

**HOUSE . . . . . No. 4284**

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OFFICE OF THE GOVERNOR  
**COMMONWEALTH OF MASSACHUSETTS**  
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**MAURA T. HEALEY**  
GOVERNOR

**KIMBERLEY DRISCOLL**  
LIEUTENANT GOVERNOR

*January 24, 2024*

To the Honorable Senate and House of Representatives,

Over the past year, the Emergency Assistance program in Massachusetts expanded at an extraordinary rate to meet rising demand, reaching the program’s capacity limit of 7,500 families in November 2023.

The Fiscal Year 2024 appropriation for the Emergency Assistance program in the General Appropriations Act included \$325 million of funding to support only 4,100 families. In September 2023, our Administration requested additional appropriations for the Emergency Assistance program and related support, reflecting the then-current caseload of approximately 6,400 families. The Legislature recently approved this supplemental funding, providing a critical infusion of resources to keep the system operating for the next several months. With the program operating at its capacity of 7,500 families, however, the Emergency Assistance program remains in a deficiency of \$224 million in the current fiscal year.

The state of emergency in our shelter system requires resources to ensure that families are safe and supported in communities, schools, and spaces that are resourced appropriately to assist them.

It also requires a multi-faceted set of policies that include education, workforce training, and affordable housing programs to enable families to leave shelter and move on to stable housing. In partnership with the Department of Homeland Security and multiple state agencies, our Administration successfully ran two weeks of work authorization clinics for migrants in Emergency Assistance and we remain focused on providing job training and pathways for parents. But finding and affording housing remains extremely challenging for far too many in Massachusetts. That is why this legislation also puts a down payment on additional housing

production for the types of affordable options that are all too scarce in some of our communities, with up to \$150 million dedicated to housing production and preservation.

At the same time, we need to support our partners - the local communities - that have stepped up to welcome newly arriving families and neighbors who need a hand. In particular, we must assist the schools and school districts that play a key role in helping children whose families are experiencing homelessness.

While we hope that these investments and policies will lead to a decrease in the number of families seeking shelter, the current average length of stay for families in the system exceeds one year. That means that even with the system's capacity level established, and significant efforts underway to advance solutions, deficiency needs for EA are a two fiscal year problem, requiring a solution that spans FY24 and FY25. Thankfully, the state has the resources available in Transitional Escrow, comprised of savings from prior years' budget surpluses, to put a plan in place that will address the funding needs in FY24 and most of FY25 without requiring offsetting budget cuts to other programs.

Therefore, I am proposing that the Legislature appropriate \$873 million into an Emergency Housing and Community Trust Fund for immediate and anticipated needs of the various agencies that each have a unique role in responding to heightened demand in our Emergency Assistance system and moving us toward a safe, supportive, and positive pathway to better futures for our unhoused families.

Funding from this proposal will:

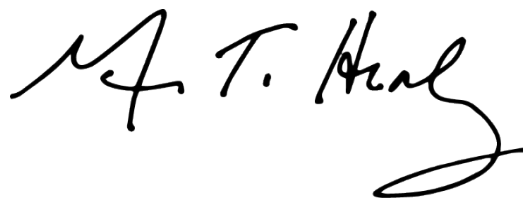
- Invest in housing production to spur development of the types of affordable units that will provide stable, permanent housing opportunities for families outside the shelter system;
- Cover the costs of shelter for the Emergency Assistance program capacity caseload of 7,500 families through the end of Fiscal Year 2024 and most of Fiscal Year 2025;
- Provide for the necessary services and supports for those 7,500 families in order to safely address their basic needs;
- Cover the costs of temporary emergency shelters, Family Welcome Centers, and clinical assessment and intake services, and other supportive programs;
- Assist local school districts with emergency aid for students whose families are experiencing homelessness;
- Assist cities and towns with the actual costs and impacts of welcoming unhoused families and family shelter sites into their communities;

- Launch new programs targeting the barriers to stable housing and the factors causing family shelter stays to be historically long, including efforts toward workforce skills, work authorizations, and English language instruction for employment; and
- Provide health care and specialized immigration and refugee-focused case management to families who need them.

Critically, the bill also includes provisions to allow for the efficient use of available resources by authorizing the transfer of funds between related programs, which will allow appropriated shelter funding to be utilized where it is most needed across the system to address the current extraordinary demand. This creates flexibility in how we address costs in FY25 so that if circumstances change, for example an infusion of federal support or broader work authorizations, resources can be redirected from reacting to the current situation to investing in housing production and preservation to make affordable, stable housing options available to more families.

I urge you to enact this legislation in the weeks ahead to ensure continued safe shelter and services for families in our shelter system, to support our cities and towns who are welcoming unhoused families into their communities, and to expand pathways to work and opportunities to exit the EA system for permanent, stable housing.

