiefdom. In a roundabout way, the case relates to a much more ominous threat hanging over Correia: a federal indictment. For the past year, the FBI has conducted a wide-ranging investigation of Correia, based on allegations that he, among other things, misused US Housing and Urban Development funds and used his position to reward investors in a tech company he started. If the allegations are to be believed, it would seem that Correia's precocity extends to corruption and political gamesmanship. Or it could be that Correia, in a city where politics seems like a never-ending grudge match, crossed the wrong people.

GUN ON THE DASHBOARD

On August 15, 2014, Correia received an urgent call from then-mayor William Flanagan, who was the target of a recall campaign. Correia was eight months into his first term on the Fall River City Council. He was also running a business incubator called 1zero4, a reference to the address of the funky downtown mill where it was located. And he was also busy working on his own startup, an app called SnoOwl that aimed to help local businesses target social media posts to would-be customers.

It was after midnight when Correia met the mayor near the waterfront and got into his SUV, where he was

surprised to find one of the mayor's right-hand men sitting in the back seat. Flanagan was not pleased that Correia had signed the recall petition. At some point, Correia would later claim, Flanagan put his gun on the dashboard in what Correia viewed as a not-so-subtle threat. (A special prosecutor's report would later conclude that Correia's account

The FBI has conducted a wide-ranging probe of Correia that he allegedly misused HUD funds and rewarded his investors.

of the incident was "credible," while those of the mayor and his associates, who maintained a gun was never intentionally displayed, were not.)

Signing the recall petition as a freshman city councilor was gutsy; so was going public with his account of his encounter with Flanagan. An even gutsier move followed. Correia took on the winner of the recall election: Sam Sutter, a no-nonsense former Bristol County district attorney.

Sutter, who was 63 at the time, wasn't exactly smitten with the political and entrepreneurial wunderkind. During a debate ahead of the 2015 election, the incumbent mayor seemed to revert back to prosecutor mode, suggesting that SnoOwl could very well be fraudulent.

"Where's the beef? Produce the proof. Answer this question: Have you given these investors—because you have not given them any return on their investment—promissory notes, large promissory notes, Mr. Correia?" Sutter asked, looking him dead-on and mispronouncing



his name as “Korea.”

A narrow majority of voters preferred to take a chance on the fresh-faced Correia. From the beginning, the self-styled entrepreneur made reviving the economy a priority. “We will take concrete steps to actively market and develop our city,” Correia said at his swearing-in. “As we reorganize Government Center, each department will be charged with a specific focus on economic development.”

One of Correia’s first initiatives was to extend a \$25,000 grant to a niche apparel manufacturer, Good Clothing, to help it set up shop in Fall River. As it happened, the company moved into the same mill where Correia had his startup and incubator. About a year later federal agents would pay a visit to the building.

THE FBI INVESTIGATION

From the windows of Kenneth Fiola’s office you can see Fall River’s Government Center, where for decades the agency he heads, the Fall River Office of Economic Development, had its offices on the sixth floor, down the hall from the mayor. Until, that is, Correia gave them the boot last June.

Fiola’s new digs would seem to be an improvement over Government Center, a brutalist edifice that has aged even worse than Boston’s. His office, which is modern and spacious and opens into a conference room, is on the top floor of a rehabbed former department store that the agency owns and leases. As exiles go, it’s not bad.

Fiola was barely out of college in 1986 when he started at the economic development office, a nonprofit controlled by a 30-member board of directors that had until recently received a substantial portion of its staffing budget from the city. As executive vice president, Fiola has led the agency for more than three decades, spanning the terms of some nine mayors. “It’s always been my personal position we don’t get involved in mayoral politics,” Fiola says.

This remove from the tumult of city politics, in Fiola’s view, has allowed his nonprofit to shepherd years-long projects to fruition, such as the Amazon facility, the SouthCoast Marketplace—a massive retail complex anchored by a Market Basket—and the removal of the tangle of ramps off Route 79, which has helped connect the city’s downtown to a waterfront where the detritus of industry has steadily given way to a pier and string of maritime parks.

Fiola, a big man with a deep gravelly voice—he went to Boston University on a basketball scholarship—insists he has no personal animus toward the mayor. He was there when Correia launched his business incubator a few years earlier. “I thought he was a bright, articulate young individual who was the type of person who could lead the city forward, in terms of fresh ideas, fresh thinking,” he says.

Fiola traces the breakdown in their relationship to a day in mid-March 2017, when he says the mayor informed him, during an encounter at city hall, that he was being investigated by the FBI.

“He asked what I thought he should do. I said it’s very simple. If you didn’t do anything wrong, you have nothing to worry about. If you did, you should think about resigning,” Fiola says. “I said you’re young. You have your whole life ahead of you. It might not stop the investigation, but it will keep you out of the limelight.”

Soon thereafter, Fiola says, an FBI agent and a HUD investigator paid him a visit.

“I was surprised they came to visit me. The fact they were asking about SnoOwl—I didn’t know anything about SnoOwl,” he says. “I think the first thing I asked was if I was the subject of an investigation. They said I wasn’t. That sort of calmed my concern.”

The investigators also wanted to discuss the grant to the clothing maker and a city marketing campaign. (Their concern about the campaign may have been the possibility it was funded through HUD block grants, which can’t

be used for marketing purposes.)

Correia suspected Fiola himself was responsible for bringing in the feds and leaking the information to the press, and this, in Fiola's view, set Correia on the war path. Fiola says the mayor hastily assembled a plan to defund the Fall River Office of Economic Development, to sever its administrative contract with the Fall River Redevelopment Authority, and to create a city office of economic development and tourism. The city council and the redevelopment authority both rejected the plans in short order. Correia also insisted that the Fall River Office of Economic Development owed the city more than \$113,000 for three years of unpaid rent at Government Center. (The agency had previously paid nearly \$38,000 a year for rent under a license agreement that had lapsed in 2014.)

All of this culminated in an unusually dramatic meeting of the economic development office board on April 27, 2017. With Correia looking on, board president Frank Marchione read from a lengthy statement: "On the most serious note, the executive committee has been informed by a staff member, with firsthand knowledge, that there is an ongoing FBI and HUD investigation within the city. The investigation is focused on SnoOwl, and on HUD-directed funds for a business grant and the City of Fall River branding campaign."

That staff member, of course, was Fiola.

WE'LL TRY

There is scarcely a detail of Fiola's account that Correia does not dispute, starting with the claim that he informed him about the FBI investigation. "It's mind boggling to me why I would tell someone who I really don't have any relationship with," he says. "I didn't tell my friends, my confidants, but I tell Ken Fiola?"

One can almost see Correia's mind boggling as he says this, sitting in his office at Government Center, where he prefers to sit at a conference table with a laptop rather than behind the stately desk perched in front of the corner windows. Correia is preternaturally poised, and his voice is crisp and confident as ever, but there's an undercurrent of agitation. Considering that over the past year he's regularly heard from close friends and acquaintances who were questioned by the FBI, including, he says, the owner of a little coffee shop he likes to frequent, the angst is perhaps understandable. Lawyers' bills have depleted his campaign account—and his own, to the point, he says, that he's basically doing the job of mayor for free. He's set up a legal defense fund.

From Correia's perspective, Ken Fiola had long been

wary of him stepping on his turf. The mayor had signaled his intention to shake up economic development from his first moves in office. There was the grant to Good Clothing, which Fiola's economic development agency only later incorporated into a formal program. Six months later, the mayor's office began reaching out to consultants for the campaign to rebrand and market Fall River. A first priority was replacing its sadly humble motto, "We'll try."

Correia wasn't very interested in having Fiola and his economic development office involved in the effort. "How do you run economic development for 30 years and you keep the same slogan, 'We'll try?' You never propose to the mayor over the years, 'Hey we should try to change

The mayor's office contacted consultants to rebrand and market the city, with the first priority to replace its sadly humble motto, 'We'll try.'

the slogan?'" Correia says. "He [Fiola] needed to be challenged. The guy was in the same position for 30 years, 30 years. And what did he have to show for himself? Fall River had its decline over that last 30-year period."

Correia had sought to fund the \$100,000 marketing campaign primarily out of the city budget, but he did ask Fiola's economic development agency to pony up \$10,000 to fund the February 1 launch at city hall, where the new slogan—Make it here—was unveiled. Fiola initially resisted but went along after, according to him, the city agreed to up his agency's allocation from its Community Development Agency, which distributes HUD block grants. (Correia disputes this.)

Over its history, Fiola's economic development agency has had a hand in real estate and infrastructure projects involving billions of dollars in public and private investment. And yet, when the feds came calling, they were only interested in discussing a \$25,000 business grant and a \$10,000 launch for a marketing campaign—initiatives of the mayor in which Fiola had either a secondary or reluctant role.

From Correia's perspective, it's easy to connect the dots: "Anytime something works, it's all Ken's idea. When it's not Ken's idea, it's a federal investigation."

INSIDE TRACK FOREVER

Since Fiola's agency revealed the investigation, Correia has broadened his critique of the organization. He maintains



Carl Garcia, the owner of Carl's Collision Center, was an investor in Correia's failed startup, but remains generally supportive of the mayor.

it is on shaky financial ground and that the businessmen (they're almost all men) that make up its board have vested interests in protecting Fiola, whose compensation tops \$200,000—higher than anyone in city government.

"Ken Fiola has had the inside track forever. He's helped his friends, his friends have helped him, and I'm not even accusing him of anything illegal," Correia says. "But there's no question that the organization built foot soldiers around them to protect the inner workings of that organization. When somebody tried to shake it up, myself, they decide to go nuclear."

Correia can go on about the "incestuous" relationships among the organization's power brokers. By way of example, he points out that Marchione, the board president, bought a property next to the slated location for the South Coast rail station. The Fall River Office of Economic Development has advocated for the site, while Correia wants the state Department of Transportation to prioritize a second station on the waterfront that's much closer to downtown.

Correia also notes that multiple members of Fiola's board are big campaign donors to Fiola's wife, state Rep. Carole Fiola. (Some of them have also contributed to Correia's campaign, albeit in lesser quantities.)

In March, Correia booted Rep. Fiola from a special committee providing input on the plan to build a new \$260 million high school, which has been the main event in local politics. Correia alleged that the representative had been bad mouthing him on Beacon Hill and saying the city was "in chaos." A source who overheard the comments and who requested anonymity for fear of hurting an ongoing relationship with the lawmaker confirmed that Fiola had been saying negative things about the city and had referred to the FBI investigation.

Rep. Fiola says her priority has been bringing as many resources to Fall River as possible, but she noted that the FBI investigation of Correia had been well-publicized. "Have I ever been asked at the State House about it? Sure," she says. "As I've said before, that's not a good thing but not indicative at all of my work for Fall River. Fall River is much bigger than that."

In the mayor's estimation, the Fiolas are a potent force, with Ken undermining him in the city and his wife doing the same on Beacon Hill. "They are a team. You take on one, you take on two. They fancy themselves the Underwoods of Fall River," says Correia, referring to the scheming couple on the show *House of Cards*.

SNOOWL

Carl Garcia, an affable, barrel-chested man, remembers meeting Correia a few years ago at a Bristol County Chamber of Commerce event. “They kept telling me there’s this kid I need to meet,” says Garcia, a past chairman of the chamber’s board.

Garcia, who owns a thriving auto body business with nearly 70 employees, had the same impression of Correia that a lot of people had in those days: this kid’s going places. He became an investor in SnoOwl, Correia’s startup.

That SnoOwl figures prominently in the FBI investigation is not a surprise. Sutter, the former district attorney, had alluded to shady dealings back in the 2015 election. The *Herald News*, the local paper, started investigating the company in July of 2016. After the Fall River Office of Economic Development disclosed the FBI investigation, the newspaper published a string of stories about Correia and SnoOwl. The gist of the rumors and allegations was that Correia had squandered investors’ money and, upon becoming mayor, used his office to make it up to some of them and settle company debts.

But Garcia challenges this narrative. The scuttlebutt was that Correia had awarded Garcia contracts to repair police vehicles. In fact, he’d been repairing police and other city vehicles since at least 2012, according to invoices he shared with *CommonWealth*.

“I do a limited amount of them, as I’ve always done. You bid them out,” Garcia says. “I probably do less work now with Jasiel Correia than I’ve done with former mayors.”

