

1 **SECTION 4.** Chapter 10 of the General Laws is hereby amended by striking out section
2 24, as appearing in the 2020 Official Edition, and inserting in place thereof the following
3 section:-

4 Section 24. (a) The commission is hereby authorized to conduct a state lottery and shall
5 determine: (i) the types of lotteries to be conducted; (ii) the prices of tickets or shares in the
6 lottery; (iii) the number and sizes of the prizes on the winning tickets or shares; (iv) the manner
7 of selecting the winning tickets or shares; (v) the manner of payment of prizes to the holders of
8 winning tickets or shares; (vi) the frequency of the drawings or selections of winning tickets or
9 shares; (vii) the types of locations at which tickets or shares may be sold; (viii) the method to be
10 used in selling tickets or shares; (ix) the licensing of agents to sell tickets or shares; provided,
11 however, that no person under the age of 18 shall be licensed as an agent; (x) the manner and
12 amount of compensation, if any, to be paid to licensed sales agents; provided, however, that the
13 amount of compensation, if any, to be paid to licensed sales agents as a commission pursuant to
14 this section shall be calculated on the total face value of each ticket or share sold and not on any
15 discounted price of any such ticket or share sold; provided, however, that no tickets or shares
16 shall be sold, offered for sale or purchased from a licensed sales agent or the lottery commission
17 by telephone call; provided further, that said telephone calls for sales, offers for sale or purchase
18 shall not govern the transmittal of lottery information and sales through telephone services solely
19 between the lottery commission and its duly licensed sales agents; provided further, that the
20 commission shall authorize licensed sales agents to facilitate point of sale transactions using a
21 debit card; and provided further, that said commission shall prohibit point of sale transactions
22 using credit cards as defined in section 1 of chapter 140D and that point of sale transactions
23 under this section shall be subject to the restrictions pursuant to subsection (b) of section 5I of
24 chapter 18; and (xi) such other matters necessary or desirable for the efficient and economical
25 operation and administration of the lottery and for the convenience of the purchasers of tickets or
26 shares and the holders of winning tickets or shares. The commission may operate the daily
27 numbers game 7 days a week. Each physical state lottery ticket or share shall have imprinted
28 thereon the state seal and a serial number.

29 (b) The commission may establish, and from time to time revise, such rules and
30 regulations as it deems necessary or desirable and shall file the same with the office of the state
31 secretary; provided, however, that the commission shall establish rules and regulations for
32 lotteries conducted online, over the internet, through the use of a mobile application or through
33 any other means that shall, at a minimum:

34 (i) require age verification measures reasonably designed to block access to and prevent
35 sales of lottery tickets, games or shares online, over the internet, through the use of a mobile
36 application or through any other means to persons under the age of 18;

37 (ii) limit sales of lottery tickets, games or shares online, over the internet, through the use
38 of a mobile application or through any other means to transactions initiated and received, or
39 otherwise made, within the commonwealth;

40 (iii) allow any player to voluntarily prohibit or otherwise exclude themselves from
41 purchasing a lottery ticket, game or share online, over the internet, through the use of a mobile
42 application or through any other means;

43 (iv) establish maximum limits for account deposits and transactions of lottery tickets,
44 games or shares conducted online, over the internet, through the use of a mobile application or
45 through any other means and allow players to reduce their own deposit or transaction limit at any
46 time;

47 (v) clarify that money in a lottery account belongs solely to the owner of the account and
48 may be withdrawn by the owner at any time;

49 (vi) require the commission to implement promotional activities to encourage the
50 purchase of lottery tickets, games or shares through licensed sales agents, including, but not
51 limited to, the sale of prepaid gift cards for lottery sales through licensed sales agents; and

52 (vii) require within any online system a search function to find nearby licensed sales
53 agents offering lottery sales at brick and mortar retail stores in the commonwealth.

54 (c) Notwithstanding any general or special law to the contrary, the name, address,
55 transaction history, account balance or other personal or identifying information of an individual
56 who purchases lottery tickets, games or shares online, over the internet, through the use of a
57 mobile application or through any other means shall not be deemed public records of the
58 commission for the purposes of section 10 of chapter 66; provided, however, that this section
59 shall not prohibit the commission from maintaining, using or sharing such information in the
60 course of an investigation by law enforcement or in compliance with sections 28A or 28B.

61 (d) The commission shall advise and make recommendations to the director regarding the
62 operation and administration of the lottery. The commission shall report monthly to the
63 governor, the attorney general and the general court, the total lottery revenues, prize
64 disbursements and other expenses for the preceding month and shall make an annual
65 independently audited financial report to the same which shall include a full and complete
66 statement of lottery revenues, prize disbursements and other expenses, including such
67 recommendations as it may deem necessary or advisable, which shall be made available
68 electronically to the general public not later than the earliest date established for reports in
69 section 12 of chapter 7A. The commission shall report immediately to the governor and the
70 general court any matters which require immediate changes in the laws of the commonwealth to
71 prevent abuses and evasions of the lottery law or rules and regulations promulgated thereunder or
72 to rectify undesirable conditions in connection with the administration or operation of the state
73 lottery.

74 (e) The commission may carry on a continuous study and investigation of the lottery
75 throughout the commonwealth in order to: (i) ascertain any defects in the state lottery law or in
76 the rules and regulations promulgated thereunder whereby any abuse in the administration and
77 operation of the lottery or any evasion of said law or said rules and regulations may arise or be
78 practiced; (ii) formulate recommendations for changes in said law and the rules and regulations

79 promulgated thereunder to prevent such abuses and evasions; and (iii) guard against the use of
80 said law and rules and regulations promulgated thereunder as a cloak for the carrying on of
81 organized gambling and crime.

82 (f) The commission shall make a continuous study and investigation of: (i) the operation
83 and administration of similar laws in other states or countries; (ii) any literature on the subject
84 which from time to time may be published or available; (iii) any federal laws which may affect
85 the operation of the lottery; and (iv) the reaction of citizens of the commonwealth to existing and
86 potential features of the lottery with a view to recommending or effecting changes that will tend
87 to better serve and implement the purposes of the state lottery law.

88 (g)(i) There is hereby established within the commission a lottery advisory board. The
89 lottery advisory board shall be comprised of the following members: the director of the lottery
90 commission, or their designee; a representative from the New England Convenience Stores and
91 Energy Marketers Association, Inc.; a representative from the Retailers Association of
92 Massachusetts, Inc.; a representative operating as a licensed sales agent in a brick and mortar
93 retail store in the commonwealth; a representative of the Massachusetts Restaurant Association,
94 Inc.; a representative of an online lottery platform providing services in a nearby state; and a
95 representative from the Massachusetts Council on Gaming and Health, Inc.

96 (ii) The lottery advisory board shall advise and assist the commission in the development
97 and implementation of the lottery system comprised of traditional brick and mortar lotteries,
98 lotteries conducted online, over the internet and through the use of mobile phone applications.
99 The board shall review all processing fees associated with point of sale transactions using debit
100 cards and make recommendations on said processing fees and the implementation of the use of
101 debit cards.

102 (iii) The lottery advisory board shall meet monthly to advise and assist the commission in
103 lottery modernization and to review actions taken by the commission with respect to online
104 lottery development and implementation and to make advisory recommendations, as necessary.
105 Annually, at the first meeting of the advisory board, members of the advisory board shall elect a
106 chair. A majority of members of the advisory board shall be present for actions to be taken.

