



PROGRESSIVE MASSACHUSETTS

statewide, grassroots organizing for progressive change in Massachusetts

2014 STATE RACES ENDORSEMENT QUESTIONNAIRE

Date: February 3, 2014

Candidate: Steve Grossman

Office Sought: Governor

Party: Democrat

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CANDIDATE CONTACT INFO

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**RETURN COMPLETED QUESTIONNAIRES BY MONDAY, FEBRUARY 3, 5:00PM, BY EMAIL ONLY
RETURN QUESTIONNAIRE AS (1) WORD FILE AND (2) PDF.**

E-mail completed questionnaire to deborah@progressivemass.com.

Please be in touch with Executive Director Deborah Shah with questions, at 917-922-7947 or by email.

Please compose your answers directly in the document, underneath the question. Limit answers to 250 words or fewer. No attachments.

I. About You

1. Why are you running for office?

I am running for governor because I believe the people of Massachusetts want proven leadership that leaves no one behind. At a time when 250,000 of our fellow citizens are out of work, 800,000 are on food stamps, and nearly 1 million people lack a single hour of earned sick time, rampant income and economic inequality is the defining challenge we face as a Commonwealth and as a nation. When I'm governor, I'll change that. I'll work tirelessly to ensure that all residents, no matter which city or town they live in, have a fair shot to get ahead and create a brighter future.

2. What prepares you to serve in this capacity?

I am the only Democratic candidate for governor who has spent a lifetime creating jobs and economic opportunity. First, I've created jobs for more than 35 years at our family business, a union shop for 62 years that has never once had a matter go to arbitration and has had earned sick time for more than 25 years. Second, I've created jobs as state treasurer, where we launched the Small Business Banking Partnership. I'll bring to the Corner Office a proven track record of building consensus and collaboration among my colleagues to implement common-sense solutions that can change peoples' lives and create widely shared economic opportunity.

3. What do you think is the proper role of government in Massachusetts residents' daily lives?

Faced with the worst economic crisis our country has ever seen, President Franklin Delano Roosevelt rebuilt our middle class and restored the confidence of the American people. Seventy seven years ago, in his second inaugural address, Roosevelt said, "The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little." Right here in Massachusetts, far too many of our fellow citizens still have too little to make ends meet – too little education, too few jobs, too little healthcare, too little hope, and too little dignity. I believe the role of government is to level the playing field for all people and create equality of opportunity.

4. If elected, what would be your top three priorities?

1) Within the context of creating between 75,000 and 100,000 jobs annually, I've set a goal of creating 50,000 new manufacturing jobs over the next five years mostly in our older, industrial cities by investing in our vocational-technical schools and closing the skills gap.

2) My education plan includes fully funding a universal pre-kindergarten program for every four-year-old in Massachusetts, providing all students, no matter where they live and how much money they have, a fair shot at reading by the third grade.

3) I will advocate for a comprehensive initiative with respect to climate change and reducing our carbon footprint that will build on Governor Patrick's successes in renewable energy, expand our commitment to electric cars, and allocate 1 percent of our state budget to environmental programs to ensure the successful implementation of our priorities.

II. The Issues

Please compose your answers directly in the document, underneath the question. Limit answers to 250 words or fewer. No attachments.

Our questionnaire is focused on economic justice and inequality, as outlined in our Shared Prosperity Agenda (forthcoming). We are interested in your overall philosophy and approach to the components of the Shared Prosperity Agenda, as well as your views on specific policy and legislation.

In each section, **Question 1** seeks your overall view, values, principles and priorities. You do not need to address each item embedded in these first questions; they are suggestions.

In each section, **Question 2** asks about your advocacy experience; you may leave it blank if appropriate—we do not expect candidates to have a record on every issue. Current or former elected officials: please outline your leadership roles, as opposed to simply your voting record.

Additional questions seek your position on specific policies and legislation. At a minimum, please answer “yes” or “no”; you may also provide an explanation of your positions, as appropriate.

