

## FOR IMMEDIATE RELEASE

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### Senate Ways and Means Releases FY 2021 Budget Recommendations

**BOSTON**— Today, the Senate Committee on Ways and Means announced a \$45.985 billion budget for Fiscal Year 2021 (FY21). The Committee’s budget is a responsible and balanced plan that ensures fiscal stability and recommends targeted investments to protect access to core essential services, address urgent needs, and support efforts to build an equitable recovery for the Commonwealth in response to the COVID-19 pandemic.

“As I have often said, Massachusetts is a Commonwealth—which means that we take care of each other—and that’s what this budget does,” stated **Senate President Karen E. Spilka (D-Ashland)**. “I am immensely proud of Chair Rodrigues, his team, Vice Chair Friedman and Assistant Vice Chair Lewis and the entire Senate Committee on Ways and Means for the budget they have released today under very difficult circumstances. This budget utilizes a judicious use of reserves and targeted revenue initiatives while making notable investments in the areas of life most impacted by our current crisis to help us build towards an equitable recovery.”

“As a member of the Ways and Means Committee, I am pleased with the investments we were able to make in this budget during what is a very difficult year by all accounts,” said **Senator Anne M. Gobi (D-Spencer)**. “This is a positive step towards improving lives and livelihoods, and gives much needed support to those who have been waiting for funding level allocations to plan for the coming year.”

The Committee’s budget recommends a total of \$45.985 billion in spending, a 5.5% increase over the Fiscal Year 2020 (FY20) General Appropriations Act. This spending recommendation is based on a revised tax revenue estimate of \$27.592 billion, which provides for \$3.558 billion less in available revenue than the original consensus revenue estimate of \$31.151 billion, as originally agreed upon in January. To close this anticipated revenue shortfall, the FY21 budget includes \$1.5 billion from the Stabilization Fund, ensuring a majority of the Stabilization Fund balance remains for future years, \$1.38 billion in available federal supports, and more than \$400 million in new revenue initiatives. It also avoids drastic budget cuts while leaving the Commonwealth in a sound fiscal position moving forward.

The Committee’s budget protects Massachusetts students and educational institutions by preserving the Senate’s stated priority investments, despite an unprecedented fiscal climate. Continuing the Senate’s long-standing support of targeted investments in education, this budget holds harmless Chapter 70 funding in a manner consistent with the agreement reached between the Senate, House and Administration in July by providing \$5.283 billion, an increase of \$107.6 million over FY20.

This additional level of investment will allow all school districts to maintain foundation spending levels while accounting for enrollment and inflation changes. The budget also includes \$345 million for the Special Education (SPED) Circuit Breaker, reimbursing school districts for the cost of educating students with disabilities at the statutorily required 75% reimbursement rate. In addition to ensuring stability for the state’s K-12 population, the Committee’s budget takes steps to invest in childcare providers and higher education institutions—both of which are of critical importance to the state’s economy and recovery in midst of the COVID-19 pandemic.

Education investments include:

- \$5.283 billion for Chapter 70 education funding

- \$345 million for the Special Education Circuit Breaker
- \$115 million to reimburse public school districts for costs incurred when students leave to attend charter schools
- \$82.2 million to reimburse school districts for regional school transportation costs
- \$560.4 million for the University of Massachusetts, \$308 million for the fifteen community colleges, and \$285.5 million for the nine state universities
- \$40 million for a new reserve to cover parent fees for families receiving subsidized childcare for the remainder of FY 21
- \$25 million for a new Early Education and Care Workforce and COVID-19 Supports Reserve to provide classroom stabilization grants, incentive pay for providers, and support for increased operational costs due to COVID-19
- \$15 million for grants to the Head Start program to maintain access to early education services for low-income families
- \$5 million for the Commonwealth Preschool Partnership Initiative to expand access to preschool in underserved areas
- \$2 million for grants offered through the Massachusetts Inclusive Concurrent Enrollment Initiative to support high school students with intellectual disabilities ages 18–22 with access to higher education opportunities
- \$1.5 million for rural school aid assistance
- \$1.5 million for the Civics Education Trust Fund

This proposal solidifies Massachusetts' leadership in affordable health care and preserves access to essential services for our most vulnerable residents. The budget funds MassHealth at a total of \$18.577 billion to maintain critical access to affordable health care coverage for over 1.9 million people, ensuring that comprehensive care for our most vulnerable children, seniors and low-income residents is protected in the middle of a public health crisis. The Committee's budget also includes targeted investments to maintain and expand access to mental health services while highlighting the importance of strengthening public health infrastructure at the local, state and regional level to combat the effects of the COVID-19 pandemic.

Health investments include:

- \$500.3 million for Adult Support Services, including assisted outpatient programming and comprehensive care coordination among health care providers
- \$163.6 million for a range of substance abuse treatment and intervention services
- \$94.5 million for children's mental health services
- \$45.2 million for domestic violence prevention services
- \$35.4 million for early intervention services, to ensure supports are accessible and available to infants and young toddlers with developmental delays and disabilities
- \$20 million for funding to support expanded access to mental health services, including \$10M for the Behavioral Health, Outreach, Access and Support Trust Fund and \$10M for a new inpatient mental health acute care beds grant program to expand access to critical mental health services
- \$17.5 million for Family Resource Centers to meet increased demand for services
- \$10 million for grants to support local boards of health to combat COVID-19
- \$2.5 million for a new matching funds grant program to assist communities making public health-oriented adjustments to their public safety systems, including targeted reforms such as jail diversion programs, de-escalation training and professionals, and behavioral health staffing and supports
- \$1.7 million for the State Action for Public Health Excellence (SAPHE) program to support a more effective local and regional public health delivery system
- \$1 million for a COVID-19 Vaccine Distribution Plan program, focused on equitable vaccine distribution

In addition to these health care investments, the Committee's budget takes meaningful steps to expand access to care by including provisions concerning same day billing that prohibit insurers from denying coverage for mental health services and primary care services solely because they were delivered on the same day in the same facility. This important measure will remove a significant financial barrier to the integration of primary care and mental health.