107 (h) The concurrence of the chair and not less than 2 other members of the commission
108 shall be required for all official actions of the commission. A copy of the minutes of each
109 meeting of the commission, including any rules and regulations adopted by the commission or
110 any amendments thereof, shall be forthwith transmitted, by and under the certification of the
111 secretary thereof, to the governor.

112 (i) The commission shall have the power to issue subpoenas to compel the attendance of
113 witnesses and the production of documents, papers, books, records and other evidence before it
114 in any matter over which it has jurisdiction, control or supervision. The commission shall have
115 the power to administer oaths and affirmations to persons whose testimony is required.

116 **SECTION 5.** Section 24A of said chapter 10, as so appearing, is hereby amended by
117 striking out subsection (a) and inserting in place thereof the following subsection:-

118 (a) For the purposes of this section, “group agreement” shall mean any lottery activity in
119 which the commission participates pursuant to a written agreement between the commission, on
120 behalf of the commonwealth, and any state, territory, country or other sovereignty. The
121 commission may enter into agreements with 1 or more states or other jurisdictions, hereinafter
122 referred to as a group, for the purpose of creating and maintaining multi-jurisdictional lottery
123 games, including multi-jurisdictional lottery games to be conducted online, over the internet,
124 through the use of a mobile application or through any other means; provided, that any such
125 lottery game to be conducted online, over the internet, through the use of a mobile application or
126 through any other means has been properly authorized by each state or other jurisdiction that is
127 part of the group; provided further, that a group agreement shall not include the state lottery
128 games created pursuant to section 24; and provided further, that nothing in this section and
129 nothing in any group agreement shall authorize the commission to make expenditures that are not
130 consistent with restrictions on expenditures by the commission provided for in any other general
131 or special law. The group agreement shall determine the types of lotteries to be conducted, the
132 prices of tickets or shares, the manner of selecting the winning tickets or shares, the manner of
133 payment of prizes to the holders of winning tickets or shares and the frequency of the drawings
134 or selection of winning tickets or shares. The commission may establish, and from time to time
135 revise, such rules and regulations as it deems necessary or desirable to carry out the group
136 agreement and shall file the same with the office of the state secretary.

137 **SECTION 6.** Said chapter 10 is hereby further amended by striking out section 25, as so
138 appearing, and inserting in place thereof the following section:-

139 Section 25. (a) The apportionment of the total revenues accruing from the sale of lottery
140 tickets or shares and from all other sources at the point of sale shall be as follows: (i) the
141 payment of prizes to the holders of winning tickets or shares, which in any case shall be no less
142 than 45 per cent of the total revenues accruing from the sale of lottery tickets; (ii) the payment of
143 costs incurred in the operation and administration of the lottery, including the expenses of the
144 commission and the costs resulting from any contract entered into for promotional, advertising or
145 operational services or for the purchase or lease of lottery equipment and materials, which in no
146 case shall exceed 15 per cent of the total revenues accruing from the sale of lottery tickets,
147 subject to appropriation; and (iii) the balance shall be used to fund budgeted aid to cities and
148 towns as provided in section 18C of chapter 58, subject to appropriation.

149 (b) The apportionment of the total revenues accruing from the sale of lotteries conducted
150 online, over the internet, through the use of a mobile application or through any other means as
151 authorized by section 24 shall be as follows: (i) the payment of prizes to the holders of winning
152 tickets or shares; (ii) the payment of costs incurred in the operation and administration of such
153 lotteries, including the expenses of the commission and the costs resulting from any contract
154 entered into for promotional, advertising or operational services or for the purchase or lease of
155 lottery equipment and materials, which in no case shall exceed 15 per cent of the total revenues
156 accruing from the sale of lottery tickets, subject to appropriation; and (iii) the balance shall be
157 used to fund the Early Education and Care Operational Grant Fund established in section 19 of
158 chapter 15D.

159 **SECTION 7.** Chapter 15A of the General Laws is hereby amended by inserting after
160 section 16 the following section:-

161 Section 16A. (a) There shall be a scholarship program to be administered by the board,
162 which shall be known as the high demand targeted scholarship program, to provide financial
163 assistance to students in the commonwealth who are enrolled in and pursuing a program of
164 higher education for an in-demand profession as defined by the executive office of labor and
165 workforce development's study on labor market conditions. The program shall be subject to
166 appropriation.

167 (b)(1) Eligibility for the scholarship program shall be limited to students that: (i) reside in
168 the commonwealth for at least 1 year prior to the start of the academic year; (ii) agree to
169 complete an undergraduate or graduate degree or certificate program at a public institution of
170 higher education pursuant to section 5; (iii) maintain a minimum grade point average of 3.0
171 annually and demonstrate satisfactory academic progress in accordance with institutional
172 standards; (iv) successfully complete an undergraduate or graduate degree or certificate program
173 at said public institution of higher education; (v) enter into an in-demand occupation, as defined
174 by the executive office of labor and workforce development's study on labor market conditions,
175 in the commonwealth; provided, that said in-demand occupation shall be consistent with the
176 undergraduate or graduate degree or certificate; (vi) commit to working in the commonwealth for
177 a term of not less than 5 years in an in-demand occupation as defined by said study; and (vii)
178 meet any additional criteria required by the board.

179 (2) Scholarships shall be awarded to qualified students to cover the cost of tuition, fees
180 and additional costs of attendance as calculated by the student's public institution of higher
181 education, including, but not limited to, room and board, books and supplies, transportation,
182 child care and personal expenses, for an undergraduate or graduate degree or certificate program
183 at a public institution of higher education.

184 (c) The board, in coordination with the Massachusetts state scholarship office, shall:

185 (1) promulgate guidelines governing the high demand targeted scholarship program;

186 (2) promulgate procedures for repayment of the amount of scholarship benefits for
187 persons who participate in the program but who fail to complete the 5-year commitment pursuant
188 to clause (vi) of paragraph (1) of subsection (b); provided, however, that the procedures shall be
189 designed to ensure there are no disincentives for low-income students to participate in the
190 program and shall consider: (i) the amount of scholarship benefits the participant has received;
191 (ii) the participant's current income if not working in an in-demand occupation; and (iii) the
192 amount of time the participant worked in the commonwealth in the in-demand occupation
193 consistent with their undergraduate or graduate degree or certificate; and

194 (3) establish an outreach plan to attract individuals to in-demand professions through the
195 scholarship program.

196 (d) Annually, not later than July 31, the board shall submit a report detailing activity of
197 the program, including, but not limited to: (i) the number of scholarships awarded by the
198 program; provided, that the board shall categorize the number of scholarship awards by in-
199 demand profession and public institution of higher education; (ii) demographic information of
200 the recipients of the scholarship program; and (iii) the average scholarship award amount, which
201 shall be categorized by in-demand profession and public institution of higher education.

202 **SECTION 8.** Chapter 15D of the General Laws is hereby amended by adding the
203 following section:-

204 Section 19. (a) There shall be established and set up on the books of the commonwealth a
205 separate, non-budgeted special revenue fund known as the Early Education and Care Operational
206 Grant Fund, which shall be administered by the department. Amounts credited to the fund shall
207 be expended, subject to appropriation, to provide a funding stream to support an operational
208 grant program for early education and care providers in the commonwealth. The unexpended
209 balance in the fund at the end of a fiscal year shall remain available for expenditure in
210 subsequent fiscal years. The fund shall not be subject to section 5C of chapter 29.

