

HOUSE No. 4880

The Commonwealth of Massachusetts



CHARLES D. BAKER
GOVERNOR

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KARYN POLITO
LIEUTENANT GOVERNOR

July 24, 2020

To the Honorable Senate and House of Representatives,

Pursuant to Section 5 of Article LXIII, as amended by Section 4 of Article XC, of the Amendments to the Constitution, I am today signing House Bill 4808, “An Act Making Appropriations for the Fiscal Year 2020 to Authorize Certain COVID-19 Spending in Anticipation of Federal Reimbursement,” but disapproving certain language in two items.

The bill I am signing today authorizes \$1.1 billion in direct appropriations. The core purpose of this bill is to establish spending authorization for costs that the Commonwealth has incurred and continues to incur in response to the COVID-19 outbreak. Now that this authorization is in place, state agencies can finalize the documentation needed to secure federal reimbursement where available, in particular from the Federal Emergency Management Agency (FEMA). Federal reimbursement will be supplemented with other federal funding sources, including but not limited to money from the Coronavirus Relief Fund established by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. As such, the net state cost is expected to be \$0.

I appreciate the support of the Legislature in enacting this authorization and playing an essential role in securing available federal funding for the Commonwealth. These recent months have been exceptionally challenging from a public health perspective, and even as the number of new COVID-19 cases has lessened, critical efforts to stop the spread of COVID-19 continue. Meanwhile, the economic disruption caused

by the COVID-19 outbreak has resulted in reduced tax collections in Fiscal Year 2020 (FY20) and Fiscal Year 2021 (FY21). The fiscal challenge we face is by no means over, and we must continue to manage resources carefully.

In signing this legislation, I anticipate that much of the authorization will match up with funds already made available for the many purposes and entities listed in this bill. In the few cases where earmarked spending appears more than once, I will assume that the higher amount is intended, and will execute on that higher amount.

This bill also addresses several of our shared priorities including support for veterans who served the Commonwealth in the National Guard during the COVID-19 state of emergency, or who earned an Armed Forces Expeditionary Medal for service during a period where no other state wartime bonus is available. It also establishes Juneteenth Independence Day as an annual state holiday on June 19 in order to recognize the continued need to ensure racial freedom and equality.

While I am signing the majority of this bill, I disapprove language in two items. First, I disapprove a proviso that would set a floor on \$125.6 million in spending across five programs. This spending floor impinges on executive discretion to exercise judgment not to spend money unnecessarily, where a lesser amount does not compromise the underlying legislative purposes and goals. This discretion is important at any time, but is critical in a period of fiscal stress. Where this item otherwise expressly affords my administration the flexibility to adjust amounts in order to maximize federal reimbursements, it is imperative that the executive be allowed the latitude to execute on legislative purposes in an efficient manner.

Second, I disapprove two provisos that attempt to change the terms of past MassHealth payments. These payments, the earliest of which was made more than six months ago, were authorized by the Legislature through the FY20 budget. They were made pursuant to an approved Medicaid state plan, and thus are eligible for federal financial participation (FFP). Changing the terms of these payments now, particularly in the manner described, would render some or all of the payments ineligible for FFP and would divert funds from intended purposes to other uses unrelated to the COVID-19 outbreak. More generally, it is administratively unworkable for the Legislature, in a new line item, to alter the terms of spending months after it has occurred.

The remainder of this bill I approve.

Respectfully submitted,

Charles D. Baker,
Governor

**Attachment A
 FY20 Supplemental Budget (H.4808)
 Veto Items: Line Item Accounts**

Item Number	Action	Reduce By	Reduce To
COVID-19 Reserve 1231			
1599-1231	Strike Wording		
I am striking this language because it impermissibly limits executive discretion and conflicts with preceding language in the item that provides the Secretary of Administration and Finance with the ability to adjust amounts within the item in order to maximize federal reimbursements.			
COVID-19 Reserve 1232			
1599-1232	Strike Wording		
I am striking this language because it requires MassHealth to make retroactive changes to the terms of payments that have already been made. Such changes are both administratively unworkable and would jeopardize the Commonwealth's ability to receive Federal Financial Participation ("FFP") funds under the current state plan.			

The actions taken by the Governor are delineated on this excerpt from the original parchment:—

I disapprove in the following items in Section 2 the wording as indicated:

Section 2A	Wording Stricken
1599-1231	" ; provided further, that no spending reductions shall be made below the amount authorized by this item for the following purposes: (i) early education reopening grants funded by the federal Child Care and Development Block Grant; (ii) the transfer to the Health Safety Net Trust Fund for community hospitals; (iii) essential behavioral health services; (iv) services and workforce supports under the department of elder affairs; and (v) statewide efforts to address racial disparities in health; "
1599-1232	" ; provided further, that supplemental payments made by MassHealth from April 1, 2020 through July 31, 2020 to chronic disease rehabilitation hospitals located in the commonwealth that serve solely children and adolescents shall be defined as a grant to be used for the purposes of capital improvements made to said facility as it relates to the 2019 novel coronavirus and other infectious diseases; provided further, that the supplemental payment advance of \$1,500,000 made to Franciscan Hospital for Children, Inc. by MassHealth in December 2019 shall not be due until August 31, 2022;"

The remainder of this bill I approve.

Approved, July 24, 2020

at o'clock and minutes, .M.

Charles D. Baker
Governor