As far as the money he put into SnoOwl, Garcia didn’t view as it a formal investment so much as getting in on the ground floor of a promising concept—and also a way to help his daughter, who was fresh out of high school and interning with the company. “What he was describing has become what today companies like myself pay big money for,” Garcia says.

Garcia is a little miffed that the project went by the wayside as bigger opportunities opened up for Correia, but he shrugs it off as a trait of the millennial generation. “It’s definitely a different culture,” he says. “With that said, I’m also proud of him and what he has accomplished.”

It’s not clear why Good Clothing, the recipient of the \$25,000 grant, got swept up in the FBI probe, but the fact that the company moved into the same mill as Correia, just as he was moving out, seemed to raise suspicions.

Jeanine Duquette, the company’s chief operating officer, insists that the grant was used exactly for the purpose it was intended. “The grant had to do with getting that space ready for manufacturing,” she says. By allowing the com-

pany to move its entire operation from Mashpee to Fall River, Good Clothing was able to create 20 full-time jobs.

Some of the allegations that have been aired against Correia are harder to verify. Another SnoOwl investor was appointed by Correia to an \$84,000-a-year job as the head of a county workforce training organization. He had managerial experience, but also a six-year gap in employment preceding the hire, according to the *Herald News*. (Correia maintains the man was qualified and had taken a hiatus thanks to a windfall from the sale of a property.)

Among the handful of people who put money into SnoOwl there is at least one investor who’s gone public with his grievances. The *Herald News* reported that a local dentist, David Cabeceiras, sunk more than \$80,000 into the company and never saw any return on his investment.

In a Facebook post in early March 2017, Cabeceiras’ son Jeff alleged that Correia had “stuck” his dad and tried to “buy me off” with a low-paying job, while finding ways to compensate other investors like Garcia. As proof that the allegations were legit, Cabeceiras then named the FBI agent he said was investigating the case. (Attempts to reach David and Jeff Cabeceiras were unsuccessful.)

Only days later, according to Fiola’s account, Correia confronted him and referenced the Facebook post. The Fall River Office of Economic Development spilled the beans about the investigation at its public meeting about six weeks later.

The revelations coincided with the start of election

In the mayor’s estimation, the Fiolas are a potent force, with Ken undermining him in the city and his wife, Rep. Carole Fiola, doing the same on Beacon Hill.

season, and, not surprisingly, Correia’s opponents made hay of them. During a debate, Correia’s challenger in the 2017 general election, Linda Pereira—a city councilor who had been hired by Sam Sutter as an investigator in the district attorney’s office—said: “Obviously I’m pretty truthful. I can tell you for all I’ve done, never once was I investigated by the FBI.”

As election day approached, rumors were rampant that an indictment would be coming down any day. It didn’t help that a grand jury was convened around this time to weigh the evidence against Correia, according to a source who testified. (A spokeswoman for the US Attorney’s Office in Boston would not, per policy, confirm or deny any investigation into Correia.)

Since his decisive win in November, Correia's critics have been more muted. Messages left with Pereira and leaders on the city council, with whom Correia had a fractious relationship leading up to the election, were not returned. The question lingers, who dropped a dime to the feds? Fiola insists he never reached out to the authorities or the press. Sutter, the former mayor and district attorney, declined to comment.

DUELING ECONOMIC DEVELOPMENT PLANS

Correia acknowledges he may have made some missteps in his early days as an entrepreneur. "To put it in perspective, when I started SnoOwl I was 19. The first investor came before I could drink," he says. "It was no criminal enterprise. It was some young ambitious kids."

While Correia maintains that the allegations against him were ginned up by political rivals, if an indictment does come down he says he'll deal it. "I've consistently said if something wrong was done then that will come out, and if that comes out we'll face the facts," he says.

Meanwhile, Correia and Fiola, in their respective offices down the street from each other, continue to hatch their own economic development plans. The absurdity of the

situation was underscored recently when both entities, unbeknownst to each other, applied for the same federal tax incentive program on behalf of the city.

The situation is upsetting to Robert Mellion, who until February was the president of the Bristol County Chamber of Commerce, which had attempted to broker a truce between the parties. "The fact that it's gone on for almost two years is not good for Fall River," he says.

Mellion thinks the city is poised for a genuine revival thanks to investments in recent years worth upwards of \$700 million, for which he gives the Fall River Office of Economic Development a lot of credit.

But Correia is "the ultimate authority, with a social contract with the voters of the city," he says. "I think Jasiel has been spot-on with a lot of things, but sometimes he's moved faster than the rest of the groups around him were prepared for."

As far as Correia is concerned, there's only room for one economic development sheriff in town. As he steadily gains appointments on the Fall River Redevelopment Authority, he hopes he will eventually be able to make it the city's quasi-independent development agency, freezing out the Fall River Office of Economic Development. Correia is not one to back away from a fight. But it could be that he's steadily learning to play the long game. **CW**



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Hollywood haves

The economic benefits of the state's film tax credit flow primarily to Greater Boston

BY BRUCE MOHL



and have-nots



Lesley Jones, Melissa McCarthy, Kristen Wiig, and Kate McKinnon were the Ghostbusters, which filmed in Boston, Brookline, Easton, Everett, Norwood, Waltham, and Weymouth.

New Bedford Mayor Jon Mitchell thinks his city, with its gritty harbor, its cobblestoned streets, its mill buildings, and its sweeping ocean views, has Hollywood appeal.

Hollywood also appeals to him, not because he has any red carpet aspirations himself, but because of what he thinks a movie or a TV series could do for the city. He talked it over with Martin Chávez and Richard Berry, both of whom served as mayor of Albuquerque during the production of the hit series *Breaking Bad*. They told him the 62-episode series injected an average of \$1 million per episode into the local economy. And even though the plot of the TV series revolved around meth-amphetamine dealing, Mitchell says the two mayors felt the exposure was positive.

“It made Albuquerque seem a little more edgy, a little more offbeat and novel, and people digged that. It actually induced more tourism,” Mitchell says. “I think there’s a lot to be said for that. By and large, movies and TV shows elevate a city’s profile, and we would welcome that.”

Yet over the last decade, only five productions have filmed in New Bedford. A recently released documentary on former New England Patriots tight end Aaron Hernandez conducted some interviews there in 2017. In 2014, a film called *Good Kids* spent about \$20,000 shooting scenes in town. In 2010 and 2011, a pair of lower-budget indie films called *Whaling City* and *Fairhaven* shot in New Bedford. The only big budget movie to film there was *Knight and Day*, starring Tom Cruise and Cameron Diaz, in 2009. But Mitchell says the movie was only in town long enough to film a car chase on Route 18.

“The reality is there’s been very little interest,” Mitchell says.

New Bedford isn’t alone. *CommonWealth* analyzed data gathered by the Massachusetts Film Office and found that the economic impact of movie and TV pro-

ductions, lured to the Bay State by the state’s generous film tax credit, is not distributed evenly across the state. Nearly three-quarters of the state’s film shoots over the last decade took place in Greater Boston, with 13 percent in Boston alone. Forty-three percent of the state’s municipalities scored no film shoots at all over the last 11 years, and nearly three-quarters of cities and towns scored two or fewer.

Mitchell thinks union work rules that increase costs for productions shooting more than 30 miles from Boston are discouraging Hollywood from exploring the rest of the state. New York faced a similar problem, with most movies filming in New York City, so in 2013 its legislature sweetened the film tax credit to incentivize productions to give upstate New York a try. Mitchell says New Bedford might have landed a major movie if

Nearly three-quarters of the state’s film shoots over the last 11 years took place in Greater Boston.

Massachusetts had a similar incentive, but instead the production went elsewhere to film because of the higher cost. He declined to identify the production.

The International Association of Theatrical Stage Employees, whose members earn more if a film is shot more than 30 miles from the film’s base, which is typically



New Bedford Mayor Jon Mitchell says it's not fair that the entire state shares the cost of the film tax credit but doesn't share equally in the benefit.

Boston, declined comment. So did the Massachusetts Film Office. The Teamsters, a union heavily involved with movie productions, did not respond to a request for comment.

Susan Nelson, executive director of the SAG-AFTRA New England local, which represents on-screen actors, said her members don't receive more money if the production films more than 30 miles from Boston. She said she doubted union costs would be a key factor for most productions when deciding where to film. She said most first look for the best location from an artistic and convenience standpoint—and then weigh any financial considerations.

Nelson said she thinks most films are shot in and around Boston because the infrastructure is there. “Everything they need is in the Boston area, everything from props to talent to crew people. Even the hotels where the big-name actors like to stay are in Boston,” she says.

Whatever the cause, the real problem is that the entire state of Massachusetts is giving a tax break to movies and TV shows that film in the Bay State, but most of that filming—and the economic benefits that go with it—is taking place in Greater Boston. Mitchell says the geographical

disparity illuminates a flaw in the way the tax credit is designed.

“It isn't working if the costs are borne by people in every corner of the state but the benefits accrue primarily to Greater Boston,” the mayor says. “It's hard to justify this program if the benefits are concentrated so disproportionately in Boston, which frankly doesn't need much in the way of subsidy to drive economic development for any purpose.”

43% OF TOWNS SAW NO HOLLYWOOD ACTION

The state's film tax credit has received lots of scrutiny over the years, but no one has ever taken a close look at how the economic benefits are distributed across the state. The Massachusetts Film Office gathers data on where scenes for movies and TV series are shot, but has done nothing with the information other than post it on the agency's website.

CommonWealth analyzed the data for the period from 2007, when the film tax credit took its current form, through 2017. The data indicate 186 productions filmed at 992 locations across the state. Seventy-three percent of the locations

HOLLYWOOD’S MOST POPULAR MASS. TOWNS (2007-2017)

MUNICIPALITY	NUMBER OF LOCATION SHOOTS	PERCENT OF TOTAL
Boston	127	12.8
Chelsea	25	2.5
Lynn	24	2.4
Worcester	22	2.2
Cambridge	20	2
Quincy	19	1.9
Gloucester	16	1.6
Danvers	16	1.6
Newton	14	1.4
Everett	14	1.4
Ipswich	14	1.4

SOURCE: Massachusetts Film Office

were within I-495, or roughly a 30-mile radius of Boston. Boston itself had the most location shoots, at 13 percent. There was a big fall-off after Boston, with Chelsea coming in at 2.5 percent and Lynn at 2.4 percent. Rounding out the top 11 were Worcester, Cambridge, Quincy, Gloucester, Danvers, Newton, Everett, and Ipswich. The top 11 combined for 31 percent of all location shoots.

Of the state’s 351 cities and towns, 153, or 43 percent, played host to no film shoots over the 11-year period. Most of the communities that failed to attract any film shoots are small, but the group included such small-to-medium-size municipalities as Agawam, Chicopee, Holyoke, Methuen, and West Springfield. Some communities within 30 miles of Boston are also on the zero location shoots list, including Bellingham, Boxborough, Holbrook, Holliston, Stoneham, and Winthrop.

Fifty-four communities saw one film shoot come to town over the 11-year period, including Gardner, Pittsfield, Sandwich, and Wakefield. Another 47 communities, including Amherst, Arlington, Fall River, Fitchburg, Leominster, Springfield, and Taunton, played host to two film shoots.

Only 23 communities hosted 11 or more film shoots, meaning they averaged at least one a year over the 11-year period.

Worcester is one of four communities that averaged two or more location shoots per year over the 11-year period, making it one of relatively few municipalities beyond I-495 that has managed to capture significant film business. Film industry officials say Worcester has great locations and the cost of shooting there is far less than it is in Boston, which may offset any higher labor

costs associated with mounting a production more than 30 miles from the city.

Erin Williams, the city’s cultural development officer, says Worcester has had success landing films such as *American Hustle* and *The Surrogates* because of its diverse stock of locations and the willingness of municipal officials to supply permits and location assistance quickly. “We will drop whatever we’re doing to make sure the needs of the producers or the location scouts are met,” she says.

The geographical disparity in filming in Massachusetts adds a new element to the debate over the film tax credit, which has been controversial from the start because of its size, its extraordinary flexibility, and its economic impact. Most tax credits reduce how much the recipient has to pay in taxes. The film tax credit works the same way, but comes with a significant, added benefit. If a production company doesn’t have a tax liability in Massachusetts—and most don’t—the film tax credit can be sold to someone who does, or it can be sold back to the state. In other words, a film tax credit can be converted into cash.