A. Job Growth and the Economy

The Massachusetts economy has continued to grow and recover from the Great Recession, but the gains have not been shared equally. Poverty levels continue to increase, while the minimum wage loses value every year. Massachusetts now ranks 8th in the nation for income inequality.

1. Share your personal values and principles on job growth and the economy.
How can we improve the economy and economic security for all people? How do we grow the number of good paying jobs in the Commonwealth? How do you view wealth and income inequality, and what would you do about it, if anything?

I believe rampant income and economic inequality is the most serious challenge we face as a Commonwealth. Unless we deal decisively with this inequality, the American Dream will remain out of reach for too many citizens who feel left out and left behind. The gap between our educational attainment and our economic growth is tangible, and it’s hurting our people and our economy. Families continue to struggle in search of economic opportunity and economic mobility.

First, increasing the minimum wage for the working poor, who haven’t seen a pay increase since 2008, will invest in our people, boost family spending, and spur job creation. Second, we need to create 50,000 new precision and advanced manufacturing jobs over the next five years, mostly in our older, industrial cities by investing in our vocational-technical schools, surveying employer needs, and training our workers. Third, we need to invest in our children by launching a universal pre-kindergarten program for every four-year-old in Massachusetts, providing all students, no matter where they live and how much money they have, a fair shot at reading by the third grade. Fourth, we need to thoroughly explore the option of facilitating public-private partnerships by incentivizing developers to sell or lease public land virtually for free, provided they guarantee to build affordable housing for low and middle-income families.

2. *Optional/As Applicable:* Please indicate work you personally have done to advance your principles on job growth and the economy (legislation, community work, published writings, etc).

I have a proven track record as a progressive job creator. I spent more than 35 years as CEO of Grossman Marketing Group, a union shop for 62 years, creating jobs and economic opportunity for my colleagues. We paid our workers 30 percent higher than competing companies and provided earned sick time for more than 25 years, while simultaneously growing the business eight-fold. I was also proud to be the first business owner in Massachusetts to testify in favor of earned sick time in 2006.

Treating your colleagues with dignity and respect is not only the right thing to do, but it’s also good business.

To increase access to capital for small businesses, I also launched the Small Business Banking Partnership, which has moved more than \$350 million of our reserve deposits back from banks in Europe, Australia, and Asia and into 53 Massachusetts community banks. Those banks have in turn made nearly 7,000 loans, many in our gateway communities, with a value of more than \$1 billion. To level the playing field, a principal focus of the program is to generate loans to businesses owned by women, minorities, immigrants, and veterans to create jobs in every region of Massachusetts.

3. **Minimum Wage.** Do you support:

- | | | |
|---|------------|----|
| Raising the wage to at least \$10.50/hour: | <u>Yes</u> | No |
| Indexing automatic yearly increases to inflation: | <u>Yes</u> | No |
| Increasing tipped wages to 60% of the minimum wage: | <u>Yes</u> | No |

4. **Unemployment Insurance and Minimum Wage.** As of January 2014, the legislature is negotiating a bill that would pair an increase in the minimum wage with cuts to unemployment insurance. Do you oppose this effort?

Yes No

5. **Earned Sick Time.** Do you support requiring businesses with more than 11 employees to provide earned, paid sick time to their employees?

Yes No

6. **Job Creation and Standards.** A “Job Creation and Quality Standards Act” would require corporations that receive any kind of public benefits (grants, tax expenditures procurement contracts) to, in turn, pay a living wage (\$15 per hour plus benefits) to full-time employees. Do you support such legislation?

Yes No

7. **Employee-Owned Businesses.** Do you support legislation to foster and develop employee ownership of businesses in Massachusetts?

Yes No

8. **Co-ops, Benefit Corporations, Community Banks.** Do you support legislation that would encourage the formation of cooperatives and/or benefit corporations and the development of community banks?

