

**HOUSE . . . . . No. 4935**

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*The Commonwealth of Massachusetts*

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**SO MUCH OF THE MESSAGE  
FROM  
HER EXCELLENCY THE GOVERNOR  
RETURNING THE GENERAL APPROPRIATION BILL  
FOR FISCAL YEAR 2025  
(SEE HOUSE, NO. 4800)  
AS RELATES TO ATTACHMENTS B AND C,  
FOR ITEMS AND SECTIONS RETURNED WITH REDUCTIONS OR  
DISAPPROVALS  
UNDER THE PROVISIONS OF  
SECTION 5 OF ARTICLE LXIII  
AND SECTIONS RETURNED WITH  
RECOMMENDATIONS OF AMENDMENTS  
UNDER THE PROVISIONS OF ARTICLE LVI  
OF THE AMENDMENTS TO THE CONSTITUTION.**

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July 29, 2024.

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# HOUSE . . . . . No. 4935

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OFFICE OF THE GOVERNOR  
**COMMONWEALTH OF MASSACHUSETTS**  
STATE HOUSE · BOSTON, MA 02133  
(617) 725-4000

**MAURA T. HEALEY**  
GOVERNOR

**KIMBERLEY DRISCOLL**  
LIEUTENANT GOVERNOR

*July 29, 2024*

To the Honorable Senate and House of Representatives,

Pursuant to Section 5 of Article 63 of the Amendments to the Constitution, we are today signing H4800 “An Act Making Appropriations for the Fiscal Year 2025 for the Maintenance of the Departments, Boards, Commissions, Institutions, and Certain Activities of the Commonwealth, for Interest, Sinking Fund, and Serial Bond Requirements, and for Certain Permanent Improvements,” and returning certain portions to you for reconsideration.

This Fiscal Year 2025 (FY25) budget is the second our administration has developed in collaboration with the Legislature, and we are appreciative of the ongoing partnership as we work together to advance our shared goals of making Massachusetts a more affordable, equitable and competitive place to live, work and grow a business.

The budget we are signing today is a \$57.78 billion spending plan for FY25 that reflects 3.1 percent growth over last fiscal year, including \$1.3 billion of surtax spending, and keeps spending in line with the rate of inflation. As we settle into a post-COVID economic landscape, it is important that we continue to be fiscally responsible. This budget achieves that.

Importantly, we continue to invest in the programs and services that make a difference for our residents, supporting our cities and towns and public schools, pushing to make child care more affordable, investing in safe and reliable roads, bridges and public transit, protecting our environment and guarding against the impacts of climate change.

This budget fully supports another year of implementation of the Student Opportunity Act and, for the second year in a row, increases unrestricted local aid to municipalities by 3 percent. We are investing in a new program called Literacy Launch to ensure that our schools are using best

practices to teach our young students how to read and that no one is falling behind. And we are committing the funding necessary to provide universal school meals to all our students.

I am also proud to say this FY25 budget accounts for a full year of the historic tax cuts enacted last year that have made a difference for families, renters, commuters, seniors and more as we continue to work to make Massachusetts a more affordable place to live.

Our administration and the Legislature are leading the way nationally by continuing to support \$475 million in Commonwealth Cares for Children (C3) grants, making permanent this critical program that provides a lifeline to child care providers. Massachusetts is the only state in the nation to maintain funding for this vital program at the same level as when it was supported by the federal government. And for the second straight year we have achieved a goal I set of making sure that not less than 1 percent of the state budget is dedicated to our environment and the Executive Office of Energy and Environmental Affairs.

The FY25 budget we are signing today shows how we can continue to use new revenues available through the voter-approved Fair Share tax law to make transformative investments in education and transportation.

With this funding source, I am proud to sign into law an initiative that will make community college free for all students, removing a barrier for residents looking to further their education and train for careers in professions that will help our economy grow and thrive. This initiative builds on the tremendous success of the MassReconnect program our administration launched this fiscal year, which led to major increases in student enrollment at community colleges across our system.

With Fair Share revenue, we are also investing in our higher education students, low-income fare relief at the MBTA, doubling the state's operating budget support to the T and wisely leveraging \$250 million to unlock more than \$1 billion in borrowing over the next 10 years for transportation infrastructure, including rail enhancements.

Over the past 12 months, we have seen the effects of climate change. Flooding has washed out roads and damaged crops from western and central Massachusetts to the coasts. We successfully secured some relief from the federal government and partnered with the House and Senate to provide \$15 million in supplemental aid to impacted cities and towns. But we know they need continued support to recover, rebuild and become more resilient.

That's why I am proud to be signing into law a new permanent Disaster Relief and Resiliency Fund, setting us up to be able to provide communities with direct aid when the next storm or natural event arrives.

I am also grateful to the Legislature for authorizing the closure of MCI Concord. This step reflects the progress we have made in lowering incarceration rates and will enable us to support the redevelopment of a property to benefit Concord and the surrounding communities.

These investments are possible because the state's economy remains strong despite slow revenue growth that we expect to continue into FY25. This budget relies on a consensus revenue estimate for Fiscal Year 2025 of \$40.202 billion, a 2 percent increase over adjusted Fiscal Year 2024 projected revenue, excluding surtax. It also conservatively budgets for \$1.3 billion in Fair Share tax revenue, and projects continued deposits into the state's Stabilization Fund.