The film tax credit can attract significant movie investments, but the cost is high. The film tax credit is equal to 25 percent of whatever the production company spends in Massachusetts. When *Joy*, which starred Jennifer Lawrence, filmed in Massachusetts in 2015, it was awarded a tax credit of \$14.8 million, which means its total budget was probably about \$59 million.

Unfortunately, Massachusetts workers and businesses don’t capture all the expenditures of a production. The state Department of Revenue says a lot of the movie investment money eventually flows out of Massachusetts to imported actors and out-of-state businesses. According to the Department of Revenue’s latest report covering 2014,

Beacon Hill lawmakers say it’s unlikely they would tweak the film tax credit to incentivize shoots across the state.

there was \$254 million in spending eligible for the film tax credit. Of that total, 45 percent went to Massachusetts residents or businesses and 55 percent to non-residents or out-of-state businesses.

The amount of movie expenditures has increased fairly dramatically since 2014, when the state issued \$64.5 million in tax credits. In fiscal 2017, which ended on



Ghostbusters director Paul Feig (right) and director of photography Robert Yeoman.

June 30, 2017, the state issued \$90.9 million worth of tax credits, according to the state's Comprehensive Annual Financial Report. That's the most since 2008, when the state issued a record \$120 million in film tax credits.

Like many analysts who follow public financial issues, Noah Berger, the president of the Massachusetts Budget and Policy Center, is not a fan of the film tax credit. He noted a production that pays a Hollywood actor \$10 million on a film shoot in Massachusetts will receive a tax credit worth \$2.5 million, but Massachusetts would see almost no gain because nearly all of the money would accompany the actor when he or she returns home.

He also says the Massachusetts tax credit can't be targeted to parts of the state that need economic help because productions receive the same size tax credit whether they film in Boston or Holyoke. "In general, it's not an effective way to put money into the economy," he says.

NEW YORK'S APPROACH

Ghostbusters, the remake with Melissa McCarthy, Kristen Wiig, Kate McKinnon, and Lesley Jones, shows just how much money a big-budget movie can drop during a film shoot. According to state records, the film received \$26.7 million in film tax credits in 2016, meaning the total outlay in Massachusetts was probably about \$107 million.

Some of that money was undoubtedly spent in the

communities where the film was shot—Boston, Brookline, Easton, Everett, Norwood, Waltham, and Weymouth. That doesn't mean, however, that some of the spending didn't spill over to other communities. Using percentages from the 2014 analysis of the film tax credit by the Revenue Department, an estimated \$27 million of the \$107 million would probably have gone to wages for Massachusetts residents and \$22 million to nonwage spending, including hotel rooms, food, set construction, car rentals, cameras, costumes, and on and on.

Municipalities like playing host to film shoots because they inject money into the local economy and come with few negative consequences. For the most part, productions dole out money shooting a scene and then move on. Typically, no permanent jobs are created, which is both a negative and a positive—a negative because the economic impact dissipates unless another production comes along to employ the same crew; a positive because the collateral impacts associated with permanent workers (more children in schools, more city services needed) are avoided.

New York dealt with the geographical disparity associated with its film tax credit in 2013 by adding an extra 10 percent credit for productions that shoot in 41 upstate counties. In 2017, another 11 counties were added, making all of upstate New York eligible. The extra 10 percent was targeted specifically at qualified labor costs incurred by productions that shoot more than 30 miles from New

York City.

Jason Conwall, a spokesman for New York's economic development office, says the "bump" for upstate productions is having a positive impact. He says 45 percent of

FILM TAX CREDITS BY YEAR*

YEAR	TOTAL AMOUNT OF TAX CREDITS ISSUED (IN MILLIONS)
FY2017	\$90.9
CY2014	\$64.5
CY2013	69.8
CY2012	\$81.1
CY2011	\$48.6
CY2010	\$19.2
CY2009	\$85.3
CY2008	\$120.4

The calendar year data come from Department of Revenue reports, the most recent of which was issued in December 2016 but contained data only through 2014. The fiscal year 2017 data comes from the state's Comprehensive Annual Financial Report for fiscal 2017 with data supplied by DOR. DOR declined to provide the same data for earlier fiscal years.

SOURCE: Department of Revenue

the productions coming into the state in 2017 applied to shoot outside New York City. Of those 103 productions, he says, 53 scheduled more than half of their shoot days (967 total) in upstate counties.

Oregon, Louisiana, and California are other states that offer some form of incentive to producers to spread their movie shoots around the state.

House Majority Leader Ron Mariano, a leading supporter of the film tax credit, says he would be reluctant to revisit the language of the Massachusetts film tax credit, partly for political reasons and partly because he is skeptical of Mitchell's claims. "I think it's been fairly spread out across the east coast," he says, referring to location shoots. "Because they haven't gotten to New Bedford specifically, there could be a lot of different reasons for that. It's all based on location and the scenes that they want to recreate."

Mariano, who represents Quincy and Weymouth, two communities that have benefited from the tax credit, says he is wary of tinkering with the tax credit. "We've been fighting to keep this and finally we've got it established as a tool to create jobs," he says. "Now to sweeten it and go back to the original fight all over again to increase it, I don't know if it's worth it. I'm not ready for that fight

The image is a dark, rectangular advertisement for Commonwealth magazine. It features the word "Commonwealth" in a large, light-colored, serif font, spanning most of the width. In the center, the phrase "Free news isn't free." is written in a smaller, white, sans-serif font. At the bottom, the text "Support Commonwealth magazine." is displayed in a white, sans-serif font.

all over again. I think the governor is starting to realize there's some benefit to this."

Sen. Michael Rodrigues of Westport, who has proposed legislation to pare back the film tax credit, says the issue of geographical disparity has come up in his discussions with lawmakers.

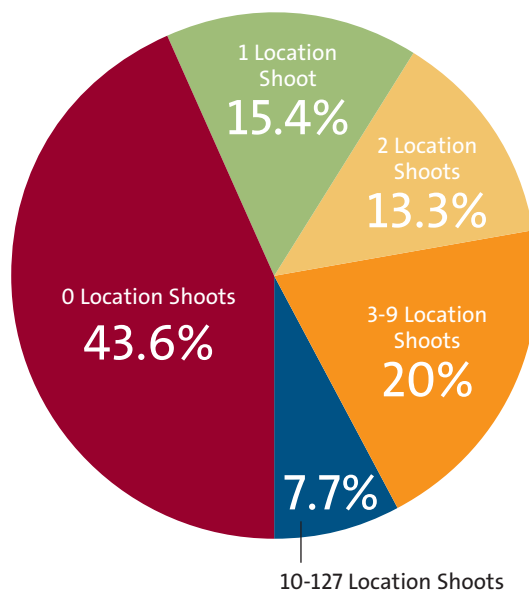
"Very few districts, very few regions see the benefit of these tax investments, absolutely," he says. "So the industry is certainly centered in and around 495. There are a few communities [that have benefited] out in the Berkshires, a couple down on the Cape because they have some unique geography. But it's primarily Greater Boston. That's why, although I never espouse to eliminate the tax credit, I think it's very expensive for the return we get on it."

Rodrigues wasn't familiar with New York's law, but he said the Empire State's approach is interesting.

"We could look at it. That's a unique idea," he says. "If that means we expand the tax credit, so we add to the cost, I can tell you there won't be much appetite for that. Maybe we could carve some out of the existing tax credit to ensure geographic distribution. But it's not even on the radar screen for this session because the House has made it very clear they don't want to change it." **CW**

LOCATION SHOTS DISTRIBUTED UNEVENLY

Percent of the state's municipalities hosting film shoots, 2007-2017



SOURCE: Massachusetts Film Office data

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CW





Tax that dirty water

Municipalities are tackling stormwater runoff, the No. 1 cause of water pollution in Massachusetts, and some are imposing special fees to deal with it

BY JACK SULLIVAN

Lisa Murphy doesn't have any control over how much rain or snow falls on her property in Milton, but she is nevertheless being charged a special fee for stormwater runoff. The fee is calculated based on the amount of impervious surface on her property—her paved driveway and patio as well as the footprint of her home. The more impervious surface area she has, the greater the runoff, and the higher the fee.

Murphy, a 25-year resident of the town and a self-described libertarian who was one of the few no votes on the fee when it came before Town Meeting, isn't buying the municipality's rationale that more money is needed to deal with runoff. "It's just another tax on us," says the Precinct 1 Town Meeting representative. "I just think it's another government overreach, another way they can extract money from me."

Federal, state, and municipal officials beg to differ. They say stormwater runoff, and the contaminants such as grease and oil, pet waste, and lawn fertilizer that it sweeps up in its downhill march to lakes, rivers, and the open sea, is now the No. 1 source of water pollution in Massachusetts. Starting July 1, tougher federal standards to obtain a permit allowing the discharge of stormwater are scheduled to take effect for many small cities and towns, and municipalities are scrambling to get ready with new infrastructure, more frequent street and catch basin cleanings, and community education programs. The effort, expected to cost hundreds of millions of dollars over the next five years, has garnered little attention so far, partly because of the way the initiatives are being regulated and partly because of the way they are being funded.

Massachusetts is one of only four states where enforcement and oversight of stormwater pollution measures is left to the Environmental Protection Agency and



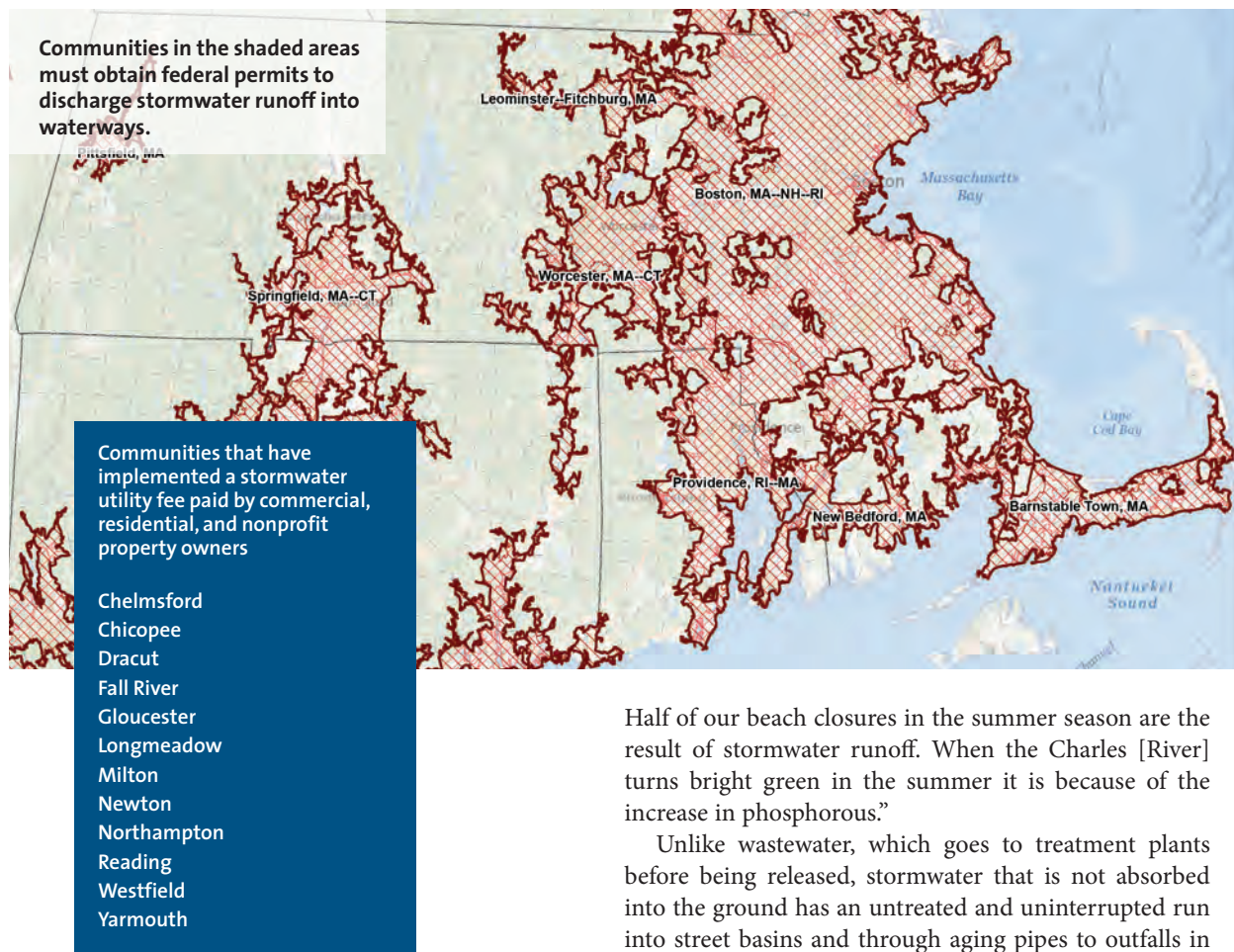
not delegated to state government. Gov. Charlie Baker has sought oversight control, but Democratic lawmakers on Beacon Hill have refused to go along because of past underfunding of the Department of Environmental Protection and a fear that Baker cares more about promoting development than dealing with the pollution that often accompanies it.