211 (b) The fund shall be credited with: (i) revenue received pursuant to clause (iii) of
212 subsection (b) of section 25 of chapter 10; (ii) other money authorized by the general court and
213 specifically designated to be credited to the fund; (iii) funds from public and private sources,
214 including, but not limited to, gifts, grants and donations; and (iv) interest earned on such money.

215 **SECTION 9.** Chapter 29 of the General Laws is hereby amended by inserting after
216 section 2AAAAAA, inserted by section 42 of chapter 268 of the acts of 2022, the following 3
217 sections:-

218 Section 2BBBBBB. (a) For the purposes of this section, “income surtax revenues” shall
219 mean income tax revenues from the additional 4 per cent income tax levied on annual taxable
220 income in excess of \$1,000,000, as adjusted, pursuant to Article XLIV of the Articles of
221 Amendment to the Constitution, as amended by CXXI of the Articles of Amendment to the
222 Constitution.

223 (b) There shall be established and set up on the books of the commonwealth a separate
224 fund known as the Education and Transportation Fund. The fund shall be credited with: (i)
225 income surtax revenues; (ii) appropriations or other money authorized or transferred by the
226 general court and specifically designated to be credited to the fund; (iii) funds from public and
227 private sources, including, but not limited to, gifts, grants and donations; and (iv) any interest
228 earned on the assets of the fund. Amounts credited to the fund shall be expended, subject to
229 appropriation, for quality public education and affordable public colleges and universities, and
230 for the repair and maintenance of roads, bridges and public transportation. The fund shall not be
231 subject to section 5C.

232 (c) Income surtax revenues collected and deposited into the fund shall not be subject to
233 the allowable state tax revenue limitations established by chapter 62F. The commissioner of
234 revenue shall estimate on or before September 1, for the preceding fiscal year, the amount of

235 revenue to exclude from the chapter 62F calculation and shall include that estimate in the report
236 submitted to the state auditor pursuant to subsection (a) of section 5 of said chapter 62F;
237 provided, that this estimate shall be final.

238 (d) Income surtax revenues collected and deposited into the fund shall not be considered
239 tax revenues collected from capital gains income for the purposes of section 5G. The
240 commissioner of revenue shall estimate, in the fiscal fourth quarter capital gains tax certification,
241 the amount of revenue to exclude from the section 5G calculation; provided, that this estimate
242 shall be final.

243 (e) Annual expenditures from the fund shall not exceed a spending limit, which shall be
244 set jointly by the secretary of administration and finance and the chairs of the house and senate
245 committees on ways and means, for each fiscal year.

246 (f) Any expenditures authorized from the fund shall be subject to sections 9B and 9C,
247 without respect to whether such purposes would otherwise be subject to allotment.

248 (g)(1) Annually, in consultation with the secretary of administration and finance, as part
249 of the annual statutory basis financial report required pursuant to paragraph (2) of subsection (a)
250 of section 12 of chapter 7A, the comptroller shall certify the amount of funds expended from the
251 fund in the prior fiscal year on: (i) education expenditures; and (ii) transportation expenditures.
252 The comptroller shall determine the designation as education or transportation on the basis of the
253 department through which the expenditures were authorized.

254 (2) The comptroller shall certify the amount authorized for expenditure from the fund but
255 not yet spent, as well as the balance of the fund at the end of the fiscal year.

256 (h) Following annual certification pursuant to section 5I, the comptroller shall transfer
257 any income surtax revenue in excess of the spending limit set pursuant to subsection (e) as
258 follows: (i) 15 per cent to the Education and Transportation Stabilization Fund established in
259 section 2CCCCCC; and (ii) 85 per cent to the Education and Transportation Innovation Fund
260 established in section 2DDDDDD.

261 Section 2CCCCCC. (a) For the purposes of this section, "income surtax revenues" shall
262 mean income tax revenues from the additional 4 per cent income tax levied on annual taxable
263 income in excess of \$1,000,000, as adjusted, pursuant to Article XLIV of the Articles of
264 Amendment to the Constitution, as amended by CXXI of the Articles of Amendment to the
265 Constitution.

266 (b) There shall be established and set up on the books of the commonwealth a separate
267 fund to be known as the Education and Transportation Stabilization Fund. The fund shall be
268 credited with amounts transferred to the fund in accordance with clause (i) of subsection (h) of
269 section 2BBBBBB and income derived from the investment of the amounts so transferred. The
270 purpose of the fund shall be to create and maintain a reserve to which appropriations may be
271 made to supplement a shortfall in income surtax revenues, as determined by the general court

272 and subject to appropriation. The fund shall not be subject to section 5C. Money remaining in the
273 fund at the end of a fiscal year shall not revert to the General Fund.

274 (c) The balance of the fund shall not exceed 33 per cent of the spending for the previous
275 fiscal year, as determined pursuant to section 2BBBBBB. If the amount remaining in the fund at
276 the close of a fiscal year exceeds said 33 per cent, the amounts in excess shall be transferred to
277 the Education and Transportation Innovation Fund established in section 2DDDDDD.

278 Section 2DDDDDD. (a) For the purposes of this section, “income surtax revenues” shall
279 mean income tax revenues from the additional 4 per cent income tax levied on annual taxable
280 income in excess of \$1,000,000, as adjusted, pursuant to Article XLIV of the Articles of
281 Amendment to the Constitution, as amended by CXXI of the Articles of Amendment to the
282 Constitution.

283 (b) There shall be established and set up on the books of the commonwealth a separate
284 fund to be known as the Education and Transportation Innovation Fund. The fund shall be
285 credited with: (i) amounts transferred to the fund in accordance with clause (ii) of subsection (h)
286 of section 2BBBBBB; (ii) appropriations or other money authorized or transferred by the general
287 court and specifically designated to be credited to the fund; (iii) funds from public and private
288 sources, including, but not limited to, gifts, grants and donations; and (iv) any interest earned on
289 the assets of the fund. Amounts credited to the fund shall be expended, subject to appropriation,
290 for quality public education and affordable public colleges and universities, and for the repair
291 and maintenance of roads, bridges and public transportation. The fund shall not be subject to
292 section 5C. Money remaining in the fund at the end of a fiscal year shall not revert to the General
293 Fund.

294 **SECTION 10.** Section 5G of said chapter 29, as appearing in the 2020 Official Edition,
295 is hereby amended by adding the following paragraph:-

296 For the purposes of this section, income tax revenues collected due to the additional 4 per
297 cent income tax levied on annual taxable income in excess of \$1,000,000, as adjusted, pursuant
298 to Article XLIV of the Articles of Amendment to the Constitution, as amended by CXXI of the
299 Articles of Amendment to the Constitution, shall not be considered to be tax revenue collected
300 from capital gains income.

301 **SECTION 11.** Said chapter 29 is hereby further amended by inserting after section 5H
302 the following section:-

303 Section 5I. (a) No later than February 20, May 20, July 20 and October 20 of each year
304 pursuant to paragraph (1) of subsection (b), and annually by December 15 pursuant to paragraph
305 (2) of said subsection (b), the commissioner of revenue shall certify to the comptroller the
306 amount of tax revenues estimated to have been collected during the preceding period on account
307 of the additional 4 per cent income tax levied on annual taxable income in excess of \$1,000,000,
308 as adjusted, pursuant to Article XLIV of the Articles of Amendment of the Constitution, as
309 amended by CXXI of the Articles of Amendment to the Constitution, with adjustments described
310 in subsection (c).