But we also know there is some uncertainty in the economy as we start FY25. Interest rates reductions anticipated at the start of the year have not materialized and tax collections for FY24 have underperformed in some categories compared to our original expectations. Also, as is usually the case, there will be some deficiencies which will require active management. It is our responsibility to be good stewards of our resources and live within our means.

Therefore, I am vetoing approximately \$317 million in gross spending across 59 line-items in order to help ensure that we can deliver a balanced budget at the end of the fiscal year. Where possible, we have worked diligently to identify alternative funding sources to shield against impacts to services or keep spending in line with the budget recommendations we made in House 2. More details can be found in the attached line-item report.

I am pleased to be signing 258 of the 261 outside sections in the conference report. These include sections authorizing the closure of MCI Concord, modernizing the promotional examination process for uniformed members of the State Police, permitting individuals to amend their marriage licenses and birth certificates to accurately reflect their gender identity, establishing a special commission to review cost-of-living adjustments for members of the state employees' retirement system and state teachers' retirement system, and legalizing online Lottery games.

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth, we are returning Section 116 related to MassHealth annual notifications and Sections 219 and 220 related to Cambridge Health Alliance supplemental payments with recommendations for amendment.

Our reasons for doing so and the recommended amendments are set forth in separate letters that are dated today and included with this message as Attachments A to C, inclusive. We are hopeful the House and Senate will work with us to address the proposals returned with amendment so that we can sign them in short order.

## **FY25 Budget Highlights:**

### **Fair Share**

- \$761.5 million for education:
  - \$93.5 million for Mass Educate to build upon the success of Mass Reconnect and make community free for all
  - \$244 million for K-12 education, including \$170 million to guarantee access to free meals for students across the Commonwealth and \$20 million for Literacy Launch
  - \$278 million for early education and care, including \$65 million for provider rates and \$175 million to help support C3 grants
  - \$239 million for higher education, including \$80 million for MassGrant Plus scholarships
- \$538.5 million for transportation:
  - \$250 million transfer to Commonwealth Transportation Fund to leverage over \$1 billion in borrowing for transformative infrastructure investment
  - \$20 million for Fare Equity at the MBTA
  - \$110 million for regional transit grants and free fares
  - \$45 million in supplemental Chapter 90 funding for municipal roads and bridges
  - \$10 million for MBTA Hiring Academy and recruitment initiatives

### **Education and Local Aid**

- Fully funds the Student Opportunity Act with \$6.86 billion in Chapter 70 funding, a 4 percent increase over FY24
- Provides \$475 million for Commonwealth Cares for Children (C3) grants to early-education providers
- A \$104 increase in per pupil minimum aid
- Funds a 3 percent increase to Unrestricted General Government Aid
- \$15 million for early educator scholarships and loan forgiveness
- \$39 million for local and regional library aid

### **Housing and Homelessness**

- \$326 million in Emergency Assistance to contribute to the state's ongoing shelter response
- \$219.2 million for the Massachusetts Rental Voucher program for low-income tenants
- \$57.3 million for HomeBASE to connect EA-eligible families with more permanent housing opportunities

### **Economic Development**

- \$7.5 million for the Community Empowerment and Reinvestment Grant Program
- \$7.6 million for the Small Business Technical Assistance program
- \$3.7 million for the Massachusetts Office of Travel and Tourism

- \$600,000 for the Massachusetts Downtown Initiative for municipalities looking to revitalize their downtowns

### **Health and Human Services**

- Fully funds the Chapter 257 rate reserve for human service providers at \$390 million
- Expands Transitional Aid to Families with Dependent Children and Emergency Aid to the Elderly Disabled and Children through a 10 percent benefit increase to \$496 million and \$183 million, respectively
- \$124.1 million for the Department of Developmental Services Turning 22 Program
- \$40.0 million to increase base rates for nursing facility providers
- \$14.7 million for maternal health services, including a new \$1.0 million investment for a doula certification program at the Department of Public Health
- \$5.5 million for Children’s Advocacy Centers, a \$550 thousand increase over FY24
- \$2.0 million to fully support the Massachusetts Youth Diversion Program at the Department of Youth Services

### **Workforce Development**

- Provides \$15.9 million for Summer Jobs Program for At-Risk Youth (Youthworks) to subsidize wages and facilitate career development for at-risk youth
- Provides \$9.6 million for Career Technical Institutes
- Includes \$3.3 million for the Registered Apprenticeship Program to fund approximately 1,000 placements
- \$8.9 million for MassHire Career Centers to provide regional workforce training and employee placement services across 29 locations

### **Serving Our Veterans**

- Funds the Veterans’ Services at \$193.5 million, an 11 percent, increase from FY24 GAA
- Provides historic levels of support for the Chelsea and Holyoke Soldiers’ Homes with a combined \$87.4 million

### **Energy and the Environment**

- Appropriates 1 percent of total FY25 GAA spending to the Executive Office of Energy and Environmental Affairs, which includes:
  - \$10 million for Food Security Infrastructure Grants
  - \$20 million for the Massachusetts Clean Energy Center to support wind technology, clean homes, and workforce training programs in the clean energy industry
  - \$8.7 for environmental justice million for a decarbonization clearinghouse for energy efficiency, electrification, and storage
  - \$42.3 million for emergency food assistance
  - \$14 million in consolidate net surplus to support new Disaster Relief and Resiliency Fund

## **Criminal Justice and Public Safety**

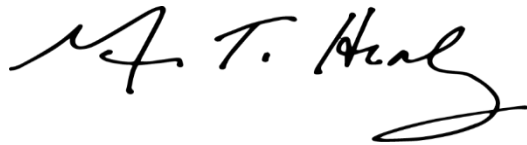
- \$16 million in savings through the closure of MCI Concord
- \$5.3 million for Non-profit Security Grants
- \$13.3 million for gang prevention grants

## **Technology and Cybersecurity**

- Codifies the Digital Accessibility and Equity Governance Board, and the position of Chief IT Accessibility Officer (CIAO)
- \$4.2 million for technology modernization and hardware maintenance contracts
- \$700,000 for advanced threat protection software and other upgrades

I once again thank the Legislature for its ongoing partnership and working with us to deliver a responsible and impactful FY25 budget that will deliver for the people of the Massachusetts.