At the municipal level, most of the action is taking place behind the scenes. Most communities continue to fund their stormwater measures out of their regular budgets through their tax base. Milton, by contrast, instituted a stormwater utility fee two years ago to create a \$3 million enterprise fund that officials say they will need over the next five years to meet the new stringent

Massachusetts is one of only four states in the nation where stormwater regulation is left to the EPA.

federal mandates. A dozen other communities have gone the same route, including Chicopee, Newton, Fall River, and Chelmsford.

Ian Cook, executive director of the Neponset River Watershed Association, says the new stormwater fees



make sense, despite what people like Murphy say in Milton. “Stormwater has always been the poor sister of infrastructure, always been funded by the tax base,” he says. “A number of communities have recognized that’s, frankly, kind of a problem. Some are implementing a fee-based mechanism to raise money for the infrastructure.”

Cook also disputes the notion that homeowners have no control over stormwater. “Rain is an act of God, but stormwater runoff is actually an act of man,” he says.

WHEN IT RAINS, IT’S NOT POROUS

As the nation got built up and paved over, there became less permeable ground to suck up rainwater and the result is a flow that acts as a liquid vacuum cleaner, picking up all sorts of debris, bacteria, and contaminants (such as phosphorous from lawn fertilizer) in its wake. That flow is felt hard in Massachusetts.

“Stormwater is a factor in 55 percent of the water quality impairment in the commonwealth,” says Alexandra Dunn, the EPA’s regional administrator. “We are not meeting our [clean water] goals because of stormwater.

Half of our beach closures in the summer season are the result of stormwater runoff. When the Charles [River] turns bright green in the summer it is because of the increase in phosphorous.”

Unlike wastewater, which goes to treatment plants before being released, stormwater that is not absorbed into the ground has an untreated and uninterrupted run into street basins and through aging pipes to outfalls in rivers and streams. Many cities and towns have markers around stormwater drains telling people that what goes in flows directly to water sources in the area. There are also signs in most communities’ public areas for people to pick up after their dogs, with some even providing pet waste bags for disposal. But that waste isn’t always properly disposed. When the town of Milton cleaned out six of its catch basins last year, workers found more than 1,000 bags of pet waste.

There are no definitive data on how much impervious surface there is in the Bay State currently. The last time Massachusetts did a statewide satellite imaging survey was in 2005. At that time, the Greater Boston region had the highest amounts of nonporous cover. Boston, Cambridge, Somerville, Revere, Chelsea, and a handful of other communities had more than 50 percent of their land covered over in buildings, pavement, and concrete. To the south, Hull had more than 50 percent of its land covered by impervious surfaces. The same is true of Norwood, with its famed “auto mile.” Quincy, Braintree, and Weymouth had between 30 and 50 percent.

Generally, the farther away you go from Boston, the less impervious surface there is. Most of the state west of

Worcester is not subject to the new stormwater mandates that take effect July 1. There are some exceptions, including Chicopee and Springfield, both of which have well over 50 percent of their land covered with nonporous materials.

Under the mandates for the new permits, communities will be required to spend more money upgrading drainage infrastructure, cleaning streets of sand and debris, and monitoring catch basins more regularly. Communities will have to meet strict caps on the amount of nitrogen, phosphorous, bacteria, and other pathogens in discharges and, if the levels exceed it, address the problems at the source.

Some older communities have combined sewer and stormwater overflows which, during heavy rain periods, can cause sewage to run into the stormwater pipes and be discharged untreated. Communities will be required to file numerous technical reports about effluent and other contaminant content in the runoff and limit the amount of discharge into certain waterways, efforts that will require retooling drainage systems.

Education initiatives and campaigns will also be a priority, raising awareness of the need for proper disposal of pet waste and minimizing use of lawn fertilizer containing phosphorous. Many communities are expected to ramp up collection of household hazardous waste to reduce the temptation to dump dangerous products down stormwater drains. Municipalities will also be required to monitor construction sites more closely to reduce runoff.

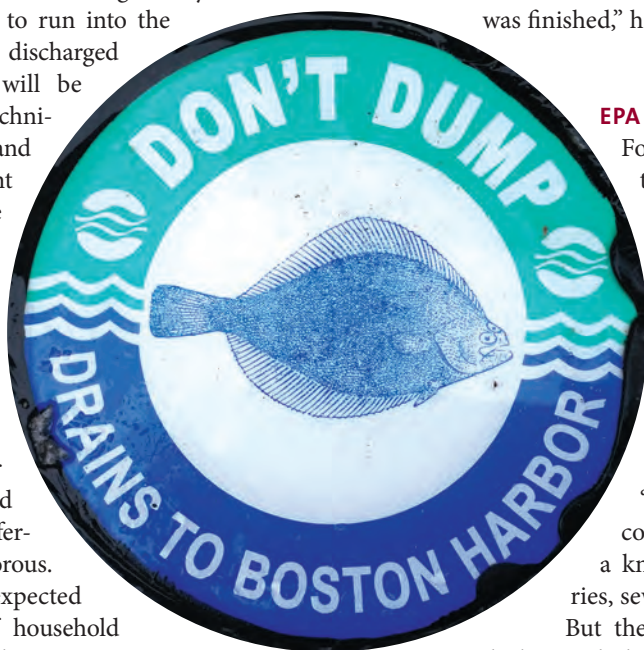
Dunn, the EPA administrator, says individual homeowners can do their part. "People can use rain barrels to catch the runoff, then use it to water their lawns," she says. "There are lots of great low-tech solutions. But no pollution is actually being eliminated. It's being controlled."

Many communities, as well as the state and federal government, have ramped up requirements for more porous construction and paving materials and the installation of so-called bio-retention spaces. For instance, those small islands in parking lots with mulch and small trees, where shoppers will sometimes leave their shopping carts, are more than just decorative accessories; they act as drainage areas for stormwater to seep back into the ground and avoid running into catch basins.

For years, Wilmington officials were constantly shutting down the town's Silver Lake beach because of high bacteria contamination, caused in large part by stormwater runoff. In 2007, the town undertook a demonstration project with state and federal assistance to find solutions to stormwater pollution.

The town paved over the beach parking lot using traditional asphalt in one area and porous asphalt in another. Walkways were reconstructed with permeable paver stones and other areas were covered in what the project's manager, Jamie Magaldi, calls a "Rice Krispies-like mix," which allowed rainwater to seep into the ground rather than run free to the lake. Magaldi says the results where the porous materials were used have been dramatic.

"We haven't had a beach closure since the project was finished," he says.



EPA VS DEP

For more than four decades, the Clean Water Act has been the hammer used by Congress and the EPA to force state and local governments to scrub the country's rivers, streams, ponds, and seas of centuries of toxic waste. It has largely been successful in cleaning up what is termed "point source" pollution, contaminants that come from a known source such as factories, sewage pipes, or ships.

But the regulatory framework for dealing with the more generalized pollution caused by stormwater has been more tricky. Forty-six states oversee efforts to reduce stormwater pollution, while four states, including Massachusetts, leave the job to the federal government.

The Trump administration's commitment to stormwater regulation, however, is in doubt given the attempts by officials to cut back environmental funding and mandates. The new stormwater permits were supposed to take effect last summer, but a legal challenge in the District Court of Washington, DC, by a variety of parties, including the city of Lowell and the town of Franklin, triggered a delay by the EPA. That case has not been decided yet, so there's the possibility that the July 1 deadline could be put off again. But officials at all levels say they're acting as if the mandates will be in place.

"Whether or not it's effective in July, we'll still be ready," says Quinn Lonczak, project supervisor for the



When Milton cleaned out six catch basins last year, workers found more than 1,000 bags of pet waste.

Water Pollution Control Department in Chicopee, the first community in the state to create an enterprise fund from stormwater fees back in 1998.

In 2013, during the second term of former governor Deval Patrick, the state Department of Environmental Protection was charged by the Legislature with studying the ability of the state to assume administration of the

Sen. Jamie Eldridge says the DEP is as focused on economic development as it is on the environment.

National Pollution Discharge Elimination System, the program that includes stormwater regulation and permit compliance as well as wastewater discharge.

The recommendation was to leave oversight in the hands of the EPA because the cost for the state to take over would be \$9.5 million and there was no guarantee lawmakers would continually allocate the needed funds to run the program.

“It really comes down to the money,” says state Sen. Anne Gobi, co-chair of the Joint Committee on Environment, Natural Resources, and Agriculture. “I’m not totally against it,” she says of a state takeover. “But where’s that money going to come from and how are we going to be assured the money is going to be there year after year after year? There’s discussion of funding it through a fee basis, but people get nervous about that kind of thing.”

For the past two legislative sessions, Baker has filed bills to allow the state to assume control of the discharge elimination program. His latest bill was sent to study in early March, meaning it is effectively dead for the immediate future.

Baker’s bill appeared to be a half-hearted effort at taking over the program. Where the 2013 DEP study pegged the cost at \$9.5 million, Baker proposed funding it at \$1.4 million in his fiscal 2019 budget.

State Sen. James Eldridge of Acton says his concern is not just about the money, but also the diminishing of the DEP under both Democratic and Republican governors over the last 20 years. Even with the Trump administration’s perceived animosity to environmental causes, he says, the EPA is better suited than the state to enforce the mandates. Under Baker, he says, the DEP has been focused more on development than environment.

“I am strongly opposed to this,” Eldridge says of a state takeover of the program. “Mass. DEP has really been gutted over the last 10 years. To give them another task to enforce wastewater and stormwater as effectively as the EPA does now, to move to a state agency that is already overwhelmed, is just not wise. This is coming from, in many cases, developers, water suppliers, and communities who don’t want to spend the money to improve our rivers and streams,” he says of the calls to put stormwater oversight under state control. “The DEP seems to be as focused on economic development as it is on protecting the environment.”

DEP officials dispute the criticism, saying the earlier cost estimates for administering the discharge program and overseeing the permit issuance were vastly inflated. They say the DEP already works as a partner with EPA to issue and administer the permits, providing communities with a liaison to understand the byzantine process. With that experience and between the governor’s proposed funding and EPA grants, they say, the program can be effectively administered.

Dunn, the EPA regional administrator, is moving ahead with stormwater permit regulation in Massachusetts but she thinks the job is better suited to the state.

“We, as an agency, have been very supportive of states taking this authority,” she says. “There are concerns around what is required when a state takes this authority. They

have to staff up, they have to 'law up,' in other words, get their statutes defined in line with the program.... With state delegation, there is consolidation of resources and powers. We believe Mass. DEP could be much more effective" in administering the program.

PAYING THE BILL

Homeowners and businesses are already paying for stormwater pollution but the vast majority of people don't realize it nor do they realize they are carrying free-riders as well. The way those costs are being levied has spawned a potentially heated policy and political debate across Massachusetts.

In most communities, it's hard to separate stormwater mitigation from other municipal initiatives so the cost is subsumed within the larger public works budget. Street sweepers, for example, are used to keep streets clean but they are also used to suck up debris that could be swept down a storm drain during a rain shower.

Boston is already spending millions to meet its mandate, marbling the cost into Boston Water and Sewer Commission rates with much of the work coming under the Engineering and Operations Division budget. The

city was issued a five-year permit in 1999 for stormwater discharge and has been renewing it every five years since. In 2012, the city had to enter into a consent agreement with the EPA to do more work to mitigate pollution.