Yes No

B. Education and Workforce Development

Public education has always been a gateway to opportunity and mobility for all, regardless of economic circumstances, a cornerstone of the American dream for all residents. However, the soaring price of higher education over the last several decades has made access to this opportunity increasingly out of reach, at the very moment when higher education makes a greater difference to one's economic future. Meanwhile, powerful corporate interests have been steadily undermining public school teachers and unions and siphoning money from our public K-12 system.

1. Please share your personal values and principles regarding public education and workforce training. *What value does public education and workforce development have in improving our economy as well as in addressing matters of economic justice? What measures should the Commonwealth take on these issues? You might address, for example, charter schools, school vouchers, standardized testing and federal programs like No Child Left Behind and Race to the Top.*

Educational achievement is the pathway to long-term economic growth and security. I will advocate for more funding for K-12 education along with increased funding for public higher education to aid our college students who are drowning in debt. I will also work to reduce class sizes and implement a longer school day for communities that want it. We also need to place greater emphasis on investing in our vocational-technical high schools, which are central to our plan to enhance advanced and precision manufacturing. We need to close the skills gap between our schools, our workforce, and our job market. I will address the challenge that far too often, government stands as a barrier to economic growth because it operates within strict divisions of authority without first trying to build consensus and develop common-sense solutions across multiple agencies.

I will also launch a universal pre-kindergarten program for every four-year-old in Massachusetts, providing all students, no matter where they live and how much money they have, a fair shot at reading by the third grade.

2. *Optional/As Applicable:* Please indicate work you personally have done to advance your principles on education and workforce development (legislation, community work, published writings, etc).

As chairman of the Massachusetts School Building Authority (MSBA), I recognize the importance of school building needs. Most of the Commonwealth's vocational-technical regional schools are more than 40 years old, and many lack high quality state of the art programs capable of serving youth and adults in an ever-changing economy.

In addition to great teachers, students also need great schools with great technology. I want to make every school in the Commonwealth digital learning ready by 2016 to bring every student, in every neighborhood, the 21st century learning environment they deserve.

When I took office as treasurer, we set out to drastically expand the state's financial literacy program. My colleagues in the legislature created the Financial Literacy Trust Fund in 2011. Soon after, we established a board to leverage public-private partnerships, attract contributions, and advance citizens' financial empowerment. We've set a priority to serve K-12 students, veterans, senior citizens, and low and moderate-income families.

3. **Achievement gaps.** What would you do to address persistent racial and economic achievement gaps in education?

First, I will launch a universal pre-kindergarten program and provide those children too often left behind – children with a single parent, children from immigrant families, and children from low-income families – with the resources they need to get ahead.

Second, I'll work to reduce class sizes and recruit talented teachers into our gateway cities, which suffer from low levels of educational attainment paired with high levels of unemployment. I'll also partner with educational leaders to provide basic financial education to every high school student in the Commonwealth.

4. **Universal Pre-K.** Do you support creating universal, free Pre-K, accessible to any resident of Massachusetts, integrated into the public school system?

Yes No

5. **Universal higher education.** Do you support a program that provides free, publicly funded higher education for every student who wants it?

Yes No

Despite its obvious merits, free higher education is not an attainable goal in the foreseeable future. I strongly support funding and policies to ensure that Massachusetts public colleges and universities are as widely affordable and accessible as possible.

6. **Funding Structure.** Do you support changes to the Chapter 70 Education formula, including the Foundation Budget, to incorporate proper state funding for ELL students, Special Education students, transportation costs, charter school reimbursements to sending schools, and class size reduction?

Yes No

C. Health Care

Massachusetts has led the way in providing near universal health care insurance coverage. However, we still spend an oversized portion of public and private money on health care, without necessarily achieving better health outcomes.

1. Please share your personal values and principles regarding health care insurance, delivery and outcomes.

Health care and life sciences are a lynchpin of the Massachusetts economy, directly or indirectly responsible for at least one of every six jobs in the Commonwealth. We must ensure that policy changes allow enough transition time for the institutions to adapt and preserve jobs.