Respectfully Submitted,



Maura T. Healey  
Governor



Kimberley Driscoll  
Lieutenant Governor

**Attachment A**

**FY25 Budget**

**Veto Items: Line Item Accounts**

<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
Group Insurance Premium and Plan			
1108-5200	Reduce	6,000,000	2,163,893,912
I am reducing this item to the amount projected to be necessary. Based on historical spending and expected demand, this level will not impact rates or coverage.			
Sewer Rate Relief Funding			
1231-1000	Veto	1,500,000	0
I am vetoing this item to be consistent with my House 2 recommendation.			
Underground Storage Tank Reimbursements			
1232-0100	Reduce	1,500,000	6,990,000
I am reducing this item to the amount projected to be necessary. Based on historical spending and expected demand, this level will support the continuation of uninterrupted reimbursements.			
Municipal Regionalization Reserve			
1599-0026	Reduce	925,000	18,517,500
I am reducing this item to the amount projected to be necessary. This veto removes unprogrammed expansion above my House 2 recommendation and supports the continuation of grant programs.			
Mass Bio Reserve			
1599-0107	Veto	2,500,000	0
I am vetoing this item due to the availability of alternative resources. This operating funding overlaps with alternative funding intended to support this purpose.			



<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
Infrastructure Investment Assistance			
1599-1977	Reduce	2,000,000	11,000,000
I am reducing this item to the amount projected to be necessary. This level will support existing programming and is expected to have little to no impact on new projects in FY25.			
MITC Operational Expenses			
1599-3856	Veto	500,000	0
I am vetoing this item to be consistent with my House 2 recommendation.			
UMass Center at Springfield			
1599-7114	Veto	300,000	0
I am vetoing this item to be consistent with my House 2 recommendation.			
Core Technology Services and Security			
1790-1700	Reduce	1,000,000	94,545,717
I am reducing this item to the amount projected to be necessary. Due to hiring controls put in place during FY24, annualized savings are expected in FY25.			
Energy and Environmental Affairs Administration			
2000-0100	Reduce	2,000,000	18,698,482
I am reducing this item to the amount projected to be necessary due to the availability of alternative resources. Specifically, Chapter 102 of the Acts of 2021 earmarks Transitional Escrow Fund resources that will be utilized to support core administrative services.			
Climate Adaptation and Preparedness			
2000-0101	Reduce	2,000,000	7,982,295
I am reducing this item to the amount projected to be necessary due to the availability of alternative resources. The Department of Environmental Protection will maximize off-budget resources that can be utilized to serve the same purpose as the funding being vetoed. This funding level will not result in reduced programming.			

<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
Agricultural Resources Administration			
2511-0100	Reduce Earmarking	800,000	11,901,244
<p>I am reducing this item to the amount projected to be necessary. I am reducing two earmarks to amounts more consistent with my House 2 recommendation and eliminating one programmatic earmark that was intended to be a one-year program. Additionally, the Department of Agricultural Resources will utilize funding appropriated in Chapter 102 of the Acts of 2021 to support core administrative services.</p>			
Food Security Infrastructure Grants			
2511-0111	Reduce	5,000,000	10,000,000
<p>I am reducing this item to the amount projected to be necessary due to the availability of alternative resources. Specifically, Chapter 268 of the Acts of 2022 earmarks Coronavirus State Fiscal Recovery Fund resources that will be utilized to support this effort.</p>			
Stormwater Management			
2800-0401	Reduce	1,800,000	1,534,317
<p>I am reducing this item to the amount projected to be necessary. The Department of Conservation and Recreation will maximize available capital funding to offset this veto. This funding level will not result in reduced programming.</p>			
EEC Provider Higher Education Opportunities			
3000-7066	Reduce	3,000,000	5,000,000
<p>I am reducing this item to the amount projected to be necessary. Due to substantial resources made available in this budget for MassEducate, critical wrap-around supports for students, and new early educator scholarship and loan forgiveness programs, the portion of funding vetoed here is no longer needed to meet the purpose of this item.</p>			
Safe and Successful Youth Initiative			
4000-0005	Reduce	400,000	12,975,000
<p>I am reducing this item to the amount projected to be necessary. Based on historical spending and expected demand, this level will support the continuation of current services.</p>			

<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
Nursing and Allied Health Workforce Deve			
4000-0020	Reduce	400,000	1,000,000
I am reducing this item to the amount projected to be necessary. Earmarked programming can be fully supported through available trust resources.			
Family Resource Centers			
4000-0051	Veto	500,000	0
I am vetoing this item to an amount projected to be necessary due to the availability of alternative resources.			
MassHealth Managed Care			
4000-0500	Reduce	192,300,000	5,903,992,394
I am reducing this item to the amount projected to be necessary due to anticipated utilization, timing of rate updates, and new revenues.			
Residential Services			
4200-0300	Reduce	1,200,000	118,560,860
I am reducing this item to the amount projected to be necessary. Based on historical spending, expected demand, and unforeseen delays in the implementation of programs, this reduction is not expected to result in any operational or programmatic impacts.			
DTA Administration & Operation			
4400-1000	Reduce	661,145	102,344,791
I am reducing this item to account for recently identified savings. This reduced level reflects anticipated savings from the streamlining of certain hard copy notices and efficiencies in staff technology.			