A small but growing group of communities are taking the approach recently adopted by Milton, assessing special fees that are set aside in an enterprise fund and dedicated exclusively for stormwater pollution mitigation. The communities say their approach is more transparent and fairer. Municipal budgets are funded primarily by property taxes, while the new stormwater fees are assessed on all property owners, including nonprofits and government agencies that typically don't pay property taxes.

"You're tapping everybody and there are no exceptions," Chase Berkeley, director of Milton's Department of Public Work, says of the utility fee. "The more developed land you own, the more you pay."

About a dozen communities around the state have enterprise funds but they don't all approach it in the same way. Chicopee has a set rate of \$25 every three months for one-to-four-family homes and then a tiered structure based on size of property.

Milton's stormwater utility fee is based solely on the property's amount of impervious surface, with a range

The advertisement features a dark, textured background. The word "Commonwealth" is written in a large, light gray, serif font, spanning most of the width of the image. Centered over the middle of the word is the phrase "Independence drives democracy." in a smaller, white, sans-serif font. At the bottom left, the text "Support *CommonWealth* magazine." is written in a white, sans-serif font, with "CommonWealth" in italics.

of four tiers for residential and commercial properties. Newton levies a utility fee that has a set \$75-a-year charge for one-to four-family homes and a heavier burden—between \$250 and \$5,000—for commercial properties.

Wilmington, by contrast, is unlikely to set up a special fund. “We have not started an enterprise fund and that’s

requirements once the new federal mandates take effect.

“My gut sense is [an enterprise fund] is the way we’ll go for reasons of equity,” says Ashland Selectman Steven Mitchell. “Nonprofits don’t participate in taxes but would in this. [State properties’] contribution would be captured through the enterprise fund.”

Communities will have to spend more to upgrade infrastructure, clean streets, and monitor catch basins more frequently.

not on our radar. Nobody wants to add another tax burden,” says Magaldi, the Wilmington DPW project manager.

In Ashland, officials are undecided. They estimate the town currently spends between \$120,000 and \$150,000 across various departments on stormwater mitigation, but the cost is likely to rise to \$300,000 a year to meet permit

Whatever Ashland decides, Town Manager Michael Herbert says officials need to do a better job of explaining the cost implications of stormwater mitigation to residents.

“For the large majority of taxpayers out there, they will see it as just another fee,” he says. “For the most part, the large majority of people I have talked to, their initial reaction is, ‘You’re just trying to extract money from taxpayers and ratepayers.’ It’s like the older

couple. They say they don’t have kids in the school system so they think they shouldn’t have to pay taxes for school. Taxes have been instituted to help pay for public responsibilities, those services that are just generally accepted as to what government provides. We need to do a better job in putting together that story.” **CW**

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CW

The young (ish) T urks

Three administrators at the MBTA are part of an attempt to change the culture

PHOTOGRAPHS BY FRANK CURRAN

WHEN BRIAN SHORTSLEEVE took over as chief administrator of the MBTA in August 2015, he wanted to shake things up. The former general manager at the Cambridge venture capital firm General Catalyst saw the T as “a very insular and slow-moving bureaucracy,” so over about 18 months he replaced about half of the top management team, hiring mostly younger people from the private sector.



From left, the T's David Block-Schachter, Laurel Paget-Seekins, and Ben Schutzman.



Brian Shortsleeve, the former chief administrator and acting general manager of the T, replaced about half of the top management at the transit agency.

Shortsleeve, who now serves on the board overseeing the T, enticed the new recruits by giving them a lot of responsibility and telling them he was trying to create a culture of innovation at the agency. He urged them, as well as everyone else at the T, to do something that's fairly rare in state government—to experiment, to innovate, and, if something doesn't work, to try something else.

"The culture in any organization begins with the people," he says. "You need leaders in the field driving the agenda."

I talked to three of those leaders, two men who were hired by Shortsleeve and a woman who was already at the MBTA when he arrived. All three are playing key roles in the MBTA's efforts to turn the transit authority around in the wake of the early 2015 snowstorms that crippled the agency and put Gov. Charlie Baker on the hook for improving it.

David Block-Schachter, 40, was brought in as the agency's chief technology officer in February 2016. It's his second stint at the T. He joined the agency initially in early 2014 as director of research and analytics, but left after just a few months to take the job of chief technology officer at Bridj, a startup that sought to create an on-demand bus service. Block-Schachter bailed from Bridj and returned to the T just a couple months before the

company shut down.

His focus these days is on replacing the T's existing fare collection system with one that will accept payment by fare card, credit card, or smartphone on all modes of travel. The new system will also dispense with cash payments on board buses and Green Line trains, which should speed up travel. Block-Schachter, who has a PhD in transportation from MIT and makes \$175,000 a year,

**Brian Shortsleeve,
a former venture
capitalist, saw the
T as a slow-moving
insular bureaucracy.**

structured the deal as a public-private partnership where the vendor must build and start operating the system before receiving any compensation.

Ben Schutzman, 30, came to the T in August 2016 on a fellowship program run by his alma mater, Harvard Business School. After a year learning the ropes, Schutzman was named director of innovation at the

MBTA and put in charge of revamping the agency's \$100 million paratransit service, called the RIDE. It's been an uphill struggle since he arrived, as the operator of the RIDE's call center turned out to be a bust and is now in the process of being replaced.

One bright spot, however, was a new service allowing paratransit customers to use Uber and Lyft to get around. The ride-hailing apps saved the T money on a per-ride basis and offered paratransit customers a lot more convenience. In the end, however, the T didn't save any money because the service proved to be so popular that any savings from using the apps was offset by much greater usage. Schutzman lives in the South End and makes \$135,000 a year.

Laurel Paget-Seekins is the head of research at the T. She's 37 (the same age as the cars on the Orange Line, she notes) and someone who kicked around quite a bit before settling at the T late in 2014. She spent three or four years doing "random things" in Washington, Baltimore, and Oakland after attending college at Oberlin, before heading to Atlanta to earn a PhD in urban planning and civil engineering from Georgia Tech. She also spent some time traveling abroad, and accepted fellowships in Germany and Chile.

It was in Atlanta that she met Beverly Scott, who ran that city's transit agency and would go on to run the MBTA. Scott gave Paget-Seekins, who currently earns \$120,000 a year, the job that would bring her to Boston.

All three of the T executives want nothing to do with car ownership. Schutzman got rid of his car a year and a half ago. He walks to work and gets around using the T, Uber, Lyft, and the occasional rental car. Paget-Seekins lives in Jamaica Plain and rides her bike to work or takes the T. Block-Schachter, who grew up in Manhattan and now lives in Cambridge's Inman Square, says he didn't learn to drive until just before his wife gave birth to twins, who are now 7 years old.

"We've owned our car for two and a half years and I've driven it once. My wife said to never drive it again. I'm a very bad driver," he says, providing a hint of his self-deprecating humor. "I don't ride my bike. I get around on the T and I walk, and every once in awhile I get a ride from my wife when she's being nice, like to the grocery store."

We took our photos of Block-Schachter, Schutzman, and Paget-Seekins at the Green Line's Boylston Station using as background props two vintage subway cars from the 1920s and the 1950s. Afterwards, we walked to the Transportation Building and chatted in a conference room in Block-Schachter's work area on the third floor. We were joined by the T's press spokesman, Joe Pesaturo, who sometimes interjected comments into the conversation, which has been edited for space.

— BRUCE MOHL

COMMONWEALTH: So I wanted to talk to you because you're all on the youngish side working at a transit agency known for being old and stodgy.

DAVID BLOCK-SCHACHTER: Wait a minute, you looked at me when you said that. I'm immature, I think that's the word.

CW: Does the perception of the T as old and stodgy apply to the personnel as well as the equipment?

BEN SCHUTZMAN: The perception is real, at least on the outside. I shared a similar perception before I got here.

CW: How did Brian Shortsleeve convince you to join the T?

SCHUTZMAN: He said there was an entrepreneurial culture here that he was trying to build. It was really about going out and trying to solve the challenges for the customers and bringing in smart, talented folks to work with the great people that were already here. He wanted to bring in new ideas and new ways of doing business. That's not to say he was looking for young talent or old talent, but looking for new talent with a fresh perspective on things. Brian is a pretty good salesman, and I think to get this opportunity in an entrepreneurial environment was definitely something that I was interested in.

CW: David, this is your second stint at the T, right?

BLOCK-SCHACHTER: Yeah, the first one lasted only about three months. I'm a lot longer into this one. I worked at Bridj after the first three-month stint here. Joe, by the way, called it a traveling circus.

JOE PESATURO: I didn't use those words. But to tell you how short his first stint was, when the *Globe* called and asked me about us losing David, I said: Who are you talking about? So I had to ask around.

CW: What's the difference between a startup like Bridj and a place like the T?

BLOCK-SCHACHTER: There's two different things. In the private sector, especially in the startup world, you're creating something from nothing at all, which means you don't have the technology backbone or some of the legacy technology that you're dealing with here. You also don't have a customer base. There's something very exciting about reimagining a world where you're not beholden to the world that exists. A big part of what we have to do here is create a world that doesn't attempt to create the best thing that we could possibly do. It's how do you transition from

the world that we are in to the world that's going to be when we're serving 1.3 million trips every day. It's a gigantic different set of challenges.

CW: Just as Shortsleeve convinced you to return, how do you convince the people that work for you to join the T?

BLOCK-SCHACHTER: A lot of the folks sitting back there [points to the office behind him] are people who would never have thought of working at the T. They're working in technology. They're engineers. They're product managers. They're designers. They wouldn't consider working here because of that public perception, and they get here and meet the other young talent that's working here and they see that it's different. That doesn't mean that there isn't still some of that stodginess. It also doesn't mean that some of the people who have been here for 20 years aren't the most talented people I know. Change doesn't come about because you bring in new talent. It happens because you work with what's already there. That's the challenge of government, taking what exists and turning it into something, which means you have to know what exists and you have to embrace it for its strengths and its weaknesses.

CW: Laurel, how did you end up here?

LAUREL PAGET-SEEKINS: I knew Bev Scott [who later became the T's general manager] in Atlanta, when I was doing my PhD at Georgia Tech. I got David's job when he left. I formally, officially started in December of 2014, right before a lot of transition-turnover-snow happened. That actually provided a really big opportunity for me to take a leadership role in that moment of transition. I had been around so I knew a little bit about how things worked and when there were new folks coming in with



Ben Schutzman, 30, is director of innovation and the manager in charge of the T's paratransit service.

the administration I was able to step up in that moment. So some amount of where I'm at in the agency has to do with that timing.

CW: What was your expectation for the T when you arrived?

PAGET-SEEKINS: This is my first job in the public sector, and I think I underestimated the complexity of everything that we do. How complex all of our systems are, all of our infrastructure and IT systems and everything. But also the policy implications. We change one thing, it touches everything else in our organization. And how many individual departments need to coordinate with so many other departments to move something forward just because we're all interconnected as an agency. There's no

way any one person could understand all of the rules, all of the jobs here, all of the complexity of the organization. So figuring that out, figuring out the relationships that you need to have to be able to understand how what I'm going to do is going to impact David or Ben or somebody else, it's really critical and it's something I didn't expect from the outside.

CW: David, what's your biggest frustration about working at the T?

BLOCK-SCHACHTER: Ben.

CW: No, seriously.

BLOCK-SCHACHTER: It can be hard to move as quickly as you want to move, and that's not necessarily a bad thing. There are structures in place that keep us from doing stupid things fast. And that can be a good thing. With the fare collection project, we're very proud that we've gotten as far as we've gotten in two years, and that we've structured it so two years from now it will be launched. But that's four years. That feels frustratingly long. It's very quick, I'm told, for the scale and scope of what we're doing, but the challenges before us and the customer's needs are so great that it's frustrating when something takes four years.

*It can be hard to move
as quickly as you
want to move, and
that's not necessarily
a bad thing.*

CW: What do you mean by structures in place?

BLOCK-SCHACHTER: That's what our procurement department is there for, to keep us from doing something stupid fast. But that also means that we can't do something really smart fast, and that we have to go through all those things that are there to prevent fraud and abuse and waste or from us just getting a really, really bad vendor.

CW: Does the bureaucracy at the T bring it down?