Our shared goal is for quality care to be delivered at the lowest cost setting possible, and we need to seek ways to shift care to our community hospitals and our community health centers. Particularly in rural areas on the state, we need to address the shortage of primary care doctors and nurse practitioners. We also need to lower the skyrocketing cost of pharmaceutical drugs. Lastly, we need to incentivize and encourage employers to invest in wellness programs, which create a dramatic return on investment.

2. *Optional/As Applicable:* Please indicate work you personally have done to advance your principles on health care (legislation, community work, published writings, etc).

3. **Single Payer and Public Option.** Do you support moving Massachusetts to Single Payer insurance?
 Yes No

I am proud that our state is the national leader on health care reform. As governor, I would work to ensure the continued success of Massachusetts' pioneering state level reform laws around access and cost, and their successful integration with the federal Affordable Care Act. Looking down the road a bit farther, yes, I do believe that a public option, or single payer system, could be part of the ultimate solution and I will be watching Vermont very closely. I have publicly put single payer on the table as a viable option to consider as governor.

What role might a Public Option play, in your view?

I believe that a public option will be a viable option to consider as governor.

4. **Costs and Quality.** What steps would you take to lower health care costs while maintaining or improving health outcomes?

I believe that Chapter 224 represents a model approach to curb the rising costs of health care by tying it to growth of the state economy. But we do not yet know the full impact of this law. To make health care more affordable, we need to shift care from our acute care, teaching hospitals into our community hospitals and our community health centers. I also believe that investing in wellness programs, mental health, behavioral health, and substance abuse programs can save us significant resources in the long term.

5. **Mental Health.** What steps would you take to address the gap in affordable mental health services?

I'm deeply disturbed that we have cut our funding for mental health services more than any other New England state since 2009. As governor, I will be an unwavering advocate to increase this funding and ensure our Commonwealth invests in its most vulnerable citizens during times of urgent need.

While Massachusetts has parity in the legal sense, we still do not yet have true mental health parity. Patients in an acute psychiatric emergency spend hours, sometimes days waiting in emergency rooms for the care they need. Outpatient mental health clinics are not paid adequately, and the result has been a reduction in service. In the face of financial challenges, psychiatric units of community hospitals face being closed. Long-term care patients remain stuck in state hospital beds after they are ready to return to the community, because there are no community placements for them.

My administration will commit the funds to ensure a robust community mental health system, and eliminate the systemic obstacles to ensuring that mental health consumers are able to receive services at the appropriate level of care. My administration will also bring together the health plans, public and private sector providers, advocates, and consumers to make sure that the health care system works as well for those with mental illness as it does for those with any other medical illness.

6. **Health disparities.** What steps would you take to reduce racial and income disparities in health outcomes?

By shifting care into community health centers and investing in preventive services, including wellness programs, substance abuse programs, and behavioral health programs, we can ensure that all residents, regardless of where they live, have access to quality care. Investing in these community health centers will require public-private partnerships, as Chapter 224 seeks to create.

7. **Standards of care and cost.** Do you support establishing a state panel of experts (such as the Affordable Care Act's IPAB/"Independent Payment Advisory Board") to recommend high-value and cost-effective services?

Yes No

8. **Pharmaceutical companies.** Do you support prohibiting pharmaceutical companies from including direct-to-consumer drug advertising as tax-deductible expense?

Yes No

We should explore either prohibiting or severely limiting these tax-deductible expenses.

9. **Bulk prescription programs.** Do you support establishing a bulk prescription drug program that would provide lower cost prescription drugs for public employees?

Yes No

Do you support establishing this same program for *all* Massachusetts residents?

Yes No

D. Housing

In the last ten years, the need for affordable housing has increased, while funds for affordable housing have decreased, federal and state. Currently there is a 10-year waiting list for a rental voucher, and the average rent for a two bedroom apartment requires a wage 50% higher than the median Massachusetts wage. Half of families in Greater Boston alone pay over 30% of their income in housing and utilities costs—and 25% of households pay *more than half* their income to housing. This is unsustainable. It has led to expanding economic inequality, increased homelessness, and damage to our economy, as talented workers often leave the state for less expensive regions.