Respectfully submitted,

A handwritten signature in black ink, reading "M. T. Healey". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Maura T. Healey,  
*Governor*

**The Commonwealth of Massachusetts**

**In the One Hundred and Ninety-Third General Court  
(2023-2024)**

An Act making appropriations for the fiscal year 2024 to provide for supplementing certain existing appropriations and for certain other activities and projects.

*Whereas*, The deferred operation of this act would tend to defeat its purposes, which are to make supplemental appropriations for fiscal year 2024 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.

*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 2024, the sums set forth in sections 2 and 2A,  
3 inclusive, are hereby appropriated from the General Fund unless specifically designated  
4 otherwise in this act or in those appropriation acts, for the several purposes and subject to the  
5 conditions specified in this act or in those appropriation acts, and subject to the laws regulating  
6 the disbursement of public funds for the fiscal year ending June 30, 2024. These sums shall be in  
7 addition to any amounts previously appropriated and made available for the purposes of those  
8 items. These sums shall be made available through the fiscal year ending June 30, 2025.

9           SECTION 2.

10           EXECUTIVE OFFICE OF HOUSING AND LIVABLE COMMUNITIES

11 *Executive Office of Housing and Livable Communities*

12 7004-0101. Emergency Assistance Family Shelters and Services.....\$215,000,000

13 Emergency Housing and Community Fund.....100%

14 SECTION 2A. To provide for certain unanticipated obligations of the commonwealth, to  
15 provide for an alteration of purpose for current appropriations, and to meet certain requirements  
16 of law, the sums set forth in this section are hereby appropriated from the General Fund unless  
17 specifically designated otherwise in this section, for the several purposes and subject to the  
18 conditions specified in this section, and subject to the laws regulating the disbursement of public  
19 funds for the fiscal year ending June 30, 2024. Except as otherwise stated, these sums shall be  
20 made available through the fiscal year ending June 30, 2025.

21 EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

22 *Reserves*

23 1599-0709. For state financial assistance in the form of grants or loans to be administered  
24 by the executive office of housing and livable communities for the following purposes: (1)  
25 accelerating the development and production of affordable housing for families; provided, that  
26 the grant or loan program shall be administered by the executive office of housing and livable  
27 communities; provided further that not less than 25 per cent of the funds used for such purpose  
28 shall be used to fund projects that preserve and produce housing for families and individuals with  
29 incomes of not more than 30 per cent of the area median income, as defined by the United States  
30 Department of Housing and Urban Development; provided further, that funds expended for such  
31 purpose shall, to the maximum extent feasible, be prioritized for projects that address the crisis

32 of unhoused families in the commonwealth; (2) for state financial assistance in the form of grants  
33 for projects undertaken pursuant to clause (j) of section 26 of chapter 121B of the General Laws,  
34 with priority for projects addressing critical capital needs including expired fire alarm systems,  
35 housing, ventilation and air conditioning systems and projects increasing accessibility of housing  
36 units for persons with disabilities; (3) for state financial assistance in the form of grants to  
37 address cost overruns in projects receiving funding under a demonstration program to  
38 demonstrate cost effective revitalization methods for state-aided family and elderly-disabled  
39 public housing that seek to reduce the need for future state modernization funding; provided  
40 further, that the executive office may exempt a local housing authority recipient of demonstration  
41 grants from the requirements of chapters 7C and 121B of the General Laws upon a showing by  
42 the recipient that such exemptions are necessary to accomplish the effective revitalization of  
43 public housing and shall not adversely affect public housing residents or applicants of any  
44 income who are otherwise eligible; and (3) for the Massachusetts Housing Finance Agency  
45 established by section 3 of chapter 708 of the acts of 1966, to capitalize a permanent, revolving  
46 Residential Production Momentum Fund for the purpose of accelerating the development of  
47 mixed-income and workforce multifamily housing production projects by providing financial  
48 assistance in the form of innovative, low-cost, and flexible capital funding, which may be in the  
49 form of debt, equity, or other instruments, depending on individual underwriting needs of the  
50 project; provided that not less than 20 per cent of the units in a project that receives financial  
51 assistance from such Residential Production Momentum Fund shall be restricted to households  
52 with incomes generally between 60 per cent and 120 per cent of area median income; provided  
53 further that, notwithstanding paragraph (f) of section 5 of said chapter 708, the Massachusetts  
54 Housing Finance Agency may in its discretion set the term and prepayment options for any