BLOCK-SCHACHTER: Look, things here aren't the way they are because people are incompetent or stupid or don't care. They're there because to run a system as complex as ours with as many people riding it every day requires... well, there's a chaos to it. These decisions have been made

to tame some of that chaos on a day-to-day basis. When you say, why aren't you doing this thing that's very simple, there's usually a very good reason for it. It's because it works. Whether it works as well as it could is a different question.

PAGET-SEEKINS: And it's hard to take risks when it could impact that many people.

BLOCK-SCHACHTER: A lot of the people who have come in over the course of the last two years, if there's any difference at all, it's that they're more attuned to being able to fail small quickly in order to get to the bigger win. You might have started that way 10 years ago, but the longer you're here the more you know the things that aren't going to work, which means the less likely you are to try stupid things that may end up really working well. So in some ways being here 10 years can become a little bit of a disadvantage. You learn about the complexity over time and in some ways start to take fewer risks now than you would. I know that I probably do fewer stupid things now than I did two years ago, maybe to the detriment.

SCHUTZMAN: I was going to say the same thing. I can just hear myself sometimes when staff are talking to me about, well, what about this idea? I'm walking it over in my mind and it's like I've seen that pattern before and at least in that case it led to a failure or it didn't work. It is trying to bridge that gap between helping people not to fail when you have a high level of confidence what they're trying to do will fail again, but still allowing that experimentation, still allowing that smart risk-taking. That's something we brought in in the first place but we need to keep nurturing it as well.

CW: Ben, how many people work for you?

SCHUTZMAN: 15 to 16 people.

CW: Laurel, how about you?

PAGET-SEEKINS: Six full-time employees and six interns or coops.

CW: David?

BLOCK-SCHACHTER: I'd say I have between 100 to 120 people working for me. A lot of my staff is working on specific projects and are unlikely to be at the T when those projects end.

CW: Do you have enough money for your department?

BLOCK-SCHACHTER: No. I'm very proud that we've been able to reduce the operating budget of my department 20 percent over the last two years. That being said, one of the things that we have to look at as an organization is where will we invest in the operating budget as we're transforming ourselves. I always want more money, but I think it has to be targeted towards parts of the organization that didn't exist before. So building out an operational technology team rather than technology that comes and builds capital projects and then goes away is something we're struggling with as an organization as a whole.

SCHUTZMAN: I probably don't need more money. To a certain extent, at the end of the day, the RIDE provides service to all customers who want to take trips. I would like to provide the service more efficiently, and provide more trips to customers for that same level of service. Internally with staff, I want to make sure that they're able to recruit the right staff that we need to execute on some very ambitious goals and initiatives going forward.

PAGET-SEEKINS: I have one of the smallest budgets of all the departments in the T. It's pretty fine for what we do. If we took on more work, we'd have to add to that.

CW: What about the T as a whole. There's a huge philosophical debate about whether the T needs to keep doing better with what it has, or whether it needs more money to do what it needs to do.

BLOCK-SCHACHTER: I don't think they're diametrically opposed at all. In a Venn diagram there is a combination between those two, which is to say you should sharpen your pencils and become more efficient and also invest in key areas in order to provide better service. Those two things are not oppositional.

SCHUTZMAN: I would add that it's important in my mind that I'm running the service I'm running now and making that better and enhancing that for customers but looking to where I want to invest to take the next step.

BLOCK-SCHACHTER: The Uber and Lyft pilot is a great example. Did it save a lot of money for the T? No. But it significantly improved those people's lives. That's really the combination of doing more and getting more efficient at the same time. They're not all going to be exactly that same way and come to that close break-even point, but that's why I don't think they're diametrically opposed. The better we get at what we do, the better we are, the more things we can do better for people.

CW: But what about expansion of the existing T system?

PESATURO: If you're talking about expansion projects, I think that's above their heads.

CW: Why?

PESATURO: These three don't decide where the transportation system will be expanded.

CW: So is it a top-down organization then?

PESATURO: They all have roles.

CW: What about the Monday meetings of the Fiscal and Management Control Board? Are they a pain in the ass or a good use of all the time they take?

BLOCK-SCHACHTER: Yes.

CW: Can you elaborate a bit?

BLOCK-SCHACHTER: Look, they're a good thing because the board is willing to listen and to engage.

SCHUTZMAN: It's a yes and a yes for me around the value but also the amount of effort that goes into the board meetings. The value, again, comes from keeping the pace going. It's sometimes attractive to not be in the limelight and just get work done, which would be really valuable. But when you have to come up once a month or once a quarter or three weeks in a row because you're talking about a really critical important issue, it drives the business to get things done. But then it also publicly shows very transparently that the T is working on these issues versus it just happening behind closed doors.

It's a culture that
Brian Shortsleeve
started as manager,
which is very
entrepreneurial.

CW: Ben and Laurel, I noticed you were sitting at the control board meeting the other day just watching.

SCHUTZMAN: I was down there—I think Laurel was, too—because the budget was being discussed. At times when the budget's being discussed that's an obvious one because it can touch on a lot of the organization. Also, public comment is a place to hear from the stakeholders. We may hear them through other channels, but the com-



Laurel Paget-Seekins, 37, is the T's director of research.

ment period provides another opportunity to hear what people really care about and what they want to tell the board. Or you hear what the board says in a second-hand comment and then they ask Laurel to come up and say a few words.

CW: How much freedom are you given to do your job?

BLOCK-SCHACHTER: Obviously during different stages of different projects there are different levels of oversight. But it's a culture that Brian really started as a manager, which is very entrepreneurial. If there is something to be done, go out and do it. Don't wait for permission to do it. Don't wait for the approval process. Go out and figure out what needs to be done. With fare collection, once you

get into the contractual financial terms, there's a lot of oversight into everything that you do, as well there should be. This is an important thing to the organization. But in terms of what we've been able to do over the course of the last few years, we were allowed to run with it and pull in resources as we needed them to make this happen and to really figure what those priorities were and make sure those are the right priorities. Just to go at it.

CW: Did you make the decision on structuring the new fare collection system as a public-private partnership?

BLOCK-SCHACHTER: I think a lot of that was me. A lot of that was in conversations with Brian. We were determined to figure out different ways of doing it. Speed was a big part of it, but there were two big factors there. One was completion time, having a contractor with skin in the game in terms of getting something done quickly we knew would be really important. Making sure there was a guaranteed date and they don't get paid until they do it. The other piece was making sure there was a performance regime [meaning the company would have to meet performance

targets once the system was up and running in order to get paid]. Coming at it with those two pieces, a public-private partnership is an obvious way to deal with both at the same time.

CW: Ben, you work under Jeffrey Gonneville, the T's deputy general manager. How much freedom does he give you?

SCHUTZMAN: Jeff is like any other boss. When you need advice or support to get approval for certain things, that's what he's there for. But otherwise it is my responsibility to make sure the RIDE gets close to hitting budget and, most importantly, serves its customers dealing with all the different operational challenges confronting a \$100



million business serving about 6,000 to 7,000 trips every single day.

CW: Things have not always gone well with the RIDE of late, particularly with the vendor. Yet T management still seems to have faith in you.

SCHUTZMAN: I took over the RIDE less than a year ago at this point, so I stepped in when things were not working so well with GCS [Global Contact Services, the vendor] and that's right when on-time performance slipped. I would say I've been leading the turnaround and the improvement of the RIDE since then.

CW: Laurel, do you feel like you're pulling the T into the 21st century?

PAGET-SEEKINS: It started before I got here around trying to collect better data and use data in different ways and analyze it and use it to drive decisions. We're constantly trying to improve on it. The transportation secretary [Stephanie Pollack] obviously puts high value on data and how we think about it and how we analyze it. There will constantly be improvements to data quality, particularly because we're often using data as a byproduct of our

operating systems. The fare collection system – the one we have now—is designed primarily to collect fares. So the data is a byproduct of that. The new fare collection system will help with that, but it still won't be perfect data.

BLOCK-SCHACHTER: Perfect.

PAGET-SEEKINS: It's never going to be perfect.

BLOCK-SCHACHTER: It's going to be perfect.

PAGET-SEEKINS: It's never going to be perfect. But a huge part of what my team does is think about what level of uncertainty are we comfortable with presenting and how good is good enough. We've got to make sure we're doing due diligence to make sure we're getting it as accurate as possible.

CW: How about you, Ben? Are the tools you're using cutting edge?

SCHUTZMAN: One of the things that drew me to the RIDE, unlike a lot of the fixed route systems, is that it already has a lot of data generated about where the trips

are going, where customers are picked up and dropped off. It's a different challenge than the challenge that Laurel's working with, which is, one, do we have the data in the first place and then, two, how reliable is it. At the RIDE we know the answers to those first two questions and now we're trying to use the data to better design our pilots, like we have with Uber and Lyft, or better design our next contracts.

What level of uncertainty are we comfortable with and how good is good enough?

CW: I saw on your LinkedIn page that you once worked at Uber. Did you start the Uber and Lyft pilot at the RIDE?

SCHUTZMAN: It was started before I came in, and I came in when the contracts were actually being signed. I would say a little bit of that experience [at Uber] and past expe-

riences at companies I've consulted with, I have tried to bring a little bit of that to the T, including testing new concepts out in small ways, piloting them, tracking the data, seeing what the data tells you about whether it's successful or not, and then cutting things off if they don't work. So I would say some of the processes I've used in the past I've brought in and tried to use them at the T.

CW: David, the title of your PhD thesis was "Hysteresis and Urban Rail: The Effect of Past Urban Rail on Current Residential and Travel Choices." What was that about?

BLOCK-SCHACHTER: Have you read the whole thing?

CW: I haven't.

BLOCK-SCHACHTER: You're probably waiting for the movie. The idea is that Boston has this incredible endowment, which comes from where our rail system was. That is, around the beautiful streetcars that existed running throughout Boston, Cambridge, Somerville, and the surrounding areas. The question is from that, how have they in fact shaped the city? That's the beautiful thing about doing a PhD, because you can do something that's so eso-



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teric or it can be completely and totally useless.

PAGET-SEEKINS: Hey, I'm using mine.

BLOCK-SCHACHTER: [Back to describing his thesis] Can you actually measure the effects of where streetcars once were on the environment in terms of density, in terms of car ownership? And how many people in those areas are taking transit even though those streetcars aren't there any more? They've been replaced by bus lines or they're completely gone. It's a fascinating way to spend a couple years. You learn a lot about urban history.

CW: Laurel, what was your thesis on?

PAGET-SEEKINS: It goes back to why I got into transportation, realizing there are competing goals for public transit systems. Environmental goals are to get people out of their cars and ride transit. Also, there are social equity goals of serving people who don't have access to cars. Sometimes those are seen as different types of service, but where is the overlap of what is the network design and operational characteristics of public transit

When I tell people
I work at the T,
they're always
interested because
everyone rides it.

agencies that serve both of those goals at the same time? So I focused on two variables. One is trip purpose. If you're going to be using public transit for all of your trips whether it's a choice or not—it's not just the work trip, but all of the trips—how is the service designed to enable people to take all of their trips on public transit. And then nonmotorized access, being able to get to transit without having to drive to a park-and-ride lot. This is based on my experience in Atlanta, where the park-and-ride lot there is different than it is here. So I looked at 17 transit agencies around the US, in terms of what drove those characteristics. It still informs my thinking about ridership here.

CW: It seems like you really enjoy talking about your work.

PAGET-SEEKINS: I love talking about my job. When I tell people I work at the T, they're always interested because everyone rides it. It's hard to find anyone that hasn't had some exposure to the T. **CW**



1099 Nation spreads its tentacles

Employees in every sense of the word — but without the benefits

BY MARK ERLICH

JULIO BELDI SPENT more than 10 years working in the seamy underside of the non-union construction industry. Paid \$17-\$22 an hour for his work as a carpenter across New England, Beldi was compensated either in the form of a check with no deductions or with straight cash. Some of his employers treated him as an “independent contractor,” mailing a 1099 tax form at the end of the year. Most did not bother. Beldi received \$18 an hour working on a veterans’ hospital in Rhode Island despite a law requiring a \$50.69 hourly wage on the federally funded project. He also never got any benefits or overtime pay for routine work days of 10 and 12 hours. “Sometimes,” said Beldi, “no one in the crew got paid for one or two months,” as the owners promised back wages only after they had been reimbursed by the general contractors.