Please share your personal values and principles regarding affordable housing.

How would you ensure that there is suitable housing for all who need it, within reasonable distance of job opportunities? How would you address the need to link housing, jobs and transportation? How would you tackle homelessness?

Creating affordable housing is a critical part of an economic growth strategy that leaves no one behind. By raising the minimum wage and building more affordable housing units throughout the state, we can help find a way for many of those families struggling to get by.

I will thoroughly explore the option of facilitating public-private partnerships to incentivize developers by selling or leasing public land virtually for free, provided they guarantee to build affordable housing for low and middle-income families. I will ask the business community to be a partner in a smart growth strategy, a strategy they would undeniably benefit from in the decades to come.

By reducing burdensome regulations and accelerating the zoning approval process for multi-family units, the state can encourage developers to invest in Massachusetts. The young people who comprise our future work force have demonstrated a strong interest in residing in urban communities.

In everything we do, we must make investments that reduce our carbon footprint and encourage our residents to maximize the use of public transportation. I believe that a comprehensive transportation strategy will motivate countless families to live in close proximity to public transportation, which is critical for implementing a smart growth strategy.

We've been deeply hurt by the dramatic reduction of federal housing vouchers and a shift to a two year housing voucher program, which should return to three years. In addition, I would make it a top priority to utilize the housing bond bill to renovate as many unlivable units of housing as possible.

1. *Optional/As Applicable:* Please indicate work you personally have done to advance your principles on housing (legislation, community work, published writings, etc).

I was particularly proud to have served on the board of Crittenton Women's Union, which deals so effectively with affordable housing issues.

2. **Housing Authorities.** Governor Patrick has proposed consolidating the Housing Authorities to six regional authorities, from the current 242 authorities. The legislature appears reluctant to agree to this reform, in part because it would reduce local control. What is your position?

This is an outstanding example of a critical priority, which demands involving the legislature in the early phases of proposed new housing policies in order to maximize the possibility of building consensus and dramatically improving our service delivery.

3. **Affordable Housing.** What would you do to increase the number of affordable housing units in the State? What would you do to ensure that no low-income family has to spend more than 50% of their

income on housing and related expenses; and that fewer than a quarter of families spending more than 33% of income on shelter?

I will thoroughly explore the option of using public-private partnerships to incentivize developers by selling or leasing public land virtually for free, provided they guarantee to build affordable housing for low and middle-income families.

4. **Temporary Housing Transitions.** What would you do to move homeless families and individuals out of motels and shelters and into permanent housing?

We've been deeply hurt by the dramatic reduction of federal housing vouchers and a shift to a two year housing voucher program, which should return to three years. In addition, I would make it a top priority to utilize the housing bond bill to renovate as many unlivable units of housing as possible.

5. **Regulation Reform, Development and Preservation.** Would you support reforms to update our outmoded zoning, subdivision, and planning laws, in such a way as to encourage balanced development and land preservation?

Yes No

E. Revenue and Taxation

Because of income tax cuts and the effects of the recession, Massachusetts has lost nearly \$3 billion in revenue over the last 12 years. We now collect less revenue than 21 other states, and our tax revenue is below the national average. Since 1982, local aid has dropped 58%. Cuts to the moderately progressive state income tax has meant increasing reliance on fees, sales, gas and property taxes, exacerbating the overall regressiveness of our revenue. Regressive taxation strains low- and middle-income families, and reduced revenue collection curtails our ability to invest in vital infrastructure.

1. What principles do you bring to considerations of state revenue and tax reform (individual and corporate)? *How should we raise more revenue to adequately fund our communities for the future?*

I would never rule out seeking additional revenue, as long as it's coupled with meaningful tax reform that hold harmless low and middle-income families through the uses of expanded exemptions. But first, I would seek to grow the economy by creating jobs and broadening our tax base. Second, I would look to save money just as I have done at Treasury by putting nearly every contract we oversee out to bid and saving the taxpayers more than \$20 million. Third, I would ask the business community to participate in public-private partnerships because it's in their long-term interest to do so.

