

HOUSE No. 4707

The Commonwealth of Massachusetts



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May 12, 2020

To the Honorable Senate and House of Representatives,

I am filing for your consideration a bill entitled “An Act Making Appropriations for the Fiscal Year 2020 to Authorize Certain COVID-19 Spending in Anticipation of Federal Reimbursement.”

I recommend authorization for up to \$1 billion in spending, at an anticipated \$0 net cost to the Commonwealth.

Massachusetts has incurred and continues to incur substantial costs in our response to the COVID-19 public health crisis. These expenses include the purchase of Personal Protective Equipment, rate adjustments for providers of congregate care and other essential human services, incentive pay for state employees on the front lines at certain facilities in operation 24 hours a day, costs of temporary field hospitals and shelters, and National Guard pay. The Commonwealth is also incurring costs in connection with the first Community Tracing Collaborative in the country, emergency child care for essential workers, and increased costs of local housing authorities and of the family and individual shelter system.

This authorization will enable us to leverage federal financial support, which is available to the Commonwealth across multiple funding sources that address overlapping purposes. Most notably, reimbursements through the Federal Emergency Management Agency (FEMA) can only be used to reimburse spending. This legislation would thus ensure that adequate state spending has been authorized to allow the Commonwealth to claim this federal reimbursement. COVID-19 costs not supported by FEMA reimbursement will be matched to other available federal

revenue sources, including the federal Coronavirus Relief Fund established in the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The Coronavirus Relief Fund is a flexible source to support COVID-19 costs; however, unlike FEMA reimbursements, it is subject to a fixed total dollar amount.

This legislation also includes a section that would attribute federal reimbursements to Fiscal Year 2020 (FY20) if they are associated with COVID-19 response costs incurred in FY20, allowing us to optimize the use of revenue sources without putting the FY20 budget out of balance.

Finally, I recommend the ratification of a recently concluded collective bargaining agreement.

Sufficient revenues are estimated to be available to finance the appropriations and other measures proposed in this legislation, because, as noted, these expenses are expected to be reimbursed or otherwise supported with federal funds attributable to this fiscal year. As the requested authorization is an integral part of the COVID-19 response costs, I ask you to enact this legislation promptly.

Respectfully submitted,

Charles D. Baker,
Governor

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act making appropriations for the fiscal year 2020 to authorize certain COVID-19 spending in anticipation of federal reimbursement.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to forthwith to make supplemental appropriations for fiscal year 2020 and to make certain changes in law, each of which is immediately necessary to carry out those appropriations or to accomplish other important public purposes, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience., therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. To provide for supplementing certain items in the general appropriation act
2 and other appropriation acts for fiscal year 2020, the sum set forth in section 2 is hereby
3 appropriated from the General Fund unless specifically designated otherwise in this act or in
4 those appropriation acts, for the several purposes and subject to the conditions specified in this
5 act or in those appropriation acts, and subject to the laws regulating the disbursement of public
6 funds for the fiscal year ending June 30, 2020. These sums shall be in addition to any amounts
7 previously appropriated and made available for the purposes of those items. These sums shall be
8 made available until June 30, 2020, except as otherwise stated.

9 SECTION 2.

10 EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

11 Reserves

12 1599-1230 COVID-19 Reserve \$1,000,000,000

13 SECTION 3. (a) On or before September 15, 2020, the secretary of administration and
14 finance, in consultation with the Massachusetts emergency management agency, shall estimate
15 the amount of federal reimbursements claimed or anticipated to be claimed but not yet received
16 by August 31, 2020, which will be credited to each fund in connection with response costs
17 associated with the 2019 novel coronavirus, also known as COVID-19, that were incurred during
18 fiscal year 2020.

19 (b) For the purposes of certifying the amount of the consolidated net surplus in the
20 budgetary funds at the close of fiscal year 2020 pursuant to section 5C of chapter 29 of the
21 General Laws, the comptroller shall count the estimates for each budgetary fund made pursuant
22 to subsection (a) as statutory receivables in fiscal year 2020.

23 SECTION 4. The salary adjustments and other economic benefits authorized by the
24 following collective bargaining agreement between the Massachusetts Department of
25 Transportation and DOT Unit B, Teamsters Local 127, AFSCME Local 2948, SEIU Local 888,
26 and USW Local 5696 shall be effective for the purposes of section 7 of chapter 150E of the
27 General Laws.