311 (b)(1) For the purposes of this section, quarterly periods shall be defined as October 1
312 through January 31, February 1 through April 30, May 1 through June 30 and July 1 through
313 September 30.

314 (2) Each quarterly period certification shall include, as necessary, adjustments to
315 estimates made with respect to prior quarters of the same fiscal year; provided, that annually and
316 not later than December 15, the commissioner shall issue to the comptroller the preliminary
317 certification of tax revenues collected during the preceding fiscal year due to said additional 4
318 per cent income tax, plus adjustments as necessary for prior fiscal years.

319 (c) Upon certification by the commissioner pursuant to subsection (a), the comptroller
320 shall transfer quarterly all such certified revenue, net of all necessary adjustments, from the
321 General Fund to the Education and Transportation Fund established in section 2BBBBBB.
322 Transfers shall be credited in the same fiscal year during which the certification is issued;
323 provided, that any transfers resulting from the July 20 certification shall be credited in the fiscal
324 year ending on the immediately preceding June 30.

325 **SECTION 12.** Subdivision (1) of section 22C of chapter 32 of the General Laws, as
326 appearing in the 2020 Official Edition, is hereby amended by striking out the third paragraph and
327 inserting in place thereof the following paragraph:-

328 Notwithstanding any general or special law to the contrary, appropriations or transfers
329 made to the Commonwealth's Pension Liability Fund in fiscal years 2024 to 2026, inclusive,
330 shall be made in accordance with the following funding schedule: (i) \$4,104,583,378 in fiscal
331 year 2024; (ii) \$4,499,854,757 in fiscal year 2025; and (iii) \$4,933,190,770 in fiscal year 2026.
332 Notwithstanding any provision of this subdivision to the contrary, any adjustments to these
333 amounts shall be limited to increases in the schedule amounts for each of the specified years.

334 **SECTION 13.** Section 4 of chapter 62 of the General Laws, as so appearing, is hereby
335 amended by adding the following paragraph:-

336 (d) Where the sum of Part A taxable income, Part B taxable income and Part C taxable
337 income exceeds \$1,000,000 in a taxable year, the portion of such taxable income exceeding
338 \$1,000,000 shall be taxed at the rate or rates specified in paragraphs (a) through (c), inclusive,
339 plus an additional 4 per cent. In determining such sum, any negative amount or loss in any Part
340 of taxable income may not be applied to reduce income in any other Part or otherwise be applied
341 to reduce such sum. The \$1,000,000 taxable income threshold referenced in this paragraph shall
342 be annually subject to the cost-of-living adjustment as provided by subsection (f) of section 1 of
343 the Code. The commissioner may promulgate regulations or issue other guidance as necessary or
344 appropriate to implement this paragraph.

345 **SECTION 14.** Subsection (a) of section 5A of said chapter 62, as so appearing, is hereby
346 amended by striking out the first sentence and inserting in place thereof the following 3
347 sentences:- The amount of the Part A taxable income, the Part B taxable income and the Part C
348 taxable income of any non-resident of the commonwealth derived from the Massachusetts gross
349 income of such person shall be taxed in accordance with section 4. Where the sum of Part A

350 taxable income, Part B taxable income and Part C taxable income exceeds \$1,000,000 in a
351 taxable year, the portion of such taxable income exceeding \$1,000,000 shall be taxed in
352 accordance with paragraph (d) of section 4. In determining such sum, any negative amount or
353 loss in any Part of taxable income may not be applied to reduce income in any other Part or
354 otherwise be applied to reduce such sum. The commissioner may promulgate regulations or issue
355 other guidance as necessary or appropriate to implement this subsection.

356 **SECTION 15.** Chapter 69 of the General Laws is hereby amended by striking out section
357 1C, as so appearing, and inserting in place thereof the following 2 sections:-

358 Section 1C. (a)(1) The board shall require all public elementary, secondary and
359 vocational-technical schools to make breakfast and lunch available at no charge to each attending
360 student regardless of household income. Schools shall maximize access to federal funds for the
361 cost of breakfast and lunch by adopting: (i) the federal community eligibility provision or
362 provision 2, pursuant to section 72A of chapter 71; or (ii) other applicable federal provisions,
363 including, but not limited to, the Healthy, Hunger-Free Kids Act of 2010, Public Law 111-296.
364 The department shall reimburse the difference between the reasonable costs of providing
365 breakfast and lunch and federal reimbursements.

366 (2) All public elementary, secondary and vocational-technical schools that serve
367 breakfast pursuant to paragraph (1) and where not less than 60 per cent of the students at the
368 school are eligible for free or reduced-price meals under the National School Lunch Program, as
369 determined by the department, shall offer all students a school breakfast after the beginning of
370 the instructional day. A school subject to this paragraph may use the breakfast service model that
371 best suits its students in accordance with this section and the department's guidelines or
372 regulations, including, but not limited to: breakfast in the classroom, grab and go breakfast or
373 second chance breakfast. The department shall issue guidelines or promulgate regulations to
374 implement this paragraph and may consult with nonprofit organizations with experience
375 regarding equity, the opportunity gap, hunger and food security issues and best practices for
376 improving student access to school breakfast. The department shall annually: (i) collect
377 information about availability and participation rates of students who partake in a school
378 breakfast after the beginning of the instructional day under this paragraph at each school; and (ii)
379 make the information publicly available on its website not later than July 1.

380 (b) The board shall establish minimum nutritional standards for all school food services
381 in all public elementary, secondary and vocational-technical schools. Standards and regulations
382 of the board promulgated pursuant to this subsection shall be adopted in the following manner. A
383 copy of such regulations and standards shall be filed by the board with the clerks of the house of
384 representatives and the senate who shall refer such regulations and standards to the joint
385 committee on education for review. Within 30 days after such filing, said committee shall hold a
386 public hearing on the regulations and standards, shall issue a report and file a copy thereof with
387 the board of education. The board shall adopt final regulations and standards making such
388 revisions in the interim regulations and standards as it deems appropriate in view of such report
389 and shall forthwith file a copy of the regulations and standards with the joint committee on
390 education and not earlier than 30 days after the date of such filing, the board shall file the final
391 regulations and standards with the state secretary and the regulations shall thereupon take effect.

392 Section 1C ½. The board may require that all public schools provide for immunization
393 against Hepatitis B for any school employee who works with developmentally disabled students
394 and requests such immunization; provided, however, that such employee is not covered for
395 immunization against Hepatitis B by the employee's own health insurance. The commissioner
396 shall establish guidelines for the purpose of reimbursing cities and towns for such immunization.

397 **SECTION 16.** Said chapter 69 is hereby further amended by adding the following
398 section:-

399 Section 37. (a)(1) There shall be a competitive grant program, known as Green School
400 Works, to provide financial support to eligible K-12 public schools or districts for projects to
401 install or maintain clean energy infrastructure. The program shall be administered by the
402 department, in consultation with the Massachusetts clean energy technology center, established
403 by section 2 of chapter 23J. Grants shall be made available to address the costs of installation,
404 operation or upgrades of clean energy infrastructure that improves energy efficiency, reduces
405 carbon emissions or mitigates impacts of climate change, including school rooftop construction
406 or repair costs necessary for a clean energy infrastructure project to be safely installed; provided,
407 that such installation, operation or upgrades shall be conducted in compliance with any relevant
408 procurement laws, including, but not limited to, chapter 149 and all state and local building
409 codes.