<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
SSI State Supplement			
4405-2000	Reduce	6,300,000	200,832,056
I am reducing this item to the amount projected to be necessary. Based on historical spending and expected demand, this level will support the continuation of current services.			
Emergency Aid to the Elderly Disabled			
4408-1000	Reduce	3,700,000	179,482,092
I am reducing this item to the amount projected to be necessary. Based on historical spending and expected demand, this level will support the continuation of current services.			
Regional Emergency Medical Services			
4510-0790	Reduce	500,000	500,000
I am reducing this item to an amount consistent with my House 2 recommendation.			
Substance Addiction Treatment			
4512-0200	Reduce/Strike Wording	18,200,000	194,452,031
I am reducing this item to the amount projected to be necessary to support core programming. This operating funding overlaps with alternative funding intended to support similar purposes, including workforce outreach and access to recovery initiatives. Additional resources available in this space include the Opioid Recovery and Remediation Trust Fund, the State Fiscal Recovery Fund included in Chapter 268 of the Acts of 2022, and the Substance Use Disorder Federal Reinvestment Trust Fund.			
DPH Public Safety Reform Matching Grants			
4512-2020	Veto	1,000,000	0
I am vetoing this item to be consistent with my House 2 recommendation. This account has a balance that will carry forward from FY24 and is sufficient to support the continuation of municipal programming.			

<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
Grants to Local Boards of Health			
4512-2022	Reduce	1,000,000	9,175,769
I am reducing this item to the amount projected to be necessary due to the availability of alternative resources. This operating funding overlaps with alternative funding intended to support this purpose. Specifically, Chapter 102 of the Acts of 2021 earmarks State Fiscal Recovery Fund resources that will be utilized to offset this veto.			
School Based Health Programs			
4590-0250	Reduce	3,811,331	22,304,865
I am reducing this item to the amount projected to be necessary. Additional funding to expand access to behavioral telehealth services in schools is available through the Department of Public Health's Behavioral Health Supports to be provided in consultation with the Department of Elementary and Secondary Education.			
Services for Children and Families			
4800-0038	Reduce	5,500,000	368,888,635
I am reducing this item to the amount projected to be necessary. Based on historical spending and expected demand, this funding level will support the continuation of current services.			
Adult Support Services			
5046-0000	Reduce	9,500,000	612,936,567
I am reducing this item to the amount projected to be necessary due to the availability of alternative resources. The Department of Mental Health will maximize available alternative operating and federal sources that will serve the same purpose as the funding being vetoed.			
State Operated Residential Services			
5920-2010	Reduce	401,385	330,698,351
I am reducing this item to the amount projected to be necessary. Due to operational efficiencies, savings will be achieved without impacting services to clients.			

<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
Autism Division			
5920-3010	Reduce	1,000,000	10,007,296
I am reducing this item to the amount projected to be necessary. This reduced level reflects anticipated caseload levels and is not expected to have an impact on services.			
Summer Jobs Program			
7002-0012	Reduce	500,000	15,915,000
I am reducing this item to the amount projected to be necessary due to the availability of alternative resources. This operating funding overlaps with alternative funding intended to support this purpose. Specifically, Chapter 102 of the Acts of 2021 earmarks Transitional Escrow Fund spending that will be utilized to support this effort.			
Workforce Development Grant			
7002-0020	Veto	2,500,000	0
I am vetoing this item to the amount projected to be necessary due to the availability of alternative trust funding that can be utilized to maintain programming. Specifically, the Executive Office of Economic Development will work towards utilizing the Workforce Investment Trust Fund to offset the funding being vetoed.			
Urban Agenda Economic Development Grants			
7002-0036	Reduce	1,500,000	1,000,000
I am reducing this item to the amount projected to be necessary due to the availability of alternative trust funding that can be maximized to maintain programming. Specifically, the Executive Office of Economic Development will work towards utilizing the Workforce Investment Trust Fund to offset the funding being vetoed.			
Career Technical Institutes			
7002-1091	Reduce	750,000	9,629,600
I am reducing this item to the amount projected to be necessary due to the availability of alternative resources. This operating funding overlaps with alternative funding intended to support this purpose. Specifically, Chapter 102 of the Acts of 2021 earmarks Transitional Escrow Fund resources that will be utilized to offset this veto.			