55 mortgage or other loan or instrument issued to any project receiving such financial assistance  
56 based on the individual underwriting needs of the project; provided further, that financial  
57 assistance for any of the purposes in this item shall be awarded in a manner that promotes  
58 geographic equity; and provided further, that funds expended from this item for new construction  
59 or substantial rehabilitation shall, to the maximum extent feasible, be prioritized for projects that  
60 comply with decarbonization and sustainability standards; provided, that prioritization will be  
61 determined through objective scoring criteria in the Qualified Allocation Plan developed by the  
62 executive office of housing and livable communities; provided further, that for new construction  
63 projects, the applicable standards for prioritization are set forth in the commonwealth’s Opt-in  
64 Specialized Energy Code set forth at 225 CMR §§ 22.00 and 23.00 and Enterprise Green  
65 Communities standards; provided further, that any new construction or substantial rehabilitation  
66 project proposing less than full compliance with said standards shall provide detailed analysis  
67 demonstrating why full compliance would render the project infeasible notwithstanding  
68 utilization of all available federal and state incentives, including rebates and tax credits; provided  
69 further, that for retrofits of existing units, prioritization shall be given to projects that include  
70 energy efficiency and electrification decarbonization measures, including, but not limited to  
71 electric or ground source heat pumps, net-zero developments, Passive House or equivalent  
72 energy efficiency certification, and all-electric buildings and projects that incorporate green,  
73 sustainable and climate-resilient elements; provided further, that projects that include lower  
74 embodied carbon construction materials and methods shall be further prioritized; and provided  
75 further that, in the event of a deficiency identified by the secretary of housing and livable  
76 communities in item 7004-0101 of the state budget, funding in this item may be transferred to  
77 said item 7004-0101 .....\$150,000,000

78                   Emergency Housing and Community Fund.....100%

79                   1599-1213 For purposes related to supportive services and safe shelter for unhoused  
80 families in Massachusetts, including but not limited to immigrant and refugee health services and  
81 community supports, public and community health services and personnel, medical interpreter  
82 services, childcare and safety equipment, and other related services, supports, and programs for  
83 unhoused families; provided further, that the secretary for administration and finance shall  
84 submit monthly reports to the house and senate committees on ways and means detailing the  
85 expenditure of funds from this item; provided, further that any reporting required under item  
86 1599-0514 under section 2A of chapter 77 of the acts of 2023 shall meet any reporting  
87 requirements under this item.....\$10,000,000

88                   SECTION 3. Chapter 29 of the General Laws, as appearing in the 2022 Official Edition,  
89 is hereby further amended by inserting after section 2DDDDDD the following new section:-

90                   Section 2EEEEEE. There shall be established and set up on the books of the  
91 commonwealth a separate fund known as the Emergency Housing and Community Fund. The  
92 fund shall be credited with any appropriations or other money designated to be credited to the  
93 fund and interest earned on any amounts deposited in the fund. administered s, and shall be  
94 Amounts credited to the fund shall be expended, subject to appropriation, to support, as deemed  
95 necessary by the secretary of administration and finance, in consultation with the secretary of  
96 housing and livable communities, housing production, shelter and related services, and supports  
97 for unhoused families. The fund shall not be subject to Section 5C of Chapter 29 of the  
98 Massachusetts General Laws.



99 SECTION 4. Section 2EEEEEE of chapter 29 of the General Laws, as inserted by  
100 section 3, is hereby repealed.

101 SECTION 5. Notwithstanding any general or special law to the contrary, for fiscal year  
102 2024 and fiscal year 2025, the secretary for administration and finance may authorize transfers of  
103 surplus among and within 1599-0514, 1599-0709, 1599-0924, 1599-0925, and 1599-1213.

104 SECTION 6. Notwithstanding any general or special law to the contrary, not later than  
105 10 days after the effective date of this act, the comptroller of the commonwealth shall transfer  
106 the amount of \$873,000,000 from the Transitional Escrow Fund established in section 16 of  
107 chapter 76 of the acts of 2021, as amended by section 4 of chapter 98 of the acts of 2022, to the  
108 Emergency Housing and Community Fund established in section 2EEEEEE of chapter 29 of the  
109 General Laws, as inserted by section 3; provided, further that not later than July 10, 2024, the  
110 Comptroller shall transfer the unobligated balance as of June 30, 2024 from the Transitional  
111 Escrow Fund established in said section 16 of said chapter 76 to the Emergency Housing and  
112 Community Fund established in said section 2EEEEEE of said chapter 29, as inserted by section  
113 3.

114 SECTION 7. Notwithstanding any general or special law to the contrary, not later than  
115 July 1, 2025, the Comptroller shall transfer any unexpended funds in the Emergency Housing  
116 and Community Fund established in section 2EEEEEE of chapter 29 of the General Laws, as  
117 inserted by section 3, to the Transitional Escrow Fund established in section 16 of chapter 76 of  
118 the acts of 2021, as amended by section 4 of chapter 98 of the acts of 2022.

119 SECTION 8. Section 4 shall take effect July 1, 2025.