410 (2) Grants awarded by the department shall maximize the total number of projects that
411 shall be undertaken by public schools or districts.

412 (b) The department, in consultation with the Massachusetts clean energy technology
413 center, shall establish eligibility and selection criteria for the program. The department may give
414 preference to grant applications from schools serving low-income and environmental justice
415 populations.

416 (c) Annually, not later than July 15, the commissioner shall report to the clerks of the
417 house of representatives and the senate, the joint committee on education, the joint committee on
418 telecommunications, utilities and energy and the house and senate committees on ways and
419 means on the grants awarded during the previous fiscal year, including the grant amount, grant
420 recipient, a description of the project for which the grant was awarded and any progress on
421 completion of the project.

422 (d) The department, in consultation with the Massachusetts clean energy technology
423 center and the Massachusetts School Building Authority, established by section 1A of chapter
424 70B, shall promulgate regulations to implement this section.

425 **SECTION 17.** Chapter 70B of the General Laws is hereby amended by striking out
426 section 7, as appearing in the 2020 Official Edition, and inserting in place thereof the following
427 section:-

428 Section 7. There shall be a limit on the estimated amount of grants approved by the
429 authority during a fiscal year. For fiscal year 2024, the limit shall be \$1,100,000,000. For each

430 fiscal year thereafter, the limit shall be the limit for the previous fiscal year plus the lower of: (i)
431 the rate of growth in the dedicated sales tax revenue amount as defined in subsection (a) of
432 section 35BB of chapter 10; or (ii) 4.5 per cent.

433 **SECTION 18.** Section 72B of chapter 71 of the General Laws is hereby repealed.

434 **SECTION 19.** Subsection (a) of section 25A of chapter 118E of the General Laws, as
435 amended by section 55 of chapter 126 of the acts of 2022, is hereby further amended by striking
436 out, in lines 1 to 4, inclusive, the words “(a) For individuals 65 years of age or older, the division
437 shall not consider income in an amount equivalent to 90 per cent of the federal poverty level or
438 assets in an amount equivalent to the federal resource limit for the Medicare Saving programs,
439 each” and inserting in place thereof the following words:- (a)(1) For individuals 65 years of age
440 or older, the division shall not consider income in an amount equivalent to 90 per cent of the
441 federal poverty level.

442 **SECTION 20.** Said subsection (a) of said section 25A of said chapter 118E, as so
443 amended, is hereby further amended by adding the following paragraph:-

444 (2) In determining eligibility for Medicare Saving or Medicare Buy-In programs
445 described in paragraph (1) for individuals 65 years of age or older, the division shall disregard all
446 assets or resources. Implementation of this paragraph shall be contingent upon receiving federal
447 approvals described in subsection (b).

448 **SECTION 21.** Section 16 of chapter 120 of the General Laws, as appearing in the 2020
449 Official Edition, is hereby amended by striking out the fifth sentence and inserting in place
450 thereof the following sentence:- The department may continue to provide any person covered in
451 this chapter under 22 years of age specific education, rehabilitative or transitional services and
452 supports, under conditions agreed upon by both the department and such persons and terminable
453 by either.

454 **SECTION 22.** Said section 16 of said chapter 120, as so appearing, is hereby further
455 amended by striking out, in line 19, the words “, for up to 90 days”.

456 **SECTION 23.** Chapter 127 of the General Laws is hereby amended by inserting after
457 section 87 the following section:-

458 Section 87A. (a) For the purposes of this section, the terms “state correctional facility”,
459 “state prison” and “county correctional facility” shall have the same meanings as those terms are
460 defined in section 1 of chapter 125.

461 (b) The department of correction and sheriffs shall provide any person committed to a
462 state correctional facility, state prison or county correctional facility, including a jail or house of
463 correction, with voice communication services, including phone calls, free of charge to the
464 person initiating and the person receiving the communication; provided, that voice
465 communication services shall be maximized to the extent possible and nothing in this section
466 shall further limit or restrict access to voice communication services as the services were offered

467 and available at such facilities on July 1, 2023; and provided further, that nothing in this section
468 shall prohibit in-person contact visits.

469 (c) The department of correction and sheriffs may supplement voice communication
470 services with other communication services, including, but not limited to, video and electronic
471 communication services; provided, however, that other communication services shall not replace
472 voice communication services; and provided further, that other communication services shall be
473 provided free of charge to the person initiating and the person receiving the communication.

474 **SECTION 24.** Section 3 of chapter 137 of the General Laws is hereby amended by
475 inserting after the word “to”, in line 6, as appearing in the 2020 Official Edition, the following
476 words:- chapter 10,.

477 **SECTION 25.** The last sentence of the fourth paragraph of subsection (g) of section 5 of
478 chapter 161A of the General Laws, as amended by section 51 of chapter 179 of the acts of 2022,
479 is hereby further amended by striking out, in lines 125 and 126, the words “60 days prior to the
480 start of the fiscal year” and inserting in place thereof the following words:- June 15 of each year.

481 **SECTION 26.** The eighth paragraph of said subsection (g) of said section 5 of said
482 chapter 161A, as appearing in the 2020 Official Edition, is hereby amended by striking out, in
483 line 157, the word “January” and inserting in place thereof the following word:- May.

484 **SECTION 27.** Section 7 of said chapter 161A, as amended by section 19 of chapter 29 of
485 the acts of 2021, is hereby further amended by striking out subsection (a) and inserting in place
486 thereof the following subsection:-

487 (a) The authority shall be governed and its corporate powers shall be exercised by a board
488 of directors. The board shall consist of: the secretary, who shall serve ex officio; 1 person to be
489 appointed by the mayor of the city of Boston; 1 person to be appointed by the advisory board
490 who shall have municipal government experience in the service area constituting the authority
491 and experience in transportation operations, transportation planning, housing policy, urban
492 planning or public or private finance; and 6 persons to be appointed by the governor, 1 of whom
493 shall have experience in safety, 1 of whom shall have experience in transportation operations, 1
494 of whom shall have experience in public or private finance, 1 of whom shall be a rider as defined
495 in section 1 and a resident of an environmental justice population as defined in section 62 of
496 chapter 30, 1 of whom shall be a municipal official representing a city or town located in the area
497 constituting the authority and 1 of whom shall be selected from a list of 3 persons recommended
498 by the president of the Massachusetts AFL-CIO Council, Inc.

499 **SECTION 28.** Chapter 239 of the General Laws is hereby amended by adding the
500 following section:-

501 Section 15. (a) For the purposes of this section, “emergency rental assistance” shall,
502 unless the context clearly requires otherwise, mean financial assistance provided to a residential
503 tenant to prevent an eviction or homelessness under the residential assistance for families in
504 transition program or any other program administered by the department of housing and

505 community development, a municipality or a nonprofit entity administering such program, using
506 public funds, on behalf of the department, a municipality or a federal agency to cure rent
507 arrearage or provide financial assistance for moving cost assistance, including the payment of a
508 security deposit.