Beldi functioned as an employee in every legal and common sense definition of the term, but never enjoyed the benefits of the status. He is one of millions of Americans whose employers operate outside or on the margins of conventional employment practices. For the past 40 years, employers have pursued a strategy of shedding obligations to their employees as part of a broader outlook that views labor as one more risky liability to move off a balance sheet. For some, this has meant the purposeful misclassification of employees as independent contractors, a tactic adopted by Beldi’s disreputable construction contractors as well as more high-profile and celebrated firms such as FedEx and Uber.

A 2015 General Accounting Office report suggests that “alternative work arrangements”—an expansive phrase that includes part-time employees, independent contractors, free-lancers, temp agency workers, on-call, and contract work-

ers—now constitute more than 40 percent of total reported employment. And the trend is only increasing. A recent study by economists Lawrence Katz and Alan Krueger concludes that an astonishing 94 percent of the net employment growth in the US from 2005 to 2015 occurred in these alternative work arrangements.

The incentive is simple. Employers save substantial amounts of money by labeling their workers as independent contractors. Federal and state tax payments are eliminated. Benefits become the responsibility of the lower-tier contractor and, in dangerous industries such as construction, costly workers compensation insurance premiums can be avoided. The Bureau of Labor Statistics calculates that average benefits—legally mandated and optional—for private sector workers make up 30.3 percent of total compensation. Wiping out that level of obligation can be the single largest cost-cutting measure an employer could ever adopt.



The post-World War II social compact, an understanding in which businesses traded increased productivity for a measure of economic and job security for labor, has fragmented. In his book *The Fissured Workplace*, David Weil describes how large businesses have moved from the direct employment and organization of their own workforces to a domestic and global supply chain system of subcontractors and vendors that has become responsible for the hiring and managing of the people who carry out the lead corporation’s mission. Companies have shifted financial burdens to their workers and eliminated

the organizational headaches of managing employees while maintaining strong control over the goods and services they produce. A significant percentage of the nation's largest and most influential employers have simply walked away from any economic, social, and cultural sense of responsibility for many of those who make their businesses function.

There has always been job insecurity and an underground economy but, in a new wrinkle, an ideological spin justifies and even rejoices in the increasingly precarious world of work. The old Marxist trope of the chains of wage slavery has been turned on its head. "Be a regular worker," pronounced the founder of Japan's largest temp staffing agency, "and be exploited for the rest of your life." The loss of a sense of career, stable occupational identity, and access to public or employer-provided benefits has been supplanted by the opportunity to be flexible, independent, and entrepreneurial. It is not merely a different way to work; it is fulfilling and self-realizing. The leaders of a venture capital firm trumpet "the Rise of 1099 Nation" and "the structural shift in the way labor is procured, managed, and deployed" that saves employers money, allows businesses to unbundle, and, of course, provides a preferable lifestyle for their contract workers. The head of a San Francisco school that trains low-income people to embrace the vagaries of the gig economy says, "Everyone can be their own CEO."

Undoubtedly, the freedom to be your own boss can be attractive and even exhilarating, but for most of those trying to earn a living in the world of alternative work arrangements, it is not a lifestyle choice but a matter of the terms of engagement unilaterally imposed by employers. Those terms come at a high cost. Working outside the umbrella of the statutory protections that accompany being an employee means an individual has lost the right to minimum wage and overtime pay, unemployment insurance, workers compensation, anti-discrimination laws, and the ability to form a union—just some of the many components of today's growing chasm of economic inequality.

The tentacles of the "1099 Nation" have spread far beyond construction into technology, warehousing, retail, hospitality, manufacturing, and virtually every other sector of our society. The cornucopia of new terms preceding the definition of our coming economy—innovation, gig, knowledge, information, sharing, on-demand—are meant to add luster to the prized state of "solopreneurship" and diminish anxieties about job security, access to health care, and retirement planning.

As if these wholesale redefinitions of occupations and employment relations were not sufficiently concerning, the world of work will be fundamentally transformed

in years to come through the continuing introduction of automation, robotics, and artificial intelligence. A McKinsey Global report suggests that about half of all work activities—physical and cognitive—have the technical potential to be automated with current levels of technology. The report estimates that, by 2030, anywhere from 75 to 375 million workers around the world will need to switch occupational categories.

Even the most sanguine technology cheerleaders recognize the potential for disruption. While assuring their readers that new and different jobs will be created, the McKinsey authors delicately propose that it should be a priority to develop policies for "transition and income support for workers caught in the crosscurrents of automation." Future-of-work pundits promote concepts such as a guaranteed basic income, negative income taxes, hybrid definitions of employment, and training, training, and more training.

In the context of a society in which benefits are tied to the workplace, a broad-based acceptance of the concept of "presumption of employment"—the notion that a worker who is hired to perform a service is presumed to be an employee unless there are clear and unmistakable indications of an independent relationship to the employer—would provide more workers with a minimum set of protections.

Affirming the notion of joint employer relations—a system of legal accountability of top-tier companies for the practices of their lower-tier contractors—would place responsibility on the decision-makers who truly define the terms of employment. Providing financial resources to state and federal regulatory agencies to crack down on misclassification could transform the landscape as well as provide needed public revenues. Most important, reversing the decline of union density and reforming labor laws to remove the shackles from union organizing would allow more workers to have the organizational power

Solopreneurship comes with a lot of anxieties.

and voice to address the new challenges in the workplace.

Policy makers are struggling to catch up with the rapid changes that are outpacing existing regulatory frameworks. Every month finds a new ruling or piece of legislation that reflects a wide range of value biases on the subject of contingent work. In December, the European Union's Court of Justice ruled that Uber is a transport company—not merely a digital service—and its drivers are, therefore, subject to national employment laws. In February, a northern California district court ruled that a driver for Grubhub, a meal delivery service, was an independent contractor.

Congress' new tax bill rewards independent contractors with tax breaks unavailable to their waged employee counterparts and the Trump National Labor Relations Board signaled its intention to reverse an Obama-era decision that had expanded the concept of joint employer liability.

Fortunately, Julio Beldi's story has a happy ending. Now 49 years old, he joined the Carpenters Union in Boston several years ago and is pleased to receive benefits and be treated as an employee. He works an eight-hour day and receives premium pay when his jobs run overtime. "Before I felt sad because I didn't get to see my dad," says his teen-aged daughter, Jennifer. "Now I have lots of chances to be with him."

Like Beldi, other citizens have not necessarily embraced the happy talk of workplace liberation. In 2016 polling by Hart Research Associates, 67 percent of the voters surveyed indicated they had heard about misclassification

as an employer strategy to cut costs and 78 percent said that it was better to be an employee than an independent contractor.

It is clear that the disruptive impact of independent contracting, fissuring, deindustrialization, automation, the global economy, and the fracturing of the post-war social compact have been among the causes of the current state of political unrest and volatility in the United States and Europe. It seems equally clear that concerns about economic insecurity and increasingly precarious work formations will define much of our politics in the future.

Mark Erlich is a fellow at the Harvard Labor and Worklife Program and retired head of the New England Regional Council of Carpenters. He is a member of the board of MassINC, which publishes CommonWealth.

Democrats have a lot to learn from Trump

He won't drain the swamp, but they should **BY EDWARD M. MURPHY**

OUR DAILY FOCUS on Donald Trump's narcissistic behavior diverts attention from something much more significant: the likelihood that his presidency may constitute an important historical transition for the United States. It is obvious that the election of Trump represented a departure from the norm. It is not obvious that his departure from the presidency will represent a return to the norm.

Historians looking back decades from now will probably see Trump in the category of presidents like James Buchanan and Herbert Hoover, each of whom ineptly managed powerful forces that drove the country into great crises resulting in profound changes. We may not face an attempt to dissolve the union or another Great Depression, but it's hard to anticipate whether Trump will deliver the country into an existential crisis or simply leave our political order disassembled and requiring reconstruction. To repair itself in Trump's wake, the country will need a widely shared vision of the future of governance in the United States. If past crises are illustrative, that vision will involve a reconstituted political framework very different from what we know today.

The dialectic that has characterized recent decades of national politics is already beginning to change. Until Trump's election, the country saw the Republican and Democratic parties fall into two pre-conceptualized categories: small government conservatives and big government liberals. The Republicans argued for reduced spending, a

lightly regulated economy, and diminished federal bureaucracy. The Democrats tolerated higher taxes and believed that an empowered national government should administer policies to expand health care, support housing, enhance education, and help Americans with essential services.

Trump and the other Republicans now in charge in Washington are breaking the mold and becoming something the electorate didn't anticipate: big government conservatives. Trump routinely advocates the aggressive use of executive power to achieve his goals, curtail his enemies, and satisfy his ego. At his urging, the Republican Congress enacted legislation to cut taxes and significantly increased federal spending. They have arranged for the annual deficit, which they wanted to shrink, to double in the years ahead.



The Republican retreat from commitments they made to voters creates a unique opportunity for Democrats to position themselves for leadership in the post-Trump era. This is not the same as picking up more congressional seats in the 2018 elections just because Trump is unpopular. First, the party must learn the lessons of Trump's election. Then it must adapt those lessons to its own goals. This means moving the implementation of its progressive agenda from one level of government to another, from Washington to the states. To succeed in the long term,

Democrats must become small government liberals.

Understanding Trump's victory means acknowledging that he is the most successful demagogue in the history of the United States. Many of his critics, astonished by the election result and searching for an explanation, look for flaws in the electorate and find racism, anti-immigrant nativism, sexism, and hypocritical Christian fundamentalism. Other critics, willing to accept some responsibility for losing Pennsylvania, Michigan, Ohio, and Wisconsin, focus on the Democrats' inability to communicate effectively with less educated, mid-country blue-collar voters. There is some reality in all of this but not enough to capture the truth of Trump.

Individual voters have flaws but our republic rests on the assumption that, acting collectively in their separate states, the electorate can choose wisely from their limited presidential options. Why did 63 million voters pick an inexperienced candidate with a deeply flawed personality and an inability to articulate public policy in more than 140 characters? He didn't fool the electorate.

They picked him in spite of his obvious shortcomings.

Trump campaigned on a message about what should not continue to happen in Washington: The Swamp. As an effective demagogue, he used a vague but forceful image to capture authentic but disparate impressions held by the electorate. Even relatively uninformed voters have absorbed countless stories about insider arrangements in Washington that benefited lobbyists while politicians were unwilling to take action that served the common good. Trump's message accurately captured the paralysis of Congress and the perceived incompetence of federal bureaucracies. He did not promise to fix them. His promise to slash or eliminate them struck much of the electorate as the only answer to the entrenched and unresponsive power in Washington. But the reality of Trump's demagoguery is that his voters won't get what they want. He captured the idea but lacks the conviction and skill to act on it effectively.

If the Democrats' defeat in 2016 was not about emails or Benghazi but reflected real voter discomfort with the competence of the federal government, there are profound implications for future elections. To succeed, Democrats must find a way to advocate for progressive values and activist government while shrinking federal power. This is not as much of a paradox as it initially seems. There are three threads of argument that support the idea.

First is the constitutional framework that defines our republic. Both in spirit and in text the Constitution places significant restrictions on the federal government but it does little to limit aggressive state government. The Tenth Amendment in the Bill of Rights reflected the framers' fear of excessive central authority: "The powers not delegated to the United States by the Constitution, nor prohibited

by it to the States, are reserved to the States respectively, or to the people." Outside of the federal sphere, the framers expected activist government. James Madison, writing in the *Federalist Papers* (46), said that "the first and most natural attachment of the people will be to the governments of their respective States" where "...all the more domestic and personal interests of the people will be regulated and provided for." He expected state governments to be larger, closer to the people, and more responsive than the constitutionally limited federal government. It is hardly a reactionary impulse for political leaders now to learn from the wisdom of the founders as the American system is restructured for the 21st Century.

The second reason for Democrats to move away from more concentrated federal power is that, with few exceptions, the enormous federal bureaucracy is indeed wasteful

Push progressivism while shrinking federal power.

and poorly managed. While the US government efficiently raises money, its spending ineptitude is widespread and easy to see in the two largest federal expenditure categories: defense and health care. A detailed 2015 study of US defense spending conducted by outside efficiency experts found that the Pentagon pays more than 1 million back office personnel to support 1.3 million active duty troops. The study said normalized overhead could save \$125 billion, approximately 23 percent of the defense budget. No action was taken to address this because the Pentagon feared that members of Congress would not want potential cutbacks impacting their districts. While control of military spending cannot realistically move from the federal government, its wastefulness adds to Washington's reputation for poor management.