<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
Transformative Development Fund			
7002-1502	Reduce/Strike Wording	750,000	250,000
<p>I am reducing this item to an amount consistent with my House 2 recommendation due to the availability of alternative resources. The Massachusetts Housing Partnership will maximize available alternative capital funding in the FY25 Capital Investment Plan for the Neighborhood Hub program that will serve the same purpose as the funding being vetoed.</p>			
Massachusetts Cybersecurity Innovation Fund			
7002-1503	Reduce/Strike Wording	1,500,000	950,000
<p>I am reducing this item to an amount consistent with my House 2 recommendation to the amount projected to be necessary due to the availability of alternative resources. This operating funding overlaps with alternative funding intended to support this purpose. Specifically, Chapter 102 of the Acts of 2021 earmarks Transitional Escrow Fund resources that will be utilized to support this effort.</p>			
Community Empowerment and Reinvestment Grants			
7002-2021	Reduce	2,500,000	7,500,000
<p>I am reducing this item to the amount projected to be necessary due to the availability of alternative trust funding that can be maximized to support similar programming. Specifically, the Executive Office of Economic Development will work towards utilizing the Workforce Investment Trust Fund to offset the funding being vetoed.</p>			
Mass Manufacturing Extension Partnership			
7003-0606	Reduce	300,000	1,700,000
<p>I am reducing this item to an amount consistent with my House 2 recommendation.</p>			
MassHire Career Centers			
7003-0803	Reduce	1,000,000	8,860,450
<p>I am reducing this item to the amount projected to be necessary due to the availability of alternative resources. This operating funding overlaps with alternative funding intended to support this purpose. Specifically, Chapter 102 of the Acts of 2021 earmarks Transitional Escrow Fund resources that will be utilized to help offset this veto.</p>			

Item Number	Action	Reduce By	Reduce To
Housing Services Program			
7004-3036	Reduce/Strike Wording	1,500,000	8,974,000
<p>I am striking language that earmarks funding for a program intended as a temporary measure during the Covid-19 pandemic. The reduction in the item incorporates the amount of the stricken earmarked funds. This funding level will support core services based on expected demand and will not reduce programming.</p>			
Transitional Rental Assistance			
7004-9030	Strike Wording		
<p>I am striking this language because it is not consistent with my House 2 recommendation. Based on historical spending and expected demand for alternative housing vouchers, this funding level will sufficiently support anticipated caseload.</p>			
Mortgage Practices Oversight			
7006-0011	Reduce	1,500,000	1,550,000
<p>I am striking language for an earmark not consistent with my House 2 recommendation. The reduction in the item incorporates the amount of the stricken earmarked funds. This funding level will continue to support consumer counseling programs.</p>			
Regional Economic Development Grants			
7007-0150	Reduce	500,000	1,500,000
<p>I am reducing this item to the amount projected to be necessary. This funding will continue to support projects led by regional economic development organizations.</p>			
Microlending			
7007-0801	Reduce	650,000	850,000
<p>I am reducing this item to the amount projected to be necessary due to the availability of alternative resources. This operating funding overlaps with alternative capital funding in the FY25 Capital Investment Plan intended to support this purpose. Specifically, capital grants for Community Development Financial Institutions will be utilized to complement this funding in support of small businesses and microbusinesses.</p>			



<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
MA Office of Travel and Tourism			
7008-0900	Reduce/Strike Wording	768,309	3,710,000
I am reducing funding and striking language that earmarks funding to be transferred to the Massachusetts Tourism Trust Fund due to the availability of sufficient resources in the trust. The trust fund balance is sufficient for planned programming.			
Financial Literacy Education			
7010-1194	Veto	250,000	0
I am vetoing this item to an amount consistent with my House 2 recommendation. Other sources of funding for financial literacy appropriated in this budget will mitigate the effects of this veto.			
Advanced Placement Math and Science			
7035-0035	Reduce	1,392,489	2,000,320
I am reducing this item to an amount consistent with my House 2 recommendation.			
Statewide College and Career Readiness			
7061-9406	Veto	875,000	0
I am vetoing this item because it is not consistent with my House 2 recommendation.			
Extended Learning Time Grants			
7061-9412	Veto	2,400,000	0
I am vetoing this item because funding is intended for 2024 summer month programming, which cannot be implemented at this point in the fiscal year due to the need for a spring application window.			
After-School and Out-of-School			
7061-9611	Reduce	3,000,000	8,622,449
I am reducing this item to the amount projected to be necessary, consistent with my House 2 recommendation. Increased funding in this budget for local school aid will mitigate impacts from this reduction.			

<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
Mentoring Grants			
7061-9634	Reduce	300,000	1,500,000
I am reducing this item to an amount consistent with my House 2 recommendation.			
Student Wellness School Supports			
7061-9650	Veto	2,000,000	0
I am vetoing this item to the amount projected to be necessary, consistent with my House 2 recommendation. Funding for critical student mental health supports and wrap-around services is appropriated in this budget through the Social Emotional Learning Grants item and a new \$5 M appropriation, funded by Fair Share revenues, for the development of a student mental and behavioral health framework.			
Teacher Diversity Initiative			
7061-9805	Reduce	7,500,000	2,500,000
I am reducing this item to the amount projected to be necessary. The amount as adjusted here, in combination with the available balance from fiscal year 2024, is sufficient to meet projected demand and result in no reduction in fiscal year 2025 planned spending for this item.			
STEM Starter Academy			
7066-0036	Reduce	1,144,842	3,605,158
I am reducing this item to an amount consistent with my House 2 recommendation. This budget sustains and adds substantial new funding across community colleges to support the goals of this program.			
Scholarship Reserve			
7070-0065	Reduce Earmarking	2,500,000	173,438,311
I am reducing this item to the amount projected to be necessary due to the availability of alternative resources. Due to substantial resources made available in this budget for early educator scholarships and loan forgiveness, the portion of funding vetoed here is no longer needed to meet the purpose of this item.			