509 (b) In an action for summary process for nonpayment of rent, a court having jurisdiction
510 over said action for summary process shall:

511 (i) grant a continuance for a period as the court may deem just and reasonable if, either at
512 the time the answer is timely filed or on the date the trial is scheduled to commence: (1) the
513 tenancy is being terminated solely for non-payment of rent for a residential dwelling unit; (2) the
514 non-payment of rent was due to a financial hardship; and (3) the defendant demonstrates, to the
515 satisfaction of the court, a pending application for emergency rental assistance; provided,
516 however, the court may consider any meritorious counterclaim brought in said action for
517 summary process;

518 (ii) issue a stay of execution on a judgment for possession if the requirements in clauses
519 (1) to (3), inclusive, of paragraph (i) are met; and

520 (iii) not enter a judgment or issue an execution before the application for emergency
521 rental assistance has been approved or denied.

522 (c) Not later than the fifteenth day of each month, the executive office of the trial court
523 shall submit a report for the previous month to the clerks of the house of representatives and the
524 senate, the house and senate committees on ways and means, the joint committee on housing and
525 the joint committee on the judiciary that shall include, but not be limited to: (i) the number of
526 actions for summary process entered and filed with each court having jurisdiction over an action
527 for summary process; (ii) the number of default judgments entered, delineated by the reason for
528 the summary process filing; (iii) the number of execution for possession orders granted,
529 delineated by the reason for the summary process filing; (iv) the number of continuances
530 requested and granted due to pending applications for emergency rental assistance pursuant to
531 subsection (b); (v) the number of stays issued due to pending applications for emergency rental
532 assistance pursuant to said subsection (b); (vi) the average length of a continuance and stay
533 granted pursuant to said subsection (b); (vii) the number of stays requested, granted or denied
534 pursuant to sections 9 and 10; (viii) the number of landlords and tenants participating in pre-trial
535 mediation and, to the extent practicable, the outcome of each mediation; (ix) the number of
536 landlords and tenants receiving legal representation and legal services through on-site court
537 diversion and support resources; and (x) any other relevant information as the trial court may
538 decide.

539 **SECTION 29.** Line-item 7003-0102 of section 2A of chapter 102 of the acts of 2021 is
540 hereby amended by striking out the words “provided further, that the funds expended to
541 Teamsters Local 25 pursuant to this item shall be subject to a 100 per cent matching
542 requirement;”.

543 **SECTION 30.** (a) For the purposes of this section, the following words shall, unless the
544 context clearly requires otherwise, have the following meanings:

545 “Department”, the department of early education and care.

546 “Educational equity”, access for students to high quality education across the
547 commonwealth regardless of socioeconomic status.

548 “Kindergarten readiness”, a child’s physical, cognitive, social and emotional ability to
549 adapt to the kindergarten classroom.

550 (b) The department shall prepare a report on the operational grant program established
551 pursuant to the federal American Rescue Plan Act of 2021, Public Law 117-2, line-item 3000-
552 1045 of section 2 of chapter 126 of the acts of 2022 and line-item 3000-1047 of said section 2 of
553 said chapter 126, as inserted by section 235 of chapter 268 of the acts of 2022. The report shall
554 include the department’s findings on the program’s contributions to educational equity and
555 kindergarten readiness and an analysis of the results of the program in providing grant funding in
556 communities and for families with the greatest need. The report shall include, but not be limited
557 to, the following data:

558 (i) families participating in early childhood education subsidy programs, which shall be
559 categorized by early childhood education subsidy program type;

560 (ii) programs currently participating in any of the early childhood education subsidy
561 programs, which shall be categorized by early childhood education subsidy program type and
562 licensing category;

563 (iii) families living in Black, Indigenous and people of color census tracts, gateway cities
564 and communities with a high social vulnerability index or with a median income below 85 per
565 cent of the state median income; and

566 (iv) programs operating in Black, Indigenous and people of color census tracts, gateway
567 cities and communities with a high social vulnerability index or with a median income below 85
568 per cent of the state median income.

569 (c) The report required pursuant to subsection (b) shall include, but not be limited to: (i)
570 the average grant award per provider; (ii) demographic information of the families served by
571 providers receiving grants, including, but not limited to, the number of children from families at
572 or below the federal poverty level; (iii) the number of children from families at the state median
573 income served by providers receiving grant funding; (iv) a breakdown of the use of grant awards
574 by providers, including, but not limited to, the percentage of the award spent on salaries or
575 compensation, workforce training and facilities; and (v) any additional information the
576 department deems necessary. The report shall analyze how the grant funding, including
577 expenditures by individual providers, is contributing to meeting the goal of educational equity.

578 (d) The department shall include in the report required pursuant to subsection (b)
579 recommendations to amend the program’s grant formula to ensure optimal results for families
580 and communities with the greatest needs, including, but not limited to:

581 (i) appropriate foundation funding levels for programs participating in the grant program
582 to incentivize the service of families in Black, Indigenous and people of color census tracts,
583 gateway cities and communities with a high social vulnerability index or with a median income
584 below 85 per cent of the state median income;

585 (ii) enhance equity adjustments for programs located in Black, Indigenous and people of
586 color census tracts, gateway cities and communities with a high social vulnerability index or with
587 a median income below 85 per cent of the state median income;

588 (iii) limit, expand or further prioritize operational grants to optimally support families and
589 communities with the greatest need and the early childhood education workforce;

590 (iv) establish grant participation eligibility prioritizations or exclusions justified by
591 supporting information; and

592 (v) any other recommendations the department deems necessary.

593 (e) The department shall file its report, including recommendations for changes necessary
594 to the operational grant formula to meet the goals of educational equity and kindergarten
595 readiness, not later than October 15, 2023, with the clerks of the house of representatives and the
596 senate, the house and senate committees on ways and means and the joint committee on
597 education.

598 **SECTION 31.** (a) There shall be a commission for the purposes of studying nutrition
599 standards and guidelines for school meals served in K-12 public schools in the commonwealth
600 and developing recommendations for improvements to nutrition content. The commission shall
601 review: (i) current federal nutrition standards and the updates proposed on February 7, 2023 to 7
602 CFR Parts 210, 215, 220, 225 and 226 by the United States Department of Agriculture; (ii)
603 current nutrition standards or guidelines used by K-12 schools in the commonwealth; and (iii)
604 nutrition requirements or best practices of states with enhanced standards beyond federal
605 requirements. The commission shall make recommendations on the feasibility of implementing
606 measures to increase the nutrition of school foods, including, but not limited to: (A) enhancing
607 standards for food served at schools in the commonwealth, including, but not limited to, the
608 sugar content of products; (B) providing clearly-labeled daily vegetarian or vegan options; (C)
609 accommodating religious, medical and non-medical dietary restrictions; and (D) requiring food
610 service providers to provide information to schools on the nutritional content of menu items and
611 the location where the purchased produce is grown and processed.

612 (b) The commission shall consist of: the director of the office for food and nutrition
613 programs of the department of elementary and secondary education, or a designee, who shall
614 serve as co-chair; the commissioner of the department of public health, or a designee, who shall
615 serve as co-chair; the chairs of the joint committee on education; 6 members to be appointed by

616 the governor, who shall be school nutrition counselors or registered dietitians representing
617 geographically, racially and socio-economically diverse school districts across the
618 commonwealth; a representative from Project Bread – The Walk for Hunger, Inc.; a
619 representative from the School Nutrition Association of Massachusetts, Inc.; and a representative
620 from the Massachusetts Healthy School Lunch Coalition.

621 (c) The commission shall file its report and recommendations with the clerks of the house
622 of representatives and the senate, the house and senate committees on ways and means and the
623 joint committee on education not later than July 31, 2024.