2. *Optional/As Applicable:* Please indicate work you personally have done to advance your principles on revenue and taxation (legislation, community work, published writings, etc).

3. **Tax Rates for Upper Incomes.** Do you support increasing income taxes on the wealthiest residents of Massachusetts?

Yes No

I would not rule out seeking additional revenues but I would also insist that any such revenue legislation be coupled with meaningful tax reform that holds harmless low and middle-income families through the use of expanded exemptions.

4. **Automatic Tax Decrease Triggers.** Do you support halting the automatic decrease in state tax when Massachusetts state revenues grow four quarters in a row?

Yes No

I am deeply concerned that we have too many unfunded priorities and continuing to take hundreds of millions of dollars out of our revenue stream will undermine our ability to deal effectively with our critical priorities, however as governor, I would be required to implement the current law.

5. **Capital Gains.** Do you support increasing the capital gains tax (with safeguards to protect seniors)?

Yes No

I strongly opposed the plan to take away protections from seniors in the FY 2014 budget. I strongly believe that short-term capital gains should be taxed at a higher rate than long-term gains, which are a form of economic stability.

6. **Progressive Taxation.** “An Act to Invest in Our Communities” was designed to raise significant revenue while making our tax code more progressive, but it has not passed the legislature. Would you support a renewed effort to pass this or similar legislation?

Yes No

I would not rule it out but I would also insist that any such revenue legislation be coupled with meaningful tax reform that holds harmless low and middle-income families through the use of expanded exemptions.

7. **Corporate Tax Breaks.** Do you support eliminating or substantially reducing corporate tax breaks?

Yes No

I support reducing unjustified corporate tax breaks, and I strongly believe that any tax break must require a clawback provision along with thorough economic analysis. We also need to grow the economy, and where tax concessions can create jobs we must consider using them.

Do you support repealing or significantly reducing the Film Production Tax Credit?

Yes No

8. **Clawbacks and Transparency in Corporate Tax Breaks.** Do you support increasing corporate tax break transparency and clawback provisions?

Yes No

I have repeatedly called for strengthening them, and I believe that any tax break should have a clawback provision with no exceptions.

9. **Graduated Income Tax.** Would you support a state constitutional amendment creating a Massachusetts progressive income tax?

Yes No

I would not rule raising revenues but I would also insist that any such revenue legislation be coupled with meaningful tax reform that holds harmless low and middle-income families through the use of expanded exemptions.

IV. ADDITIONAL COMMENTS

Please compose your answers directly in the document, underneath the question. Limit answers to 250 words or fewer. No attachments.

Use this space to add any other issues important to your vision for Massachusetts or any other matter you think progressive voters should know about your candidacy.

I have championed many progressive policies throughout my lifetime and long before it was politically popular to do so.

On equal justice for all, my wife Barbara and I have stood shoulder to shoulder with the LGBT community for the past 15 years. As chairman of the Democratic National Committee (DNC) under President Bill Clinton, I re-established the DNC's gay and lesbian caucus and hired the DNC's first full-time director of gay and lesbian outreach.

On economic fairness, beyond simply supporting an increase in the minimum wage to \$11 an hour, I have taken a further step and said that as governor, I would veto any bill that cuts unemployment benefits.

On reducing our carbon footprint, in 2007, our family business Grossman Marketing Group replaced the carbon-based fuel it had been using with 100 percent certified wind power.

On criminal justice reform, I strongly believe we must overhaul mandatory minimum sentences for low-level offenders.

On civil rights and civil liberties, I'm deeply concerned about the erosion of privacy. I support smart policing, in which the expansion of wiretapping is reserved for investigation of specified crimes, not fishing expeditions from authorities that seek to gather as much data as possible regardless of its relevance to criminal investigations.

On financing our robust transportation agenda, I'm strongly in support of indexing the gas tax to inflation and oppose efforts to repeal this legislation.