<b>Item Number</b>	<b>Action</b>	<b>Reduce By</b>	<b>Reduce To</b>
Tufts Veterinary			
7077-0023	Reduce	500,000	6,500,000
I am reducing this item to the amount projected to be necessary. This adjusted funding level is consistent with fiscal year 2024 and sustains expansions to this item in recent fiscal years.			
Municipal Police Training Com.			
8200-0200	Reduce	550,000	20,910,758
I am reducing this item to the amount projected to be necessary. The Municipal Police Training Committee will maximize available trust funding in the Municipal Police Training Fund that will serve the same purpose as the funding being vetoed.			
Prescription Advantage			
9110-1455	Reduce	1,000,000	19,832,247
I am reducing this item to the amount projected to be necessary. The Department of Elder Affairs can support this reduction through operational efficiencies, including maximizing federal funds, without any anticipated impact to programming.			

# HOUSE . . . . . No. 4935

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## The Commonwealth of Massachusetts

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CHARLES D. BAKER  
GOVERNOR

KARYN POLITO  
LIEUTENANT GOVERNOR

EXECUTIVE DEPARTMENT  
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### — ATTACHMENT B —

July 29, 2024.

To the Honorable Senate and House of Representatives:

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth of Massachusetts, I am returning to you for amendment Section 116 of House Bill No. 4800, “An Act making appropriations for the fiscal year 2025 for the maintenance of the departments, boards, commissions, institutions, and certain activities of the Commonwealth, for interest, sinking fund and serial bond requirements, and for certain permanent improvements.”

Section 116 would amend G.L. 118E, § 9D to add a new requirement that MassHealth provide notice to individuals over the age of 55 of the option to enroll in voluntary programs including Program of All Inclusive Care for the Elderly (“PACE”) plans, Senior Care Options (“SCO”) plans, One Care plans, and the Home and the Community-Based Services Waiver program for frail elders. MassHealth would be required to provide this notice to an individual when they first become eligible for Medicare, when they first become eligible for MassHealth, and whenever they inquire about long-term nursing home placement. For individuals over the age of 65, MassHealth would be required to provide notice of the option to enroll in One Care plans and to provide the notices required by section 9D both annually and any time the individual is subject to redetermination of eligibility.

I fully support the goal of increasing awareness and enrollment in these important voluntary programs. These are critical programs that provide meaningful supports to those enrolled in MassHealth. As drafted, however, Section 116 would require MassHealth to notify members about options to enroll in many programs for which they may not be eligible. As a result, the notice requirements, as currently drafted, may lead to confusion which may undermine the shared goal of increasing enrollment in these programs. I believe that a requirement for MassHealth to provide notices limited to those programs for which a member may be eligible would mitigate the potential for member confusion while still increasing awareness of these programs.

Finally, I note that MassHealth may not know when individuals become eligible for Medicare, and individuals do not generally inquire with MassHealth about long-term nursing home placements. As a result, some of the timing requirements in Section 116 would be impractical for MassHealth to implement. A requirement that MassHealth provide the informational notices upon enrollment for a new member age 55 and older, or upon the first redetermination after a member reaches the age of 55, would increase awareness of the availability of these programs in a manner that is feasible for MassHealth to implement.

For these reasons, I recommend that the bill be amended by striking out section 116 and inserting in place thereof the following section:-

SECTION 116. Subsection (e) of section 9D of chapter 118E of the General Laws, as appearing in the 2022 Official Edition, is hereby amended by striking out paragraph (6) and inserting in place thereof the following subsection:-

(6)(i) The executive office shall direct MassHealth to provide notice to each individual age 55 or older of the options for enrolling in voluntary programs for which they may be eligible, which may include Program of All Inclusive Care for the Elderly or PACE plans, Senior Care Options or SCO plans, One Care plans and Home and the Community-Based Services Waiver program for frail elders when: (A) an individual age 55 and older is first enrolled in MassHealth; or (B) an individual undergoes their first eligibility redetermination after reaching the age of 55. Notice provided pursuant to this clause shall be consistent with the notice requirement pursuant to subparagraph (ii).

(ii) The executive office shall direct MassHealth to provide each beneficiary age 65 and older with an annual notice of the options for enrolling in voluntary programs, including Program of All Inclusive Care for the Elderly or PACE plans, Senior Care Options or SCO plans, the Home and Community-Based Services Waiver program for frail elders or any other voluntary, elective benefit to which the beneficiary is entitled to supplement or replace their MassHealth benefits. If MassHealth receives approval from the Centers for Medicare and Medicaid Services, MassHealth shall arrange for the annual notice to include the names and contact information for the program providers, general contact information for MassHealth and a general description of the benefits of joining particular programs in clear and simple language and a method to request the same information in a language other than English. The notice shall include a method for the beneficiary to indicate interest in receiving additional information on any programs identified that may be of interest to them. The notice shall be supplied to a beneficiary every time the beneficiary is subject to a redetermination of eligibility. A draft of the proposed language and format for providing information to beneficiaries shall be circulated to

the providers contracted to provide each of these programs for review and comment prior to finalization. The division shall work with the program providers and other appropriate stakeholders to assess whether and to what extent barriers to program enrollment shall be alleviated through modifications to the program or the enrollment process.

Respectfully submitted,

Maura Healey  
Governor

# HOUSE . . . . . No. 4935

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## The Commonwealth of Massachusetts

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CHARLES D. BAKER  
GOVERNOR

KARYN POLITO  
LIEUTENANT GOVERNOR

EXECUTIVE DEPARTMENT  
STATE HOUSE • BOSTON 02133  
(617) 725-4000

— ATTACHMENT C —

July 29, 2024.