624 **SECTION 32.** (a) Notwithstanding subsection (b) of section 3 of chapter 176Q of the
625 General Laws or any other general or special law to the contrary, not later than January 1, 2024,
626 the commonwealth health insurance connector authority, established in section 2 of said chapter
627 176Q, shall implement a 2-year pilot program to extend eligibility for premium assistance
628 payments or point-of-service cost-sharing subsidies for applicants at or below 500 per cent of the
629 federal poverty guidelines.

630 (b) Applicants participating in the pilot program that are between 300 and 500 per cent of
631 the federal poverty guidelines shall have access to a plan that meets at least 90 per cent actuarial
632 value; provided, that the affordability standard for the pilot program shall be consistent with
633 current practices pursuant to said section 3 of said chapter 176Q.

634 (c) Notwithstanding the second paragraph of section 2000 of chapter 29 of the General
635 Laws or any other general or special law to the contrary, amounts necessary to support the 2-year
636 pilot program established in subsection (a) shall be expended from the Commonwealth Care
637 Trust Fund, established in said section 2000 of said chapter 29.

638 (d) The commonwealth health insurance connector authority, in consultation with the
639 center for health information and analysis, established in section 2 of chapter 12C of the General
640 Laws, shall evaluate the pilot program to assess the public health, health equity, utilization and
641 financial impacts on residents of reducing out-of-pocket costs and premium costs. The authority,
642 in consultation with the center, shall collect quantitative and qualitative data at the start of the
643 pilot program and at the end of each calendar year of the pilot program to assess the impact on
644 pilot program participants. Data points to be collected, to the extent feasible, shall include, but
645 not be limited to: (i) rates of unmet medical needs due to cost; (ii) disparities in rates of unmet
646 medical needs due to cost; (iii) difficulties accessing care at a doctor's office or clinic; (iv) racial
647 and ethnic disparities in difficulties accessing care at a doctor's office or clinic; (v) insurance
648 coverage rates, including rates of continuous insurance coverage; (vi) racial and ethnic
649 disparities in insurance coverage rates; (vii) visits to a doctor's office, including, but not limited
650 to, the number of visits, frequency of visits and any relevant data related to the visits; and (viii)
651 racial and ethnic disparities in visits to a doctor's office. The authority shall file reports of its
652 evaluation with the clerks of the house of representatives and the senate, the house and senate
653 committees on ways and means, the joint committee on public health and the joint committee on
654 health care financing not later than July 1, 2025 and July 1, 2026.

655 (e) The commonwealth health insurance connector authority shall promulgate any rules
656 or regulations necessary for the implementation and administration of this section.

657 **SECTION 33.** (a) Notwithstanding any general or special law to the contrary, the
658 department of elementary and secondary education shall analyze and report on practices related
659 to school meals. The report shall include a review of food purchasing practices and consumption
660 of school meals in K-12 public schools in the commonwealth, including recommendations for
661 strategies to minimize food waste.

662 (b) The report shall include, but not be limited to: (i) the quantity and cost of food
663 purchased by each school district, including: (A) total foods purchased for school meals; (B)
664 total foods served to students for school meals; and (C) total foods purchased but not served to
665 students; (ii) school practices, categorized by school district, to prevent food that students did not
666 consume, including, but not limited to, fruit or pre-packaged foods, from being discarded; and
667 (iii) practices of other states to reduce school meal waste.

668 (c) The report shall include recommendations from the department to reduce food waste
669 at public schools, including, but not limited to, the feasibility and effectiveness of: (i) increasing
670 input from students, faculty, parents and guardians regarding nutritious meals that appeal to
671 students; (ii) using offer-versus-serve models of meal selection at all grade levels; (iii) presenting
672 meals and items on school menus to students in an appealing manner; (iv) allowing students to
673 keep a breakfast or lunch item for consumption later in the day; (v) utilizing a shared table or
674 food pantry in each school to offer excess food to school or community members; and (vi)
675 increasing composting at each school.

676 (d) Not later than July 31, 2024, the department shall file its report and recommendations
677 with the clerks of the house of representatives and the senate, the house and senate committees
678 on ways and means and the joint committee on education.

679 **SECTION 34.** (a) Notwithstanding any general or special law to the contrary, no voice
680 communication services contract in force on the effective date of this act shall be affected by
681 section 87A of chapter 127 of the General Laws, as inserted by section 23; provided, that voice
682 communication services shall be free of charge to the person initiating and the person receiving
683 the communication beginning on July 1, 2023; provided further, that other communication
684 services offered pursuant to said section 87A of said chapter 127, including, but not limited to,
685 video and electronic communication services, shall be offered free of charge to the person
686 initiating and the person receiving the communication beginning on July 1, 2023.

687 (b) Notwithstanding any general or special law to the contrary, upon the expiration of any
688 contract for voice communication services, the department of correction and the sheriffs shall
689 seek to maximize purchasing power and consolidate contracts to the extent feasible; provided,
690 that not later than January 1, 2024, the department of correction and the sheriffs shall report to
691 the house and senate committees on ways and means and the joint committee on the judiciary on
692 the status of any communication services contracts and plans to consolidate contracts to
693 maximize purchasing power for voice communication services.

694 (c) Notwithstanding any general or special law to the contrary, any financial incentive
695 received in connection with a voice communication services or other communication services
696 contract, including, but not limited to, a commission, shall revert to the General Fund.

697 **SECTION 35.** Notwithstanding the second paragraph of section 6D of section 29 of the
698 General Laws, for fiscal year 2024 the general appropriations act shall include section 2F which
699 shall set forth appropriations funded from the Education and Transportation Fund established in
700 section 2BBBBBB of said chapter 29.

701 **SECTION 36.** (a) Notwithstanding any general or special law to the contrary, the
702 unexpended balances in line-items 0699-0015 and 0699-9100 of section 2 shall be deposited into
703 the State Retiree Benefits Trust Fund established in section 24 of chapter 32A of the General
704 Laws before the certification of the fiscal year 2024 consolidated net surplus, pursuant to section
705 5C of chapter 29 of the General Laws. The amount deposited shall be an amount equal to 10 per
706 cent of all payments received by the commonwealth in fiscal year 2024 under the master
707 settlement agreement in Commonwealth of Massachusetts v. Philip Morris, Inc. et al., Middlesex
708 Superior Court, No. 95-7378; provided, however, that if in fiscal year 2024 the unexpended
709 balances of said line-items 0699-0015 and 0699-9100 of said section 2 are less than 10 per cent
710 of all payments received by the commonwealth in fiscal year 2024 under the master settlement
711 agreement payments, an amount equal to the difference shall be transferred to the State Retiree
712 Benefits Trust Fund from payments received by the commonwealth under the master settlement
713 agreement.

714 (b) Notwithstanding any general or special law to the contrary, the payment percentage
715 set forth in section 152 of chapter 68 of the acts of 2011 shall not apply in fiscal year 2024.