The Senate is committed to building an equitable recovery from the unprecedented COVID-19 public health crisis and its economic fallout. To that end, the Committee's budget invests in programs to educate, train, and prepare Massachusetts workers while addressing further economic impacts of the pandemic.

Opportunity investments include:

- \$46.4 million for a new Economic Planning and Response Program, including grants and loans to small businesses, small business technical assistance and capital improvement supports
- \$40.6 million for adult basic education services to improve access to skills necessary to join the workforce
- \$20 million for summer jobs and work-readiness training for at-risk youth
- \$15 million for a Community Empowerment and Reinvestment grant program to provide economic supports to communities disproportionately impacted by the criminal justice system
- \$10 million for the Workforce Competitiveness Trust Fund to connect unemployed and under-employed workers with higher paying jobs
- \$6 million for Regional Economic Development Organizations to support economic growth in all regions of the state
- \$5 million for Community Foundations to provide emergency economic relief to historically underserved populations across the Commonwealth
- \$3 million for the Secure Jobs Connect program, providing job placement resources and assistance for homeless individuals
- \$2 million for the Massachusetts Manufacturing Extension Partnership

Access to affordable housing, which has taken on new urgency for many during the COVID-19 pandemic in Massachusetts, is a key Senate building block to an equitable recovery. The Committee's budget recognizes the crucial importance of housing to the Commonwealth's recovery efforts and invests over \$540 million in housing stability programs to support many families, tenants and property owners in this time of crisis.

Housing investments include:

- \$179.9 million for Emergency Assistance Family Shelters
- \$135 million for the Massachusetts Rental Voucher Program (MRVP)
- \$50 million for Residential Assistance for Families in Transition (RAFT), as well as emergency changes to the RAFT program to increase the maximum amount of rental assistance that a household can receive from \$4,000 to \$10,000 and allow eligible households facing a housing crisis to access both RAFT and HomeBASE.
- \$53.4 million for assistance for homeless individuals
- \$27.2 million for the HomeBASE diversion and rapid re-housing programs
- \$12.5 million for the Alternative Housing Voucher Program (AHVP), which provides rental assistance to people with disabilities, and \$2.5 million for grants to improve or create accessible affordable housing units
- \$10.5 million for housing vouchers for Department of Mental Health (DMH) clients to transition into housing and community-based services
- \$4.75 million for the Housing Consumer Education Centers (HCECs)
- \$3.9 million for the Home and Healthy for Good re-housing and supportive services program, including \$250,000 for homeless LGBTQ+ youth
- \$2.5 million for the Office of Public Collaboration to support housing dispute mediation efforts across the Commonwealth
- \$1.3 million for the Tenancy Preservation Program

In addition to these critical investments, this budget puts forth eviction protection measures to ensure the state's residents most at risk of eviction in the middle of a pandemic are kept safe and secure in their homes. This proposal provides additional protections and resources to tenants suffering a COVID-19-related financial hardship, as well as stability as they await short-term emergency rental assistance.

Food insecurity has become one of the most rampant side effects of the COVID-19 pandemic, impacting children, adults and seniors alike. The Committee's budget therefore prioritizes access to food resources across the Commonwealth.

Food insecurity investments include:

- \$30 million for the Massachusetts Emergency Food Assistance Program

- \$13 million in Healthy Incentives Programs to ensure vulnerable households have continued access to food options during the pandemic
- \$1.2 million for Project Bread to support the Child Nutrition Outreach Program (CNOP) and the FoodSource Hotline

The Committee's budget supports our cities and towns while allowing them flexibility to confront the unique challenges facing them by directing significant resources to local and regional aid. This includes increased funding for Regional Transit Authorities (RTAs) to \$94 million to ensure that commuters, students, seniors and people with disabilities have access to reliable public transportation during this time of critical need. Along with traditional local aid, the Committee's budget level funds payments in lieu of taxes (PILOT) for state-owned land to \$30 million. PILOT funding has been a beneficial source of local aid that provides cities and towns with additional resources to support core public services.

Local investments include:

- \$1.129 billion for unrestricted general government aid to support community investments in education, health care, public safety and roads and bridges
- \$32.6 million for the Board of Library Commissioners, \$11.5 million for regional library local aid, \$12 million for municipal libraries and \$4.4 million for technology and automated resources
- \$18.2 million for the Massachusetts Cultural Council to support local arts, culture and creative economy initiatives
- \$17 million for local Councils on Aging to strengthen programs and services in senior centers in communities across the state.

Senators can file amendments to the Senate Ways and Means recommendations until Friday, November 13, at 10 p.m. The full Senate will then debate the FY21 budget in formal session beginning Tuesday, November 17. The FY21 Senate Ways and Means Budget Recommendations are available on the Massachusetts legislature's website:

<https://malegislature.gov/Budget/SenateWaysMeansBudget>.

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