To the Honorable Senate and House of Representatives:

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth of Massachusetts, I am returning to you for amendment Sections 219 and 220 of House Bill No. 4800, “An Act making appropriations for the fiscal year 2025 for the maintenance of the departments, boards, commissions, institutions, and certain activities of the Commonwealth, for interest, sinking fund and serial bond requirements, and for certain permanent improvements.”

Sections 219 would require the Executive Office of Health and Human Services (EOHHS) to make \$63.6 million in additional payments to Cambridge Health Alliance (CHA), for each of fiscal years 2024 through 2027, by increasing currently established managed care directed payments by 20%. Section 220 would require EOHHS, in collaboration with CHA, to seek federal approvals to implement the payments required by Section 219. This section would also require EOHHS to annually authorize the payment to CHA through Fiscal Year 2027.

My administration is committed to supporting the important work of our only non-state-owned public hospital, the Cambridge Health Alliance. I will continue to direct MassHealth to avail itself of any and all federal dollars that could strengthen CHA and its vital mission. As drafted, however, Sections 219 and 220 present challenges that may expose the state to financial risk. In particular, the language of these sections could be read to require the Commonwealth to make \$63.6 million of annual payments to CHA at full state cost if the federal approvals required for full federal financial participation are not received, amounting to a total exposure of up to \$254.4 million. Given our current fiscal picture, it is important to minimize such risks and mitigate potential fiscal exposures.

With some targeted changes, we can not only support the important work of CHA but also provide much needed assurances to our operating budget. Accordingly, I recommend that the bill be amended by striking out sections 219 and 220 and inserting in place thereof the following section:-

SECTION 219. (a) Notwithstanding any general law or special law to the contrary, and subject to the availability of federal financial participation and receipt of all necessary federal approvals referenced in subsection (b), the secretary of health and human services shall implement new annual funding of not less than \$63,600,000 total computable within the state-directed Medicaid managed care incentive initiative payment mechanisms to the non-state-owned public hospital for each of the fiscal years 2024 to 2027, inclusive, at full levels, which reflects a 20 per cent increase to the maximum payment amounts listed in items 2, 4 and 5 of section 6 of Attachment Q of the MassHealth demonstration waiver approved May 15, 2023, effective October 1, 2022 to December 31, 2027, inclusive, under subsection (a) of section 1115 of Title XI of the federal Social Security Act.

(b) Notwithstanding any general or special law to the contrary, the secretary of health and human services, in collaboration with the non-state-owned public hospital, shall seek any and all required federal approvals the secretary and the non-state-owned public hospital deem

necessary to implement this section, including any required waivers and other applicable submissions necessary to implement the state-directed payment mechanisms under 42 CFR 438.6(c).

(c) Notwithstanding any general or special law to the contrary, and subject to the availability of federal financial participation and receipt of all necessary federal approvals, the payments to the non-state-owned public hospital referenced in subsection (a) shall be authorized annually by the secretary of health and human



services and shall be made through the Medical Assistance Trust Fund established in section 2QQQ of chapter 29 of the General Laws.

(d) The secretary of health and human services shall notify the house and senate committees on ways and means and the joint committee on health care financing of any federal approval received or denied pursuant to this section.

Respectfully submitted,

MAURA T. HEALEY  
Governor

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

I disapprove the following items:

in Section 2

1231-1000  
1599-0107  
1599-3856  
1599-7114  
4000-0051  
4512-2020  
7002-0020  
7010-1194  
7061-9406  
7061-9412  
7061-9650

I reduce the following items in Section 2 to the following amounts:

Section 2	Reduce By	Reduce To
1108-5200	6,000,000	2,163,893,912
1232-0100	1,500,000	6,990,000
1599-0026	925,000	18,517,500
1599-1977	2,000,000	11,000,000
1790-1700	1,000,000	94,545,717
2000-0100	2,000,000	18,698,482
2000-0101	2,000,000	7,982,295
2511-0111	5,000,000	10,000,000
2800-0401	1,800,000	1,534,317
3000-7066	3,000,000	5,000,000
4000-0005	400,000	12,975,000
4000-0020	400,000	1,000,000
4000-0500	192,300,000	5,903,992,394
4200-0300	1,200,000	118,560,860
4400-1000	661,145	102,344,791
4405-2000	6,300,000	200,832,056
4408-1000	3,700,000	179,482,092
4510-0790	500,000	500,000
4512-2022	1,000,000	9,175,769
4590-0250	3,811,331	22,304,865
4800-0038	5,500,000	368,888,635
5046-0000	9,500,000	612,936,567
5920-2010	401,385	330,698,351
5920-3010	1,000,000	10,007,296
7002-0012	500,000	15,915,000
7002-0036	1,500,000	1,000,000
7002-1091	750,000	9,629,600
7002-2021	2,500,000	7,500,000
7003-0606	300,000	1,700,000
7003-0803	1,000,000	8,860,450
7007-0150	500,000	1,500,000
7007-0801	650,000	850,000
7035-0035	1,392,489	2,000,320
7061-9611	3,000,000	8,622,449
7061-9634	300,000	1,500,000
7061-9805	7,500,000	2,500,000
7066-0036	1,144,842	3,605,158
7077-0023	500,000	6,500,000
8200-0200	550,000	20,910,758
9110-1455	1,000,000	19,832,247

I reduce the following items in Section 2 to the following amounts, and disapprove the wording as indicated:

Section 2	Reduce By	Reduce To	Wording Stricken
4512-0200	18,200,000	194,452,031	<p>; provided further, that not less than \$1,000,000 shall be expended to address the addiction treatment workforce crisis through outreach and recruitment efforts and support to complete trainings and continuing education curriculum</p> <p>and</p> <p>; provided further, that such efforts shall prioritize the support of a culturally, ethnically and linguistically diverse workforce</p> <p>and</p> <p>; provided further, that not less than \$2,000,000 shall be expended for the bureau to address the addiction treatment workforce crisis through outreach and recruitment efforts at local and regional educational institutions and vocational-technical high schools</p> <p>and</p>

; and provided further, that not less than \$1,000,000 shall be expended for contingency management programs to support individuals with stimulant use disorder

and

; provided further, that not less than \$3,000,000 shall be expended to preserve and expand the programs currently funded by the Massachusetts Access to Recovery, or MA-ATR, program

and

; provided further, that not less than \$1,000,000 shall be expended on the Massachusetts rehabilitation commission through an interagency service agreement with the bureau to support workforce development

and

; provided further, that not less than \$7,000,000 shall be expended for opening 10 new recovery centers that are not currently funded by the department

and

; provided further, that in selecting such centers, the department shall, to the maximum extent possible, ensure that not less than 6 of the centers serve gateway municipalities as defined under section 3A of chapter 23A of the General Laws

and

; provided further, that not less than \$1,500,000 shall be expended for outpatient and mobile services for deaf/hard of hearing, and deaf/hard of hearing/blind individuals with substance use disorders

and

; provided further, that not less than \$750,000 shall be expended to expand transportation programs for individuals accessing substance use treatment services

7002-1502	750,000	250,000	; provided, that not less than \$750,000 shall be expended on a neighborhood stabilization initiative to assist local governments and their nonprofit partners to implement strategic neighborhood revitalization initiatives; and provided further, that the initiative shall be developed in consultation with the Massachusetts Association of Community Development Corporations, and The Massachusetts Institute for a New Commonwealth, Inc. and shall focus on identifying and implementing strategies for reclaiming vacant, abandoned and blighted properties and restoring them to productive use as homeownership opportunities or rental housing, as well as on capacity-building at the local level to address this need
7002-1503	1,500,000	950,000	; provided, that not less than \$1,500,000 shall be expended, in collaboration with community colleges and state universities, to provide regional security operations center services for the monitoring and detection of cyber threat activity to municipalities, nonprofits and small businesses and cyber range services, which shall include opportunities for cybersecurity workforce training
7004-3036	1,500,000	8,974,000	; provided further, that not less than \$1,500,000 shall be expended for housing stabilization services for certain households served with residential assistance payments under item 7004-9316 or emergency rental assistance under the executive office's 2019 novel coronavirus eviction diversion initiative, who face significant barriers to sustaining housing payments

7008-0900	768,309	3,710,000	; provided further, that not less than \$500,000 shall be transferred to the Massachusetts Tourism Trust Fund established in section 13T of chapter 23A of the General Laws
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I reduce the following items in Section 2 by striking the wording as indicated and inserting in place thereof the following wording set forth below:

Section 2	Reduce By	Reduce To	
2511-0100	800,000	11,901,244	<p>Wording Stricken</p> <p>; provided further, that not less than \$300,000 shall be expended for the Massachusetts Food Trust Program established in section 65 of chapter 23A of the General Laws</p> <p>and</p> <p>; provided further, that not less than \$250,000 shall be allocated for a grant program to be administered by the department in consultation with the Massachusetts food policy council to support local food policy councils</p> <p>and</p> <p>; provided further, that not less than \$800,000 shall be expended to enhance the Buy Local effort in western, central, northeastern and southeastern Massachusetts</p> <p>Wording Inserted</p> <p>; provided further, that not less than \$200,000 shall be expended for the Massachusetts Food Trust Program established in section 65 of chapter 23A of the General Laws</p> <p>and</p> <p>; provided further, that not less than \$700,000 shall be expended to enhance the Buy Local effort in western, central, northeastern and southeastern Massachusetts</p>
7006-0011	1,500,000	1,550,000	<p>Wording Stricken</p> <p>; provided, that the division may expend revenues of not more than \$3,050,000 from the revenue received from administrative fees associated with the licensure fees and from civil administrative penalties collected under said chapter 255F; provided further, that not less than \$1,500,000 shall be expended by the commissioner of banks as grants for the operation of a program for best lending practices, first-time homeowner counseling for nontraditional loans and not less than 10 foreclosure education centers under section 16 of chapter 206 of the acts of 2007 and that the grants shall be awarded through a competitive application process using criteria established by the division</p> <p>Wording Inserted</p> <p>; provided, that the division may expend revenues of not more than \$1,550,000 from the revenue received from administrative fees associated with the licensure fees and from civil administrative penalties collected under said chapter 255F</p>
7070-0065	2,500,000	173,438,311	<p>Wording Stricken</p> <p>; provided further, that not less than \$5,000,000 shall be made available for early educator scholarships</p>

Wording Inserted

; provided further, that not less than \$2,500,000 shall be made available for early educator scholarships

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

Section 2	Wording Stricken
7004-9030	, prior appropriation continued

I return for amendment, pursuant to the authority vested in me by Article 56, as amended by Article 90, Section 3, of the Amendments to the Constitution, Sections 116, 219 and 220. The text of my recommended amendments is set forth in separate letters of this date to the Senate and House of Representatives.

The remainder of this bill I approve.

Approved, July 29, 2024

at                      o'clock and                      minutes,                      .M.

Maura Healey  
Governor