716 **SECTION 37.** Notwithstanding any general or special law to the contrary, the amounts
717 transferred pursuant to subdivision (1) of section 22C of chapter 32 of the General Laws shall be
718 made available for the Commonwealth's Pension Liability Fund established in section 22 of said
719 chapter 32. The amounts transferred pursuant to said subdivision (1) of said section 22C of said
720 chapter 32 shall meet the commonwealth's obligations pursuant to said section 22C of said
721 chapter 32, including retirement benefits payable by the state employees' retirement system and
722 the state teachers' retirement system, for the costs associated with a 3 per cent cost-of-living
723 adjustment pursuant to section 102 of said chapter 32, for the reimbursement of local retirement
724 systems for previously authorized cost-of-living adjustments pursuant to said section 102 of said
725 chapter 32 and for the costs of increased survivor benefits pursuant to chapter 389 of the acts of
726 1984. The state board of retirement and each city, town, county and district shall verify these
727 costs, subject to rules that shall be adopted by the state treasurer. The state treasurer may make
728 payments upon a transfer of funds to reimburse certain cities and towns for pensions of retired
729 teachers, including any other obligation that the commonwealth has assumed on behalf of a
730 retirement system other than the state employees' retirement system or state teachers' retirement
731 system, including the commonwealth's share of the amounts to be transferred pursuant to section
732 22B of said chapter 32. The payments under this section shall be made only pursuant to
733 distribution of money from the Commonwealth's Pension Liability Fund and any distribution,
734 and the payments for which distributions are required, shall be detailed in a written report
735 prepared quarterly by the secretary of administration and finance and submitted to the house and

736 senate committees on ways and means and the joint committee on public service in advance of
737 the distribution. Distributions shall not be made in advance of the date on which a payment is
738 actually to be made. If the amount transferred pursuant to said subdivision (1) of said section
739 22C of said chapter 32 exceeds the amount necessary to adequately fund the annual pension
740 obligations, the excess amount shall be credited to the Pension Reserves Investment Trust Fund
741 established in subdivision (8) of said section 22 of said chapter 32 to reduce the unfunded
742 pension liability of the commonwealth.

743 **SECTION 38.** Notwithstanding any general or special law to the contrary, the secretary
744 of administration and finance, in consultation with the secretary of health and human services,
745 may transfer not more than a total of \$25,000,000 from the prescription advantage program in
746 line-item 9110-1455 of section 2 and the Health Safety Net Trust Fund established in section 66
747 of chapter 118E of the General Laws in fiscal year 2024 to support the Medicare Saving or
748 Medicare Buy-In programs established in section 25A of said chapter 118E; provided, however,
749 that the secretary of health and human services shall certify to the house and senate committees
750 on ways and means, not less than 45 days in advance of the transfer, in writing, the amount to be
751 transferred and an explanation of the amount of expected savings to those programs resulting
752 from the transfer.

753 **SECTION 39.** Notwithstanding any general or special law to the contrary, payments
754 from the Health Safety Net Trust Fund established in section 66 of chapter 118E of the General
755 Laws may be made either as safety net care payments under the commonwealth's waiver
756 pursuant to section 1115 of the federal Social Security Act, 42 U.S.C. 1315, or as an adjustment
757 to service rate payments under Titles XIX and XXI of the federal Social Security Act or a
758 combination of both. Other federally permissible funding mechanisms available for certain
759 hospitals, as defined by regulations of the executive office of health and human services, may be
760 used to reimburse up to \$70,000,000 of uncompensated care pursuant to said section 66 and
761 section 69 of said chapter 118E using sources distinct from the funding made available to the
762 Health Safety Net Trust Fund.

763 **SECTION 40.** Notwithstanding any general or special law to the contrary, not later than
764 October 1, 2023 and without further appropriation, the comptroller shall transfer from the
765 General Fund to the Health Safety Net Trust Fund established in section 66 of chapter 118E of
766 the General Laws the greater of \$45,000,000 or 1/12 of the total expenditures to hospitals and
767 community health centers, required pursuant to this act, for the purposes of making initial gross
768 payments to qualifying acute care hospitals for the hospital fiscal year beginning October 1,
769 2023. These payments shall be made to hospitals before, and in anticipation of, the payment by
770 hospitals of their gross liability to the Health Safety Net Trust Fund. Not later than June 30,
771 2024, the comptroller shall transfer from the Health Safety Net Trust Fund to the General Fund,
772 the amount of the transfer authorized by this section and any allocation of that amount as
773 certified by the director of the health safety net office established in section 65 of said chapter
774 118E.

775 **SECTION 41.** Notwithstanding any general or special law to the contrary, in hospital
776 fiscal year 2024, the office of the inspector general may expend up to \$1,000,000 from the
777 Health Safety Net Trust Fund established in section 66 of chapter 118E of the General Laws for

778 costs associated with maintaining a health safety net audit unit within the office. The unit shall
779 continue to oversee and examine the practices in hospitals including, but not limited to, the care
780 of the uninsured and the resulting free charges. The unit shall also study and review the Medicaid
781 program pursuant to said chapter 118E including, but not limited to, a review of the program's
782 eligibility requirements, utilization, claims administration and compliance with federal mandates.
783 The inspector general shall submit a report to the chairs of the house and senate committees on
784 ways and means on the results of the audits and any other completed analyses not later than
785 March 1, 2024.

786 **SECTION 42.** Notwithstanding any general or special law to the contrary, nursing
787 facility rates effective on October 1, 2023, pursuant to section 13D of chapter 118E of the
788 General Laws, may be developed using the costs of calendar year 2019.

789 **SECTION 43.** Notwithstanding any general or special law to the contrary, the
790 comptroller, at the direction of the secretary of administration and finance, may transfer up to
791 \$15,000,000 from the Commonwealth Care Trust Fund established in section 2000 of chapter
792 29 of the General Laws to the Health Safety Net Trust Fund established in section 66 of chapter
793 118E of the General Laws.

794 **SECTION 44.** Notwithstanding any special or general law to the contrary, for fiscal year
795 2024, \$94,000,000 of the amount transferred in line-item 1595-6370 of section 2E shall be
796 considered operating assistance and distributed to regional transit authorities; provided, however,
797 that for fiscal year 2024, \$90,500,000 shall be distributed based on fiscal year 2023 distributions,
798 in accordance with the updated fiscal year 2023 bilateral memorandum of understanding between
799 each regional transit authority and the Massachusetts Department of Transportation; provided
800 further, that each regional transit authority shall receive operating assistance from said line-item
801 1595-6370 of said section 2E of not less than the amount received in fiscal year 2023; and
802 provided further, that \$3,500,000 shall be distributed to each regional transit authority based on
803 the following formula: 60 per cent based on total transit ridership as reported on the most recent
804 certified national transit data base report, 30 per cent based on population of its member
805 communities from the most recent census and 10 per cent based on service coverage area
806 determined by the total square miles of its member communities. The department may require
807 each regional transit authority to provide data on ridership, customer service and satisfaction,
808 asset management and financial performance, including farebox recovery, and shall compile
809 collected data into a report on the performance of regional transit authorities and each authority's
810 progress towards meeting the performance metrics established in each memorandum of
811 understanding.

812 **SECTION 45.** Section 32 is hereby repealed.

813 **SECTION 46.** Sections 9 through 11, inclusive, and section 35 shall take effect on
814 January 1, 2023.

815 **SECTION 47.** Sections 13 and 14 shall take effect for taxable years beginning on or after
816 January 1, 2023.

817 **SECTION 48.** Section 87A of chapter 127 of the General Laws, as inserted by section
818 23, shall take effect 60 days after the effective date of this act.

819 **SECTION 49.** Section 45 shall take effect on December 31, 2026.

820 **SECTION 50.** Except as otherwise specified, this act shall take effect on July 1, 2023.