Other federal spending can move. The world's most expensive and inefficient health care system is driven in large part by more than \$1 trillion of annual federal spending, which is characterized by swamp logic such as the congressional prohibition against negotiating drug prices paid for by Medicare. A myriad of similar decisions made by Congress and Washington bureaucrats have produced a health care system that consumes approximately double the spending of most other developed countries when measured by either per capita costs or a percentage of GDP. It is no wonder that the Democratic platform advocating an expanded federal role in health care and many other issues is received with skepticism even by people who believe in activist government.

The third reason to adopt a de-federalized progressive agenda is not about the constitution or about efficiency. It's about community and encouraging the engagement of citizens in shaping their common experience. At what

level is it best to address the needs of a group of people in the context of their social values and responsibilities? Expanding the federal role for routine needs such as education and health care undermines communal involvement in the design and delivery of such services. Not only are federal services inefficient, they are homogenized in a way that makes adaptation to local circumstances difficult. These services are best defined and implemented as close as possible to a self-governing community of substantially less than 330 million people.

The argument to empower states is not new. Justice Louis Brandeis captured the spirit in 1932 when he wrote: "It is one of the happy incidents of the federal system that a single courageous State may, if its citizens choose, serve as a laboratory; and try novel social and economic experiments without risk to the rest of the country." From the early 1970s until the second Reagan administration, a bipartisan effort supported a federal revenue-sharing program that granted unconditional funds to governments across the country. More recently, legal scholars led by Yale Law School dean Heather Gerken have articulated a form of "progressive federalism." In an interview with *CommonWealth* last year, she said: "The key to remember is, you can be a nationalist, and you can still think we don't want to centralize everything."

As difficult as it is to acknowledge, Trump was right about the swamp. Washington has become too big, inefficient, and self-absorbed to design and administer many domestic programs and services. Federal expansion happened over decades for reasons that seemed rational at the time, but those reasons are now outworn and moldy. The radical decentralization of decision-making and resources is overdue.

Voters want to drain the swamp. Because Trump successfully captured that impulse does not mean the impulse is wrong. His ineptitude means that he will not succeed. When he fails, the power of that impulse is available for capture by the Democratic Party if it can articulate how its progressive principles can apply on a state-by-state basis. A new approach requires patience, flexibility, financial innovation, and a recognition that not all states will act identically. Some will make mistakes. But if Democrats want to lead the country into the future, the right course is to accept the diversity that exists across states and then synthesize their principles with the aspirations of the electorate. Small government liberalism is the right path for the Democratic Party and for the nation.

Edward M. Murphy was head of three state agencies between 1979 and 1995—the Department of Youth Services, the Department of Mental Health, and the Health and Educational Facilities Authority. He subsequently ran several health care companies in the private sector before retiring.

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An upstart helps to reshape MassHealth

Health centers band together to form an innovative ‘accountable care organization’

BY JOHN E. MCDONOUGH

ON MARCH 1, the state’s Medicaid program—known as MassHealth—entered a new era with the launch of 17 accountable care organizations, or ACOs, aiming to provide better coordinated care at lower costs to its low-income enrollees. It’s an ambitious effort with lots of risk and big potential rewards. Within this is another compelling effort to redefine how community health centers fit into the changing health care landscape of Massachusetts and the nation.

It began with a serendipitous encounter at a grocery store. Sometime in the fall of 2014, Christina Severin bumped into Lori Berry at the seafood counter of the Brighton Whole Foods market. Severin, a long-time leader in the MassHealth scene, had been mulling the creation of a community health center-based non-profit to join the cohort of ACOs being planned for as many as two-thirds of the 1.9 million Massachusetts residents who rely on the program.

Severin had been a savvy player in Boston-area health care organizations for 20-plus years, at Codman Square Health Center in Dorchester, at the Medicaid managed care organization called Network Health, at Beth Israel Deaconess Hospital’s new ACO, and more. Berry, now retired, was the long-serving CEO of the Lynn Community Health Center. They agreed that, under the likely scenario, the state’s highly regarded community health center network would play second banana at best in the emerging, hospital-dominated MassHealth ACO sweepstakes. Severin floated an out-the-box idea: “Why don’t health centers start their own ACO?” Berry was intrigued.

Manny Lopes, the energetic CEO of the East Boston Neighborhood Health Center, the state’s largest community health center, had the same idea and organized four other health center leaders, including Berry, to promote it. An early stop in 2015 took them to Marylou Sudders, Gov. Charlie Baker’s new secretary of health & human services and the key driver in the complex, high-stakes ACO deal with the US Centers for Medicare and Medicaid Services.

At her first meeting with the rebels, Sudders and her MassHealth director, Daniel Tsai, expressed skepticism, worried that the earnest health center directors didn’t sufficiently grasp the concept of risk. She was concerned that failure could bankrupt some of the state’s most important community health resources. At their next meeting, the health center leaders brought Severin as their CEO for the new “Community Care Cooperative,”

or C3. Berry saw in their faces the changing attitudes of Sudders and Tsai.

With the March 1 launch of 17 MassHealth ACOs, C3 stands as the second largest, with 113,000 enrollees as of early March and 15 participating health centers. A new player, led by Lopes as chairman and Severin as CEO, has emerged on the Massachusetts health scene.

What is an accountable care organization and why is this happening now to 830,000 low-income MassHealth enrollees? ACOs are networks of health providers such as hospitals, physicians, health centers, post-acute providers, home health organizations, and others that join together to provide coordinated care to a set of patients, assuming financial risk and clinical responsibility to improve enrollees’ health, quality of care, and costs.

ACOs were legitimized in the Affordable Care Act to move US health care away from fee-for-service medicine that rewards quantity and toward value-based care that rewards quality and efficiency. Since 2010, more than 1,000 ACOs have formed in Medicare, in commercial insurance, and increasingly in state Medicaid programs. The track record in Medicare shows improved quality and little—if any—progress on costs.



This value-based transformation was an overarching goal for the Obama administration. On November 4, 2016, days before the election that brought Donald Trump to the White House, the federal and Massachusetts state governments agreed on a five-year waiver allowing 1.3 million of MassHealth’s 1.9 million members to move into ACOs. The first wave includes 830,000. Importantly, the waiver lasts until 2022, beyond Trump’s first term. The deal authorizes \$52 billion in federal and state spending, including a \$1.8 billion investment fund to help providers build ACOs. In return, the state commits to quality improvements and 2.8 percent annual savings with financial penalties for failure. The 17 ACOs—with affiliated managed care, behavioral health, and community partners—are at risk at the sharp end of that promise.

For MassHealth enrollees whose plans changed on March 1, the promise is better coordinated and more effective care to keep them healthy and better treated when sick (see table for list of ACOs). New integrated networks of behavioral health and long-term service providers

are mandatory for each ACO. East Boston's Lopes hopes patients "will see better coordination and more resources in nurse managers and care coordinators, better hospital follow-up, and medication reconciliation." Dr. Tim Ferris of Massachusetts General Hospital's ACO says, "the most important and positive thing about the ACO is that it is asking people who deliver the care to manage the care."

Most of the 830,000 MassHealth clients were auto-enrolled in an ACO based on the affiliation of their primary care physician. For many, their ACO network will not include specialists or other providers with whom they have prior relationships. Enrollees have until June 1 to change plans and/or work through new relationships. For many, notified of the change by letter sent in February, confusion reigns as MassHealth, ACOs, and advocacy groups scurry to navigate care transitions and negotiate exceptions.

While consumer advocates praise MassHealth's efforts, Bill Henning, executive director of the Boston Center for Independent Living, a key disability advocate, worries about "lots of moving parts and people getting lost." Vicky Pulos of the Massachusetts Law Reform Institute is "concerned that some people with complex needs who were assigned to the plan their primary care provider joined may lose access to specialists or not understand

what steps to take to maintain access. MassHealth is working hard to get the word out but the changes are complex and confusing."

All ACOs had to decide early whether to partner with a private managed care organization such as Tufts Health Public Plans or Boston Medical Center's HealthNet for financial and administrative services (Model A) or to work directly with MassHealth (Model B). Only Steward Medicaid Care Network, Partners HealthCare, and C3 chose Model B.

Severin appreciated that this model emphasizes keeping primary care practice as the focal point and sends money directly to them, not through an intermediary managed care organization.

A surprise was the non-inclusion among the final 17 ACOs of UMass Memorial Health Care in Worcester, the biggest institutional player in Central Massachusetts. UMass was an original pilot ACO in 2017 but couldn't reach a financial agreement with Tufts Health Public Plans on an ACO for the full-fledged program. The development, a blow for UMass as a system that has embraced value-based programs, was a win for C3 which then added Worcester's two major community health centers to its network.

In this new MassHealth ACO world, size is not an

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advantage. Across the nation, ACOs not tied to hospital systems tend to outperform their institutional counterparts. Three MassHealth ACOs fit that category: Atrius Health, Reliant Medicaid Group in Central Massachusetts, and C3. For C3, this is central to their identity. Berry, the former Lynn health center CEO, recalls: “We feared that unless primary care providers made the decisions, savings from reducing unnecessary hospital care would be appropriated by the hospitals. This is an opportunity to use savings to enhance primary care, behavioral health, and prevention relating to social needs such as housing, transportation, and food insecurity for our vulnerable clients.”

All in all, it’s a mighty complex undertaking, in many ways exceeding the massive 1997 Massachusetts Medicaid transformation into today’s MassHealth. That era anointed managed care organizations as system organizers for 20 years. But MCOs proved unable to align, integrate, and coordinate medical providers, who were always kept at arm’s length. This new era seeks to put providers in the driver’s seat, with or without an MCO. Will it happen, and will it matter enough in quality and costs to satisfy the federal government? We have to wait and see—though we will see winner and loser ACOs along the way.

We don’t have to wait for judgments on the key architects, Sudders, and her staff, led by Tsai, the MassHealth director. Praise for their skill, transparency, and collabora-



tion is close to universal. “Nobody has done this in the country,” Severin said of the state putting so much of its Medicaid program into ACOs, with all the risks that carries.

Most ACOs across the country take “one-sided risk,” meaning “heads we win, tails we’re held harmless.” In Massachusetts, all 17 are accepting risk, even some who know they will lose financially because providers recognize this as a new reality, not a passing fad. Across the nation, ACO networks are expected to pay for all the sizable infrastructure costs. In Massachusetts, state officials negotiated a \$1.8 billion pool from the federal government to subsidize those costs. This is an important and fascinating experiment, and an historic moment for MassHealth. **CW**

John E. McDonough teaches at the Harvard T. H. Chan School of Public Health.

THE NEW MASSHEALTH ACOS

ACCOUNTABLE CARE ORGANIZATION	FISCAL AGENT	INITIAL NUMBER OF ENROLLEES
Steward Medicaid Care Network	Plan B – State	122,000
Community Care Cooperative (C3)	Plan B – State	113,000
Boston Accountable Care Organization (BACO)	Plan A – BMC HealthNet	102,000
Partners HealthCare ACO	Plan B – State	97,000
Children’s Hospital Integrated Care Organization	Plan A – Tufts Health Public Plans	79,000
Wellforce	Plan A – Fallon Community Health	50,000
Baystate Health Care Alliance	Plan A – Health New England	36,000
Beth Israel Deaconess Care Organization	Plan A – Tufts Public Health Plans	33,000
Merrimack Valley ACO	Plan A – Neighborhood Health Plan	30,000
Cambridge Health Alliance	Plan A – Tufts Public Health Plans	28,000
Mercy Health ACO	Plan A – BMC HealthNet	26,000
Atrius Health	Plan A – Tufts Public Health Plans	25,000
Reliant Medical Group	Plan A – Fallon Community Health	25,000
Signature Healthcare Corporation	Plan A – BMC HealthNet	17,000
Health Collaborative of the Berkshires	Plan A – Fallon Community Health	15,000
Southcoast Health Network	Plan A – BMC HealthNet	15,000
Lahey Health ACO	Plan C – State	10,000

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